

**ATHENS CITY COUNCIL: SPECIAL SESSION, MONDAY, FEBRUARY 24,
2014, 8:00 P.M.**

Athens City Council met in Special Session at the above hour with the following members present: Butler, Fahl, Knisely, Papai, Patterson and Risner.

Also present: President Sands, Mayor Wiehl, Service-Safety Director Horan Moseley, Auditor Hecht, and Deputy Auditor Kreider.

EXECUTIVE SESSION:

Fahl moved to go into Executive Session to discuss personnel matters, and invited the Mayor, Service-Safety Director, Auditor, and Deputy Auditor to attend. Risner seconded. A roll call vote was taken as follows: Butler, aye; Risner, aye; Papai, aye; Fahl, aye; Knisely, aye; and Patterson.

At approximately 8:30 p.m. Butler moved to come out of executive session; Knisely seconded, and the meeting was adjourned.

President of Council

ATTEST:

Clerk of Council

MINUTES
FEBRUARY 24, 2014
CITY & SAFETY SERVICES COMMITTEE

Members in Attendance: Steve Patterson, Chair
Jeff Risner, Member

Other Council Members: Kent Butler
Chris Fahl
Chris Knisely
Michele Papai

Administrators and/or
Other Elected Officials: President Sands
Mayor Wiehl
Service-Safety Director Horan Moseley
Auditor Hecht

ITEMS DISCUSSED:

- Brine Lagoon
 - Patterson – in 2012 there was disposal of hydrofluorosilic acid (expired materials) in the brine lagoon – OEPA was notified and the waste was then properly diluted so that the pH was then at an appropriate level that could be released into the Hocking River – OEPA did a large, in-depth inventory of both the facility and the materials, and then came forward with an assessment that led to a civil penalty of \$14,400 – two options in lieu of payment are for supplemental environmental projects, each being for \$7,200; (1) fund a hazardous household waste (HHW) collection event; and (2) a thorough review and inventory of chemicals and hazardous wastes generated by current, on-going operations at the six (6) public works facilities (water treatment plant, wastewater treatment plant, two street and vehicle maintenance garages, laboratory, and the engineering and public works main business office), and prepare and conduct two half-day training presentations to the aforementioned staff in proper chemical and hazardous waste management.
 - S-S Director – will need to appropriate approximately \$15,000 for household hazardous waste collection

ITEMS NEEDED ON THE NEXT CITY COUNCIL AGENDA:

1. Settlement Agreement

MINUTES FEBRUARY 24, 2014

FINANCE & PERSONNEL COMMITTEE

Members in Attendance: Chris Knisely, Chair
Steve Patterson, Vice-Chair
Chris Fahl, Member

Other Council Members: Kent Butler
Michele Papai
Jeff Risner

Administrators and/or
Other Elected Officials: President Sands
Mayor Wiehl
Service-Safety Director Horan Moseley
Auditor Hecht

Items Discussed:

- Appropriations
 - Lancaster Street Project
 - Knisely – Ohio Public Works Commission Grant funds were received and \$400,000 appropriated last year – there were several 2013 drawdowns – a bookkeeping entry is needed for the Auditor's office – the appropriation was zeroed out at the end of last year for expenses totaling \$392,339.18 – this amount of money will need to be appropriated again so that the income/expense can be tracked in the books for that particular grant
 - Auditor – these funds were the result of a direct payment made from the grantor to the contractor – because the grant was awarded to the City of Athens it is necessary to show this in our bookkeeping records
 - Mayor – it will reflect the total value of the project
 - City Council Funds
 - Knisely – appropriate an additional \$11,000 – it was noted in the Mayor's 2013 appropriation notes that an increase in supplies and services may be needed – this amount will assist in the payment for the Municipal Code updates, City website hosting, and Nixle general public information provider

-GIS Mapping
-Knisely – appropriation to General Fund, Other Administration,
Professional Service, of \$20,000

-S-S Director – the contract is with Athens County 911

- Community Housing Improvement Program (CHIP)
-Mayor – request for loan subordination – will be reviewed with HAPCAP
- Gibson Road Slip (Route 56)
-S-S Director – Public Works Director seeking emergency repair estimates

ITEMS NEEDED ON THE NEXT CITY COUNCIL AGENDA:

1. Appropriations

MINUTES

FEBRUARY 24, 2014

PLANNING & DEVELOPMENT COMMITTEE

Members in Attendance: Chris Fahl, Chair
Jeff Risner, Vice-Chair
Kent Butler, Member

Other Council Members: Chris Knisely
Michele Papai
Steve Patterson

Administrators and/or
Other Elected Officials: President Sands
Mayor Wiehl
Service-Safety Director Horan Moseley
Auditor Hecht

Items Discussed:

- Annexation (adjacent to University Estates)
 - Fahl – Planner Paul Logue has been working with the petitioner
 - Attorney Rusty Rittenhouse – representing Alex Couladis seeking to annex approximately 2.2 acres off Armitage Road into the City of Athens – this property is next to University Estates and adjacent to the corporate limits – is the proposed site of a microbrewery – the land is in within the wellhead protection area and will need City water and sewer to proceed – Athens Township Trustees are on board with the annexation – anticipate filing petition within the next few weeks, under an expedited process – will request a B-3 zone for development and believes it will provide a benefit and character to the area
 - Couladis – the area is currently serviced by the LeAx Water District – he understands from meeting with LeAx representatives that it is possible for LeAx and the City to swap some services, or the owner may need to buy out their contract, and he is prepared to do that if needed – there is a very

detailed business plan in place, but the annexation is critical – see attached map

-Papai – noted that from an economic development viewpoint, tourist attractions such as bike trails are more successful when eating/quaint establishments are nearby, and this will also be easy access off 682

-Couladis – business plan initially projects hiring 2 full-time and 2 part-time employees – property is currently in disrepair

-Patterson – is the intent that all alcohol being served will be brewed on premises?

