

EAST PALESTINE VILLAGE COUNCIL JANUARY 27, 2014 85 N. MARKET ST.

Mayor Zuch called the meeting to order. Present were Atty. Beagle, Mr. Elzer, Mr. Figley, Mr. Cohen, Mr. Tyger and Mrs. Wisser. Also present were Village Manager Pete Monteleone and Law Director David Powers. The minutes of the January 13, 2014 meeting were approved on a motion by Mr. Cohen, seconded by Mrs. Wisser. There were no agenda items or Clerks report.

MAYOR: At this point Mayor Zuch swore in new Auxiliary Police Officer Elizabeth Perry. Mayor Zuch then stated that they needed a nomination for the 2014 President Pro Tem of Council. Mr. Elzer nominated Alan Cohen, seconded by Mr. Tyger. All in favor. Alan Cohen will serve as President Pro Tem for 2014. In reference to the recent weather she said the Street Crew has done a great job on the roads and the Water Dept had yet another leak to fix on Market St. today.

MANAGER: Manager Monteleone stated he had given Council a written report.

LAW DIRECTOR: Atty. Powers stated he submitted a written report. Mr. Elzer asked about the home that was part of the CHIP program that filed bankruptcy and money owed to the Village, he thought the chip program was a grant. Atty. Powers stated it is set up as a loan for rehabbing properties and it is forgiven at 16% a year down to 20%, in this case that is all that is owed is the 20% which is around \$5000.00. He said he filed an answer on that amount and depending on what the home sells for the Village may or may not get the money. Monteleone then stated that the problem house at 760 W. Main St. had been demolished.

STREET: NO REPORT

SAFETY/PARK/REC/CEM: Mr. Cohen said they had a Committee meeting earlier tonight and the Building and Zoning position was discussed.

DEVELOPMENT: Mr. Elzer stated the Chamber is working on drawings for new entry signs coming into town and they will be accepting donations for them. They will need 11 signs. They are getting ready to sign the contract for the Street Fair for this year and it will be May 22 to the 25th. He stated the he had given Council a press release for the oil and gas drilling project and that he had a meeting last week with two gentlemen about the project and they agreed if they entire Village signed up it would be attractive to oil companies. They said the Village of Barnesville which is 70 miles South had done something similar to this, they leased 1000 acres outside of the Village and the oil company agreed to sign up the entire village and had almost 100% participation. Mr. Elzer stated in speaking with Mr. Cohen they agreed that the Village doesn't want to be in the position of signing leases with anyone, all they are trying to do is gather everyone into a large group to negotiate. It would probably be non surface drilling. Mr. Figley stated he was out that meeting and that even if people don't sign they will take the oil anyway, they will get paid the royalties but not get a signing bonus. In Barnesville they signed for \$5700.00 per acre and most people got a \$1000.00 signing bonus and were expecting \$400.00 per month for around 20 years. Mr. Cohen stated there are people in the city limits that have already signed leases and Mr. Elzer said that is an advantage because oil companies would rather deal with each other and trade land frequently. One large lot is more attractive than a lot of smaller lots. Mr. Cohen stated there is no current prospect for a lease. Mr. Cohen said we are going to ask people to come in and sign up for is not a lease. Atty. Powers said what they discussed doing was a pamphlet and having a section they would fill out saying yes I'm interested in leasing my property and it would not be binding, it would just gauge the interest of the community. Atty. Powers that in Ohio there is something called Forced Pooling, which means if a company has a 100 acre lease and in the middle of it there is a parcel that someone won't lease. The company can go to the state petition them to order that parcel to be included. In that case they would be paid the royalties but not get a signing bonus, but they have to offer the signing bonus. Atty. Powers there should be a resolution in place to proceed. Mr. Elzer stated unless you own large pieces of land or a business you are left out and this is a way to get everyone involved. Mr. Cohen asked if there is concern that the Village is making promises. Atty. Powers said we aren't making promises. Mr. Cohen said the press release has specific numbers even if they are examples. Mr. Elzer said you can't tell someone the magnitude of the project without giving numbers. Mr. Cohen stated we have a responsibility to the Village to cover all bases, he agreed that it would be a good thing but we need to make sure it is done the right way. Atty. Powers stated a shallow well unit has been around 40 acres but he has heard of some deep wells being over one thousand acres but not in this area. Mr. Cohen stated that in order to "force pool" a unit has to have 65% of the property in the unit signed up. Mr. Elzer said the companies don't want to go through that process and that he has spoke to some of the large land owners in town and they are all in. Mr. Figley said everyone has wanted the Village to do this and this is another step towards that goal. Mr. Elzer said if you took the 3 square miles and leased it as a unit and removed the private property the Villages portion is a lot

