

July 16, 2014

The Gallipolis City Commission met in special session on Wednesday, July 16, 2014, at 6:00 p.m. at the Gallipolis Municipal Building, 333 Third Avenue, having complied with Section 9 of the City Charter.

Commission President Steven Wallis called the meeting to order and gave the invocation, praying especially for Commissioner Gallagher, in the hospital.

Upon roll call, the following members were present:

Steven E. Wallis, President
James Jay Cremeens, Vice-President
Michael W. Brown, Member
W. Matthew Johnson, Member

Others attending were:

Randall J. Finney, City Manager
Adam R. Salisbury, City Solicitor
Annette M. Landers, City Auditor/Clerk/Treasurer
Ronnie Lynch Keith Elliott Joy Elliott
Marvin Ours Rob Barkley Mary Lee Marchi
Clint Patterson Roger Warren

Commission received the minutes of the July 1, 2014 meeting prior to this meeting. There being no corrections, objections, or additions, these minutes were approved.

Privilege of Floor was granted to Mr. Rob Barkley, representing AEP Energy, a retail energy provider to residential, commercial, and industrial users throughout the state and the country. AEP Energy submitted a bid for electrical aggregation. Mr. Barkley offered to answer any questions.

The City Manager reported on the following:

- Water line repairs – The new valve has been installed, which helped quite a bit on water loss. A new 2" water line leak was found on Jackson Pike. It looks like all of the major leaks are stopped now. E.L. Robinson was the only respondent on the recent request for qualifications for engineering services. Drawings should be here by the end of the month and the project should go out to bid in August. Ohio EMA seems okay with our plans for repairs. Columbus and Montgomery County still need to submit bills for their services during the water emergency. We also need to patch the streets in several places once we are sure that the leaks are under control.
- There have been talks in preparation for a contract with the Gallipolis City Schools concerning a Student Resource Officer. The contract period would be from August 21, 2014 through May 22, 2015 at a cost of \$28,000 annually, payable monthly upon receipt of documentation, for the period. Mr. Brown made a motion to enter into contract, seconded by Mr. Johnson. In discussions, the Commissioners decided to table the motion until they have a chance to read the contract in its entirety. In answer to questions from Mr. Cremeens, Chief Patterson stated that the contract allows the officer to be pulled away from the school if needed to respond to an emergency. The officer will only be working at the Middle School, but the schools are possibly seeking an officer for 20 hours per week at another school in the City and one in the County. He or another officer may also be assisting with traffic control at Washington School. Mr. Finney pointed out that there is an

- officer who has expressed interest in the position, but the position would need to go through the regular posting process before it is awarded.
- The Transportation Improvement District (TID) is awarding \$22,900 (10% of the project cost) for the State Rt. 588 Project. The balance of the funding will come from the CDBG Grant, if awarded.
 - Roger Warren has been recommended for appointment to the Gallipolis Fire Department. Mr. Cremeens made a motion to appoint Roger Warren to the Gallipolis Fire Department, seconded by Mr. Brown. Upon voice vote on the motion, all votes were yes.
 - Health Insurance – Mr. Finney met last week with representatives from Ohio Insurance Services for Ohio Public Employees Consortium (OPEC), Saunders Insurance, and The Wiseman Agency concerning employee health insurance for the coming year. Our health and dental insurance will continue through Medical Mutual using OPEC. The dental may change, but information on this is not complete yet. Prescription coverage will go from Express Scripts to CVS/Caremark. We will pay \$6,000 per month to OPEC for the portion of our employees' health insurance that we are currently funding through the Insurance Risk Account to cover the \$5,400 per employee/\$10,800 per family of deductible that we pay over and above the employee's initial deductible of \$600 per employee/\$1,200 per family. VSP vision coverage was earlier approved through Wiseman Insurance, but we are looking into OPEC's VSP plan, which seems to be a cost savings. Mr. Finney has asked for a comparison. We need to sign on by August 1st for a 3-year contract for health and prescription services.
 - On the agenda for a first reading tonight is an ordinance to create a Waste Water Collection 2 position, as required by the EPA. Ralph Taylor has the certification now, but there is no position in our current pay ordinance for this.
 - The flag pole on Fortification Hill now has a new drill-operated pulley system in place to raise and lower the flag. It is working well, to everyone's great satisfaction. They are now working on installing the automatic gate.
 - Trey Smith, the young man badly burned in a house fire in Pt. Pleasant, will be returning home from the hospital in Cincinnati on Saturday. His route will bring him through Gallipolis. A parade in his honor is planned to begin at the Silver Bridge Plaza around 1:45 p.m. and proceed from there through Pt. Pleasant. They are asking everyone to wear red and display red balloons.
 - Wilma Thaxton has given notice of her plan to retire on August 29th. Mr. Finney would like to change the position to include additional job duties beyond just sitting at a desk and answering the telephone, such as general maintenance, helping the mechanic, paperwork, and inventory. He will present something at a future meeting.

