

Wilmington City Council met on Thursday, January 3, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner wished everyone a Happy New Year and hoped that everyone had a good holiday.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the special meeting, November 29, as presented.

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley announced that the Clinton County Regional Planning Office (Chris Schock) was now located on the second floor where Ernie Blankenship's office used to be. He said the first floor office was now the Joint Government Use office and any elected official, state or federal, can use it when they are in town. He said that Congressman Steve Stivers plans on being in that office every day and it would be a field office for him. He said they should have the office open in a few weeks. He added that the public can access the Joint Government Use office from the street side.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead announced that they need an Asset, Acquisition and Use meeting to start looking at city properties that are currently not being utilized. He said the first one they are looking at is on Davids Drive. He said a meeting was tentatively scheduled for next Thursday.

Service Director Reinsmith said that he had been in contact with Jim Miller and the transaction would be the same format as the when Fulton Street was vacated recently. He said that John Stanforth needed to send a request to the city.

Paul Hunter asked about a lot on Prairie Avenue that the city was paying taxes on.

Mayor Riley noted that Prairie Avenue was a good example of the types of parcels that need to be investigated and they would be looking into it.

Finance Committee - Chairperson Mead had no report.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells announced that there was a Solid Waste Committee scheduled for January 10 at 6:15 p.m.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee – Chairperson Stuckert introduced the third reading on a resolution to better enforce tax collection through the Central Collection Agency (CCA) of Cleveland.

A motion was made by Stuckert and seconded by Wells to give the third reading only on A Resolution In Support of a Program with the Central Collection Agency (CCA) of Cleveland for Income Tax Collection and to Authorize the Mayor to Enter into a Contract with CCA.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Stuckert and seconded by Wells to pass the resolution as read.

President called for a vote.

Motion passed with all yeas.

President of Council declared Res. No. 2308 passed as read.

Councilman Stuckert explained the next piece of legislation was to the authorize the mayor to execute a resolution with the County Board of Commissioners in regards to the Clinton County Regional Planning. He explained that the city had to pass this resolution as they signed the original agreement and now an amendment needed to be made.

A motion was made by Stuckert and seconded by Wells to give the first reading only on a resolution Authorizing the Mayor to Enter Into and Execute a Certain Resolution of the Clinton County Board of Commissioners Regarding Clinton County Regional Planning Commission and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Stuckert and seconded by Wells to pass the resolution as read.

President of Council called for vote.

Motion passed with all yeas.

President of Council declared Res. No. 2309 passed as read.

Safety Committee - Chairperson Wells asked to have a Safety Committee organized in order to discuss a supplemental appropriation to put the two firefighters, the police officer, and the cruiser back into the budget. He added that they should make cuts to something that is less important than the safety services.

Downtown Revitalization Committee - Chairperson McKay had no report.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

President Kirchner asked how the salt was holding out, and the Service Director Reinsmith said that it was fine. Mayor Riley said that the Streets Department did a great job clearing out the streets.

Safety Director – Safety Director Russ Burton had no report.

Reports

There were no reports presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Paul Hunter – 200 Randolph Street – gave a presentation regarding the TBS contract with the city for their facility on Nelson Avenue, in the Wastewater Treatment's building. He explained that the company pays a \$1 rental for the building and the Sewer Department contributed over a half million dollars to purchase it. He said the expectation in the five-year lease was the company would employ 100 workers and the income tax

receipts would make up for the free use of the building. He said that he estimates that they only have around 20 employees and are almost two years into the contract, which is much lower than expected. He said that number of employees would generate about \$900,000 in annual wages or around \$9000 in income tax to the city, which is far short of the \$550,000 that the sewer department has spent on that property. He added that TBS can, at the end of the 5-year period, exercise an option to purchase the building for \$1 million or simply walk away and find another distress city to set up shop on a 5-year plan. Mr. Hunger added that the city is also paying more in property tax than it is collecting from TBS and said that Brenda Woods was working on that. He said it was his opinion that the city should be talking to the company and attempting to modify the agreement or seek some legal form assurance that TBS is committed to purchasing the property and/or increasing employment to the 100-jobs level that they promised.

Eric Lamont Gregory – Wright Patterson Air Force Base – Local office is 444 N. South Street. Two years ago he approached Chris Schock about a proposal on tire recycling based on a project he had worked on at Oxford University. He said the State of Ohio has invested millions of dollars in the project. He said tire dumping was both an eyesore and a health hazard. He explained that old tires are an ideal breeding ground for mosquito-borne diseases, and there was a strong need to clear out old tire dumps. In the United States there are almost 200 million thousand tons of tires that are added to the amount of waste each year. He said he had a packet of information and would bring the entire proposal to the Solid Waste Committee. Mr. Gregory added that there was state money available for tire recycling programs. He said it would create employment and the technology was reasonable and clean. You explained that you take the tire and recover the No. 2 heating oil from the tire (about 20%) and the metal from the steel belts. He explained the remainder is carbon for which there is also a market. He said he thinks Wilmington should become a center for this type of recycling market as it will help with economic revitalization.

Councilman Jaehnig asked what the status was of committee assignments for 2013 and asked if an Ad Hoc Committee meeting could be scheduled to solidify the meeting schedule for the year.

[Discussion of upcoming meeting schedule]

President Kirchner asked that an Ad Hoc meeting be added to the meeting schedule in the upcoming week. He said that he was also in the process of making the committee assignments, which should be complete after he has a chance to speak to individual members about potential changes.

Councilman Mead pointed out that the conflict felt in the previous meetings had been put behind them and everyone was working well together and that was what democracy is all about. He thanked everyone for their part in bringing things together. President Kirchner thanked Bob and said he agreed that everyone was doing their part to move the business of the city forward.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by McKay to adjourn.
President Kirchner declared the motion adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met on Thursday, January 17, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by Wells and seconded by Stuckert to approve the minutes of the regular meeting, December 6, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the special meeting, December 17, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the regular meeting, December 20, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the special meeting, December 26, as presented.

Motion passed.

Minutes approved as presented.

President Kirchner presented the committee assignments for 2013. He explained that the only change was Councilman Siebenaller would now be chair of the Judiciary Committee and Councilman Stuckert would now sit as a regular member of that committee.

A motion was made by Mead and seconded by McKay that the council committee assignments be accepted as presented.

Motion passed.

Committee Assignments accepted as presented.

President Kirchner said he received a letter from the Law Director indicating that the city is required to confirm the appointment of Laura Railing, the Assistant Director of Law, who acts as the City Prosecutor. He asked for a motion to confirm.

A motion was made by Siebenaller a seconded by Stuckert to approve the appointment by the Law Director of Laura Railing as the Assistant Law Director.

Motion passed.

Appointment of Laura Railing, Assistant Law Director, confirmed.

President Kirchner announced that Debbie Stamper from the Convention and Visitor's Bureau would not be presenting at the meeting as indicated on the agenda. Her presentation will be at the next council meeting.

President Kirchner said the Bill Bradish of Palmer Energy forwarded to him the final numbers on the electric aggregation. A total of 3,027 accounts will be enrolled in the city's aggregation program. He said there was about a 2.5% opt-out percentage. He thanked council for all of their work on the electric aggregation.

Mayor - Mayor Riley said that even though Debbie Stamper was not there to present, the new Visitor's Guides are out and there are copies available at the meeting. He congratulated Debbie Stamper and her board for putting the guide together. He encouraged businesses to keep copies of the guide for customers to look at.

The Mayor presented the State of City Address:

Mr. President, Members of Council, my fellow elected officials, guests, fellow citizens and friends:

I will repeat what I said last year. That is, "I am boldly and defiantly an optimist. It may be as a result of my upbringing; my Christian heritage or the fact that for many years I was a card-carrying member of the Wilmington Optimist Club. Whatever the reason, I have always been a 'glass-half-full' kind of guy. I know that there are a lot of really bad things out there in the world. I've experienced many of them, but... I have always refused to dwell on the negative."

That quote is exactly what I said last year, and I still contend that dwelling on the negative is not in my nature. That is not how I have conducted myself and at this point in my life I am certainly not going to change from being an optimist to dwelling on the shadowy, darker side of life.

Certainly, there are ongoing problems that need to be dealt with; there are always going to be problems we need to address. Being optimistic does not mean that you only view the world through rose-colored glasses. Maybe I should refer to myself as a pragmatic-optimist. Our situation must be viewed in a realistic light. Indeed, not everything is always pleasant, bright and rosy, but we do have the means to deal with and improve the circumstances that surround us.

History has shown that our national economy has always rebounded. We must be prepared for that rebound. We must have our infrastructure ready to provide the utilities needed for expansion – when the expansion happens... and, friends, it is going to happen.

This community, this city, is blessed with dedicated, hardworking citizens. This city has highly dedicated employees who strive daily to give their all to the city. They look at the big picture. They do not dwell on the past. They prepare for the future. This city must be ready for the national and state economy to rebound.

Just as I have said in the past, with the departure of DHL, we could easily be considered the point of the spear in this current recession. My goal is to keep the city ready so that when the economy begins to rebound, we might be the phoenix rising from the ashes of the recession that has plagued us for the past four years. We, the entire community need to stay ready, because I am convinced that better times are ahead.

The light at the end of the tunnel is growing brighter. When reviewing the economic development opportunities that are right on the brink of implementation, right here in Wilmington, I have counted nearly 1,000 new jobs that could be here before the end of this year.

This city must continue to provide the services that are wanted, needed and deserved by the residents and businesses of the City of Wilmington.

We cannot stumble at the gate of recovery, we must be ready to respond positively and enthusiastically when opportunities are presented.

One year ago, County Commissioner Mike Curry and I co-convened a group of community leaders who have been charged with the task of economic development. This Economic Development Work Group has met throughout the year to share ideas, plans and opportunities. We now have a system where barriers to effective communication about economic development have all but disappeared.

We now approach economic development from a host of positions: city, county, Port Authority, chamber of commerce, food technology, regional planning and tourism. Great strides have been made in communication and collaboration to assure that opportunities are not lost. We need to keep the spotlight on our city.

This, the season following Christmas, is known as the season of Epiphany. It is marked in many area churches by the lighting of candles; by emphasizing that there is light in the world. During the season of Epiphany, we are taught that even a small light can overcome a huge amount of darkness.

On a visit to Mammoth Caves several years ago, our guide asked us to extinguish all of our flashlights. Once all of our flashlights were off, she turned off all the electrical lights that had illuminated the large cavern. The darkness was total. It was so dark you could almost feel the darkness on your skin. She spoke about the effects of absolute darkness in the cave. Then, she lit one very, very small light. It was a mini-light, but the effect was staggering. We could once again see one another. With that tiny light, we could have found our way out of the darkness.

One June, many years ago, we were at a very remote scuba diving resort in the southern islands of The Bahamas. It was beautiful, remote and rustic. The only electrical lighting there was came from a gas-powered generator. It was only used to provide lighting at the main building and the guest rooms.

The name of the resort was Stella Maris – Star of the Sea. The stars in the night sky, as seen from that remote island; especially, when you were away from the inn; especially, when you were completely away from all ambient light, were staggering in their beauty and clarity.

The Milky Way looked like a huge silver cloud in the moonless night sky. One night, as we walked, it dawned on me that it was indeed a moonless night, yet the light from those millions – no, billions of stars actually lit up the darkness of the night enough to cast our shadows on the roadway.

Whether it's one tiny light in a huge dark cavern, or billions of stars casting their light from across trillions of miles of space, light can be brought into the darkness. The darkness cannot win over light.

Working together, all of us – every member of this community; bringing our energy, ideas and enthusiasm to the fore will bring prosperity back to this community. We will be the phoenix rising from the ashes of this recession. Our efforts can indeed light up this community.

My goal for economic development and recovery in Wilmington this year is not merely to survive, but it is to prosper.

We want to see at least 750 new jobs added to the community workforce this year. In the front window of this municipal building, we are going to put up a graphic display to monitor our success. Every time we have an

announcement of job creation or job growth; we will chart that success graphically.

Entrepreneur Jim Rohn is quoted as saying, “*An enterprising person is one who comes across a pile of scrap metal and sees the making of a wonderful sculpture. An enterprising person is one who drives through an old decrepit part of town and sees a new housing development. An enterprising person is one who sees opportunity in all areas of life.*”

We have some great people, some enterprising people, working locally on economic recovery, and we will succeed. Yes, with this entire community pulling together, we will succeed.

Thank you all. God Bless You and God Bless the City of Wilmington.

[Applause]

Mayor Riley asked that everyone keep an eye on the front window for the upcoming jobs display. He then reminded everyone that the Joint Governmental Use Office was now on the first floor of the Municipal Building and introduced Adam Rapien, Field Representative for Congressman Steve Stivers.

Adam Rapien, Field Representative for Congressman Steve Stivers. He said he would be covering six of the twelve counties in the district. He described the district as suburbs of Columbus, southwest to Clinton County, southeast to Athens. Franklin, Madison, Pickaway, Clinton, Ross and Fayette will all be part of his territory. He said that Sheri Stuckert would be employed in the office full-time. He also said that Grant Shaeffer would be covering the office on days that he was in central Ohio. He said that they had spoken to Portman’s office about using the space as well as Cliff Rossenberger. He said they are excited about serving Clinton County and about having an office in Wilmington.

[Applause]

Adam Rapien announced that they had tentatively set a date for the office’s open house on Friday, February 1.

Mayor Riley announced that the Fire Department had received a grant for \$150,000. He thanked Firefighter Jeff Haines, Chief Andy Mason, and Assistant Chief Mark Wiswell for helping to put the grant together. He said it would be used for cardiac defibrillators.

Mayor Riley announced that the city had decided some time ago to enter into a Class Action suit regarding the chemical atrazine, a weed killer used in agricultural that could have a negative effect on a water supply. He said that they found out that the class action suit has been completed and the City of Wilmington Water Department stands to collect \$181,468.82 for entering into the suit. He said there were over a thousand communities involved in the suit.

Service Director Reinsmith said they should have the check by January 25. He said when they entered the suit, they had to go back and show their test results for the past 10 years. He said it was basically reimbursement to the cities for all of the work they had to do to remove atrazine from their water. He said there was 1068 cities and it touched 38 million people. He said the total settlement was \$105 million dollars from a company called Syngenta out of Switzerland.

Mayor Riley said that he appreciated Jerry Rowlands putting the information together so that the city could get reimbursed for their treatment of atrazine.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead said that the committee had begun work on the disposition of several small parcels of land in the City of Wilmington. He said over the year they would be pursuing those and cleaning house.

Finance Committee - Chairperson Mead introduced a supplemental appropriations ordinance. He explained that both of the items were housekeeping items.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5075 passed as read.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells said he was encouraged to see blue bins along the curb and encouraged citizens to keep recycling – it helps the environment and it's the right thing to do.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Stuckert had no report.

Safety Committee - Chairperson Wells introduced a resolution declaring a Transit Department vehicle as surplus – 2004 Crown Victoria. He said it came through Safety Committee because GovDeals is administrated by the Chief of Police.

A motion was made by Wells and seconded by Jaehnig to give the first reading only on a resolution Declaring Surplus Property, To Wit; Taxi Department Vehicle Valued at More Than \$1000, and Authorizing the Sale of Said Vehicle, and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Wells and seconded by Jaehnig to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by Jaehnig to pass the resolution as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Res. No. 2310 passed as read.

