

MINUTES – REGULAR SESSION

PORTSMOUTH CITY COUNCIL MEETING

Monday, January 12, 2009

6:00 P.M.

The City Council of the City of Portsmouth, Ohio met in regular session on Monday, January 12, 2009 at 6:00 p.m., in the Council Chambers of the Municipal Building.

Acting President, David Malone called the meeting to order. The Pledge of Allegiance to the Flag followed a moment of silent prayer.

Roll Call showed the following members to be present:

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| Mike Mearan | 1 st Ward |
| David Malone | 2 nd Ward |
| Bob Mollette | 3 rd Ward |
| Jerrold Albrecht | 4 th Ward |
| John Haas | 5 th Ward |
| Richard Noel | 6 th Ward |

Also present were Mayor, James D. Kalb; City Solicitor, Michael L. Jones and City Auditor, M. Trent Williams.

Council dispensed with the reading of the Journal for the regular session of December 22, 2008, on a motion by Councilman Albrecht.

STATEMENTS FROM CITIZENS ON ITEMS ON THE AGENDA

Dee Penix – 1708 Hutchins Street, with regard to the proposed income tax increase, questioned the allocation and felt the plans for the revenue received from this increase needed to be explained to the public. She agreed that the income tax should provide additional revenue instead of taxing property owners. She questioned the reference to a part of the tax being used for bond retirement and felt if the use of this increase is not made clear the public will not vote for it.

Harald Daub – 1221-22nd Street said he did not understand why the City was asking for an “empty checking account”. Questioned how anyone would know how the money is to be spent and reiterated his objection to employees and elected officials receiving a 3% increase. He said if the Portsmouth Times does not cover this situation he will personally put out pamphlets to every voter in this City explaining the income tax increase to them.

Eileen Perry – 1410-16th Street reiterated her concern for one person on Argonne Road who, she said did not get a notice about the possible vacation of a portion of Argonne Road and objects to the vacation.

Teresa Mollette – 1705 Franklin Blvd., referring to a 1969 – 1970 pamphlet which, she said, basically stated a plan for the direction of Portsmouth; she said she has not seen anything like this with regard to the proposed increase in income tax. She claimed the citizens would not vote for an income tax increase without a plan. She continued to emphasize the need for a plan and saying that with one she would be in favor of the increase. She claimed this Council, the Mayor and the Auditor of trying to “finagle” money into an “open pot....blank check”. She complained about the past purchase of vehicles and claimed “every single person in the City of Portsmouth that works for the City is almost driving a brand new vehicle”. She claimed Ironton, Ohio to have “negotiated a percentage for raises for their union employees, that’s all been renegotiated because they don’t have the funds”. With regard to a 3% increase being budgeted for the Solicitor, Auditor and Mayor, Mrs. Mollette said, “I still haven’t received my, I think I did file a complaint and I’m still waiting on that answer, so I’m waiting to see what happens with that and I’ll just add this to it”. Mrs. Mollette questioned giving raises when, she claimed, the Governor and other communities are freezing wages. She questioned an increase in income tax when the City will have a carryover of \$500,000.00 into 2009. Mrs. Mollette, referring to a meeting she attended last week regarding the Board of Elections and claimed this basically said was, “at the hands of certain City officials it was devious the way we are handling the way we do business”. She again emphasized the word “devious” and stated that to be the word the chair used. She asked, “Isn’t it nice to know that members of our City government are considered devious?” and described that distinction as “pretty poor”. She objected to any plan to move forward with a City building at this time saying “we are good with what we are”. She claimed our population to have dropped to 18,000 – some of which are “kids”.

LEGISLATION

The Clerk gave a **second reading** to an ordinance authorizing the vacation of Sinton Street between 3rd and 4th Streets requested by Neal Hatcher as described in the attached legal description, with the City of Portsmouth reserving all easements and retaining utility rights under Sinton Street.

Councilman Albrecht moved this constitute a second reading.

There were no questions or comments. The roll was called. **VOTE: ayes 6 – nays 0 A second reading was declared.**

The Clerk gave a **second reading** to an ordinance authorizing and directing the Auditor of the City of Portsmouth, Ohio, to distribute all City Income Taxes for the year 2009, collected in accordance with Ordinances No. 100 of 1970; No. 110 of 1976 and No. 84 of 1987 into the General Fund and Capital Improvements Fund as hereinafter set forth.

Councilman Albrecht moved this constitute a second reading.

There were no questions or comments. The roll was called. **VOTE: ayes 6 – nays 0 A second reading was declared.**

The Clerk gave a **second reading** to a resolution requesting the advance payment of all taxes now standing to the account of the City of Portsmouth, Ohio, from the Treasurer of Scioto county, Ohio, and any and all other monies due the City of Portsmouth, Ohio, included in the certificate of estimated resources as issued and approved by County Budget Commission, and to be credited to the respective funds by the warrants received from the Auditor of Scioto County, Ohio.

Councilman Albrecht moved to suspend the rule requiring a resolution with the weight of an ordinance be read on three separate dates.

