MAYOR'S REPORT Reporting to Council and the Citizens January 14, 2009

ITEM 1 ON THE ADGENDA (AQUA CONTRACT)

This Ordinance establishes the rates at which Aqua Ohio, Inc. furnishes water to the City of Struthers. This Administration and Council opened our negotiation meetings up to surrounding area leaders to jointly bargain the best rates for our taxpayers. By joining together and utilizing a regional approach; we were able to settle at a percentage below what previously was agreed upon during the past 3-year contract negotiations. Those participating were the Village of Lowellville, Village of Poland, Poland Twp., Boardman Twp., Springfield Twp., and Beaver Twp.

ITEM 2 ON THE AGENDA (COUNTY AGREEMENT)

There is no change to existing language on the County agreement; but we felt the language should specify the additions which include an operation and cost share formula for trunk sewers, interceptor sewers, collection sewers and pump stations. Mahoning County and the City of Struthers will work together when determined to be of a mutual benefit regarding jointly purchasing of equipment at the cost sharing formula contained herein. (See legislation)

NEIBORHOOD STABILIZATION PROGRAM (NSP) GRANT UPDATE

The City feels it should be one of the key target areas for the expenditure of NSP funds. According to HUD data, the City's foreclosure rates and vacancy rates are among the highest in Mahoning County. In particular, we see a major need for demolition and land banking efforts in our community.

The City received a letter from the Ohio Department of Development that indicates that Mahoning County and the City of Struthers are jointly eligible to receive a total NSP allocation of \$2,909,311. We are willing to agree that Mahoning County should be identified as the lead entity for this effort and have stated so in a letter to Commissioner Traficanti in late December and the City wishes to be involved in the NSP planning process.

ELECTRIC AGGREGATION PROGRAM

Direct Energy has reported to my office that 1,218 customers have enrolled in the Struthers natural gas program thus far.

I have been in contact with Buckeye Energy Brokers, Inc. to inquire about an Electric Aggregation Program. It may bring competitive prices because of the access of dozens of energy companies that are available in Ohio and can offer a choice of terms and conditions so we have the best possible combination of flexibility, service and pricing.

I have provided Bob Carcelli, III, Chairman of the Public Utilities Commission with information from Thomas Bellish, President of Buckeye Energy Brokers, Inc. so that energy-related feasibility studies and materials could be analyzed to see if it would be a savings to the taxpayers of Struthers.

CIVIL SERVICE COMMITTEE APPOINTMENT

I would first like to thank Nevin Seifert for his past service to the Civil Service Committee. His term was up on December 31, 2008.

I have appointed Dave Sepesy, Sr. to fill the vacancy on the Civil Service Committee. His term began January 1, 2009 and is a six-year term. I thank Mr. Sepesy for accepting the position on the committee and wish him well as we continue to strive to serve the citizens of Struthers.

2009 GOALS

- Achieve Economic Development and Redevelopment of the Downtown Business
 District and other commercial areas within the city, such as the CDBG Façade
 Grant to enhance the appearance of store fronts. To identify available property
 and being able to market the community that is part of the land reutilization
 program.
- To continue to show aggression on targeting slum and blighted areas in the City.
- To advance "Green Technology" beginning in our Wastewater Department; utilizing Methane Generators to produce electricity as a cost saving to the city and a cleaner environment.
- To offer an Electric Energy Aggregation Opt Out Provisions Program (Pursuant to Section ORC 4928.20) and it would direct the Mahoning County Board of Elections to submit a ballot question to the citizens. Buckeye Energy Brokers, Inc. is working with a number of clients such as McDonald, Girard, Cortland, Howland, Newton and Weathersfield Township on Electric Aggregation Programs.