Councilman Wells introduced legislation accepting grant proceeds from FEMA on behalf of the City of Wilmington Fire Department - \$15,000 that will be used for EMS supplies and cardiac monitors.

A motion was made by Wells and seconded by Jaehnig to give the first reading only on a resolution Accepting Grant Proceeds for the Fire Department from the State of Ohio and the Federal Emergency Management Agency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Wells and seconded by Jaehnig to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by Jaehnig to pass the resolution as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Res. No. 2311 passed as read.

Downtown Revitalization Committee - Chairperson McKay stated that historically this time of year is one of the slowest times for restaurants and coffee shops. He encouraged everyone to shop, recreate and eat in the downtown area.

Councilman Wells said that he and Bob Mead ate at Buckaroos and attended their recent ribbon cutting. He said it was very good and encouraged citizens to stop in and try it.

Parks and Recreation Committee – Chairperson Jaehnig said that there was a Park Meeting going on at the same time as council – the topic of discussion is the Southeast Neighborhood Park and the revitalization project there. He said they were meeting with the citizens in that neighborhood to set a direction, identify some goals, and put together a plan to make it happen. He said they are able to do many things because of volunteers and encouraged citizens to either volunteer at the park directly or become Friends of the Park. He also thanked the Kiwanis who just gave a donation to help make repairs on the Kiwanis field. He said they already have seven events scheduled for the year. He added that shelter houses could now be reserved online.

Councilman Wells said that he talked to Lori Williams about the Caesar Creek water project money that was previously discussed in council. He asked the mayor to help her with what needs to be done to utilize that money for the parks. Councilman Jaehnig said that he met with Lori Williams earlier in the evening regarding pursuing those funds. Mayor Riley said that he meets with Lori Williams a couple of times a week to discuss issues and opportunities. He said she is phenomenal at looking for opportunities and finding ways of getting things done that sometimes look impossible. He said that she was a great choice by the Parks Board.

Income and Levy Tax Committee – Chairperson Jaehnig had no report and said that his goal was that the committee would not meet this year – no new taxes is the goal.

Service Director - Service Director Reinsmith had no report.

Councilman Wells reported that the last light closest to the alley is out in the mural parking lot.

Service Director Reinsmith said that if you ever notice a light out, you should call Karen at the Service Director's office because that starts a paper trail on the repair. He said it was important to give a good location so they can pinpoint the problem. He explained that DP&L usually fixes the lines during daylight hours, so without a specific location they have to guess whether or not they are fixing the correct pole. He suggested citizens try to either provide a specific house number that the pole sits in front of or that they get the pole number off of the pole.

Councilman Jaehnig asked if the work in front of McDonald's and Kroger is ongoing.

Service Director Reinsmith said it probably was. He explained that there is a water line leak and described the problem. He said they were in the process of tracing the leak and as soon as it is located they will get it fixed.

Mayor Riley asked that everyone be patient and cautious when driving around the work area as it is a very busy section.

Councilman Wallace said there have been several problems recently and appreciated all of the hard work from the employees at the water department.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Stuckert that the following reports be accepted as presented.

- 1) December 2012 Auditor-Treasurer's Report
- 2) Annual 2012 Treasurer's Report
- 3) Statement of Interest Earned
 - a. Second Six Months 2012
 - b. Twelve Months 2012
 - c. Investment Summary
- 4) Income Tax Report December 2012
- 5) Income Tax Report Annual 2012
- 6) 2013 Projected Revenue Report

President of Council asked for discussion.

Seeing none, President of Council called for vote.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Paul Hunter – 200 Randolph Street – He said that there was a Letter to the Editor on the previous day regarding the unsung employees of the city – the waste people, water, non-safety people. He said he thought it was a very nice letter and that everyone should remember that those are the guys that are the backbone of the city's workforce. The police and fire automatically get noted, but the other workers work day-in and day-out to keep the city running. He asked who was the Convention and Visitor's Bureau primary client. He said everyone benefits from the parks activities and that the parks have a significant revenue impact on all of the clients of the CCVB. He suggested it would be a good idea for city council to divert a portion of the bed tax to the cash-poor and deteriorating city parks system. He said that would allow the parks to continue providing a venue for city-wide revenue enhancement. He said if the ball diamonds continue to deteriorate they will not be recruit statewide tournaments that produce significant revenue for the local economy. In this period of economic distress when all sectors of the city are sacrificing, a mere 7% of the Bureau's budget would fix the diamonds for this year and allow upkeep for the parks to continue and following years. The parks are an integral part of the quality of life of the city. We used to be proud of our parks and we should not let them become an embarrassment. We have a dedicated, capable and efficient parks staff working as hard as they can under difficult budget constraints to keep the system operating. He quoted Winston Churchill – "Never have so many, owed so much to so few." Those few people at the parks are doing a heck of a job and we are going to lose a couple of them if we do not give them financial support. He said that council has the full authority to dispense some of that money to the parks if they so decide. He said that elected officials should consider that issue as we come upon the primary elections.

President Kirchner agreed that the city employees do a great job in the background. He said the Law Director was asked to look at the statute governing the bed tax funds.

Law Director Shidaker said that he had looked it over and was hopeful that a compromise could be made between the two without the need for a legal opinion on the matter. He said he was holding off on a legal opinion because he is hopeful they could compromise.

President Kirchner asked if anyone else wished to address council while in session.

Councilman Mead apologized to Auditor David Hollingsworth for what he had said during the budget discussions. He said he had indicated that they did not trust the Auditor. He said that they do trust David Hollingsworth, we have no fear at all that the numbers he presents are true and accurate. He is doing the job he is supposed to do. Never at any time did the finance committee or the people working on the budget from either side feel that he was not presenting accurate numbers or not telling the truth. My word was artificially changed some of the numbers. It was a bad adjective. I am sorry. I apologize to you, Dave, for that word and I want to assure you that we trust the Auditor and his staff. The fact that we don't like part of the budget does not mean that we don't like the Auditor or his numbers. Thanks, Dave. Keep up the good work.

Auditor David Hollingsworth accepted the apology.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by McKay to adjourn.
President of Council declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in regular session on Thursday, February 7, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council

A motion was made by Wells and seconded by McKay to approve the minutes of the special meeting, December 31, 2012, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Wallace to approve the minutes of the regular meeting, January 3, 2013, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the regular meeting, January 17, 2013, as presented.

Motion passed.

Minutes approved as presented.

President Kirchner introduced Debbie Stamper of the Clinton County Convention and Visitor's Bureau for presentation of the 2013 Budget and Marketing Plan.

Debbie Stamper greeted council and said that it was her 14th year presenting the budget to council. She thanked members of her board that were there to support her. She handed out the 2012 Annual Report, the Marketing Plan and Budget and a printout of her presentation for the evening. She explained that the 2012 Annual report showed the accomplishments of the CCCVB in 2012 and the Marketing Plan and Budget gave a detailed report. Ms. Stamper explained that the CCCVB had been in operation for 15 years and they were an independent not-for-profit with a board of trustees. She said when originally established, the city gave a mission to the bureau, which she read aloud: "The mission for city council was to promote and publicize the City of Wilmington, bring patronage to Wilmington businesses, promote our heritage and attractions, and contribute to the quality of life in Wilmington." She said the mission goes on to say "The city council finds that there is a need to encourage and promote through advertisements and other educational and informational needs, travel to and visits in the City of Wilmington for pleasure, business and other purposes and that fulfilling that need will be beneficial to the entire hotel, motel and lodging industry throughout the city." She explained that the mission from the city and the mission from the county were incorporated into the CCCVB mission and that sets the precedent for what they do. She said the one source of revenue for the CCCVB was the lodging tax, which is collected from guests in the hotels and that money is passed through the city or the county. She said when it comes into the city, there is a 10% administrative fee that is taken right off the top. She said she looked back for a couple of years and it has averaged about \$10,000 in each of the last two years. She said that the Convention and Visitors Bureaus are legislated by the Ohio Revised Code and there are 94 bureaus in the State of Ohio. The lodging tax is spent by the bureau on marketing. She said if the staff is doing their job correctly, they should be bringing more people into the community that are staying in the hotels, more lodging tax is generated, which then filters back to the CCCVB, which

allows them to spend more money on marketing. She said it is a cycle and it should continue to grow and mentioned that when DHL left, many business travelers went away. She said they had been working very hard to increase hotel patronage. She said the hotels are the number-one stakeholder and they have invested a lot of money in the community. She said they have built their businesses here, have generated jobs, they collect and pass the lodging tax. She said with investment comes accountability. The hotels want to see a positive return on investment and that is where the CCCVB comes in. Ms. Stamper said that the return on investment is as follows: for every dollar they spend, 2.5 people visit the community. \$333 is returned as visitor spending, \$13.55 is generated in local tax revenue, and overall 680,000-plus people visit the county. She explained that Cowan Lake generates half a million people each year. She said \$20.5 million was spent on tourism wages, which equates to 851 jobs in the tourism industry. She said the Visitors Bureau spent 51% on marketing, 34% on administration, and 15% on operations. She said the main groups bringing guests into the community are the East Coast Timing Association, Roberts Arena, Roberts Centre and Eukanuba Hall at the Roberts Centre, Cowan Lake, Wilmington College, and the Southern Ohio Indoor Music Festival. She said the marketing plan for the current year will not change that much. Strategies include increasing hotel occupancy, by focusing on the large groups; taking the money to expand and enhance the marketing efforts; and continuing to sell Wilmington as a sports and meeting venue. She said she goes to trade shows and they solicit all of the different groups that hold meetings and conventions. She said the only changes in the 2013 budget were minor and based on inflationary reasons. Ms. Stamper finished by saying that tourism dollars that are spent in the county and the city rely on the CCCVB to grow the lodging tax, which is only done by focusing on the large groups. She said reinvestment of the hotel and lodging tax into marketing is the only thing that will increase the ROI; nothing else will do that.

President Kirchner introduced the new community liaison from Dayton Power & Light, Sam Ahrman.

Mayor - Mayor Riley thanked Debbie Stamper for her presentation and said that the Convention and Visitors Bureau does a yeoman's job. He also thanked the Board of the CCCVB. He introduced the JETT Team – Job Emphasis Tracking Team. He asked Rob Jaehnig to speak on behalf of the team.

Councilman Jaehnig announced that they had assembled a Job Emphasis Tracking Team (JETT). He said the goal of the team was to celebrate the small successes along the path of job creation during the 2013 year. He went on to say that the mayor had set a goal of 750 jobs for the year and they wanted to focus the community on what is going on positively in the job creation market in Wilmington. He said he reached out to creative people in the community to try to help with the project and those people would attend the next council meeting. He said as new companies open and current companies expand or hire back laid-off workers they will ask them to communicate with them so they can track those numbers. He said so far they have 22 new jobs so far this year, and this number would be updated at each council meeting. He used the example of Buckaroos restaurant, which had four full-time employees and twelve part-time employees. He said that part-time jobs were divided in half to calculate their full time equivalent (FTE) for the purpose of counting new jobs and all jobs in the 45177 zip code are counted. The jobs counted are only ones that actually are implemented, not just announced. He added that a group of artists will be creating a graphic display in the first floor windows of the municipal building that will represent all of the different aspects of job creation in the coming year. He said the Wilmington Arts Collaborative has agreed to work on a mural-type piece on the wall behind the windows, which will be unveiled at the end of the year. He said that anyone who would like to help should contact him or the mayor.

Paul Hunter asked how they would know when jobs were added.

Councilman Jaehnig said that they respect that some businesses will not want to share that information. The numbers will be based on only those who do want to add their jobs into the count. He said on the city website, there will be a link to the economic development page and that site will have a page that will be updated with the latest information. He said information will also be submitted to the newspaper. All points of

information will have a similar design or logo. He said the current count of 22 includes ten from Buckaroos, 11 from Tri-State Media out on Davids Drive, which moved here from Lebanon and do specialty labels. He said the last job is the one created by Steve Stiver's office in the city building.

The mayor said everyone should keep their eyes open to the city building. He mentioned that sometime this year he would like to invite 60 Minutes to come back and do a story that focuses on the jobs that had come to town. He said he wanted to point out that you never know where the jobs are going to come from. He said that last year at the county fair, a gentleman stopped him and asked who he would talk to about starting a business in the area. He said he set up a meeting with him, and it turned out to be the Tri-State Media business that just opened up. He went on to say that in March he was hosting five mayors from Ukraine that will be in the Cincinnati area doing an economic development exchange. He said they wanted to visit a rural community, so they are going to be looking at Wilmington. He said they will be looking at infrastructure and economic development work. He said he also wanted to point out that most of the city employees are now wearing nametags during the day for security purposes. He said if any of the councilmen wanted ID badges, they can get them down at the cab company. He said there will be more improvements in security. Mayor Riley also said that everyone should have enjoy a Lenten lunch starting next Wednesday at the United Methodist Church. He announced that Don Wells had an announcement.

Councilman Wells said he wanted to talk about Dayton Power & Light. He said over the last couple of weeks he had received some complaints from people in the 3rd Ward in the Southridge Area. He said there were too many outages in the area. He referred to an ad from Dayton Power & Light in the News Journal and was encouraged that the company may realize that there is a public relations problem. Paul Hunter said the outages were in the same place year after year. Councilman Wells said he just wanted to pass it along to the representative. Mayor Riley asked Sam Ahrman to give any feedback she might have to the mayor's office and they would forward it on.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced legislation on supplemental appropriations – EMS billing refunds for \$30 and \$4500 to add the Human Resources and Utility Billing department to the city IT contract.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5076 passed as read.

Water Committee - Chairperson Wallace introduced the annual resolution authorizing the advertisement of bids for water chemicals. He explained that it needed to be done in two separate meetings but it will need to be an emergency so it can be implemented by April.

A motion was made by Wallace and seconded by Mead to give the first reading only on a resolution Authorizing the Advertising for Bids and Purchase of Chemicals for the Water Department and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

Wallace requested that the second and third readings be on the Agenda for the next meeting.

Streets Committee - Chairperson McKay thanked Denny Gherman and the Streets crew on how well they handled the recent snow events.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced legislation that will allow the Transit Department to enter into an agreement with the Ohio Department of Transportation to purchase vehicles. He asked Phil Floyd if he had any comments.

Phil Floyd said that this was a requirement every two years.

A motion was made by Siebenaller and seconded by Wells to give the first reading only on a resolution Authorizing Participation in the Ohio Department of Transportation Cooperative Purchasing Program.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Wells to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the resolution by title only.

A motion was made by Siebenaller and seconded by McKay to pass the resolution as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Res. No. 2312 passed as read.

Councilman Siebenaller introduced legislation allowing the Transit Department to file a four-year budget with the Ohio Department of Transportation.

A motion was made by Siebenaller and seconded by Stuckert to give the first reading only on a resolution Authorizing the Filing of a Four Year Capital and Operating Plan with the Ohio department of Transportation Covering the Period January 1, 2014 through December 31, 2017.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

Siebenaller requested that the second and third readings be on the Agenda for the next meeting.