The roll was called. **VOTE: ayes 6 – nays 0 The rule was suspended.**

Councilman Albrecht made a motion to adopt the resolution.

There were no questions or comments. The roll was called. **VOTE: ayes 6 – nays 0 The resolution was adopted. RES. #01-09**

The Clerk gave a **second reading** to an ordinance authorizing the vacation of Argonne Road from Spring Lane south to Kinneys Lane as requested by Kings Daughters Medical Center with the City of Portsmouth reserving all easements and retaining utility rights under Argonne Road. This ordinance is contingent on Kings Daughters Medical Center purchasing the property known as the Pipeyard Property, specifically Parcel Nos. 29-1261, 29-0310, 29-1202 and 29-1201.

Councilman Albrecht moved this constitute a second reading.

Councilman Mollette repeated his request that this item be taken to the Traffic Committee. In response the Mayor again stated that everyone had been notified and there were no objections to the vacation, however, Mr. Mollette claimed there to be one person who was not notified and reiterated his concerns. In response to the Mayor asking if Mr. Mollette were suggesting that we not move forward with the expansion of the hospital and creation of jobs on the possibility that one person might have a problem going a block down for a traffic light, Mr. Mollette said he supports their project but felt we should not punish the people that live on that street. He also said the City should not hold up Kings Daughter and the City should plan ahead to avoid any conflicts that we have. He also felt we should protect our citizens and support the needed improvements to our infrastructure. Councilman Noel concurred with Councilman Mollette, saying he believed all the people should be notified and he would like to see something done to provide the people with their rights. In response to Councilman Albrecht, the Mayor again stated that if the vacation created a problem and the solution was the installation of another traffic signal that would be done.

There being no further questions or comments the roll was called. **VOTE: ayes 6 – nays 0 A second reading was declared.**

The Clerk gave a **first reading** to an ordinance authorizing the acceptance of check no. 3363 from HCC Insurance Company in the amount of \$4,400.00 into Insurance Proceeds Revenue Line Item No. 301.4931 and the appropriation of the same, plus the deductible, for a total amount of \$5,400.00 into Traffic Street Maintenance Line Item No. 101.331.5329 for damages to a light pole assembly that was hit and destroyed by an unknown motorist.

Councilman Albrecht moved to suspend the rule requiring an ordinance be read on three separate dates.

The roll was called. **VOTE: ayes 6 – nays 0 The rule was suspended.**

Councilman Albrecht made a motion to pass the ordinance.

There were no questions or comments. The roll was called. **VOTE: ayes 6 –nays 0 The ordinance was passed. ORD. #01-01**

The Clerk gave a **first reading** to an ordinance authorizing the Mayor of the City of Portsmouth to enter into an agreement with the Ohio Department of Development for the FY 2009 through FY 2011 for the administration of the Business Revolving Loan Fund (BRLF) and consider the same to be an emergency.

Councilman Albrecht moved to suspend the rule requiring an ordinance be read on three separate dates.

The roll was called. **VOTE: ayes 6 – nays 0 The rule was suspended.**

Councilman Albrecht made a motion to pass the ordinance.

There were no questions or comments. The roll was called. **VOTE: ayes 6 – nays 0 The ordinance was passed. ORD. #02-09**

The Clerk gave a **first reading** to an ordinance authorizing the Mayor to enter into an agreement with Environmental Engineering Service for engineering services.

Councilman Albrecht moved this constitute a first reading.

Councilman Mollette requested the Director of Waste Water, Rick Duncan to explain the services that the City would receive.

Mr. Duncan advised Council that Mr. Leone, a representative of the engineering firm is present to answer any questions. Mr. Duncan said he has not yet had an opportunity to meet with the Mayor and Auditor to discuss exactly from where the money will come. He expressed appreciation to Council for considering this ordinance for a first reading even though it is something that needs to be done. He expressed hope that the ordinance could be passed on the second reading. As he did at the conference/work session, Mr. Duncan explained the qualified projects that are being considered for the available funds under the stimulus package. He noted that the projects have to be “shovel ready” and can begin within 120 days. He said some of the projects that have already been started can be used as local matches for the larger amount of money. In response to Councilman Albrecht asking if it would be better to pass this ordinance tonight, Mr. Duncan said he would feel comfortable with it being passed this evening but noted again that he has not had an opportunity to speak with the Auditor about the amount of money that would be involved. He also pointed out that we do not yet know the amount of the government’s stimulus package.

Councilman Albrecht withdrew his motion for a first reading and made a motion to suspend the rule requiring an ordinance be read on three separate dates.

The roll was called. **VOTE: ayes 3 (Albrecht; Haas; Mearan) – nays 3 (Noel; Malone; Mollette) The motion to suspend the rule failed. A first reading was declared.**

The Acting President felt a first reading will allow Mr. Duncan an opportunity to talk with the Auditor before Council votes on the ordinance.