Mr. Finney opened discussions on electric aggregation by going through the rate increases offered by Dayton Light & Power, the provider under the VESI Electric Aggregation Plan, which is the City's current provider until the contract expires in August. Residential rates were due to increase by 53% and commercial by 37%. We have benefitted from the old rates, as they sheltered us from increases that we would have experienced had we not been under our aggregation program contract. Mr. Finney sent out bids. He showed a bid tabulation spreadsheet on-screen. One bidder (IGS) only bid for the municipal operations, which was not part of the bid package, but the bid was very low. Aspen Energy was the low bidder on residential services. AEP was the low bidder on Commercial. Because of all of this, it would appear that the City operations would do better outside of aggregation. The question to determine is whether the Commission wishes to go with aggregation, at a greater cost for City operations, or abandon aggregation.

Mr. Barkley stated that the market has changed fundamentally over the last few years, largely due to EPA regulatory changes. Cost associated with delivery have gone way up. Rates under many aggregation programs have risen from \$0.05 - \$0.06/Kwh to \$0.07 - \$0.08/Kwh or more. He explained that AEP Energy provides residential, small commercial (up to 700,000 Kwh/yr. usage), and blended

(residential & commercial) rates. Big chains, such as Krogers, would not be considered small commercial. Anyone can opt-out of their program. There is also no early termination fee. They did not bid separately for just the municipal facilities. Mr. Finney replied that this was not part of the bid solicitation. The solicitation also did not ask for a blended rate, largely due to the fact that we were not aware of this rate's existence. Mr. Barkley went into some detail in explaining AEP's more recent changes in structure. He said that AEP Ohio will continue to cover the distribution portion of people's bills regardless of who they go with for aggregation. Most communities are going with a blended rate. Mr. Barkley concluded by stating that they are very interested in serving our community.

Mr. Cremeens spoke positively of AEP's contributions to the local communities. Mr. Brown and Mr. Cremeens were interested in the blended rate, but Mr. Salisbury advised that the rates would need to be re-bid with a blended rate structure offered as a bid option. City facilities could be bid separately. The question came up as to whether all of the City facilities would qualify as small commercial, but in discussion, it appeared that they probably would. Mr. Johnson pointed out that the Commission could vote to aggregate, but the City facilities could opt out and bid their own services separately. Mr. Finney pointed out that residents might be offended by such a move. Mr. Barkley explained that the only means of getting out of an aggregation program, once instituted, would be to opt out at the beginning, call AEP Ohio within seven days, after receiving a letter from them, to rescind the contract, or for individual customers to terminate early. Aggregation suppliers cannot be split, taking residential service from one and commercial from another. Mr. Finney concluded that the decision that Commission needs to make this evening is whether to go with an aggregation program or not. If we do not aggregate, then each customer will need to negotiate individually for the best rate.

There was a great deal of discussion on how to word a motion, with Mr. Johnson making and Mr. Brown initially seconding a motion to go with AEP Energy's Aggregation Program for three years. Mr. Finney said that he would need to calculate Kwh's of residential and commercial usage contained in the bid package in order to determine the vendor with the lowest and best bid. He said we must assure that we are correctly calculating the lowest and best bid to avoid any controversy regarding the fair selection of a vendor. Mr. Johnson ultimately settled on making a motion to stay with an aggregation program and lock in rates for three years, seconded by Mr. Brown. Commissioners discussed that the decision will be based upon the calculation that the City Manager performs to determine the lowest and best bid. Upon roll call on the motion, Mr. Cremeens voted no, Mr. Wallis abstained, and Mr. Brown and Mr. Johnson voted yes. Upon conferring with counsel over the telephone, Mr. Finney stated that an abstention counts as a "no" vote. The motion was defeated.

Commissioners discussed the implications of a decision not to aggregate. Mr. Johnson asked Mr. Cremeens directly if he truly did not want to aggregate. Mr. Finney has already been given the authority by ordinance, Charter, and Ohio Revised Code to select the lowest and best bid, which he will need to lock into place quickly in the volatile market we have now. Mr. Finney offered to bring back the numbers, if desired, before they make a decision whether to aggregate or not.

Mr. Cremeens made a motion to continue with an aggregation program and lock in for a three-year term, seconded by Mr. Brown. Upon roll call, Mr. Wallis abstained. All other votes were yes. Motion carried.

Mr. Finney said that he will be off tomorrow afternoon to take his father to Columbus. Also, he plans to take Monday to Wednesday of next week off.

The City Auditor asked if the Commissioners would like to have a post-audit meeting with the auditors. They asked if anything new had come up during the audit. Ms. Landers replied that nothing new had come up. The management letter will contain two recommendations carried over from last year: one

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about individual bonds for certain employee positions and another concerning disaster recovery for the municipal court. A post-audit would result in some additional chargeable hours. The Commissioners decided not to ask for a post-audit meeting.