Councilman Siebenaller introduced legislation authorizing a revolving loan fund agreement and explained that it was part of the CHIP program. He said it was geared toward allowing low- and middle-income homeowners to help fix up their properties.

A motion was made by Siebenaller and seconded by Stuckert to give the first reading only on a resolution Authorizing the Revolving Loan Fund Agreement with the Ohio Development Services Agency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

Siebenaller requested that the second reading be on the Agenda for the next meeting.

Councilman Siebenaller introduced legislation adopting the definition of a swimming pool in the City of Wilmington ordinances. He explained that there are laws in our ordinances regulating swimming pools, but a swimming pool is not defined, so it makes it difficult to enforce the ordinances.

A motion was made by Siebenaller and seconded by Wells to give the first reading only on the ordinance Adopting New Section in Chapter 1131 of the City of Wilmington Codified Ordinance Regarding Definition of a Swimming Pool, and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

Siebenaller requested that the second reading be on the Agenda for the next meeting.

Safety Committee - Chairperson Wells introduced legislation authorizing an agreement for the boarding of prisoners at the Clinton County jail.

A motion was made by Wells and seconded by Siebenaller to give the first reading only on a resolution Authorizing an Agreement for the Boarding of Prisoners at the Clinton County Jail.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

Wells requested that the second and third readings be on the Agenda for the next meeting.

Downtown Revitalization Committee - Chairperson McKay said he noticed that the old News Journal building was going up for public auction again soon and hoped there would be bidders and the building and parking lot could be repurposed.

President Kirchner added that he thought it was an online auction only.

Parks and Recreation Committee – Chairperson Jaehnig announced that the community work session on the Southeast Neighborhood Park went very well and there was great discussion. He applauded Lori Williams on the direction that they are taking. He said they had a grant for about \$37,000 to repurpose and bring life back to that park. He said they are having great community engagement on what the neighborhood wants to do with the park. He went on to say that the ballparks out at the park are getting used more and more every year by both local leagues and traveling sports team. He announced that they are doing a banner program for the first time on the outfield fences. If any businesses or organizations are interested in promoting in that way, they are taking orders for the upcoming season. He also mentioned that there was a bad accident on Rombach Avenue recently in which the street near the park was closed and rerouted. He said it caused a huge pileup of cars in the park who were trying to avoid the accident by cutting through. He asked if in the future Denny could close the park entrance when in those types of situations.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – In the absence of Safety Director Russ Burton, there was no report.

Reports

A motion was made by Wells and seconded by Stuckert that the following reports be accepted as presented.

- a. January 2013 Income Tax Report
- b. Annual 2012 Municipal Court Report
- c. Hotel Lodging Tax Report – 4th Quarter, 2012
- d. Law Director Report

President of Council asked for discussion.

Councilman Jaehnig asked if they could adjust the Hotel Lodging Tax report to include a year to year comparison. President Kirchner said he thought the request had been made last year for that. Clerk Brenda Woods said that she would request the changes with Deputy Auditor Vance.

Councilman Siebenaller noticed that the business section of the treasurer's report was significantly lower than last and asked the treasurer what caused that. Treasurer Paul Fear said that he hoped it was just a timing issue and not about the profit by businesses in town. He said the withholding was up the same amount as the others. He said they will not really know what the situation is until they see a month-to-month.

Seeing no more discussion, President of Council called for vote.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Samantha Ahrman: 2909 Waynesville-Jamestown Road, Xenia, Ohio. She said that she was the new Community Ambassador for Dayton Power & Light. She said she grew up in Lynchburg, Ohio. She said that she would do her best to address issues and concerns. She said that the DHL pull-out affected several members of her immediate family and was glad to see the job creation initiative in Wilmington. She said she works in the supply chain under Contracts and Compliance for Dayton Power & Light.

Service Director Reinsmith asked that Ms. Ahrman give him phone number that he could use in case there are problems in the community that need resolved. She gave him the number and said that she would do her best to direct him to the right department. Councilman Wells said that he thought DP&L should continue the advertisements because they are very effective.

Councilman Wells said he checked over at TBS and did not think there was anything going on at the business. Mayor Riley said that they workers had just returned a week or two ago from Texas as they were doing on-site installation. He said there is traffic in and out of there every day. He added that a lot of their business is not new ovens but in refurbishing other units. He said that he goes out and sees the owner of Total Baking Solutions every month or so. Paul Hunter said that if they were working off-site, then the city might not be getting income tax for that work. He said that we should be checking in with them to see how their progress is going to justify the \$1/year rental of the building. Mayor Riley said that he is staying in contact with the owners. He added that the bakery business is undergoing many changes right now but they were hoping it would stabilize soon.

Mayor Riley pointed out that Commissioner Kerry Steed was in the audience.

President Kirchner said that the aggregation rates should be showing up soon on people's energy bills. He said he spoke to Bill Bradish who is now working on the aggregation for the unincorporated sections of the county. He said they are working on

moving that under the city's contract in the future. He explained the expiration of that the county contract would coincide with the city's contract so they could consolidate it into one large contract in the future. Paul Hunter said that on the city website they have instructions on how to opt-in to the aggregation if you are currently under another contract. Paul Fear pointed out that people currently under DPL Energy have to opt-in; they are not automatically transferred into the aggregation rate. President Kirchner said that anyone can join the aggregation group at any time, but they would not necessarily get the original rate. The number of people eligible for the original rate is capped at the number of people who joined the aggregation in the first round. Beyond that, DPL Energy can adjust the rate based on market conditions, but it should still be competitive.

Councilman Stuckert asked what mechanism is in place for people who are moving into town. How would a new person know about the aggregation program? President Kirchner said that he was not sure how you would build that mechanism. He suggested that it would be word of mouth. Paul Hunter said that perhaps DP&L would inform a new customer of their options. President Kirchner said maybe the PUCO website might indicate that there is an aggregation in Wilmington. Samantha Ahrman explained that when a person signs up with DP&L, the company is not permitted, because of PUCO regulations, to inform them of the option to sign up for DPL Energy because they are not permitted to be biased.

Councilman Mead said they had discussed at one time that commercial businesses under a certain number of kilowatt hours would be part of the aggregation and he could not remember whether or not that was automatic or if they need to opt-in. President Kirchner said that he thought that small businesses that were not already contracted with another provider would automatically be included in the aggregation. He said if they were already contracted with an alternate provider, they would have to opt-in.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Jaehnig and seconded by Wallace to adjourn.

Motion passed.

Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met on Thursday, February 21, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, February 7, as presented.

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley pointed out that the employment tracking number on the wall had increased from 22 to 23. He asked Councilman Jaehnig to introduce the members of the JETT team.

Councilman Jaehnig explained that the JETT (Job Emphasis Tracking Team) was formed in response to the mayor's goal of creating 750 new jobs for 2013. They want to celebrate the jobs as they happen, and celebrate the businesses that are either moving into the area, expanding, or just growing with economic improvements. The job created this week was Clinton County Motor Sports. They count all jobs in the 45177 zip code. Councilman Jaehnig introduced the members of the JETT team: Holly - store manager at CVS; Steve Brown - coordinates the efforts with the Wilmington Art Collaborative. He said the Chamber sent out an email asking businesses to participate in the JETT project. Only jobs that actually have been created will be added to the count.

Mayor Riley said that in the News Journal there was a nice article from Kevin Carver at the Port Authority. Polaris coming into the city should be creating a hundred-plus new jobs and that there were a lot of good things happening. He congratulated Josh Quallen on going to state for the swimming championships and being a two-time state champion. He recognized the 200 medley swimming relay team (Ryan Macella, Tyler Law, Austin Carey, and Josh Quallen) and said Maddie Shaffer was swimming in two events. He also announced that the Friday night at the General Denver, the American Red Cross is having a Paint the Town Red Dinner. A portion of everything sold will go to the Red Cross. He said the Chamber Dinner at Roberts in April was going to have Gordon Gee from Ohio State University Speaking – April 8. On April 20, Alternatives to Violence is hosting their Tea for Tweens, Teens and Queens. There will be discussion about safe dating practices. He said also next month we would have mayors from Ukraine visiting in Wilmington. He said they would be interested in infrastructure, how we provide services to our citizens, economic development, and green energy. He added that everyone be careful because the roads are supposed to be slick overnight.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced an ordinance making supplemental appropriations.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5077 passed as read.

Councilman Mead introduced the Then and Now resolution.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on a resolution Authorizing Payment of Expenses Incurred in Prior Fiscal Year.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the resolution by title only.

A motion was made by Mead and seconded by McKay to pass the resolution as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Res. No. 2313 passed as read.

Councilman Mead introduced legislation requesting advance payment of settlement from county.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on a resolution Authorizing Request for Advance Payment of Settlement from the County.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the resolution by title only.

A motion was made by Mead and seconded by Siebenaller to pass the resolution as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Res. No. 2314 passed as read.

Water Committee - Chairperson Wallace presented legislation authorizing for the advertising of bids for chemicals for the Water Department.

A motion was made by Wallace and seconded by Jaehnig to suspend the rules and give the second and third reading on the resolution Authorizing the Advertising for Bids and Purchase of Chemicals for the Water Department and Declaring an Emergency.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the resolution by title only.

A motion was made by Wallace and seconded by Stuckert to pass the resolution as read.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Council declared Res. No. 2315 passed as read.

Streets Committee - Chairperson McKay said that the streets may be treacherous and asked people to be careful.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced legislation authorizing the filing of a four-year capital and operating plan with the Ohio Department of Transportation.

A motion was made by Siebenaller and seconded by McKay to suspend the rules and give the second and third reading on the resolution Authorizing the Filing of a Four Year Capital and Operating Plan with the Ohio Department of Transportation Covering the Period January 1, 2014 through December 31, 2017.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Director of Law read the resolution by title only.

A motion was made by Siebenaller and seconded by McKay to pass the resolution as read.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Motion passed.

President of Council declared Res. No. 2316 passed as read.

Councilman Siebenaller introduced the second reading on a resolution authorizing a revolving loan fund agreement through the CDBG program.

A motion was made by Siebenaller and seconded by McKay to give the second reading only on A Resolution Authorizing the Revolving Loan Fund Agreement with the Ohio Development Services Agency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

Siebenaller requested that the third reading be on the Agenda for the next meeting.

Councilman Siebenaller introduced the second reading on an ordinance defining a swimming pool in the zoning ordinances.

A motion was made by Siebenaller and seconded by Jaehnig to give the second reading only on the ordinance Adopting New Section in Chapter 1131 of the City of Wilmington Codified Ordinance Regarding Definition of a Swimming Pool, and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

Siebenaller requested that the third reading be on the agenda for the next meeting.

Councilman Siebenaller introduced legislation authorizing the adoption of a citizen participation plan for the Community Development Block Grant Program.

A motion was made by Siebenaller and seconded by Wells to give the first reading only on a resolution Authorizing the Adoption of a Citizen Participation Plan for the Ohio Small Cities Community Development Block Grant (CDBG) Program.

President asked for discussion.

President called for vote.

Motion passed.

Director of Law read resolution by title only.

Siebenaller requested that the second reading be on the agenda for the next meeting.

Siebenaller introduced legislation giving preliminary approval to a UDAG loan to the Escape Lounge. He explained that the loan application first needed to go through an agent for evaluation and then approval would be contingent upon that report.

A motion was made by Siebenaller and seconded by Mead to give the first reading only on A Resolution Giving Preliminary Approval of a Certain Loan to T. Elliott Enterprises, LLC DBA The Escape Lounge from the UDAG Project Income Revolving Loan Fund, and Authorizing the Mayor to Designate an Agent to Review Loan Application and Prepare a Report and Recommendation to the City Council for Final Approval; and Declaring an Emergency

President asked for discussion.

Mark Elliot described the project. Improvements included a new roof, metal siding on the east side of the building, new stairway to the second floor, and to utilize 50 feet of the ground on the Manhattan side of building to install a large patio and awning along the length of the building. He said the area would be fenced in and there would be an area for outdoor music and an area for outdoor games.

Councilman McKay added that this is the beginning of the Sugartree Corridor and is next to the green space where the Manhattan used to be. He said that this is an area targeted for redevelopment and this would be a good step toward cleaning up that area. Councilman Jaehnig said that it would be a boost to start the redevelopment. Mayor Riley said that the project is in line with what was envisioned in the Sugartree Corridor project as an entertainment/restaurant district. He explained that the idea is to connect that area more directly with the college through the expansion of the trails system. He went on to say that the president of Wilmington College, Jim Reynolds, is enthusiastic about the corridor project. President Kirchner said it was a great project for investing and cleaning up in that neighborhood. He said it would also create jobs.

Mark Elliott said that he appreciated all of the support and was committed to making it work. Councilman Wells asked when it would be completed. Mark Elliott said that the paperwork process is taking longer than expected. He said probably mid-summer at this point.

Seeing no further discussion, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Wells to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Director of Law read the resolution by title only.

A motion was made by Siebenaller and seconded by Wells to pass the resolution as read.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Motion passed.

President of Council declared Res. No. 2317 passed as read.

President Kirchner said they would work with the mayor to see how quickly they could get the report back and get the project moving.

Safety Committee - Chairperson Wells presented the resolution regarding the agreement to board prisoners at the Clinton County jail.

A motion was made by Wells and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution Authorizing an Agreement for the Boarding of Prisoners at the Clinton County Jail.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by Stuckert to pass the resolution as read.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Motion passed.

President of Council declared Res. No. 2318 passed as read.

Downtown Revitalization Committee - Chairperson McKay said that he knew of a couple of new businesses that are coming to the downtown area and it was exciting to see potential movement. He added that the Murphy Theatre is having a motivational speaker sponsored by CMH. He said that the Murphy is great asset to the downtown and helps the restaurant businesses when they have shows.

Parks and Recreation Committee – Chairperson Jaehnig announced that a Parks Committee meeting would be scheduled in the next week. He asked Councilman Mead to have a Finance Committee meeting following the meeting. He explained that when the last year when the Park Board took over as the primary management entity for the parks, they were defunded by the city. He explained that when they had an opportunity to look at the condition of the parks and some of the repairs that need to be done, the switchover left them in bad position. The Parks Board has made a request to the Parks Committee for some money to take care of the safety issues. Since the park was handed to them in bad condition, they are not able to keep up with the maintenance through just donations. He added that they would have to move quickly in order to schedule the repairs.

Income and Levy Tax Committee – Chairperson Jaehnig thanked the Auditor's office for the new Hotel Lodging Tax Report.

Service Director - Service Director Reinsmith repeated that there is an ice storm on the way.

Councilman Wells asked if the new phase of Timber Glen was where the streets were laid out already. Service Director Reinsmith said that it was. They wished to finalize it as it has been on hold for about five years.

Safety Director – In the absence of Safety Director Russ Burton, Mayor Riley gave the report. He said that they are looking at utilization of Station 2, especially renting out some of the space to the Ohio State Patrol for a licensing area.

Reports

Councilman Wells asked about the status of money that might be available for the Parks out of the Caesar's Creek Project Fund. Councilman Jaehnig said that Mary Kay Vance expects that the monies will need to be returned to the state and they are waiting for an answer. He added that Representative Rosenberger has been involved with the process.