The Clerk gave a **first reading** to an ordinance to make appropriations necessary for the current expenses of the City of Portsmouth, Ohio for the months of January and February 2009 as provided for in Section 50 of the Charter of the City of Portsmouth, Ohio.

Councilman Albrecht moved to suspend the rule requiring an ordinance be read on three separate dates.

The roll was called. **VOTE: ayes 4 (Haas; Mearan; Malone; Albrecht) - nays 2 (Noel; Mollette) The rule was suspended.**

Councilman Albrecht made a motion to pass the ordinance.

Councilman Mollette again referred to Sections 48, 49 and 50 of the charter and re-expressed his concern that these sections are not being properly followed and further expressed his belief that if Council continues to let this occur, the practice will continue. He asked if there is a figure that shows the total amount of the 2009 appropriations or if it is safe to assume that the figure presented on the draft budget is the total amount of the appropriations. The Mayor stated that the appropriation ordinance is based on 1/6th of the draft he has in front of him. Mr. Mollette did not feel that answered his question and explained the content of the charter as stated in Sections 48,49 and advised that Council does not know what amount represents the 1/6%. The Mayor explained that the appropriation ordinance would be based on the draft budget and acknowledged that this ordinance is for 1/6th of the proposed \$11,704,118.00. In response to Councilman Noel inquiring as to what problem there would be with giving this ordinance three readings, the Mayor noted that there are bills that have to be paid at this time. The Auditor advised Mr. Noel that the City is required to have an ordinance in place for appropriations to meet the payroll of January 16th. In response to Mr. Noel asking what the January 16th had to do with this ordinance, the Auditor advised that this ordinance will allow him to make Friday’s payroll.

There being no further questions or comments the roll was called. **VOTE: ayes 5 (Mearan; Malone; Mollette; Albrecht; Haas) – nays 1 (Noel) The ordinance passed. ORD. #03-09**

The Clerk gave a **first reading** to an ordinance authorizing the Mayor of the City of Portsmouth, Ohio to enter into a contract for a year period with the Scioto County Sheriff, in an amount not to exceed \$90,558 for

2009, to provide security for the Portsmouth Municipal Court to be paid from Municipal Court Contractual Fund No. 101.111.5299.

Councilman Albrecht moved to suspend the rule requiring an ordinance be read on three separate dates.

The roll was called. **VOTE: ayes 6 – nays 0 The rule was suspended.**

Councilman Albrecht made a motion to pass the ordinance.

In response to Councilman Mollette asking if the \$90,558.00 was available in the Municipal Court's Contractual Fund, the Mayor said there would be since the two-month appropriation has been passed and the fact that the payments for this service is made monthly.

There being no further questions or comments, the roll was called. **VOTE: ayes 6 – nays 0 The ordinance was passed. ORD. #04-09**

The Clerk gave a **first reading** to an ordinance to submit to the electors of the City of Portsmouth, Ohio, at the Primary Election to be held on the 5th day of May, 2009, a supplemental section to the Charter of the City of Portsmouth, Ohio, to levy annually an income tax in an additional amount of six tenths (6/10) of one percent (1%), not withstanding any provision in Section 47-a of the Charter of the City of Portsmouth, Ohio prohibiting said tax.

Prior to a motion being made the Acting President advised Council there to be sufficient time to give this ordinance three readings and still meet the deadline for filing with the Board of Elections.

Councilman Albrecht moved this constitute a first reading.

In response to Councilman Mearan, the Clerk explained that the filing date to submit this issue to the electorate to be at 4:00 p.m. on February 19th, which allows the Council to give the ordinance three readings. She noted that the third reading would be at the meeting of February 9th, which allows sufficient time to file and allows time should it be necessary to have a special meeting. The Auditor pointed out how the funds would be allocated, as shown on page 2 of the ordinance. He noted that he and the Solicitor felt it to be more prudent to allocate the 33% to Capital Improvements rather than debt because the 33% can be used for debt that may or may not be borrowed. He also suggested that the most recent property tax be transferred to income tax to make it fairer, among other reasons. Mr. Williams stated that by being proactive and putting this request in place, the 33% would generate enough revenue to cover any debt service, should we have to bond for 20 – 25 or 30 years the money would still be available for capital improvements. The Auditor acknowledged that while the allocation of the 33% was changed in Section I, it was not corrected elsewhere in the ordinance and suggested it be amended to reflect the correct allocation throughout the ordinance. The Auditor explained that in determining how the increase would be allocated he looked at the historic needs of the City as well as looking into the future needs of the City. He identified the City's two biggest problems, from his perspective, as being potential deficits, which he reemphasized is something we have never had, which we cannot overlook the possibility of this happening. He also noted that we need to put a number in place so that every year we are not looking at any deficit whatsoever. With regard to a citizen's earlier remark, the Auditor said it sounded as if that particular individual felt that the City should be doing badly and he felt that to not be the case and felt the City should be building a good financial condition regardless of how the state or anyone else is doing. He reiterated his advise to Council that they should establish good solid balances in each fund, and saying he felt it to be very irresponsible to only have \$500,000.00 as a carryover. He acknowledged that while \$500,000.00 would be a lot of money in a person's individual account, it was negligible with an overall budget of ten to eleven million dollars. He said, if this increase passes, the funds need to be allocated to the right places and he felt the general municipal operations need a boost. The Auditor explained that the CIP allocation would provide future funding for building needs and would be fairer as an income tax than as a property tax. Noting that we do not have any revenues in our recreation fund, Mr. Williams said the allocation for recreation would allow the City to put a good size portion of the money into recreation, which he said could eventually put the City back to where it was many years ago when we had a recreation department. He said these funds would not only allow us to have a pool but would allow us to afford to build facilities and actually operate them with good management. He noted another place where the City is deficient to be retirement, saying if we were to have several people retire at one time it could put the City in a bind with regard to the general fund with regard to where from those payouts would come. Mr. Williams acknowledged that the City has been pretty fortunate in that the retirements have been spaced out but that does not mean that there won't be several retirements at one time. In response to Councilman Albrecht inquiring as to what the allocation to general operations would encompass and whether that and the other suggested allocations could be broken down further to show exactly how they would be used, the Auditor noted that the actual ordinance and ballot language needs to be kept concise because the language will become a part of the charter. Mr. Albrecht explained that over the three readings he would like to hear a more detailed account of how the funds will be expended as proposed for each listed allocation. Mr. Williams agreed to elaborate more publicly as to how the funds will be expended.