Ms. Landers presented the June Financial Statement for approval. Mr. Johnson made a motion to approve the June Financial Statement, seconded by Mr. Brown. Upon voice vote on the motion, all votes were yes.

Three invoices over \$3,000 were presented for approval of payment:

- \$19,184.40 from Waste Management for May refuse pick-up. Inv. date 6/1/14; PO 6/16/14
- \$6,420 from H&S Contracting for demolition of properties. Inv. Date 6/2/14; PO 6/6/14
- \$4,589.38 from Miles Leak Detection for work during water emergency. Inv. Date 6/11/14; PO 7/1/14

Mr. Brown made a motion to approve payment of these invoices, seconded by Mr. Cremeens. Upon voice vote on the motion, all votes were yes.

President Wallis gave the report for the City Solicitor. The case against the owners of both sides of the Thomas Clothiers property has been filed. They have two days left to respond before he makes another filing this Monday.

Mr. Johnson reported that the events of the past two weekends (River Recreation Festival and the Hoops Project) enjoyed good weather and good participation. There were ten more teams than last year at the Hoops Project, with some teams traveling long distances. It seems to get better every year. Mr. Johnson hopes to have some numbers on the economic impact to local businesses to report as figures come in. Just from the look of the activity, it seemed to be a real boost to the local economy.

Mr. Brown inquired about the status of the new police cruisers. Mr. Finney replied that at last report, they were waiting to receive some parts. Mr. Brown asked about a truck, owned by Graham's Towing, which has been parking in the street for a while. Mr. Finney promised to look into this. Mr. Brown went on to say that vehicles have been parking on the curb in the 700 block of Second Avenue. There has also been a car with a flat tire parking on Pine Street for the past six months. Roma Wood's property on the 900 block of Fourth Avenue has tires in the back yard, creating a nuisance for mosquito propagation. Lynn Angel's properties on the 100 block of Fourth and the 800 block of Third have a problem with high weeds, as does the 600 block of Third Avenue (weeds over the sidewalk). 960 First Avenue has shrubbery over the sidewalk. Mr. Brown would like to see two more "no parking this side" signs on the 900 block of First Avenue.

Mr. Wallis asked about the e-mail for ethics training and whether Mr. Finney still planned to give a shorter version of it for the Commissioners. Mr. Finney affirmed that this was his plan when things settled down some from other recent activities.

Mr. Brown brought up the issue of traffic flow around the City Park going from one-way to two-way. Mr. Johnson asked him to wait until Mr. Gallagher could be present. Mr. Brown made a motion to make State Street and Court Street two-way around the City Park, seconded by Mr. Cremeens. Mr. Johnson asked how this would make it safer. Mr. Brown replied that people were going the wrong way, creating a dangerous situation. Mr. Johnson pointed out that the change would require a change in parking, which would cost money. It would also cause a greater problem for those making turns both ways from Court Street. Upon voice vote on the motion, Mr. Johnson voted no. All other votes were yes. Motion carried.

There was presented and read to the Commission for a first reading an Ordinance No. O2014-40 entitled **AN EMERGENCY ORDINANCE TO REVISE THE CODIFIED ORDINANCES OF THE**

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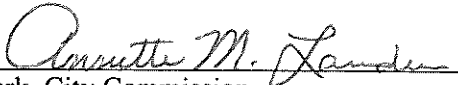
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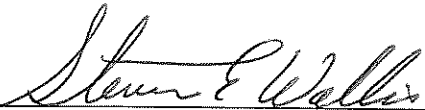
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CITY OF GALLIPOLIS, OHIO, BY ADOPTING CURRENT REPLACEMENT PAGES PURSUANT TO THE AGREEMENT WITH THE WALTER H. DRANE COMPANY. Mr. Cremeens made a motion to place this ordinance on first reading, seconded by Mr. Brown. Upon voice vote to place this ordinance on first reading, all votes were yes.

There was presented and read to the Commission for a first reading an Ordinance No. O2014-41 entitled **AN EMERGENCY ORDINANCE AMENDING ORDINANCE NO. O2010-77, AS AMENDED BY ORDINANCE NO. O2011-01, AS AMENDED BY ORDINANCE NO. O2011-79, AS AMENDED BY ORDINANCE NO. O2013-21, AS AMENDED BY ORDINANCE NO. O2014-04, AS AMENDED BY ORDINANCE NO. O2014-20, AS AMENDED BY ORDINANCE NO. O2014-29, AS AMENDED BY ORDINANCE NO. O2014-38, AMENDING SECTION D5, WATER DISTRIBUTION/SEWER COLLECTION, AND REPEALING PREVIOUS ORDINANCES SETTING SAID COMPENSATION.** Mr. Johnson made a motion to place this ordinance on first reading, seconded by Mr. Cremeens. Upon voice vote to place this ordinance on first reading, all votes were yes.

There being no further business to come before the City Commission, the meeting was adjourned.


Clerk, City Commission


President, City Commission