A motion was made by Wells and seconded by McKay that the Auditor-Treasurer Report, January 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Paul Hunter, 200 Randolph, said that he thinks that the landfill operates fine as it is right now. Key points included that branch pick-up and leave pick-up are good services for citizens, participation is increasing for the curbside recycling program, the landfill financial situation is looking good, and revenues are increasing. Maybe a \$1 decrease could be seen in sanitation fees in the future to the citizens. He said that selling the landfill would be a bad idea as it would increase traffic and increase the size of the landfill. He said landfill management could be considered, but if additional revenues were found, they would need to go back into landfill improvements and could not be transferred to the General Fund. He said that currently landfill operations are on sound footing, expenses and revenues are in balance, with a substantial carryover. He added that local taxpayers are not putting any money into the landfill. He said that things should continue in the same way as they are going now. If it's not broken, there's no need to fix it.

President Kirchner took issue with the statement that local taxpayers are not putting any money into the facility. He said that through the trash fees, citizens are putting money into the landfill.

Councilman Jaehnig announced that two extra members of JETT team had come into the meeting: Julie Ann and Robin. Due to a generous donation by Abbott Signs, the count numbers will be in the city building windows.

President Kirchner said he had concerns about the request to put more money into the parks. He said that fire services were cut by two positions and police services were cut by one. He said they still have two unfunded police cruisers. He said the council members should think about the citizen's safety first.

Jonathan McKay, 371 High Street, spoke regarding the Chamber Luncheon with speaker Gordon Gee from The Ohio State University. He said that Representative Cliff Rosenberger had been key in helping put together the event. He said they are expecting a large turnout and encouraged businesses to register. He added that the City and the Chamber currently have a very good relationship encouraged all area businesses to join. Mayor Riley said that the owner of Tri State Media on Davids Drive, a new business that employs 11-12 people right now, joined the Chamber and attended an Economic Alliance breakfast recently. He said that it was a good experience for the company and they were able to get many leads on local companies that need labels. Councilman McKay said that Tri State Media he also has 55-gallon drums as well.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Jaehnig to adjourn.

Motion passed.

Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in special session at 5:30 p.m. on Tuesday, February 26, 2013, with President Pro Tem Mark McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present.

Judiciary Committee - Chairperson Siebenaller explained that purpose of the meeting was to gather information regarding the employee health insurance plan. Council wishes to review options for renewal and ensure the employees have a policy in place.

Mayor Riley expressed appreciation for work by the Insurance Committee, which comprised of employees. He explained that the committee worked with brokers and looked at options for renewal, with the goal of obtaining a package that was good for the employees but also kept in mind that funds were limited. He said the plan chosen was equal to or even better than the plan they had last year but was almost 2% less expensive. He explained that Chief Duane Weyand was the chair of the insurance group and introduced Liz Fortney, the insurance broker.

Chief Duane Weyand explained how the insurance committee approached the renewal process from three aspect 1) Manage the benefits for the city so they would not be overextending themselves, 2) Provide the best coverage for the employees and try to maintain continuity for the employees, and 3) Overall cost of the program. He explained the RFP process and summarized the results. He said they chose Anthem for the following reasons: 1) Monthly aggregate cap, which benefits the City, 2) A 1.97% reduction in cost, which was a testament to the employees and their efforts to keep healthcare costs down; 3) Great customer service in the past provided by Liz Fortney; 4) Maintains continuity for the employees; and 5) The 36/12 plan year gives a longer time to submit and reconcile claims from the time the service is provided.

Liz Fortney said she was sensitive to the fact that the insurance plan is a very large cost item for the city and said they tried to come up with a program that provided the best advantage to both the city and the employees. She explained that the city moved to Anthem in April 2011 – a decision that was made because they have very strong contract that mitigates the risk for the city. The family-specific deductible rather than an individual, monthly accommodation caps the city's maximum exposure on a monthly basis. Anthem will advance money on specific claims and aggregate claims (while competing companies would only advance money on a specific claim), which mitigates risk. Initial review from Anthem asked for a 16.63% rate increase. She went back through six years of claims and had multiple meetings with the underwriters. At the end of the day, Anthem's renewal ended up with a 1.97% decrease over the current cost. She explained that this referred to the city's maximum liability for the cost of the insurance plan. She said the city is self-funded, so the cost is variable, but we do know what the maximum cost is. She said in addition, they added several pieces of coverage – some that were legislated and some that they felt were in the employees' best interest. Women's Preventative HealthCare Act is added on at renewal. Combined therapy visits were added to give employees' more flexibility. They added a benefit for hearing aids for minor children. They negotiated with Anthem to provide \$5000 Wellness Allowance that can be used by the city to encourage the employees to lead healthy lifestyles and manage chronic conditions. Since April 1, 2011, the city has come \$998,000 below the maximum cost, so the plan performs very well. She also negotiated a 13.38% decrease in dental administration fees. She said there was increase in life insurance and vision insurance.

Mike Wallace asked when the last time was that the city reached the maximum and Liz Fortney answered it was in 2010. Wallace asked how many times in the past 6-10 years did the city get to the maximum amount. Liz Fortney answered that the city has only been fully self-funded since April 1, 2009. He asked if there was any way that we could come up with an estimate of the expected insurance costs rather than budgeting on the

maximum amount. Liz said the industry standard is a 20% corridor between the maximum and the expected cost. She explained that the city has been running at about 72% maximum loss ratio over the past two years. She said every fifth year, you can count on having a bad year. Councilman Wallace asked if the 80% number was used, would we show an increase. Liz Fortney said if you used the 80% maximum number, the city would be slightly above where the actual costs were through December 31. She added that we are not to the end of the plan year yet, so it remains to be seen.

Councilman Stuckert asked what contract year the \$998,000 was based on. Liz explained it was from April 1, 2011, through December 31, 2012 and during that time period in aggregate, the total cost for the city was \$998,000 below maximum.

Councilman Siebenaller asked about doing an 18-month plan to try to get an October 1 start date. Liz said that 18-month plans with true self-funded plans are not being offered in the marketplace. The reason is there is so much uncertainty as to what is going to happen when PPACA (Patient Protection and Affordable Care Act) fully implements January 1, 2014. She said she approached Anthem and other carriers regarding an 18-month contract and was not able to find a stop-loss carrier outside of an association-type pool group that would offer an 18-month contract at this time. She said a year from now, that may change.

Mayor Riley said that in some ways we are fortunate to have an April 1 because most companies have negotiated to the end of the year and we're not competing with them. They're having a feeding frenzy trying to come up with good rates, but we're after the fact so we can negotiate better rates generally. He said that an October renewal date might give us a little more information going into the budget process; however, there would still be an element of the unknown.

Liz said that first of all, you don't want to be on January 1. With the majority of the companies trying to get a January 1 renewal, it is very difficult to get time with the underwriter. You have better negotiating ability if you do not renew on January 1. Moving away from that to an October 1, there are a number of problems that surround that, the first being that the way that the plan is written, the benefits accumulate on a plan-year basis instead of a calendar-year basis. The reason that was done was because we were using HRA, a reimbursement vehicle where when the employees have claims, the city reimburses those claims. If we had set that up on a calendar-year basis, then the city would have reimbursed claims from April through December and then started over in January. Since the deductibles here are relatively low and the employees tend to have out-of-pocket expenses in the first three months of the year much more than later in the year, it was a budget-buster for the city. That is the reason it was set up as a plan-year. Now that we are on a plan-year, if we move October 1, all of the employees deductibles are going to reset on October 1. Typically they will meet their deductibles in the first few months, but then they will have to meet another \$2000 deductible when it resets in October. That's a problem.

President Pro Tem McKay clarified that they were talking about October of this year. Liz said that was correct. She was outlining a scenario where they would renew in April and then renew again in October. She explained that we could not get an eighteen-month plan, so the only way to move to an October renewal date is to do a six-month plan. She said it would cause the employees to pay double their out-of-pocket expenses.

Councilman Jaehnig pointed out that fall is the time of year when many people's budgets are tight because of the holidays coming up. He said that he assumed that if we went to a 6-month contract, we would not see the 1.97% reduction. Liz Fortney confirmed that it would be more. She said that the 36/12 contract meant that if a claim was incurred within the last three years and Anthem gets it in the next 12 months, they are going to pay it. She said that is what is referred to as a paid contract. She said if you go from a 36/12 to a 36/6. She said that it would not be a 50% reduction in cost but more like a 25% reduction. She said you still have the 36-month period but have only lost 6 months on the end. Then you would have to renegotiate the contract and have a 25% reduction in the total cost, but the cost is the risk over 6 months, not 12 months. From a budgeting perspective, that is catastrophic if you have claims.

Councilman Siebenaller asked if an 18-month plan is ever possible, notwithstanding the uncertainty of the current market. Liz Fortney explained that she has done up to 24-month plans in the past. She said in the past 12-18 months, carriers have moved away from that because of the uncertainty in the marketplace. Councilman Siebenaller asked if it was likely that some of that uncertainty might be cleared up by this time next year. Liz Fortney said she hopes so. She said that she cannot be certain that it will be possible by next year, but she is certain that it is not possible to do it today.

Councilman Siebenaller said that he thinks the six-month plan idea came up because they heard about the inability to do an 18-month plan and wanted to move to the October 1 start date to make budgeting more efficient. He said council should do whatever it can to move forward while meeting all of those goals.

Councilman Stuckert said that the problem for council is that on the largest cost item in the budget, they only have firm figures for three out of the twelve months. He said that it renders the budget process as meaningless.

Liz Fortney said that she understands because she does a budget for her business. She said that a budget is a great tool in terms of planning for and managing your financial life, but at the same time, it is a fluid instrument that has to be adaptable when circumstances change. For example, last year and this year, the city has had a fairly large surplus in the insurance fund. That money is available. Just because the city didn't budget for it. She added that she understood that there were some items that were removed from the budget – just because you didn't budget for it, now that you have the money, can you not reallocate that and put those items back on the table for discussion again?

Councilman Stuckert said his point is they have an obligation because they are getting low on carry-over funds. He said if there is a catastrophic event during the calendar year, they are uncomfortable with having a guessing game on that large of an expense item. He said he just wanted her to understand how anxious they are and want her to help them find a solution. Liz Fortney said that she understands that it creates angst.

Councilman Jaehnig said that based on the four years they have been self-funded, in regards to the estimated costs, the 1.9% decrease versus the increase that was expected seems like the largest difference that he can remember. Is there any time that the cost came back higher than our estimated costs during the budgeting time a far as when the negotiations were done?

Liz Fortney said the 16.63 is what Anthem came in with on their initial renewal. The budget number that was presented to Mary Kay back in October projected a 10% increase. So we had a 12% swing, which is still substantial. It wasn't 18%. As far as Liz's ability to predict what costs will be, she always tries to build in a little cushion just in case we get further into the year and something serious comes up that adversely affects the rates. Up until now, she has never had a year in nine years where we have come in over what she has projected.

Councilman Jaehnig verified that while we may be over-budgeting, we have never under-budgeted. Councilman Stuckert asked given the experience over the last couple of years, what was the rationale behind the 16% increase. He added that he comes from an insurance background. Liz Fortney explained that different companies use different strategies when they do their renewals. Some look strictly at that group and what the claim history is. What anthem does, on the fixed cost side, they renew their entire book of business in the State of Ohio as one. So the initial fixed cost increase came in at 20-22% because that is what everyone got. She said her job is to take the claims history in and mitigate that increase. On the claim side, Anthem uses a fixed formula for every renewal. She said once they present that, it is her job to negotiate it down. She said they are very willing to negotiate when they have a group like the City of Wilmington who works to keep their claim history at a good level.

Councilman Wallace asked what kind of rating or evaluation the Anthem plan has. Liz Fortney says this is one of the richer benefit plans that she has across her book of business. She thinks Anthem provides an excellent level of coverage for the employees. Their out-of-pocket cost is relatively low. To the employees' credit, they have really made an effort over the past few years to stay out of the emergency room unless it is an emergency and use generics and do all of the things you can do to keep the costs down. As far as the benefits go, it is very high level of benefit.

Councilman Wallace asked with the changes happening in the insurance world, is the city smart to continue to be a self-funded program?

Liz Fortney said absolutely. She said that there were fees that were not to be called taxes. One of the fees is an PCORI (Patient-Centered Outcome Research Institute). For every person who is covered by a plan in 2013, you will pay \$2 for the purpose of funding this panel. In 2014 that will go up and 2015 it will go up and then supposedly it will disappear in 2019. The second fee is called the reinsurers fee. It is a fee that applies to self-funded plans and fully-funded plans. That fee at this time is being calculated to be between \$5 and \$6 per covered person. If you have six kids, it's 5-6 dollars for every person in your family. The third fee is an insurer's fee and does not apply to self-funded plans. It amounts to 2.46% of the cost of your premium, which can be quite high. Under the self-funded plans the city will be subject to one less tax.

President Pro Tem McKay said he thought there was some necessity to move forward to sign the paperwork and asked if there was a timeframe for completion.

Liz Fortney said that open enrollment is 30 days prior to the effective date of the plan. Open enrollment technically starts Friday. In order to move forward with the plan, the mayor would need to sign off on the rates as presented and sign off on the benefits as presented. Once that is done, it is submitted to Anthem and the city starts open enrollment. Then, after the fact, Anthem comes back and issues the actual updated contracts.

President Pro Tem McKay asked if we needed to have it in place prior to Friday. Liz answered "yes." President Pro Tem McKay asked if there was a legislation that council needed to pass.

Law Director said to authorize the mayor to enter into a contract, there does not need to be written legislation. A simple motion would be appropriate to authorize him to enter into contract, not to exceed whatever council has appropriated in this year's budget.

Mayor Riley said that in the last 15 years, this has not been done. The mayor has signed it. Council has only been involved in the budgetary process. He said he really wants to work with council and have council understand it as much as they possibly can. He said he wants everyone to understand that they are looking at the alternatives of going to a different enrollment date, understanding that it cannot happen this year, for the financial health of the city. He requested council's approval to enter into an agreement because if they don't, the employees will not have insurance.

Councilman Stuckert said he didn't see any reason not to go ahead with the authorization. They are fine with the contract. He urged that we use this as a stepping stone to change the practice of the former mayors. He said he thought it was a bad practice in the past. He said he didn't see any reason to delay.

A motion was made by Siebenaller and seconded by Mead to authorize the mayor to enter into the insurance contract as presented by Liz Fortney within the constraints of what was appropriated in the 2013 budget.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Motion passed.

Mayor authorized to sign insurance contract.

Mayor Riley thanked council on behalf of all of the employees. He publicly thanked the insurance committee for their work and thanked Liz for her hard work on getting the 2% reduction in rates.

Councilman Wells asked if we have employees that opt out of our insurance plan. Liz said there is one.

A motion was made by Jaehnig to adjourn.
President Pro Tem McKay declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met on Thursday, March 7, 2013, with President Pro Tem McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, absent; Mead, present; Siebenaller, present; McKay, present.

President Kirchner was absent.

Chief Weyand was also present.

A motion was made by Jaehnig and seconded by Wells to excuse the absent members.

Motion passed.

Absent member excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President Pro Tem of Council asked cell phones to be set to silent mode.

President of Council

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, February 21, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last special meeting, February 26, as presented

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley recognized that there were two boy scouts in the audience.

