

ERIE COUNTY COMMISSIONERS

REGULAR SESSION

WEDNESDAY, JUNE 26, 2024

ALL PRESENT

President Shenigo called the meeting to order at 9:30 a.m. at the Services Center First Floor Conference Room 118 and opened with the Pledge of Allegiance.

On motion of Mr. Shoffner and second of Mr. Old, Board **approves the June 5, 2024 Erie County Commission Meeting Minutes;** Roll Call: All Aye

Third Public Hearing re City of Sandusky Water Rate Increase. An attendance sheet was signed by those present. County Administrator Hank Solowiej stated he has been reviewing the City of Sandusky's finances related to the Water Fund and has come to the conclusion that poor financial oversight and management by the City's Finance Committee, City Commissioners, and City staff, has led to the drastic water rate increase passed by the City Commissioners in February of 2024. He mentioned that the County is concerned that it is possible future large rate increases will happen again and will greatly impact County water operations.

Hank stated that the unencumbered Water Fund balance for the City of Sandusky was \$4.6 million as of December 31, 2021. The end of 2022, the fund dropped to \$2 million and at the end of 2023 it plummeted to only \$713,000. Over two years, the Water Fund balance decreased by almost \$3.9 million. Hank noted that within these two years, the negative balance was related to the following: \$2.1 million in water fund capital projects paid with cash, \$1.2 million increases in total operating costs, \$538,000 decrease in revenue from City customers and \$217,000 increase in debt service payments.

Hank stated the City Commissioners have noted one of the reasons for the huge rate increases is due to the City customers using less water. Hank stated if this statement were accurate, that would mean the City's water plant would have produced less water. Hank then found City records that showed the water plant produced the same amount of water in 2023 that it did in 2013. Since the same amount of water is being produced, Hank is confused as to where all the water as gone.

Mr. Solowiej also obtained information from the City regarding their ARPA allocation. The City received \$18.5 million in ARPA funds, having spent approximately \$8.5 million as of May 2024. The City has not expressed how they spent the remaining funds. Hank obtained a Sandusky Register article from April 20, 2022, zero dollars have been spent on Water Fund projects and no projects were noted in the article. He stated it is not clear why the City Commissioners did not utilize any ARPA funding for the \$2.1 million of capital projects completed in the Water Fund in 2022 and 2023, especially when the Water Fund was dropping so rapidly.

Mr. Shenigo stated that Erie County has water and sewer agreements in place, so these large rate increases impact Erie County because we will now have to reevaluate our projects, with many having to be put on hold.

Mr. Shenigo wishes the City would have been more transparent with their reasons for the enormous rate increases. Without the City making some changes, it seems as though there will be additional increases in the near future.

Mr. Shenigo noted Erie County received a Findings & Orders from the Federal and State EPA to fix leaky sewer pipes. The EPA is also enforcing Erie County to not only fix leaking sewers, but lead pipes as well, costing the county around \$114 million to complete. The County has a plan to use ARPA funds and pay cash for many of these projects, because the Utilities Director John Rufo and the Department of Environmental Services has done a great job of being fiscally responsible. The County would like to help the City by stopping infiltration to the sewage plant to allow more room for sewage. Mr. Shenigo noted that the City and the County partner in the sewer plant that the City runs. The County is interested in being more involved, but the City will not allow that to happen.

Mr. Shenigo stated that the City has also received Findings & Orders from the State EPA before the County. The County and the City both purchased and built the sewer plant in the City. Because of this, Erie County paid 48%, or \$20 million, to fix the issues that the State found at the sewage plant. The County generally uses around 15-25% of the City's plant total capacity.

Mr. Old mentioned that the only losers in this situation are the ratepayers, which includes 10,000 County customers in the District, and 25,000 residents of Sandusky.

Mr. Solowiej stated that the County's leadership including Utilities Director John Rufo and the County Commissioners, have been good stewards financially. Hank believes that for 2024 and 2025, Erie County can absorb the rate increase in our budget (which totals \$750,000), so as not to put a rate increase on County residents.

Mr. Shoffner stated that this increase of close to \$1 million per year, is non-sustainable for Erie County, as this fee will continue to compound over the years. Mr. Shoffner noted that new developments in Erie County will have to be put on hold because of decisions that City leadership has made. Erie County can no longer plan for future projects. The County has been diligent with its spending, using employees in-house for projects, using \$14 million in ARPA funds for the Sawmill Creek Wastewater Treatment Plant expansion, so as not to borrow money.

Mr. Shenigo stated that Erie County cannot buy water from a different municipality, as we have an agreement to purchase a certain amount of water from the City of Sandusky, nor can we build our own County water plant. Mr. Shenigo stated that the County and the City are in this together and we need to operate the plant more efficiently.

Mr. Shenigo opened the hearing up for public comment.

Ms. Sharon Johnson - she attends the City of Sandusky's Finance Committee meetings and watches the City's economic development grants closely. She mentioned that the City's finances have been in the red every month since 2023. She asked the City Commissioners' about this concern, and the City reassured her that they were watching things closely.

