

Honorable Council  
City of Newark, Ohio  
September 28, 2012

The Economic Development Committee met in Council Chambers on Monday October 8, 2012 following the Safety Committee meeting. These members were present:

Rhonda Loomis, Chair  
Jeff Rath  
Bill Cost Jr

Doug Marmie  
Marc Guthrie

We wish to report:

1. Resolution No. 12-82 to allow for the transfer of ownership of certain motor vehicles and related property to the Board of County Commissioners of Licking County, Ohio and/or the Licking County Transit Board for use in the operation of the County-Wide Public Transit System was considered.

**Director Mauter-** explained that the resolution will allow for the remaining buses to be transferred to the County Transit System and/or County Commissioners. The transfer is being requested now instead of at the end of the year when Earthworks transit will conclude providing service. It is the hope that a level of service that is acceptable will be provided however as a backup plan if services are not acceptable Sandy Maple with LCATS, who is guiding both transit systems during the merger process, recommended that this resolution be introduced now to be in place by early November should it become necessary to transfer bus inventory prior to the year end.

**Mrs. Loomis-** inquired about the letter of approval from the FTA regarding the transfer.

**Director Mauter-** stated that there was a letter for the 8 new buses that were transferred earlier, and that he contacted Nicole Neal, who is their FTA representative by email and phone message because she would address that. He stated that Sandy Maple recommended that the resolution go ahead and be introduced without the letter of transfer from the FTA since they do not anticipate a problem receiving that letter so everything could be in place.

**Mr. Guthrie-** asked Director Mauter for the status of the Wilson St building relative to the City and FTA plans.

**Director Mauter-** stated that the City doesn't have any plans for the buildings therefore we are considering selling them.

**Mayor Hall-** stated that the buildings were bought with FTA funds which control them completely. He stated that Nicole Neal is aware of this fact. He stated that the City doesn't have intentions on using the buildings; and that the buildings are a liability in the way of maintenance. He also stated that we haven't gotten that far in our discussions with Nicole about the City's options. Mayor stated that he has checked with department heads and no one can come up with a reason to keep these buildings however the FTA approval is required for disposal of the buildings.

**Mrs. Loomis-** stated that the FTA purchase has a 20 year service.

**Mayor Hall-** stated that we still own the buses but we don't have unlimited interest in them the FTA maintains that interest.

**Law Director-** stated that there are three things that the City can do with that real property. It can be used for a limited category of federally funded grant programs, it could be transferred to another FTA grantee, or it can be sold at public auction. He stated that when we start looking at the Federal regulations for the appraisal process, the bidding process and disposal of profit after sale process things get complicated. He stated that the fourth option is the buildings sit empty until the FTA decides what they want to do with them.

**Mayor Hall-** stated that the County also doesn't have use for these buildings with regards to Transit. They are looking at whether the County will absorb the buildings then work with the FTA on the disposal. He stated that the FTA has some guidance on that and will be offering it to them in the future.

**Mr. Marmie-** in light of the fact that we don't have FTA approval he made a motion to table the resolution until such time there is approval from the FTA.

Motion by Mr. Marmie to table Resolution 12-82, second by Mr. Cost

**Director Mauter-**asked the Law Director a question about how the resolution read under Section Three, he stated that the intent was not to transfer all the buses but to maybe transfer one or two buses if the County needed them for service prior to December 31, 2012.

**Law Director-** stated that he didn't know the intent of the Department of Development or LCATS but that section three is text book language out of the City of Newark Charter. Section three states that once adopted by Council, which

the earliest opportunity for that is the first meeting in November, if it isn't tabled tonight, then it wouldn't be effective for thirty more days and that is the first of December.

**Mr. Guthrie-** asked the Mayor if the motion to table would jeopardize the relationship with the County.

**Mayor Hall-** he stated that he is concerned about the relationship with the riders. He stated that when they met with the County to talk about this consolidation process they built a "what if plan". They want this transition to be as smooth as a process as possible. The plan was that we supply the buses and they supply the drivers. There is a risk that drivers will start leaving which has started already happened. He stated if it does get tabled then the emergency clause may need to be added. The Mayor stated that he did not want rider ship to suffer.

**Mr. Guthrie-** asked Director Sassen if he agrees with Mr. Marmie that the piece of legislation should be tabled because they don't have the FTA approval letter.

**Director Sassen-** stated that he was not going to speak as to whether the motion should pass or not but he did state that physical ownership of the buses to the County can't occur until two things happen. The resolution passes and the approval letter from the FTA has been received. Let's assume that the process moves forward and the resolution is adopted at Council the first meeting in November, it becomes effective the first of December but we still don't have the letter from the FTA, we can't transfer the buses. We have to have both items to transfer the buses.

**Mr. Marmie-** stated that he would rather react when it is needed. He asked what would happen if we needed this to happen in November and they had already passed legislation then there isn't an opportunity to add the emergency clause. The other issue is the number of drivers and the reduction in drivers. He stated that it has been that way the whole time even with the County. He stated both are having trouble maintaining drivers. There is a high turnover ratio. He stated that the first step should have been the FTA approval. He doesn't want the perception that we are going to do anything without their approval.

**Mrs. Loomis-** stated that she talked to Sandy Maple today and she did confirm that Transit is having a hard time keeping drivers due to low pay, part time employment and no benefits. Mrs. Loomis stated Ms. Maple didn't see the urgency and does not think that MV will pull out from their contract with us and risk future employment.

**Director Mauter-** stated that the introduction of the resolution was at Ms. Maple's recommendation.

**Mayor Hall-** stated that MV may not be able to control if their drivers leave or not and there will be a lapse before RFT takes place.

**Mr. Guthrie-** stated that he doesn't know why we don't move it forward because if we don't get the FTA approval then we can send it back to Committee or table it at full Council.

**Mrs. Loomis-** stated that she feels precedence has been set. She stated that we had the FTA letter of approval the first time and we should wait for the approval the second time.

**Mr. Marmie-** asked how many buses the County is not currently utilizing. He asked if they were using all eight new buses already.

**Mayor Hall-** he stated that the County replaced the buses of theirs with ours. He stated that their buses were in bad shape and ours were new. The buses we transferred didn't add to their inventory. He stated that he feels we should move forward with the resolution and that the FTA won't let us move forward independently. He stated that he felt it was a good idea to try to pin Nicole, the FTA representative, down to get this done. He stated that they have no reason to believe that they won't get the FTA's approval it is just a matter of the representative getting the letter done.

Motion to table Resolution 12-82 was passed by a vote of 3-2.

Rhonda Loomis, Chair