Mayor Riley announced that there were members of the Red Cross in the audience and thanked them for work they do. A representative of the Red Cross announced that there would be a Clinton County/HIGHLAND COUNTY HEROES Breakfast at the Roberts Centre on April 17. The guest speaker will be Daniel Hernandez, Jr., Aide to Representative Gabby Giffords. Hours of program – 7:00 a.m. – 9:30 a.m. Another representative said that the Red Cross is not government funded and is supported by local donations.

Mayor Riley presented a proclamation to members of the Red Cross. The proclamation read as follows:

Whereas, after more than 30 years of providing humanitarian relief at home and abroad, the American Red Cross remains a reflection of the compassion and generosity central to our national identity; and

Whereas, services provided by the American Red Cross include professional search-and-rescue teams and ordinary citizens who deliver compassionate care and hope for a brighter tomorrow; and

Whereas, during American Red Cross Month, we pay tribute to all those whose dedication to relieving human suffering illuminates even our darkest hours; and

Whereas, when called to action, American Red Cross workers have always demonstrated the strength of our humanitarian response and the resilience drawn from individuals who step forward, volunteer, or give what they can to help their neighbors in need; and

*Now, therefore, I, Randy Riley, as Mayor of the City of Wilmington, Ohio,
do hereby proclaim the month of March 2013 as*

AMERICAN RED CROSS MONTH

*And I encourage all citizens of Wilmington to observe this month with me
by supporting the volunteers, the services and the mission of American Red
Cross*

The mayor recounted an experience he had as a member of a medical emergency response team in Biloxi, Mississippi. He said they were very happy when the American Red Cross showed up because they offered supplies and other necessary facilities. He thanked the Red Cross members for their service.

Councilman Jaehnig asked if nominations were still being accepted for the Heroes Breakfast, and he was told they were closed.

Mayor Riley announced that they were in the process of making new signs announcing Wilmington High School Senior Josh Quallen's state swimming championship honors. He said he hoped to have Josh Quallen and his family to council to recognize him further.

Mayor Riley presented an article from the Dayton Business Journal in which Dayton was ranked number one in the United States for new and expansion projects for companies. He explained that is great news for Wilmington. He added that Site Selection Magazine touts Dayton as the top market between two hundred thousand and one million residents. He said that any company that wants to locate in the region and serve three metropolitan areas could settle here in Wilmington, Ohio, as we are only an hour away from all three.

Mayor Riley explained that the JETT jobs number had jumped from being in the 20s to over 100. He asked Councilman Jaehnig to speak on this.

Councilman Jaehnig explained that the new number of jobs created was now 105. He said this mostly was due to two new businesses in town that are up and operating now. The first is ATI, a division of ATSG, who closed a division in Arkansas and moved it up here. He said they had some people that would be transferring from the Arkansas division but they would also have new employees from the area. ATI is responsible for creating 80 jobs. He said the second business was Thompson's Donuts. They opened on Tuesday and are located in the former New Morning Donuts location behind UDF. Councilman Jaehnig explained that they started with two employees and it is a family run business. He also pointed out that the owners were members of the audience attending the council meeting.

Mayor Riley said he believes they are going to exceed the 750-jobs goal and said the numbers would be posted in the front windows. He said he also talked with a local company that probably would be expanding to add between 80 and 120 new jobs in the future. He said that just as Wilmington was one of the first areas to be hurt by the recession, we would be at the forefront of the economic recovery. He added that everyone's job in the Wilmington community is economic development.

President Pro Tem thanked Councilman Jaehnig and Mayor Riley for the good positive information.

Auditor - Auditor David Hollingsworth announced that a letter was received from the County Treasurer's office indicating that the city would be receiving approximately \$146,000 in inheritance tax that they have collected through February. He said they are all aware that the inheritance tax was eliminated in 2012, but estates typically have nine months to close, so the city will be collecting money throughout 2013. He explained that this was money that was not factored into the budget.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Bob Mead had no report.

Water Committee - In the absence of Chairperson Wallace, Councilman Wells announced that there was no report.

Streets Committee - Chairperson McKay said discussions are in process regarding moving the M&R Department from South Walnut to the Textron facility out on Nelson Avenue. This facility would then house both the M&R Department and the Wastewater Department. He said he believed they would need to put together a special council meeting so the topic could be discussed in-depth so it could become a reality fairly quickly.

Solid Waste/Recycling - Chairperson Wells said that the Committee met at the landfill Tuesday evening. He said they are trying to work on a plan for operating the landfill so they will not have to sell it. He said one of the things discussed was that they did not receive many RFPs from people interested in buying the landfill. Councilman Wells said he would like to have another Solid Waste Recycling meeting next week and would like for Brian Shidaker to attend. He thinks if they work together, they should be able to do what is best for the landfill. He said the recycling program is going well.

Mayor Riley added that when the recycling program began, one of the goals was to hit 5%. He said over 40% of the households are now recycling. Councilman Jaehnig said that the city is doing so well, that it has lifted the county above their goals as well.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller announced the third reading on legislation authorizing a revolving loan fund with the Ohio Development Services Agency.

A motion was made by Siebenaller and seconded by Stuckert to give the third reading only on a resolution Authorizing the Revolving Loan Fund Agreement with the Ohio Development Services Agency.

President Pro Tem called for a vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Stuckert to pass the resolution as read.

Motion passed.

President Pro Tem of Council declared Res. No. 2319 passed as read.

Councilman Siebenaller said the next piece of legislation was the third reading on an ordinance updating the definition of a swimming pool in order to make our ordinances more enforceable.

A motion was made by Siebenaller and seconded by Stuckert to give the third reading only on the ordinance Adopting New Section in Chapter 1131 of the City of Wilmington Codified Ordinance Regarding Definition of a Swimming Pool, and Declaring an Emergency.

President Pro Tem called for a vote.

Motion passed.

Director of Law read ordinance by title only.

A motion was made by Siebenaller and seconded by Wells to pass the ordinance as read.

Motion passed.

President Pro Tem of Council declared Ord. No. 5078 passed as read.

Councilman Siebenaller introduced the second reading on legislation adopting a citizen participation plan for the CDBG program.

A motion was made by Siebenaller and seconded by Stuckert to give the second reading only on a resolution Authorizing the Adoption of a Citizen Participation Plan for the Ohio Small Cities Community Development block Grant (CDBG) Program. President Pro Tem called for a vote.

Motion passed.

Director of Law read resolution by title only.

Siebenaller requested that the third reading be on the Agenda for the next meeting.

Councilman Siebenaller announced that the Judiciary Committee is looking toward having a meeting in the next week to update the codified ordinances and to look at a rezoning. He said they are trying to schedule a meeting on Wednesday.

Clerk Brenda Woods said that the Community Development Block Grant is now being run through the county and the city now has to apply for the money for CDBG projects through the county. She said that Whitaker will not be doing public hearings for the program at the city now because of the changes made by the Ohio Department of Development. She went on to say that the city will be guaranteed project money for the next two years.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay said last week he mentioned the Murphy Theatre as one of the centers in the downtown. He said he wanted to mention The Crave candy store as another great business in the downtown.

Parks and Recreation Committee – Chairperson Jaehnig said that they had a committee meeting in the past week where they reviewed the Park's request for category one deferred maintenance issues. He said that these issues that need to be taken care of as soon as possible. He said the committee did push it forward by unanimous vote for a special council meeting that should be next week. He said the President of Council was looking at a time. He said the meeting would encompass safety and parks.

Clerk Brenda Woods said that she has the information from the police but does not have the figures from the fire department yet.

Councilman Jaehnig said that it was a good meeting and a very informative presentation by Lori Williams. He added that there was a good article in the paper about the kite day they will be doing at the parks. He said they are doing great things at the parks, especially for children.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith said that there is a lot of activity in the building department and a lot of inquiries about new businesses coming into town. He said they did the final inspection on a new Subway on the south end of town as well as another potential restaurant.

Safety Director – In the absence of Safety Director Russ Burton, there was no report.

Reports

A motion was made by Wells and seconded by Jaehnig that the Income Tax Report – February 2013 be accepted as presented.

Motion passed.

Reports accepted as presented.

Councilman Jaehnig asked Treasurer Paul Fear if because of the federal delay on filing on taxes, we seen a slow-down in how quickly residents are filing returns. Treasurer Paul Fear said that it has not affected the filings this year and the department was looking good. Auditor David Hollingsworth explained that there has been a delay in people getting their information in to prepare the returns. He said some brokerage firms

got extensions on filing their 1099's and it is affecting how quickly people can file their returns.

President Pro Tem McKay opened the meeting up to the general public and/or members of council to address council while in session.

Judy Vance, 487 N. Clarksville Road – Said she was contacted by the City Income Tax Department as a landlord. She was told she is required to provide the names, addresses and phone numbers of her tenants. She does not feel it is her job to give that information. Marque Jones sent her a copy of the ordinance and that she understood that it had to do with a collection agency that the city was contracting with to recovery funds.

Councilman Jaehnig explained the city had contracted with someone because there are many people who move in and out of the community and do not pay their fair share of taxes.

Ms. Vance said that she did not agree with the method. Councilman Jaehnig asked her for a suggestion to another way of identifying people who had moved into her rentals. She said it was the tenant's responsibility. Jaehnig said it was both the responsibility of the landlord and the tenant. Ms. Vance said that it was a privacy issue and she did not agree with the fine of \$100 if she did not comply. She suggested a first class mass mailing or canvassing, radio ads, and paper ads and suggested contacting the people who do taxes to let people know they have to register with the city. Jaehnig said that if they choose to deliberately keep that information from the city, then the only way to get the information is from the business owner who runs the rental in the city. He said he is confused why that is a privacy issue. She said they used to be able to get it from the post office. She said she does not think it is fair to ask her as a landlord to report people. She said she should not have to do this.

Paul Hunter said it wasn't reporting people, it is just letting the city know who lives where. Ms. Vance maintained it should not be her responsibility. She said what she has done is she has sent a letter to each one of her tenants. She said there are six adults. She knows that two are already complying. She said the others are preparing to comply. She said she feels that is the extent of her responsibility.

Paul Fear explained the best and easiest way to find out if someone is living in the city is when they turn on their water. The City gets the information from the water department and then they know someone is living there who needs to pay taxes. He explained the problem is when the landlords pay the water bill and collect the money from the tenants. In that case, the city has no way of knowing who has moved in. He said if they can't get it from the water department and they can't get it from the landlord, they have no way of knowing who is there. He said then if they work out of the county, their employer doesn't know they need to withhold city taxes. He said that she was correct that the post office is not allowed to provide addresses. He said the reason they passed the ordinance is because the landlord knows who is living in what properties and are asked on an annual basis to give the city the information. He said the reason she just got the letter was because the county real estate treasurer now has the ability to split off properties as of February. Now we can tell one person in the county may get a number of different tax bills for their different locations. There has been sophistication that lets us know who the actual owner of a property is. The further explained that the agency headquartered in Cleveland is not being paid to do normal collection of taxes. Their job is to find the people who are living in your properties who are unknown to the city but who have been filing a tax return for a number of years in the 45177 location. The Cleveland Agency has access to federal IRS information that we do not have. They are paid based on a percentage of what they collect.

Vance said that the water was in her name in both of the houses. Treasurer Fear said that is probably why she got the letter. Vance said that it wasn't fair that she would be fined if she does not comply. Fear said she would not be fined if she just provided the information. She said she told the tenants to contact the City of Wilmington Income Tax and that should be good enough. Auditor David Hollingsworth explained that it doesn't work. He said this is the most logical way to find people who are not complying. She

said it just didn't feel right to give the information. Mayor Riley said that the Treasurer and the Tax Commissioner are very helpful people and could help her work through it. She asked Treasurer Paul Fear if her word that her tenants are compliant was good enough. He said that it was not; they needed to verify the information and the only way to do that is to have the names and addresses. Councilman Mead said that he understands how she feels; that many people feel the same way.

Councilman Wells said he wanted to thank Paul Hunter on his input regarding the landfill in his letter to the editor.

Councilman Stuckert said he wanted to thank the first responders. He had a family emergency and they were at the house in about two minutes. He said he also wanted to thank the Streets Department for doing a good job on the streets.

Councilman Wells said that he put the garbage out last night and someone picked it up – even in the bad weather. He said we have great employees in the city.

President Pro Tem McKay asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Pro Tem McKay asked for a motion to adjourn.

A motion was made by Jaehnig to adjourn.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met on Thursday, March 21, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, March 7, as presented.

Motion passed.

Minutes approved as presented.

President Kirchner introduced Samantha Ahrman from Dayton Power & Light.

Samantha Ahrman gave a presentation regarding the services and preventative maintenance provided by DP&L.

President Kirchner announced the public hearing on a rezoning petition of Kimberly Wilcox regarding 0.5386 acres of land, more or less, located at 397 West Locust Street in the City of Wilmington, Ohio, from B-1, Local Business, to B-1a, Neighborhood Business. The public hearing will be held on Thursday, April 18, 2013, at 7:30 p.m. in the Council Chambers, City Building 69 N. South Street, Wilmington, Ohio. For all rezonings, a plat and report of the Wilmington (Ohio) Planning Commission are on file with the Clerk of the Wilmington City Council, Municipal Building, 69 N. South Street, Wilmington, Ohio, and are available to the public for inspection.

President Kirchner presented a Notice to Legislative Authority of the expiration of all permits to sell alcoholic Beverages in the City of Wilmington on June 1, 2013, and the necessity of permit holders to file renewal application, permit renewal objections taken by the Division of Liquor Control.

President Kirchner announced that he was at the Open House for Jim Reynolds, the new President of Wilmington College and expressed his opinion of what a positive move this was for the community and the college. The inauguration ceremony is set for Friday.

Mayor - Mayor Riley agreed with President Kirchner on how good it was that Jim Reynolds was being sworn in officially as President of Wilmington College. He said that Wilmington College is a great neighbor and partner to the community.

Mayor Riley said that the American Legion Oratory Contest was held in the Council Chambers recently. He thanked Paul Butler, Jerry LeForge, Mike Sutton and all of the people at the American Legion for all they have done for the community. He introduced Paul Butler to speak about the event.

Paul Butler introduced himself as Chaplain and Americanism Chairman for Wilmington Veterans Post 49 as well as the Chaplain for the 4th District of Ohio. He said the American Legion has many youth programs. They have the Americanism and Government exam that is given to sophomores, juniors and seniors throughout the county. There is an excellent local Boys State Program, and the Buckeye Boys State program is one of the finest in the country. He went on to say that the oratorical contest provides scholarships to winners and the recent winner was Crystal Pennewitt. She will go on to compete in the districts. He thanked Mayor Randy Riley for all of his support. He expressed his personal appreciation to Executive Assistant to the Mayor Brenda

Woods for all of her outstanding support of the programs and presented her with a plaque of recognition and appreciation from American Legion Post 49. Mayor Riley congratulated all of the participants and the winner of the Oratorical Contest.

Mayor Riley announced that Wilmington would be host to a delegation of people from Ukraine – five of which are mayors. He explained that they would be spending the week in Cincinnati but wanted to spend one day in a more rural setting, so they have chosen Wilmington. He also announced that the JETT team had a new employment number and asked Councilman Jaehnig to speak.