In response to Councilman Haas asking if the language as provided in this ordinance was adequate for placement on the ballot with regard to specificity, the Solicitor, after noting a couple of typos in the ordinance and acknowledging the need to amend the ordinance as stated by the Auditor, said that the language meets the

requirement for placing the issue on the ballot. The Auditor advised Councilman Haas that the ordinance goes along with the charter language and ordinances that already exist with regard to amendments to the charter.

In response to the President recognizing that a motion is needed to correct the ordinance, the Clerk noted that the typos would automatically be corrected, however where the language has to be changed a motion to amend was in order.

Councilman Albrecht made a motion to amend the ordinance to remove the words "bond retirement debt service" in Sections I and III and to insert, in their place, the words "capital improvements".

The roll was called. **VOTE: ayes 6 – nays 0 The ordinance was amended.**

Councilman Mollette said he did not believe throwing money at a problem is the most efficient way to fix a problem said he felt there needed to be binding language that identifies a plan, that this is not a blank check and that there is "full intent of fulfilling what it is we are asking for". Councilman Mollette described "budget time" as being a "time for the City government to shine", saying it is a time to show what is going to be done with the revenues that will be received and to show the best use of the available resources. He expressed his disappointment at what he feels is a lack of communication from the various departments and his desire for a five-year plan from those departments, however he did acknowledge that some departments do have five-year plans. He reiterated remarks he has made at previous meetings regarding user fees and his request for a five-year look at future expectations. Mr. Mollette felt a plan is needed in advance "so that we don't allow different groups that would take the ballot language, once it is placed on the ballot, to be discussing what it involves, what it means to for the City to get this 6/10th." He felt the City needs "a firm plan of what that 6/10th is going to get the citizens" and reiterated his belief that citizens do not mind spending money if they know in advance that they are going to get something and that they are helping their community grow and his belief that citizens have lost confidence in City government due to the lack of "a plan".

The Auditor pointed out the fact that his role, as requested at the last meeting, was to bring a starting point to Council not to bring a crystal ball. He noted this to be Council's ordinance and he brought it to them as a starting point and if they have a plan, it was his suggestion, that Council get with the Mayor and get that plan moving forward or at least work with the Mayor to develop that plan. He asked Councilman Mollette who is supposed to come up with "the plan". Mr. Mollette, referring to the budget, noted that the projections show the City will end 2009 with an excess of \$550,000.00 and felt as a citizen, when asked for more money, would want to know for what purpose but as a member of Council he would have stated with ideas, where we need to go. He said he expects the administration to provide information as to where the City needs to go and how we get there and felt this information could be provided to the Mayor by the department heads, saying "he has the resources at his fingertips". He said he would love to participate in having these open discussion but felt there needs to be a starting point, which he acknowledged the Auditor to have offered. He said, the department heads are on the administrative side". Councilman Noel said he probably started this option of using increasing income tax when an increase in property taxes was being discussed. He felt this ordinance to be comparable to what was previously discussed and acknowledged New Boston's income tax rate to be higher than that of the City of Portsmouth. Mr. Noel reviewed the history of the City's income tax from its inception in 1953, an increase in 1970 and the last increase in 1977. He claimed this request for an increase to be less than two years "from the other raise" and felt the issue has a poor chance of passing. Mr. Noel said he does not see where it has to be such an emergency at this time when the whole country has "such a problem with their income". He said he has always been a union person but objected to the "9% raise" that the employees were given. Mr. Noel felt the union contracts should have only been negotiated for one year with a 3% raise, which he felt would be better than a three year contract with a 3% increase each year. Mr. Noel felt most of the people who are going to pay for this are receiving a cut in their wages. He said he thought this was a bad time to come up with an increase of this time and suggested things might be better next year. Mr. Noel reiterated his previous requests to have the present City building evaluated to determine the cost of getting this building "in tip top shape". He said when this information is provided he will support the project.