Ms. Johnson stated that the City entered into a 20-year Memorandum of Understanding with Cedar Point two years ago. She noted that the City made many promises to Cedar Point in the MOU. She stated, for example, the City has agreed to pay for the causeway to get fixed and Cedar Point gets a kick back. The City is currently taking on 50% of the debt on all the City projects. They now are preparing to lease out their debt, which is a huge problem. Ms. Johnson appreciates everything the County Commissioners have done regarding these increases and stated that the City and County have very different philosophical thinking.

Mr. Old stated the credit for Erie County's costs being down is due to Utilities Director John Rufo for taking on projects in-house, which saves money on consultants. One example he mentioned, in a matter of three weeks' time, the County employees installed a valve to the NASA water intake pipe. The City was asked to test the valve, which they declined. The County found a way to have the valve tested and works just fine. Mr. Old stated he is concerned the City is using delay tactics with the County.

Mr. Chris Wiedle - asked how the City Engineer's salary is determined, with Mr. Old stated the City sets the Engineer's salary.

Mr. Steve Lippert - stated that Erie County is all about individuals, families and freedom. He believes that more planning and communication needs to happen to make these issues better.

Mrs. Harriet Minich Lippert - stated that she understands that the Commissioners are not trying to pick a fight with the City, but also understands that it becomes the Commissioners business when the rates have increased by 40%.

Mrs. Lippert asked if the Commissioners are open to having volunteers spread the word about what the City is doing. She believes that there needs to be more public awareness because many residents do not pay attention.

Mr. Shenigo stated yes, that any public awareness that residents can spread about this ongoing issue would be an asset to the cause.

Mr. Matt Dickey - believes that the Commissioners should start picking a fight with the City. He believes the Commissioners should stand up for the rights of Erie County and its residents. Mr. Old stated the Commissioners have invited the City to attend every public hearing the County has had, and there has been no response from the City.

Mr. Dennis Schreiner - stated that he is a member of the Erie Regional Planning Commission and he has noticed that every housing or subdivision project that has requested information about property in Erie County has always asked about water or sewer capacity. Water and sewer is what brings development to Erie County and if rates are too high, development will not be happening in Erie County. Mr. Schreiner thanked the Commissioners for being accommodating and being transparent with this issue.

Mr. Dickey asked the Commissioners if there was something that the residents could do to express the opposition of this increase. Mr. Shenigo stated that the rates increases were effective June 1 and at this point, the only thing to do is to attend the City Commission Meetings and speak to the City Commissioners' in opposition.

Mr. Rick Scheel - suggested that the Commissioners write a letter in opposition of the increases and deliver strategies to circumvent the increases. He stated that the City should have to justify these increases to the County.

There being no other comment, the public hearing was closed.

Erie County Recorder re Equipment Purchase.

Erie County Recorder Ellen Olsen was present to discuss the need to purchase a new software system. Ms. Olsen stated that the current system is complicated. There are many steps to doing one thing. When Ms. Olsen went to Convention, she spoke with other County Recorders regarding what software companies they utilize. 38 counties use GOVOS, two counties utilize Tyler Technologies, which Erie County is one, and also the COT system. She stated that the COT system has been hacked and with GOVOS, the Recorder's noted great customer service and it being very user friendly. Ms. Olsen stated that the Recorder and Auditor will split the cost of this software. She stated that Mr. Jeffrey is in favor of the GOVOS as well. Mr. Shengio asked the cost of this software. Ms. Olsen stated that the first year, it will cost \$69,600 for the installation and training and then will be \$3,099 per month. Tyler Technologies was \$70,000 in 2015 when it was purchased and is \$3,000 per month. Ms. Olsen stated it will cost a little more than the current contract, but is more user friendly.

Mr. Old believes this purchase should be discussed during budget discussions. Mr. Old stated that SB 94 has passed in the Senate and moved onto the House this week. If this bill is passed, Recorders can add up to \$5.00 surcharge per document to the General Fund for digitization and preservation. Mr. Old asked if the fee would be imposed by the Recorder or need permission from the Commissioners. She stated she did not know. Mr. Old stated he is not in favor of increasing fees to residents of Erie County.

Ms. Olsen stated there is a timeline for this purchase, as the Tyler Technologies contract will be up for renewal at the end of the year. Ms. Olsen will need to give 90-day notice of non-renewal after the agreement has been signed with the new company.

The Commissioners thanked Ms. Olsen for coming to the meeting.

Hank stated that the Wheatsborough contract has a deadline of July 1, 2024 to give a \$150,000 one-time allotment to a non-profit organization. Hank suggests extending this deadline until the end of the year with the Commissioners approval.