Councilman Jaehnig said the new number is one hundred thirty-nine, which is up thirty-four from the last week. He said that Mac D's Pub, a longstanding business in Wilmington, has added three new employees since the beginning of the year. Ahresty is expanding, as was mentioned in the News Journal, and they have already hired twenty-one people. Councilman Jaehnig then turned the presentation over to Councilman McKay.

Councilman McKay said that when a business such as Ahresty expands, it has a ripple effect with all of their vendors. He then announced the opening of a new business in Wilmington, Station3 Hair Salon, which is located in front of Compton Metal. He said that proprietor Maria Compton will be adding one full-time and two part-time employees. The other new business is the new Subway restaurant, which is adding one full time and fourteen part-time positions.

The owner of the new Subway was present at the meeting and thanked the City for their support.

Holly Rausch said that she represented the JETT program at the Southwest Ohio Human Resources Association meeting recently. She explained that this organization is a good resource for networking for the committee.

Councilman Jaehnig said that the current rate of job growth is 1.74 jobs per day, which would be 635 jobs by the end of the year. Mayor Riley said that he felt sure that we would exceed his goal of 750 jobs. He said he had a conversation with a local company that already has several hundred employees who is looking to expand. He added that he gets a couple of calls each week that are looking to bring their businesses to Wilmington.

Mayor Riley said that the search continues for the body of Casey Pitzer in the retention pond on the east side of town. He said that the pond is over seven acres and the search has been difficult. He added that her friends and family are suffering, and the situation is wearing on the entire community as we enter day six of the search. He said that twenty years ago, he was a member of the Clinton County Dive Rescue Team, and it is difficult to explain the process to someone who has never been in dark water. He said that diving for a body is not easy in the best of conditions, and the conditions on this recovery are horrible. He said it is windy and cold. The divers cannot stay in the water over 20 minutes because the temperature of the water is between 35 and 38 degrees. He said the wind is making it that much worse. He said he wanted to thank Chief Detective Josh Riley for his work. He said also that Tim Carr has been on the site since Monday. Tim is the retired superintendent of parks for Caesar Creek and Cowan Lake and has a lot of experience on dive rescue teams. He said John O'Rourke is also on site, and he has more experience than most people in Ohio on dive rescues. Mr. O'Rourke used to teach search and recovery courses. Mayor Riley asked for prayers for the family and asked for a moment of silence.

[Moment of silence]

Mayor Riley said that Casey Pitzer was 32 years old and leaves a family. He said it was a horrible situation for her family and our prayers are with them. He thanked all of the those involved. He also said that there is a dive team coming from Kentucky who routinely dives in the Ohio River. He said Jurgensen Construction, who constructed the bypass and built the pond, are also on site and are helping in any way they can. He asked again to keep the family in prayers.

Eric Heeg said that he appreciated the Mayor's attention to the matter. He said that he has been out on site since Casey disappeared. He said the family has been very frustrated about the lack of communication and the lack of progress in the investigation and recovery of Casey Pitzer. Early in the week, the family received updates two or three times each day, but they had received no updates from the Wilmington Police Department for almost two whole days. He complained that the police had indicated that they would start draining the pond early on Wednesday if the body was not recovered on Tuesday night, but they did not begin pumping until late Wednesday night, which at the current rate would take a week and a half. He said several private parties have offered their pumps to speed the process, but they were not being used. He said that other drowning victims have been recovered in much larger bodies of water in much less time. Mr. Heeg went on to say that Casey's family genuinely appreciates the efforts of the Wilmington Police Department, Wilmington Fire Department, Task Force One, Bureau of Criminal Investigations, and the Ohio Division of Water Craft, but are tired of what they feel are excuses and empty promises. They are tired of trial and error recovery efforts and they want her brought home no matter what the cost. The family would also like to thank the endless generosity of this community as the donations and support have been priceless. They also would like to thank the Rice family for opening their Adventure Cove facilities to serve as our gathering place and makeshift home since the early hours of Sunday morning. He asked that they drain the pond as quickly as possible.

Mayor Riley said our prayers are with the entire family, and our prayers go out to the rescue people who are suffering also. The mayor said he had spoken to Greg Pitzer twice – yesterday and today. When he met with him this afternoon – he indicated that he is frustrated, just as everyone else is frustrated. The mayor told him to bring a lawn chair to the site and sit near the pond. He told him we are hunting as hard as we can, but we are not going to lose somebody else to that pond. We are going to be as careful as we can and we are going to be as diligent as we can to bring Casey home. We've invited Greg to come with us and see everything that is going on. The mayor thanked Mr. Heeg for his comments and asked him to please express our concern and our sorrow to the entire family and all of the friends.

Auditor – In the absence of Auditor David Hollingsworth, there was no report.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced legislation making supplemental appropriations for funds to upgrade the dispatch phone system so the technology will be compatible with the entire county. He explained that the entire system costs about \$70,000. The sheriff's department was putting in about \$21,000, and the chief was able to get a discount through Verizon so the total amount for the city would be around \$30,000. He added that they would be paying for it over five years, which means the supplemental appropriation needed at this time would be \$7,000.00. He said the committee thought that the chief did a good job of getting the cost down.

A motion was made by McKay and seconded by Mead to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

President Kirchner said that he was not able to attend the Finance Committee meeting where this item was discussed but that he had followed up personally with Chief Weyand afterward since it was an unplanned event in the budget. He said the system should last ten or more years. He said that historically they have purchased items like this with government lease-to-own programs. He said that the lease-to-own program increases the cost of the program by about 50%. He said if it is purchased outright, it would decrease from \$30,000 to \$20,000. He added that the city was expecting \$143,000 of unanticipated funds through the inheritance tax. He said he thought they should do a one-time allocation of \$20,000 rather than the \$7000.00.

[Discussion of lease versus one time purchase]

President Kirchner said there would also be a service contract in addition to the cost of the phones. Councilman Jaehnig asked what the cost of the service contract would be. President Kirchner said that he believed it was \$150 a month.

Councilman McKay asked what time-frame was for purchasing the system. President Kirchner said the Chief had told him that there were rebates from the original equipment provider that expire at the end of the month. Clerk Woods clarified that the deadline was April 26.

Councilman Wallace asked if we could do the lease payment for one year to give time to decide what to do with the additional money from the inheritance tax. President Kirchner said that his understanding was one or the other – straight purchase or lease. President Kirchner said that he thought the annual cost would be slightly over than \$7000 on the lease contract. Councilman Wallace said that it was hard to make the decision when they haven't even looked at other ways of utilizing the inheritance tax that may save the city even more money.

[Further discussion of lease versus purchase]

Councilman McKay said he was uncomfortable moving forward in this meeting since there was some confusion about the exact amount of the lease and the amount of the service contract. He suggested a short meeting on Monday. President Kirchner said that the numbers were presented at the Finance Committee, but he was not at that meeting.

President Kirchner asked Deputy Auditor Mary Kay Vance if the supplemental appropriation for the outright purchase of the dispatch system included the service contract or if those payments would come from another source. She answered that the supplemental was for the equipment only and that she thought it was the Chief of Police's hope that the maintenance contract could be a shared expense that would come out of existing funds. She said that she could not guarantee that is the way it would happen, though, as it had not been thoroughly researched yet. She said that she thought it would be between \$4000 and \$6000 a year.

Councilman Jaehnig said that he thought the amount that the Chief of Police had quoted at \$7000 a year included the maintenance in the leasing contract. President Kirchner pointed out that the phone system is for the entire building and so the cost of maintenance could be shared. He further explained that the old system could have been used, but it would have required a patch in order to make it work with the new 9-1-1 system. This patch would have cost half as much as just buying new equipment, so he thought it was an effective use of funds.

[Further discussion of possible cost of the service contract]

Councilman Wallace asked the mayor if they were starting to make a list of other items that might be needed that were not in the original budget. The mayor answered that they have not, but he completely trusts Chief Weyand's opinion that this is a needed system. He said he did not have any plans for the inheritance tax money at this point.

President Kirchner said that council could vote against the legislation that is on the floor as written.

Councilman Wells asked if they could just amend the amount.

A motion was made by Siebenaller and seconded by Jaehnig to amend the supplemental appropriation from \$7000 to \$20,550.15.

Motion passed unanimously.

Supplemental appropriation is amended.

President Kirchner suggested that the motion for the first reading of the ordinance now needed to be voted down so they could start fresh.

President called for a vote on the original ordinance making supplemental appropriations (in the amount of \$7000).

All members voted nay.

Motion failed.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance making supplemental appropriation, as amended.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5079 passed as read.

Water Committee - Chairperson Wallace announced that there would be a Water Committee meeting on Tuesday night in the mayor's conference room.

Streets Committee - Chairperson McKay opened the public hearing to discuss vacating a portion of Davids Drive.

Councilman McKay explained that there currently exists an unopened portion of Davids Drive bounded by and adjoining the properties owned by John M. Stanforth, the Clinton County Port Authority and the Wilmington CIC. There was a little portion of property left exposed when the new Davids Drive went through. He said in Streets Committee they have decided they would like to move forward on vacating this section. He asked for discussion.

Chairperson McKay closed the public hearing on vacating a portion of Davids Drive right-of-way.

A motion was made by McKay and seconded by Mead to give the first reading only on An Ordinance to Vacate a Portion of Davids Drive Right-of-Way.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

McKay requested that the second and third readings be on the Agenda for the next meeting.

Councilman McKay introduced legislation accepting the dedication of a street as identified on the Dedication Plat for Praxair Drive. He asked Service Director Reinsmith to explain.

Service Director Reinsmith explained that this is a portion of what is now known as American Way. He said the first portion was dedicated back in the mid 1990's. He said American Sales did an addition where they extended the roadway. He said it was built to city standards at the time and started the dedication process in 2005, but the process was not completed at that time.

A motion was made by McKay and seconded by Wallace to give the first reading only on the ordinance Accepting Dedication of a Certain Street, All Utilities, Utility Easement and Utility Hardware and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by McKay and seconded by Wallace to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by McKay and seconded by Wallace to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Ord. No. 5080 passed as read.

Councilman McKay explained that the next piece of legislation was to change the street name of American Way to Praxair Drive. He said that Meadow Brook Farms, LLC and JTJ Properties LLC are requesting the name change.

President Kirchner asked about the emergency nature of the ordinance and asked if there were citizens with any concerns at the Planning Commission meeting concerning this.

Councilman Jaehnig said that no citizens were present at the Planning Commission meeting where this street was discussed.

A motion was made by McKay and seconded by Wallace to give the first reading only on the ordinance Changing the Street Name of American Way to Praxair Drive, and Declaring an Emergency.

President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by McKay and seconded by Wallace to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the ordinance by title only.

A motion was made by McKay and seconded by Wallace to pass the ordinance as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Ord. No. 5081 passed as read.

Mayor Riley thanked council for passing the legislation and said he thought they would be hearing more about Praxair in the future.

Solid Waste/Recycling - Chairperson Wells said he is trying to get a Solid Waste/Recycling Committee meeting together. He asked Service Director Reinsmith if they had information together to change the ordinance, and Service Director Reinsmith said that he had received information from the landfill superintendent and they are working on it. Councilman Wells said that he also wanted to leave time for Steven Taylor from Santek to talk to the committee.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller announced the third reading on a resolution authorizing the adoption of a citizen participation plan for the city's CDBG program.

A motion was made by Siebenaller and seconded by Jaehnig to give the third reading only on a resolution Authorizing the Adoption of a Citizen Participation Plan for the Ohio Small Cities Community Development Block Grant (CDBG) Program.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Wallace to pass the resolution as read.

President called for vote.

Motion passed unanimously.

President of Council declared Res. No. 2321 passed as read.

Councilman Siebenaller introduced legislation to allow for annual updating of the codified ordinances.

A motion was made by Siebenaller and seconded by Stuckert to give the first reading only on An Ordinance Approving the Editing and Inclusion of Certain Ordinances as Parts of the Various Component Codes of the Codified Ordinances of Wilmington, Ohio; and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Siebenaller and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the ordinance by title only.

A motion was made by Siebenaller and seconded by Wells to pass the ordinance as read.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Council declared Ord. No. 5082 passed as read.

Councilman Siebenaller introduced legislation authorizing a UDAG loan to T. Elliott Enterprises, LLC the Escape Lounge as part of the economic development of the Sugartree Corridor. He explained that the application came back favorable from the loan agent and that the Law Director had also reviewed it.

Councilman Jaehnig said that he was happy to see someone willing to take the risk and step forward for economic development. Councilman McKay said that he had not seen anyone else more passionate about doing something for the Sugartree Corridor project for a long time. He hoped that it would kick off the development of that area. President Kirchner said it was exciting as this will clean up a neighborhood as well as create jobs.

A motion was made by Siebenaller and seconded by Stuckert to give the first reading only on A Resolution Authorizing a UDAG Loan to T. Elliott Enterprises, LLC DBA The Escape Lounge from the UDAG Project Income Revolving Loan Fund; and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Jaehnig to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Director of Law read the resolution by title only.

A motion was made by Siebenaller and seconded by Stuckert to pass the resolution as read.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Motion passed.

President of Council declared Res. No. 2321 passed as read.

Mark Elliott thanked council for approving the UDAG loan.

President Kirchner said that there is another finance item related to this legislation.

Finance Committee – Chairperson Mead introduced legislation for a supplemental appropriation in order fund the UDAG loan account for \$150,000.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes;

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Jaehnig to pass the ordinance as read.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Motion passed.

President of Council declared Ord. No. 5083 passed as read.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay said the downtown business he wanted to highlight this week was Jen's Deli and Books 'N More. He said the deli has updated their coffee shop and they are now serving breakfast. He said Books 'N More has a great selection of books and can order anything you want that they might not have in stock. They also have a large selection of toys.

Parks and Recreation Committee – Chairperson Jaehnig announced that the Parks Department is looking for donations. They need a new American flag and a new State of Ohio flag.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – In the absence of Safety Director Russ Burton there was no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Auditor-Treasurer Report – March 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Mark McKay to adjourn.

President Kirchner declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

March 26, 2013

Wilmington City Council met in special session on Thursday, March 26, 2013, with President Pro Tem Mark McKay presiding.

Call to Order

All members of council were present. President of Council Scott Kirchner was absent.

Mayor

Law Director Shidaker requested that a motion be made to move into executive session per O.R.C. 121.22 Public Meetings - Exception, subsection G(3) Conferences with an attorney for the public body concerning disputes involving the public body that are subject of pending or imminent court action.

A motion was made by Jaehnig and seconded by Mead to go into executive session. President Pro Tem called for a roll call vote.

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Meeting went into executive session at 6:04 p.m.

[Executive Session]

A motion was made by Jaehnig and seconded by Mead to leave executive session. President Pro Tem called for a roll call vote.

Roll Call: Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present; Jaehnig, present.

Meeting came out of executive session at 6:42 p.m.

Adjournment

A motion was made by Mead to adjourn.

President Pro Tem McKay declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

April 4, 2013

Wilmington City Council met on Thursday, April 4, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, absent; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

A motion was made by Mead and seconded by Wallace to excuse the absent member.

Motion passed.