In response, the Auditor said he did not know how the income tax began but would agree with Mr. Noel that this is probably not the best time to put forward a request for an increase. He noted that not putting the issue on the ballot is an option; however a way has to be found to provide for the operation of the City. Mr. Williams said he did not think anyone expects services for free or that those providing these services not be paid. He acknowledged Council to have a tough task in front of them and he hoped they were not disassociating themselves from assisting in the solving of the problem. He said all he is hearing is administration but Council is the one that will ultimately make the decision. Mr. Williams advised Mr. Mollette that the 6/10th of 1% would increase revenues by 2.7 million per year, which would be allocated as follows: \$1,215,000.00 for general municipal operations; \$891,000.00 for capital improvements; \$450,000.00 for recreation; and \$189,000 for retirement, pension and insurance reserves. Mr. William reiterated the fact that he was doing what was requested by providing Council with a starting point for discussion and advised that he would welcome a discussion. Councilman Noel said he understands what was just presented by the Auditor and he felt this to be the right time and place to start a discussion, however, he felt that if Council acts on this the City will not be any further ahead now than a year ago when the City Center was being discussed. Mr. Noel said he wants to have a discussion on what the City is going to do with the money that's not needed for maintenance. He said, "I know we can't give 3% raises to all our employees every year and keep doing what we're doing – going to the, over to the county to get the money to do our building".

The Auditor acknowledged his proposed increase may not be what Council wants but it is open for discussion. He reported the last income tax increase to have been in 1987, which was a 4/10th % increase. In response to the Auditor not being clear on the increase Mr. Noel referred to as having taken place two years ago, Mr. Noel claimed this to have been a ½% increase and was in the charter. The Auditor, reading from the charter, reported the amounts of ½%; ½% and 4/10% for a total of 1.4% with the last increase being 22 years ago.

There being no further comments the roll was called. **VOTE: ayes 4 (Albrecht; Haas; Mearan; Malone) – nays 2 (Noel; Mollette) A first reading was declared.**

STATEMENTS FROM CITIZENS ON ITEMS NOT ON THE AGENDA

Wayne Nichols – 2018-8th Street reiterated his objections to the purchase of a fire truck and stating that there was almost a referendum filed against the purchase. He suggested the City should “put away” \$50,000 a year so they could pay for a truck at the end of 25 years.

Thanked members of the American Legion for signing his petition to name local bridges after members of the armed forces who are medal winners or either KIA or MIA. He said he had asked the Daily Times to do an article about it but they want him to write an editorial. He described the newspaper as being “unresponsive” to what the public wants but he would do what he can.

Thanked Ohio State for a great game against Texas even though they didn’t win but felt there were some questionable calls by the officials.

Ray Mitchell – 2460 Micklethwaite Road complained about there not being a drinking fountain on this floor.

Referring to a swimming pool, which he thought he heard mentioned by someone, Mr. Mitchell questioned this since he did not feel the City could afford to open the one it has and questioned what he thought were plans to buy another pool.

Mr. Mitchell felt that if some of the tax abatements were “straightened out” the City would have some money. He said he just learned this week the SOMC purchased a house between him and Timlin Hill for student housing. He also claimed they are getting a tax abatement and estimated the amount to be \$2,000.00 per year. He felt these students could be staying at a motel, paying taxes and helping the City. He claimed SOMC to “have it made” because, “they can go down here on Sunrise, buy a house tax abatement, no taxes on it, make it into an office”. He also claimed there to be places in town that get a 20-year tax abatement for just replacing the façade on their building. He further claimed these people are getting paid to replace their façade and also getting the 20-year tax abatement and estimated this amount to be \$60,000 over the 20-year period.

Mr. Mitchell claimed that Mr. Haas is not listed in the phone book and upon being asked if he were going to be a Councilman for the 5th ward, Mr. Haas pointed to the spelling of his name and asked Mr. Mitchell if he were spelling it correctly because it is in the phone book. Upon confirming that Mr. Haas’ number is in the most recent phone directory, Mr. Mitchell remarked that Mr. Haas’ house number was not listed.

With regard to the \$500,000.00 carry-over the City realized at the end of 2008, Mr. Mitchell objected to the Auditor referring to the amount as it were “peanuts”, and said that is what is wrong with this City.

Upon Mr. Mitchell completing his remarks, the Mayor noted a point of order and acknowledging that it is not in Council’s rules, asked if it would show proper respect if, when someone comes to the podium to speak, they would remove their hat. Mr. Mitchell remarked that nobody ever mentioned that before.