more than we have deeds to because we pick up all of the vacant land and the streets and alleys. Assuming it was a \$4000.00 signing bonus the residents and the Village could gain about 8 million dollars and that is just the signing bonus. Atty. Powers said he didn't see a down side to gauging the interest of the community as we are not offering them a lease or saying they will get a lease. Atty. Beagle stated she feels we do need a resolution for this. Mrs. Wisser said she thinks people are afraid of the process itself because of the unknown and we could have someone explain it in layman's terms. Atty. Beagle that information could be on the pamphlet and Monteleone agreed. Mayor Zuch said we could have a public meeting. Mrs. Wisser said Tim Weigle spoke on the subject at Rotary and he was very informative and he was easy to understand. Atty. Beagle stated she would like to get the information to the people and have Tim Weigle come in and speak. She wants to be careful what we are presenting to the public and what we are representing as a council and we have to be very transparent that we want people to be interested and that we want this for the Village, that we want people to get that signing bonus. Mr. Tyger agreed that a pamphlet is a good idea but it doesn't need to be technical. Mr. Cohen stated that if the we are going to sign a lease for Village property, per the ORC Section 1509.61 the Village has to have a public hearing. Mr. Elzer made a motion to authorize the preparation for a resolution in reference to the oil and gas leasing project and an informational pamphlet to gauge people's interest in the project, seconded by Atty. Beagle. All in favor. At this point Mr. John Herbert asked if in this informational pamphlet there will be a guarantee on keeping our water supply safe? Mr. Elzer stated the brochure is informational, that those details will be up to the oil company.

UTILITY: Mrs. Wisser stated Lynn Gould of McKay and Gould drilling submitted an invoice for work done during the water emergency. The bill was for a substantial amount and was stamped "no charge". She thanked him for his generosity.

FINANCE: NO REPORT

THERE WERE NO VISITORS COMMENTS ON CURRENT LEGISLATION

VISITORS: Mark Walker, Dianna Elzer, Dave Kibler, Chuck McGuire, John & Bonnie Davis, John & Dot Herbert, John Jurjavic, Terry McElroy, Emery Coon, Elizabeth Perry, Chief Kevin Dickey, Jason Faust, John Martin, Don Johnson, Jane Faust, Katie Schwendeman and Dan Scott

LEGISLATION: Atty. Beagle introduced Ord. 1-2014 for a second reading and made a motion that it be read by title only, seconded by Mr. Cohen. **An ordinance authorizing the Village Manager to enter into a contract with C & S Concessions for the operation of the Village Park Concession Stand.** (It was noted that the name of the concession stand company would have to be different from C & S Concessions for tax purposes and that we would have the new name before the final reading and the ordinance would be amended at that time). Atty. Beagle introduced Ord. 3-2014 for a first reading, seconded by Mr. Cohen. **An ordinance authorizing the Municipal Manager to fill the previously authorized position of Building Inspector, with council further fixing the rate of compensation and hours of work, pursuant to Section 3.08 (d) of the Charter of the Municipality of East Palestine.** Atty. Beagle introduced Ord. 4-2014 and made a motion that it be read by title only, seconded by Mr. Cohen. **An ordinance approving the editing and inclusion of certain ordinances as parts of the various component codes of the codified ordinances; providing for the adoption of new matter in the updated and revised codified ordinances: repealing ordinances and resolutions in conflict therewith; and declaring an emergency.** Atty. Beagle made a motion to suspend the rules and declare an emergency. All in favor, 6 yes to pass. Atty. Beagle called for a vote on Ord. 4-2014. Atty. Beagle-y, Mr. Cohen-y, Mr. Elzer-y, Mr. Figley-y, Mr. Tyger-y, Mrs. Wisser-y. 6 yes t pass.

ADJOURN: Mr. Elzer made a motion to adjourn, seconded by Mr. Figley. All in favor, meeting adjourned.

Misti J. Martin Clerk

Mayor Margo Zuch