Absent member excused.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, March 21, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last special meeting, March 26, as presented.

Motion passed.

Minutes approved as presented.

Whitaker Wright – CDBG (Community Development Block Grant) presentation.

Normally this time of the year, I hold the first public hearing for the city's Community Development Block Grant program. Unfortunately this year, the state has changed the program. Beginning in 2013, the state has placed the City of Wilmington under Clinton County. This is due in large part to the federal government cuts that have been going on for the last several years. Essentially what the state has said is that no community will receive less than \$75,000 and historically, Wilmington was considered a direct city, which means it received its own allocation. The state changed its formula for direct cities this year; direct cities are now defined as a city with a population of at least 15,000. In 2010, the City of Wilmington had a population of 12,250. What this means is while Wilmington no longer qualifies as a direct grantee, Clinton County will be required for the next three years (Fiscal 2013, 2014, and 2015) to fund at least one project submitted to the Commissioners by the city. The project proposals will be due to the county by April 26. After checking with the county, the project budget that they have this year is \$83,000. In terms of the significance of the cuts involved: the county received an \$11,000 increase to cover the inclusion of Wilmington. In the current fiscal year, 2012, Wilmington received \$47,000. Taken together, essentially for this upcoming year, the county and the city together have taken a \$36,000 cut in Community Development Block Grant funds. Currently the available budget through the county is \$51,000. They have already committed \$32,000 to the Village of Port William. This has been going on now for about ten years. In fiscal year '03, the city received an allocation of \$62,000. This past year, in 2012, they received \$47,000, so this has been a culmination of decreases in funding over about a decade. The state is struggling to try to find a way to maintain its philosophy of providing funds directly to the communities across the state rather than having a handful of large competitive grant programs. He opened the floor for questions.

President Kirchner – Understanding that the state is in their own budget difficulties, do you foresee this being a permanent change to the system or potentially a temporary one as we move through this process.

Whitaker Wright – I suspect this will be permanent. These are federal funds and unless Congress was to increase the development block grant budget, I anticipate that this will continue.

President Kirchner – Have the guidelines changed any to the projects that are acceptable?

Whitaker Wright. – No the project guidelines have remained the same. Wilmington is eligible for up to one project for this year and the following two years. The county will accept that project once the council and mayor have selected it, but they said they would like to have a letter from the mayor indicating this is the city's project.

President Kirchner – I take it from this change that we will no longer have to have the public hearings associated with it in order to do that project – those will be done with the County Commissioners.

Whitaker Wright: That is correct. Next year, assuming that the CHIP program has not changed, the city will be carrying out two public hearings, because that is a separate grant.

President Kirchner – Do you see it potentially being at risk as well?

Whitaker Wright – The state right now doesn't know what they want to do with the CHIP program. They don't want to drop it; however, this year they reduced the allocation to \$400,000. In '02, it was \$600,000. They dropped it to half million in '03. Now it's down to \$400,000. I think they are struggling to find a way to fund as many communities as possible.

Councilman Mead – Will this have any effect on the grants we have already approved?

Whitaker Wright – No.

Councilman McKay – Just wanted to say thank you for the experience we have had with you. You've always done things in a manner that we appreciate, and we have been thoroughly apprised of what has been going on. Some government entities have not been as lucky. Councilman McKay asked if Whitaker oversaw the county as well, and Whitaker answered that his coworker, Amy, does.

President Kirchner echoed Councilman McKay's sentiments. You have done a very good job with helping the city maximize the effectiveness of those grant funds and wade through the myriad of paperwork associated with it and stay within the guidelines. I want to thank you on behalf of the citizens for all of the effort you've given over the years.

President Kirchner – I would like to take a moment to note the passing of Eli Yovich who served this city in a number of ways, including as a Councilman of this city. Eli was a dear friend, a mentor in many ways, and even served as the Treasurer of my campaign. But more than that, he is a man whose heart lived and breathed Wilmington and service to it – through many organizations, not just this council, whether it be his church or community groups. Wilmington is a better place for the efforts that Eli gave. He asked for a moment of silence to respect the service that Eli gave to this council and this community.

[Moment of silence in honor of Eli Yovich observed]

Mayor – Mayor Riley – Eli served for 19 years on the Community Action Board as the mayor's appointee. I spoke to Eli just a week ago and told him that I was going to have a horrible time trying to find someone to take his place. In our conversation, he asked me if I would, so I was quite honored that Eli recommended that I take his place on Community Action and appoint myself to that board. I tell you what, those are going to be hard shoes to fill. Eli was certainly an inspiration to all of us.

Councilman McKay noted that he is sitting in Eli's chair. He explained that Eli stepped down voluntarily, but they always had a running joke that McKay took his seat. He was a very good man and he will be missed.

Mayor Riley said that Eli told him that he felt so blessed that he retired 19 years ago. He had 19 wonderful years serving the community, serving the church, playing a lot of golf, and that he really enjoyed himself for 19 years. He considered himself to be blessed. We were blessed just to have Eli with us.

Mayor Riley – It has been a busy couple of weeks. The visitors from Ukraine came to Wilmington and they had a good day. They couldn't believe everything that we had fitted in between 9 and 5. The Air Park was a big hit. They were extremely impressed with the General Denver Hotel and Molly's Americanizing of some Ukrainian food and said they actually liked it better than their Ukrainian counterpart. She also talked to them about the purchase and rehab of the hotel from a historical point of view. The trip coordinator noted that the rest of the week in Cincinnati went very well, but the highlight of the trip for the Ukrainians was Wilmington. It was fun and a good opportunity to show off.

Mayor Riley announced that he spoke to Jim Reynolds at Wilmington College and they are receiving a USDA grant for \$19.7 million to be used to completely expand and refit Kettering Hall. It will be the STEM (Science, Technology, Engineering, Math) building; and they are calling it their community facility.

Mayor Riley recounted that he had a recent telephone conversation with a reporter from the Tribune Review in Latrobe, Pennsylvania. The ongoing battle over the banana split continues. Latrobe has gotten permission from the Pennsylvania Historical Museum Commission to put a historical marker at the location of the drug store where David E. Strickler invented the banana split. He read parts of the newspaper article and said it was a fun interview. He said Alex Graziani, who is the City Manager for Latrobe, is planning on being here for our Banana Split Festival. After speaking to the directors of the festival, Mr. Graziani will be invited to be a celebrity judge. He said Latrobe is considering inviting the mayor to the dedication of their marker. He said we're having fun with Latrobe and he is almost feeling like their our sister city.

Mayor Riley presented a proclamation to Relay for Life to Paint the Town Purple.

Matt Black, representative for Relay for Life, introduced his committee and stated that the Relay for Life event will be held on May 3 and 4 at the Wilmington Park.

The proclamation read as follows:

WHEREAS, cancer is the second leading cause of death in the United States; and accounts for one-in-four deaths in this country, this state and this city; and

WHEREAS, the American Cancer Society is a nationwide, community-based health organization dedicated to eliminating cancer as a major health problem; and

WHEREAS, thanks in large part to the efforts of the ACS and the research they sponsor, countless men, women and children are alive today; and

WHEREAS, each year, the American Cancer Society sponsors the Relay for Life event right here in Wilmington, OH and in cities throughout the world; bringing attention to the disease, celebrating survivorship and raising money to combat this terrible disease.

NOW, THEREFORE, I, Randy Riley, Mayor of the City of Wilmington, Ohio, do hereby proclaim the week of April 14, 2013, as **Paint the Town Purple Week** in Wilmington, Ohio, and encourage all citizens to

participate in the American Cancer Society's Relay for Life event on the first weekend of May 2013 and to support the mission of the American Cancer Society – to find a cure for cancer.

Matt Black said at 9:00 they would be celebrating the survivors and honoring those who had lost the fight, including a fireworks show from Rozzi.

Mayor Riley presented a proclamation for dispatch week. Chief Duane Weyand introduced members of the City of Wilmington Dispatch Center.

The proclamation read as follows:

WHEREAS, professional emergency dispatchers perform a critical function when an emergency occurs requiring police, fire, ambulance or highway safety personnel; and

WHEREAS, dedicated emergency dispatchers are always on duty, serve the citizens of Wilmington and Clinton County by answering their calls for police, fire and emergency medical services by dispatching the appropriate assistance as quickly as possible; and

WHEREAS, professional dispatcher personnel are not visible like the men and women who arrive on the scene of emergencies, yet they provide the critical link to public safety services as part of the first responder team.

NOW THEREFORE, I, RANDY RILEY, by the power vested in me as Mayor the City of Wilmington, Ohio, do hereby applaud the important work done by our emergency telecommunication dispatchers in Wilmington and Clinton County and do hereby proclaim the week of April 14 – 20, 2013, as **PUBLIC SAFETY TELECOMMUNICATIONS WEEK** In Wilmington, Ohio, and our neighboring communities.

Chief Weyand said that dispatch handled 48,000 regular phone calls and 5100 9-1-1 calls. They handled 4100 Fire and EMS runs and about 14,000 police calls. They are the face of the city building. They are all trained in first aid/CPR. They have delivered babies over the phone and have done CPR over the phone. He said he appreciated all of the work that they do and related stories of their accomplishments.

Mayor Riley said at the next meeting, April 18, they will be swearing in a new police officer. They have had had a resignation, so they will be replacing him.

Chief Duane Weyand explained that he had taken vacation on March 16 and went to Florida. He said he wanted to recognize Josh Riley for managing the department while he was gone and handling the events surrounding the drowning case. He asked Josh to come forward and thanked him for all of the work he did for the department while he was on vacation.

Chief Duane Weyand asked Tim Carr to come forward. He thanked him for the work he did during the recent drowning case. Mayor Riley explained that he and Tim were on a dive team together and have been friends for a long time. He explained with his background in law enforcement, park services and water rescue he was the perfect fit to help with the case.

Mayor Riley presented a Mayor's Award for meritorious service to Tim Carr for sincere appreciation for the extraordinary care and leadership exhibited during the week of March 17, 2013. Attached to the award was a key to the city.

Tim Carr said it was a difficult week for everybody. When you look at the services the city provided through the Police and Fire Department, the Service Department, we have

a great city, and he was glad to be a part of it. The people on the site were professionals and they never left. He shared a story from a gentleman from the Boone County team that helped out in the recovery. The man told him he had never been some place where he was treated the way he was treated in Wilmington. Tim Carr thanked Council, Mayor Riley, Chief Duane Weyand, Chief Detective Riley, Chief Andy Mason, Denny Gherman and their crews. He said the city should be very proud of the services that were provided that week. He was impressed with the way the people came into the community across the whole time there were on site – the way the people stopped and helped – this is what this community is about. People stepped up and took care of things. He accepted the award on behalf of his buddies from ODNR that were there and for everyone that showed up; they are the ones who did the work. Thankfully, Casey was brought home to her family.

[APPLAUSE]

Mayor Riley said that he does not know if he has ever been more proud of the city. Hardships have brought out the best in this community.

Mayor Riley announced that Saturday, April 20, the Alternatives to Violence Center is sponsoring Tea for Tween, Teens, and Queens at the United Methodist Church. It is a brunch and pampering event with a lot of good information given to the attendees.

Mayor Riley stated the News Journal reported a potential of 278 new jobs in the area through Dealer Trac, Custom Molded Products, and Praxair. He was out visiting Ahresty yesterday and they are expanding and putting in new lines and are hiring now. Polaris is progressing and planning growth already. He asked Mark McKay, member of the JETT team, to report on progress.

Councilman McKay said the new jobs total is 146. He said he is sure we will be taking bigger jumps once we get the expected folks on the ground. The job count now includes six from Hood Packaging and one person from the Southern Ohio Plastic Surgery Group.

Paul Hunter asked how we were dealing with net jobs. Mayor Riley said they would calculate that at the end of the year, but the purpose of the JETT team was to focus on positive growth.

Auditor – In the absence of Auditor David Hollingsworth, there was no report.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead had no report.

Water Committee - Chairperson Wallace said they did not have a meeting this past Tuesday, but it had been scheduled for the upcoming Tuesday at 5:30.

Streets Committee - Chairperson McKay presented legislation on an ordinance to vacate a portion of Davids Drive. He said it had to do with the John Stanforth property and the little island of land that was left during the Davids Drive construction. He asked for questions.

A motion was made by McKay and seconded by Wallace to suspend the rules and give the second and third reading on An Ordinance to Vacate a Portion of Davids Drive Right-of-Way.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by McKay and seconded by Wallace to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Council declared Ord. No. 5084 passed as read.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller announced that they were planning to have a meeting in the upcoming week, possibly piggybacking with the Tuesday meetings. The purpose would be to look at bonding for councilmembers.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay spotlighted Steve Hollands's Art Designs and Signs. He said that Steve's business was featured in the Over the Back Fence Winter 2002-2003 issue. He read the article and gave the history of the business. He said it includes an art studio, framing shop and custom sign shop, and incorporates every piece of sign-making into the business, including sandblasting large pieces of outdoor work to making banners. His signature always includes a bluebird. He hides one in each of his paintings.

Mayor Riley pointed out that each of the pieces of artwork at the Veteran's Memorial has been done by Steve Holland.

Councilman McKay also announced Wayne Smith, a local barber who recently celebrated 50 years as a downtown barber, retired over the weekend.

Parks and Recreation Committee – In the absence of Chairperson Jaehnig, Councilman Siebenaller stated they had no report.

Income and Levy Tax Committee – In the absence of Chairperson Jaehnig, Councilman McKay stated they had no report.

Service Director – In the absence of Service Director Reinsmith, there was no report.

Safety Director – Safety Director Russ Burton had no official report. He apologized to the mayor, council members, and the chiefs of police and fire for his absence for the last couple of months. He explained that he has had health issues that he has been attending to. He thanked Matt Black for the work that is being done for Relay for Life to support cancer research. He said in a couple of years he hoped to be walking around with Randy on one of the survivor laps.

Reports

A motion was made by Wells and seconded by Stuckert that the Income Tax Report – March 2013 be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner announced the Law Director had informed him there was an item of pending litigation that needed to be discussed by council in executive session. The vote to go into executive session will be held immediately after the public comments session of the meeting.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Lee Hendee, 114 S. Walnut Street. Announced that Wilmington was going to soon receive a new radio station. He said they would stream the station on the internet 24/7, 365 days of year. It will be the Voice of Wilmington. It will be a noncommercial station and will be located at 89.1 FM, with an effective radiated power of 550 watts. The studio and transmitter will be located at the former upstairs offices of Master Feed Mill. The antenna will be on top of a grain elevator leg. Public and local businesses will help to finance the station. It will be non-profit and non-commercial. Some area businesses have stepped forward and begun to help. They will provide the most up-to-date news,

weather, information that is available to them. They will have regularly scheduled news casts, a variety of music, and even talk shows. It will be owned by a company out of Greenville, Indiana, by a man named Martin Hensley who has 50 other noncommercial radio stations. Lee Hendee has been designated as the station manager and hopefully construction will start before the May primary. A copy of business plan is available if anyone wants to see it, and they hope to find a niche in the community.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to go into executive session.

A motion was made by McKay and seconded by Wallace to enter into executive session for the purpose of discussing pending legislation under Section 121.22 (g)(3) of the Ohio Revised Code.

Motion passed unanimously.