Austin Leedom – 1521-5th Street said he was very happy to hear about the pay raises and noted that the Solicitor, Auditor, and Mayor are scheduled to also receive this increase. He stated that while these individuals are getting a pay increase he is receiving an increase in his user fees. He suggested there could be some people who might question whether or not they deserve an increase. Mr. Leedom said he was also happy about the proposed income tax, saying “I do hope you pass that”, noting that nothing would aggravate the “poor citizen more” because they don’t make as much money nor have as much education as those who would be passing the legislation.

Harald Daub – 1221-22nd noting the minimum wage to have recently increased a little and accused Council of wanting to take that away from them by increasing the income tax. He pointed out that some people are not making \$50,000 to \$60,000 like some of the people working for the City. He claimed the increase in the income tax would be asking people on minimum wage to work one extra week out of their lives to pay their City income tax. He claimed it to be the responsibility of the City to help citizens and not use them “for a money bank”. Mr. Daub again claimed the property tax increase would be increased 440% this year and assumed the ladder truck would be financed through property taxes next year, which he claimed would be another property tax increase. He claimed that people are not aware of these increases but will be when they receive their tax duplicates this year. He further claimed that the City does not explain tax increases to the property owners and are holding the people of the City hostage. Mr. Daub, as he has previously stated, expressed his belief that it is the responsibility of the legislative body to be the community developers. It was his opinion that Council has never promoted any buildings or anything to bring people into the community and

he chastised Council for that. He called them “tax mongers” and said they would go down in history as that. He again criticized bringing back a retiree to work part time in the Mayor’s office and said he hoped they were proud of that and accused Council of not even attempting to bring anyone into this town to look at anything this town has to offer.

Teresa Mollette – 1705 Franklin Blvd. reiterated her remarks with regard to having a plan and noting that three seats were up for election this year, suggested that perhaps newly elected people might have a plan. She felt it was the Mayor’s job to present a plan and the position of Council is to support the plan. She referred to members of Council as being “lap dogs”. When a point of order was called by Councilman Albrecht in regards to Mrs. Mollette’s reference to “lap dogs”, she defended herself by saying she had a right to redress her council and her government and that she was being “diplomatic” and “polite” and was giving her opinion. She again claimed that people are being taxed out of our community and that she did not know why. Referring to New Boston’s income tax rate of 2.4 compared to the City of Portsmouth 1.4, she asked where Council thought people were going to go and again claimed people to be leaving the City and continued to emphasize “a plan”. She agreed with Mr. Daub in regard to the increase in minimum wage compared to an increase in the “staples of life”. She claimed she could go to the county and get the same services she received from the City but claimed to not have that opportunity “in our community”. Mrs. Mollette reminded everyone that they will have an opportunity on February 3rd to limit the City’s spending because she claimed the verbiage in our Charter is not explicit enough “that we can use devious means to manipulate our charter”. She claimed there to be nothing in the Ohio Revised Code that says we cannot be explicit in our language. Referring to the proposed \$500,000.00 carryover, she claimed there to be people in the community “going negative” saying “Yeah, I’d like to see a bigger slush fund”. She also referred to the purchase of the Marting’s building to have been done using a “two million dollar slush fund”. Mrs. Mollette called the proposed increase in income tax to be “asking for a slush fund for two million dollars for a blank check book”.

Joni Fearing – 532 ½ - 2nd Street said she returned to the City almost five years ago. She expressed her concern for the community and said she thought the murals were suppose to have been a renaissance and thought it was something with which she could get involved and help the City. She related some personal experiences and not wanting to leave her home town community. She felt the river front was not being utilized. She explained how she wanted to be an ordained minister and her involvement in activist activities. She felt issues can be addressed in a positive way and announced her plan to run for Mayor.

Miscellaneous business and reports

1. Received, pursuant to Section 733.62 of the Ohio Revised Code, the Solicitor’s annual report for the year 2008.

**CITY CLERK’S ANNUAL REPORT
For year 2008
Pursuant to Section 7 of the City Charter**

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| Regular Meetings | 24 |
| Conference Sessions | 24 |
| Organization Meeting | 1 |
| Special Meetings | <u>1</u> |
| Total Meetings | 50 |
| Executive Sessions | 0 |
| Public Hearings | 2 |
| Ordinances Passed | 76 |
| Resolution Adopted | 11 |
| Additions to the Agenda | 9 |
| Appointments by Council | 2 |
| Oaths of Office | 22 |
| <u>Ohio Dept. of Liquor Control</u> | |
| Notice of permit transfer | 3 |
| Requests for a new permit | 0 |
| Notice of stock transfer | 3 |
| <u>Citizens Addressing Council</u> | |
| Items on the agenda | 46 |
| Items not on the agenda | 179 |

The 225 remarks made at Council Meetings represent 64 residents or employees of the City and 13 non- residents

The Clerk's report was received, filed and made a part of the record, on a motion by Councilman Albrecht.