-Couladis – yes, adding that this will be a tasting situation, will not include a license for consumption

- House Bill 375

-Fahl – increased severance tax for oil and gas drilling – desire is to fairly compensate taxpayers for natural resources taken from their land – she would like to introduce a resolution next week outlining the importance of such an increased tax within the City of Athens – certain aspects of the current Bill she finds unacceptable for impacts to our area via horizontal drilling and fracking – definition within HB 375 only addresses production, not cradle to grave, production to disposal – Athens, while it is not a large player in the production, is certainly a target for injection wells to dispose of the drilling waste – current definition needs to improve what is included as an impacted area, and to add cradle to grave language – injection wells are a lose, lose situation for Athens – we would get the heavy traffic and potential for hazardous spills, and water and air pollution – the only moneymaker is the company dumping the waste and possibly the landowner of the injection well site – this is not an economic development argument, just the use of Athens County as a waste site – she would like to encourage that the Bill also increase the proposed tax of 2.25% on the oil/gas extracted – this is only from horizontal drilling – the Bill has reduced the tax for vertical drilling – an argument from the oil and gas industry is that if you tax us too much we will leave – that is a fallacy – you can't leave Ohio if that is where the oil/gas is located – Illinois currently has a 3% severance tax and that will increase in two years to 6%; Kansas is 8%; West Virginia is 5%; and Michigan is 6.6% -- Pennsylvania has a local impact tax depending upon the local area – anti-oil states such as Louisiana has a 12.5% severance tax; Texas, 4.6%; Oklahoma, 7%; and Alaska, 25% -- idea that you have no oil and gas development when there is a high severance tax is not true – HB375 has too many tax credits and carve outs – as it now stands, companies that do drilling are exposed to a commercial activities tax, which will become an exemption in this Bill, questioning whether the severance component is truly an increase in

taxes – pointed out that Governor Kasich would like to use a percentage of the new severance tax for an across the board income tax reduction that tends to benefit only those in the upper 1%, not necessarily the people within our County population – one of the ideas behind having a severance tax is to make sure you fund the departments and the organizations tasked with overseeing the regulatory administration of permitting, ensuring safe work sites, cleanup, etc. – ODNR has drilling oversight within the State and will actually see a decrease in overall funding because some of the severance taxes are being reduced on other types of oil and gas production – no increase for ODNR – this makes ODNR reliant upon funding that comes from the companies and the industry that they oversee – she sees this as a conflict of interest in many ways – she would like the State to fund ODNR in its regulatory oversight responsibilities in a sustainable and practical way that does not rely on the industry itself, and production from that industry, in order to fund them to overlook the industry – it would appear that the industry has had a large part in writing this Bill – Senator Lou Gentile is very concerned that local governments are continually hit by budget cuts and that the amount of money to come from the increased severance tax is very minimal – he would like to reduce the impacts on the counties and to expand to include injection wells and dumping sites

-Papai – agrees 100% -- concerned that it appears we are moving away from regulation, and that there is bound to be an impact and consequences to this type of extraction – we need to be forward thinking in our legislation, as this is not

ITEMS NEEDED ON THE NEXT CITY COUNCIL AGENDA:

1. Resolution – HB375

MINUTES TRANSPORTATION COMMITTEE

FEBRUARY 24, 2014

Members in Attendance: Michele Papai, Chair
Kent Butler, Vice Chair

Other Council Members: Chris Fahl
Chris Knisely
Steve Patterson
Jeff Risner

Administrators and/or
Other Elected Officials: President Sands
Mayor Wiehl
Service-Safety Director Horan Moseley
Auditor

ITEMS DISCUSSED:

- Richland South (improvements)
 - Papai – Project #244 – need authorization to approve right-of-way acquisition, construction and construction engineering, appropriation and expenditure of (\$4,021,748)
 - President Sands – work is scheduled to begin in May and to be completed late fall
 - Papai – this will be a complete street improvement to include water, storm water, sewer lines, sidewalks, bike lane, etc., not just paving
 - Risner – is pleased that the City is already cold patching to remedy potholes on Richland left from the extreme winter freezing
 - Papai – public needs to be patient, hot mix is not yet available and the cold mix is not meant to be final – it only lasts for a short period
- Trackhoe (replacement)
 - Papai – authorization will be needed for this (\$65,000) expenditure

ITEMS NEEDED ON THE NEXT CITY COUNCIL AGENDA:

1. Richland South
2. Trackhoe