On motion of Mr. Shengio and second of Mr. Old, Board hereby **extends the payment date until December 31, 2024 for both the \$50,000 to an economic development entity and the one-time payment to a non-profit per the Wheatsborough Agreement;** Roll Call: All Aye

On motion of Mr. Shoffner and second of Mr. Old, Board approves the **2025 Tax Budget and authorizes Commission President Patrick Shenigo to sign;** Roll call: All Aye

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution entering into an agreement with **DeLage Landen Financial Services, Inc.;** Roll Call: All Aye (#24-224 - leasing a Konica Minolta bizhub C360i printer/copier/scanner for DOES - \$9,360 6/26/24 - 6/25/29)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution declaring certain items surplus and ordering same to be **discarded or salvaged;** Roll Call: All Aye (#24-225)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution confirming an agreement between the **Bowling Green State University and the Erie County Sheriff;** Roll Call: All Aye (#24-226 - providing two Deputy Sheriffs to provide law enforcement services at Firelands College of BGSU)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution authorizing the County Auditor to make a **supplemental appropriation** re Recorder Equipment Fund; Roll Call: All Aye (#24-227)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution authorizing the County Auditor to make an **interfund transfer** re Motor Vehicle License & Gas Tax Fund; and County Road Improvement Capital Reserve Fund; Roll Call: All Aye (#24-228)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution authorizing the County Auditor to make **supplemental appropriations** re Motor Vehicle License & Gas Tax Fund; and County Road Improvement Capital Reserve Fund; Roll Call: All Aye (#24-229)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution approving the agreement between the **Erie County Sheriff and the Fraternal Order of Police, Ohio Labor Council, Communications Officers**; Roll Call: All Aye (#24-230)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution entering into an agreement with **Strawser Construction, Inc.**; Roll Call: All Aye (#24-231 - microsurfacing on various roads - \$1,956,648.10)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution confirming an agreement with the **Erie County Sheriff and Perkins township Trustees**; Roll Call: All Aye (#24-232 - providing dispatch services for Perkins Township Police and Fire Departments)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution **releasing any liens or claims of liens against property now or formerly owned by Bayberry Cove, LLC, located at 1900 Bayberry Cove, Huron, Ohio, Tax ID Number 39-01034-007** for installment payments for sewer tap services; Roll Call: All Aye (#24-233)

On motion of Mr. Shoffner and second of Mr. Old, Board adopts resolution **releasing any liens or claims of liens against property now or formerly owned by Bayberry Cove, LLC, located at 1900 Bayberry Cove, Huron, Ohio, Tax ID Number 39-01034-007** for installment payments for water tap services; Roll Call: All Aye (#24-234)

Board approves Revised Auditor's Certificate for **Best Commercial Energy Services** in an additional amount of \$6,045.00 re proving all work related to the Meadows at Osborn Park Gas Conversation Project.

Board approves Revised Auditor's Certificate for **Plante & Moran** in an additional amount of \$7,000 re providing assistance with monthly accounting on the PointClickCare System for The Meadows at Osborn Park.

Board approves Revised Auditor's Certificates for **Gardiner Service** in an additional amount of \$13,628.50 re providing HVAC maintenance services for the Department of Environmental Services, Wastewater Treatment Division.

Board approves Preliminary Estimate of Cost in an estimated amount of \$47,000 for **2024 Pavement Marking Program** for the County Engineer's Office.

Board approves payment of Pay Estimate No. 1 to **R & I Construction, Inc.** in the amount of \$232,238.36 re Harmon Road Structure F-408 in Florence Township for Erie County Engineer's Office.

Board approves Change Order No. 2 (final) to **Great Lakes Demolition, Co., LLC** in a **decreased** amount of \$70,117.12 re the Perkins Avenue Structure S-004 Replacement for County Engineer's Office.

Board approves Travel Request Form for **Tory Yarbrow or Chico Alexander**, Family and Children First Council, transporting client(s) from Camp NuHop in Perrysville, Ohio, to their home on 7/7/24, 7/12/24, 7/14/24, 7/19/24, 7/21/24, 7/26/24, at no cost.

Board approves Travel Request Form for **Barb Knapp and Stephanie Burkhart Stanley**, Dog Warden, attending Ohio County Dog Wardens Association Summer Training in Columbus, Ohio, on 7/10/24 at no cost.

Board approves Personnel Action Forms for **The Meadows at Osborn Park** re **Keyonia Germon**, full-time LPN, rate increase due to completion of probation effective 6/12/24, **Mikaylah Konik**, full-time STNA, employment effective 6/24/24; **Faith Chaffee**, full-time STNA, employment effective 7/1/24; **Harley Woodburn**, full-time STNA, employment effective 6/24/24; **Angela Skala**, full-time STNA, employment effective 6/24/24; **Ashley Johnson**, full-time RN, paid administrative leave effective 6/18/24; **Joshua Walters**, full-time STNA, employment effective 6/24/24; **Brooke Parker**, full-time LPN, resignation effective 7/3/24.

Received copy of memo to Erie County Budget Commission Members from Alyssa Heater, Finance Manager, re **2024 Revised Estimated Resources**.

Received copy of 5/22/24 **Erie-Ottawa International Airport Authority** meeting minutes, 6/26/24 meeting agenda, and financials as of May 31, 2024.

On motion of Mr. Shoffner and second of Mr. Shenigo, Board **adjourns** at 12:15 p.m.; Roll Call: all Aye

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