Mayor's Report

1. The Mayor apologized for leaving the meeting, saying he may have been out of order but he was afraid he would lose his temper.
2. The Mayor questioned "Items not on the agenda" being a part of the legislative agenda. Noting it to be Council's choice, the Mayor felt no one could say that anything was accomplished or brought to anyone's attention that amounted to anything by the people who spoke. The Mayor pointed out that the matters that were addressed were things that should have been addressed to the administration or reported through their Council representative. He objected to providing a soap box on which people could stand. He pointed out the fact that everyone has had to sit and listen to remarks that in past years we do not have a balanced budget and that the City is doing something wrong because we don't have any money, however, when he presented a balanced budget this year with a carry over of \$500,000.00, the remarks are that the City is making too much money. He wanted to know what the point was and what is right. With regard to remarks about not having "a plan", the Mayor noted that last year Councilman Mollette had inquired, of him, about whether or not a Finance Committee had been formed. The Mayor pointed out that this committee is not up to the Mayor it's Council's choice and it hasn't happened. With regard to employee raises, the Mayor acknowledged that raises were given and pointed out that the county gives raises about every year and the fact that they have been in a deficit for the last several years. He further pointed out that, during his time, the City has never been in a deficit. In response to those who claimed the City to "tax to death – people having to leave town" the Mayor pointed out that the last time the income tax was raised was in 1987. He said he gets tired of hearing about how the City keeps increasing taxes, which is not true. Noting that he has made these statements before, he acknowledged that it hasn't done any good and reiterated his previous statements with regard to the City's utility rates and the fact that they are not high enough to meet federal and state guidelines to qualify for grants. With regard to encouraging businesses, the Mayor noted the presence this evening of a representative from Kings Daughters looking to spend about ½ million dollars on a piece of property to build a multi million dollar facility and create jobs but they are being held up because somebody might have a problem with a traffic light that could be adjusted after the fact, if it were in fact a problem. He noted that we don't even know if there is going to be a problem but are going to hold up the purchase anyway – just in case someone might be inconvenienced.

The Mayor reported that he has chosen a water fountain for the second floor and it will be installed last week. He also pointed out that the walls are being repaired again and expressed his hope that everyone remembers this date, so we can see how long the improvement lasts.

The Mayor's report was received, filed and made a part of the record, on a motion by Councilman Albrecht.

The Acting President had nothing to report.

Miscellaneous business from City Council:

1st Ward

Councilman Mearan thanked the Mayor for the cosmetic changes to the walls and expressed his hope that they can be kept that way.

Councilman Mearan expressed his excitement at the possibility of having funds for recreation, noting the youth of the community have long been deprived of entertainment. He noted that the dollars from the income tax increase that would be designated for recreation would go a long way to provide that entertainment. He agreed that the public is entitled to "a plan" and said if the City can't provide one then the issue should not be passed. However, due to time restrictions, he said it was necessary to put this on the ballot in May in order to have the "lead time" necessary to begin receiving the additional revenue. He said he hoped the City would be able to earn the trust of the citizens and noted the hope is to put forth a plan for capital improvements and what could be done with \$900,000.00 going toward debt service for a City building and police station. Mr. Mearan stated that once those plans are "in force" the Chief is going to have an opportunity to seek grants but pointed out the fact that there has to be something in writing before that can be done. He suggested that everyone work together, saying we have an opportunity to turn this City around and said he did not know where we are going to be if this doesn't pass. He acknowledged an income tax increase could be tough for

people making minimum wage but described it as a fair way to add to the City's revenues.

2nd Ward

The Acting President, had nothing to report from his ward.

3rd Ward

Councilman Mollette did not feel the remarks made by citizens this evening to be negative but rather felt them to be "realistic". Mr. Mollette felt that City government fails to communicate and reiterated previous remarks he has made with regard to communication. He said he had drafted another letter to give ideas and where we need to go in scope but decided not to forward it because it was a lot of the same things that he has offered to Council in the past. He said the reason he feels as he does is because he feels it is City Council's job to communicate with the public. Mr. Mollette felt that, from what he is hearing tonight, that the City's administration wants to close another opportunity "to hear what is open out there" by eliminating "items not on the agenda". He disagreed with eliminating this item. He felt the way to move forward is for the citizens to work together, with a common purpose. He acknowledged there to be many good City employees that are not being congratulated nor have their hands shook for doing a good job, which they do regardless of the pay they are receiving. He reiterated his opinion about the need to improve the City's website, the rebroadcast of the Council meetings, and two-way conversation during the Council's work session. He claimed that most citizens feel that once an ordinance has been given a first reading that it is going to, regardless of what's said, get passed. Mr. Mollette felt that what is being talked about this evening to be "a lack of confidence" and that it doesn't mean that the members of Council are not trying to do the best thing and felt everyone in the Council Chambers wants things to get better. He felt the overpowering fact, for the public to be a participant, "there has to be that plan in mind that allows them to be a part of it". He again suggested a citizen advisory council with regard to user fees, saying this would involve the citizens before any proposed increase comes before Council. Mr. Mollette reemphasized his remarks with regard to having a financial plan and offered to share with anyone who is interested, his copy of developing a capital improvement plan and described the content of the literature.

Mr. Mollette expresses his appreciation to those attending this evening's meeting, to looking ahead and making positive changes and restated remarks regarding "a plan".

4th Ward

Councilman Albrecht had nothing to report from the 4th ward.

5th Ward

Councilman Haas thanked some individuals who have contacted him to discuss issues of the 5th ward. Mr. Haas said he is working with the residents of his ward to try to do all that can be done to straighten out the existing issues. He thanked them for bringing some of the issues to his attention.

Mr. Haas said he does agree with developing a long-term plan in order to see an income tax pass. He felt the distribution needs to be broken down for the people so they can see what will be happening and felt transparency to be a "big issue". He said these are things on which he would like to see Council work along with administration. Mr. Haas expressed his appreciation for the invitation to work with the Mayor, the Auditor and Mr. Jones in respect to the issue of increasing the income tax.

6th Ward

Councilman Noel said he has been receiving a normal amount of calls and all he has responded to all of them and, to the best of his knowledge, all issues have been addressed.

The Solicitor had nothing to report.

The Auditor, in response to various comments made this evening, said, "There are no, there is no twenty-year tax abatements by the City of Portsmouth". He explained there to be strict criteria that has been improved and noted that he is a member of the committee and is very proud of the improvements that were made after he became Auditor and began working on this in 2001. Mr. Williams said the committee actually increased, strengthened and restricted the tax abatement criteria. He noted that prior to 2001 there was no criteria, saying there were 100% - 15 year tax abatements. He pointed out that 15 years has always been the maximum and, again stated, there has never been a 20-year abatement. He said this criterion is available in the Engineering Department where anyone can apply for those abatements. He said he also has a copy in his office for anyone who is interested in actually looking at them. He said by looking at them the person can see to what the criteria has been strengthened. The Auditor reported that not everyone even gets the maximum abatement; if job creation is not part of the work being done within the City then the years of the tax abatement is reduced. With regard to the use of the word "devious" by a citizen, Mr. Williams said the record will reflect that "devious" at the Ohio Election Commission meeting of this past week, was never directed at the City of

Portsmouth or any of its officials. Regarding a citizens reference to \$500,000.00, the Auditor said, "I'm not sure here. Maybe we need your guidance as to whether I'm suppose to be guiding our finances to the black side of carrying over \$500,000.00 or am I suppose to be going the opposite way?", saying he was a little confused by some of the comments he has heard this evening. However, he said he thought he does understand and he believes the City is suppose to be going in the direction of being fiscally responsible and build up a balance where the City can operate. He said he is also proud that the City has been able to do that year after year after year, noting that sometimes the amount has been as little as \$5,000 when referring to the General Fund and expressed his uneasiness at that. He reiterated the fact the \$500,000.00 is not a lot of money when compared to the overall budget. He acknowledged that amount as a yearly income for an individual would be a large amount – noting that even 1/5th of that would be a considerable income. Mr. Williams pointed out the fact that when compared to a City's entire budget, he is not comfortable with that being the carry-over balance and would like to see a larger amount. Mr. Williams said, as a policy, he thought the amount to be carried over should be at least 10% of the City's operating funds. With regard to the remark referring to members of Council as "lap dogs", the Auditor commented on remarks made by citizens coming to the microphone calling City officials whatever and making all kinds of references and insinuations, - "Like they have the market cornered on love for the City of Portsmouth or dedication to the City of Portsmouth". Speaking only for himself and noting that he also believed it to be true about many others sitting at these tables, that all their hearts are also with the City of Portsmouth and that they all want to see it succeed and are working toward those goals of making the City a success. Mr. Williams said, "I very much resent people coming to the microphone, the negativity that we see and hear coming out of the mouths of some of the people and directing it personally at each of you and myself and the people sitting here at this table". He acknowledged there to be legitimate complaints and he appreciated those who come to the microphone but noted that many of the times we are hearing many things but nothing comes out of it. Mr. Williams said he felt his career here at the City of Portsmouth has been dedicated to increasing the prosperity of the City and he will continue to work toward that. He also felt the Mayor, this Council, the Solicitor and the Clerk feel the same way and are honestly working toward the same thing. He agreed that we need to get a plan together but did not think that meant that people have to come to the microphone and berate, calling it embarrassing. With regard to a remark about "infighting", Mr. Williams said he does not see any infighting and to Council said, "I don't see any of you guys trying to tear each other down. I do see people trying to tear you and this City down but I don't see it as infighting". Mr. Williams said he felt we are trying to make up for what we failed to do in the past. He noted that some of us do not have the luxury of remembering 50,000 people and doubted if anyone present does. He acknowledged the population has dwindled over the years and we have been left with a tough task in trying to deal with those things with which we have to address and expressed his appreciation to everyone at the tables. He noted the City to have opportunities in the past that went by the wayside for one reason or another and we have been left to pick up the pieces. He again expressed appreciation to Council for the work they do.

The meeting adjourned at 8:03 p.m., on a motion by Councilman Albrecht.

City Clerk

Acting President of Council