Council went into executive session at 8:33 p.m.

[EXECUTIVE SESSION]

A motion was made by Wallace and seconded by Mead to return to regular session.

Motion passed unanimously.

Council returned to regular session at 8:50 p.m.

Finance Committee – Chairman Bob Mead introduced legislation for supplemental appropriations. Director of Law Consultant services the sum of \$24,000 and to Property Casualty Reserve, the sum of \$65,000.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Ord. No. 5085 passed as read.

Councilman Mead said that if anyone has any questions regarding the supplemental appropriation, they may direct those to the Law Director.

President Kirchner asked if there was any other council business.

Judiciary –

A motion was made by Chairman Brian Siebenaller and seconded by Wells to authorize the Law Director to enter into a settlement agreement and release on pending litigation. Motion approved unanimously.

Law Director authorized to enter into settlement agreement and release.

President Kirchner asked if there was any other business from council.

Seeing none, President Kirchner asked for a motion to adjourn.

A motion was made by McKay and seconded by Siebenaller to adjourn.

Motion passed.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met on Thursday, April 18, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, April 4, as presented.

Motion passed.

Minutes approved as presented.

President Kirchner opened the public hearing for a rezoning request from Kimberly Wilcox to rezone 0.5386 acres of real property located at 397 W. Locust Street from B-1, Local Business to B-1a, Neighborhood Business

President Kirchner asked if anyone from the audience wished to speak on the matter.

Jeff Honnerlaw: Honnerlaw Real Estate Services, 94 N. South St., Wilmington, OH. The property is the old Brenz property down on Locust Street. It is currently zoned business. There is a family who is interested in buying the property. They want to rezone to B-1a, which will permit single-family usage. They plan on using it at this time as a single-family residence.

President Kirchner asked if there are any questions from council.

Councilman Jaehnig commented that he considers the property a gateway home and is thrilled that someone wants to turn it back into a family home and preserve it. Preservation of gateway homes is important to ensure that we do not lose the fabric of our community. Mayor Riley said it was a beautiful home, and President Kirchner stated his support of a family moving into this historic gateway home.

President Kirchner asked if anyone else wanted to speak.

Seeing none, he closed the public hearing.

President Kirchner introduced legislation rezoning the home located at 397 W. Locust Street.

A motion was made by McKay and seconded by Jaehnig to give the first reading only on the ordinance Changing the Zoning of Real Property Located in the City of Wilmington, Ohio, and Declaring an Emergency (0.5386 +/- acres located on Locust Street and commonly known as 397 West Locust Street)

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by McKay and seconded by Jaehnig to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by McKay and seconded by Jaehnig to pass the ordinance as read. Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5086 passed as read.

Mayor - Mayor Riley stated that there had been a police resignation recently, which left an opening on the force. He explained that during recent interviews for a prior opening, one police officer in particular was a good candidate and now, due to this resignation, the city is able to offer him a position.

Chief Duane Weyand introduced Kyle Brown and his family.

Mayor Riley swore in Kyle Brown as Patrol Officer for the City of Wilmington.

Mayor Riley announced that the Dayton Daily News did an article regarding jobs in Wilmington last week. He said the day after the article ran, an AP photographer came to the office, which sparked another story that ran in papers throughout the nation.

Councilman Jaehnig said that the new JETT jobs number was at 193, an increase of 47 from the last council meeting. The count comes from 23 additional employees from Ahresty, for a total of 44 for the year; 23 additional employees from Ferno; and one additional from a new business that just opened up their doors called Inspired Creations. Angela Smith is a local photographer who has just opened up her first shop and is in the downtown area on Mulberry, right across from Get Fit. He said that is an average of 12.5 jobs per week and are on schedule right now to hit 627 jobs if we continue at the pace we are.

Mayor Riley said they received an invitation from American Legion Post 49 on June 25 at 7:30 p.m. They will be having a program recognizing young men who have completed Buckeye Boys State. On the Saturday, April 27, from 10 a.m. to 2 p.m., Clinton County Safety Day will be held at three different locations – the Boyd Cancer Center, Sabina Health Center, and Blanchester Medical Services Building. They will be checking blood pressure and early childhood screenings. On April 29, from 3 p.m. to 5 p.m., State Representative Cliff Rosenberger will be having a Business Roundtable at Ferno-Washington. They are inviting the Clinton County Chamber members, which the City of Wilmington is a member. The mayor went on to say that we are still stunned and recovering from the shock of what happened in Boston over the weekend at the end of the Marathon. While working at the hospital, part of my job was disaster preparedness and dealing with emergencies and getting prepared for these types of things. Truth be known, you never prepare for these types of things completely. When terrorists do something like this, there motivation is usually to stun you or scare you into changing the way we live. Bottom line, if we change the way we live, we let them win, and we just can't do that. We have several races in Clinton County every year. Since this attack happened on Patriot's Day, I would encourage every race organizer to put the name "patriot" in the name of their race so that every race will have the name Patriot in it – whether it is the Corn Festival 5K Patriot Race or what. We cannot let them win by changing the way we do things. Our prayers are with the families who have lost loved ones or who have injured loved ones and with the safety services people.

Councilman Wells wanted to assure the public that the tornado siren system is working and is doing okay. Mayor Riley noted that the sirens are tested each week on Saturday, except if college graduation is being held on the first Saturday of the month. Chief Weyand added that they do not test the sirens during inclement weather either. Mayor Riley said a weather radio is a good investment. People need to stay alert and take care of themselves and take care of their neighbors. Sirens are intended to alert people who are outside – not people who are inside.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced legislation for supplemental appropriations.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Supplemental Appropriations.
President asked for discussion.

President Kirchner said that most of these were generated from a bill from the Worker's Compensation.

Councilman Mead explained that the Worker's Compensation bill ended up being more than anticipated, that the bill was spread out between many different funds, and it was something that needed to be paid.

Seeing no more discussion, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Ord. No. 5087 passed as read.

Councilman Mead introduced legislation on the authorizing payment of expenses incurred in prior fiscal year.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on a resolution Authorizing Payment of Expenses Incurred in Prior Fiscal Year.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read resolution by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the resolution by title only.

A motion was made by Mead and seconded by Siebenaller to pass the resolution as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Res. No. 2322 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Miscellaneous Transfers.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read. Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Council declared Ord. No. 5088 passed as read.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells introduced legislation amending the refuse collection chapter of the codified ordinances. He said the latest version of the ordinance is at council places. He said that after doing personal observation at the landfill and after having discussions with Donnie Maher and Braden Dunham, it became obvious that using tonnage across the scale was not going to work to help the landfill. He said that the committee came up with an ordinance that would give them the freedom to increase revenue and maintain control over this for the future of the citizens of Wilmington. He urged everyone to approve it.

A motion was made by Wells and seconded by Mead to give the first reading only on the ordinance Amending Chapter 925, Refuse Collection, of the Codified Ordinances.

President asked for discussion.

Councilman Jaehnig clarified that the changes in fees had to do with the tipping fees with the landfill and has zero effect on a resident's cost to have their trash picked up.

Councilman Wells said the only items that might be different would be picking up appliances with Freon and the wording for the mattresses and box springs, limb pickup, and setout pickup for eviction clean-outs.

Paul Hunter asked if the amendment was made to include the EPA fees. Councilman Jaehnig said the new version has that.

Councilman McKay offered his support for the legislation. He commended Councilman Wells on the way he went through the process, receiving input from many different sources before going ahead with the legislation.

Councilman Wells thanked him and said that he had input from the mayor, Larry and the landfill supervisor. Also, Brenda and Andrea helped a lot in getting the ordinance formatted to include everything that was talked about.

President Kirchner expressed that he was encouraged by the process and is happy with the idea that with this fee schedule they will begin building reserves for long-term monitoring and infrastructure expansion – capping of the current cell and expansion of additional cells as needed. He said he thought the city had protected the citizens with this approach as well.

Councilman Wells said that during this process he learned a lot about the landfill and also about when the time comes to open a new cell. He said also if the decision was ever made to close the landfill, it is not that simple, because we have long-term monitoring to do for at least thirty years to fulfill the EPA obligation. This is a good way to maintain the landfill and look out for our futures.

Seeing no more discussion, President called for vote.

Motion passed

Director of Law read ordinance by title only.

Wells requested that the second and third readings be on the Agenda for the next meeting.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced an ordinance that rescinds an ordinance from a few years back that adjusts council pay along with appointed officials pays to match requirements from OPERS. Basically, going into the next year, that would have effectively doubled council pay. The Judiciary Committee felt with what we are asking the city employees to do, that is not something we can do right now; it would be entirely unacceptable and inappropriate.

A motion was made by Siebenaller and seconded by Stuckert to give the first reading only on the ordinance Rescinding Ordinance 4576 Setting Salaries of City Council Members and Appointed Salaried Officials to at Least Meet the Minimum Amount Required by the Ohio Public Employees Retirement System (OPERS) to Obtain One Year of Credit for One Year of Service.

President asked for discussion.

President Kirchner explained that he was on council at the time the original ordinance was passed. At the time, council salaries were \$350 per month. He said at the time, the expectation was that OPERS would raise the salary requirements by small increments and this ordinance would allow the salaries to keep up with the incremental changes. He said this was a significant jump by OPERS, and he thanked the Judiciary Committee for their support in rescinding the ordinance. He explained that the council members would now be issued a prorated amount of service credit. A salary of \$600 per month would be required to receive a full year of service credit. He said the only people affected would be the council members and the President of Council.

Paul Hunter asked if they would still be able to get their health insurance. President Kirchner explained that council members have never been eligible for health insurance.

Seeing no more discussion, President called for vote.

Motion passed

Director of Law read ordinance by title only.

Siebenaller requested that the second reading be on the Agenda for the next meeting.

Safety Committee - Chairperson Wells congratulated Officer Brown. President Kirchner also expressed congratulations and thanked Chief Weyand and Safety Director Burton for their service.

Downtown Revitalization Committee - Chairperson McKay talked about the downtown loft apartments that are being constructed. He said there are two apartments available above The Crave. He said that they are for a reasonable rent and would be appropriate for a single person.

[Discussion of the downtown apartments]

Parks and Recreation Committee – Chairperson Jaehnig introduced legislation to authorize the Parks Department to apply for a NatureWorks grant. He explained that the amount of the total project costs for the grant was going to be more than what was discussed in committee. This is because it was figured out that an opportunity would be left on the table. Chris Schock of Regional Planning pointed out that there would be unused grant funds and that the Parks could also apply for those. The scope of the project includes two basketball courts at Denver Williams Park, signs that indicate it is a NatureWorks project, and benches near the pond. He said this would cause the match to be \$2670. The entire project is a little over \$10,680.00. He thanked Lori Williams and Chris Schock for recognizing that there would be unused funds. He asked for questions and explained that Lori Williams was available to speak if necessary.

Councilman McKay asked how many benches. Lori Williams replied that there would be three and they were working on the style.

Councilman McKay said that he was in support of the grant, even though there would be an expense to the General Fund. He said it was important to continue to keep our parks in as nice of shape as we can. It is a great opportunity and a good leveraging of the

money. Councilman Jaehnig explained the basketball courts are in bad shape and need repair badly. He said they are heavily used courts.

Councilman Wells asked how the duck population is doing. Lori Williams explained that we have mostly mallards, which come and go, and two domestic ducks. The other domestic ducks and geese have been relocated. It was noted that although the benches could be a nice place to sit and feed the ducks and geese, the city does not encourage feeding the birds at the pond.

Lori Williams explained that they are also applying for another grant, and they have tentatively gotten funding to stock the pond.

Councilman Siebenaller pointed out that there is an error in the ordinance and that the total project amount should read as \$10,680.00

A motion was made by Jaehnig and seconded by Siebenaller to amend the resolution to change the total project amount authorized from \$8010.00 to \$10,680.00.

Motion carried.

Resolution Amended.

A motion was made by Jaehnig and seconded by Siebenaller to give the first reading only on a resolution Authorization and Support for the Submittal of an Application for the NatureWorks 20th Round Grant Application and Declaring an Emergency, As Amended.

President asked for discussion.

President Kirchner said that Lori Williams had brought her concerns about moving forward on the resolutions because of the timing of the grant. He said that council was not able to schedule a budget work session to discuss all of the park's financial needs, but he had encouraged her to bring it forward and told her he would support it. He went on to say that with the unexpected income that the city received from the inheritance tax, we do have some money available, although we are still watching the budget. The basketball courts are a safety issue and he completely supports her effort to try to maximize every dollar through this approach.

Seeing no further discussion, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Jaehnig and seconded by Siebenaller to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Director of Law read the resolution by title only.

A motion was made by Jaehnig and seconded by McKay to pass the resolution as read.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Motion passed.

President of Council declared Res. No. 2323 passed as read.

Councilman Jaehnig also announced that the parks have a couple of work days planned coming. If anyone is interested in helping out, they will be doing sanding, painting and landscaping prep this Friday and also Saturday, April 27, from 12:30 to 3:30. They will also be staging some material at the park. The Southeast Park drinking fountain will be arriving in a couple of weeks for installation. They plan on getting started on electrical work, so the project out there is moving ahead nicely.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Auditor-Treasurer Report – March 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner asked the Auditor if the city is tracking to its expected income for the year at this point based on where we ended in March. Auditor David Hollingsworth said he had not looked at that.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Mayor Randy Riley announced that there were volunteers from the Hilti Company and they are working on the bridge. Lori Williams explained that it was a group of regional sales managers from Hilti Corporation, a large power tool corporation. They brought their equipment and sanded and prepared for painting the pond bridge. They are painting it bright red. She said that they then moved on to the Southeast Neighborhood Park where the columns are now painted bright John Deere green. She said the Southeast Neighborhood Park project is great and it is going to be a great place.

Councilman Jaehnig announced that the Wilmington High School athletic department is having their annual sports extravaganza. Tickets are still available. Also, racing returns to Wilmington next weekend with ECTA land speed racing.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Wells to adjourn.

President of Council declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

May 2, 2013

Wilmington City Council met on Thursday, May 2, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, absent (arrived at 7:38 p.m.); Siebenaller, present; McKay, present.

Chief Weyand was also present.

A motion was made by McKay and seconded by Siebenaller to excuse the absent member.

Motion passed.

Absent member excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, April 18, as presented.

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley announced that the Wilmington Tree Commission had been doing great work in the City. They recognized Arbor Day on April 26 with the planting of more trees. Haskell Combs of ABATE was in the office, and the mayor presented a proclamation to him regarding Motorcycle Safety Awareness Week. ABATE does a wonderful job of education and providing toys for the kids around Christmas time. Today is the National Day of Prayer, which is observed throughout the nation. In Wilmington there is still a prayer rally going on in the Courthouse Square until 8 p.m. He said he appreciated all of the work of the people in town who promote the National Day of Prayer. The mayor explained that he has had a couple of meetings with young professionals, trying to determine what they want in the City of Wilmington and to elicit them as the new leadership and new core of people in the community. He appreciates Leadership Clinton, Chris Schock, and Taylor and Mark from ECC. Yesterday he had the adventure of walking under Wilmington. There are tunnels and rivers running throughout Wilmington, many of which are underground. Every place they go under a street is technically a bridge, and the county does bridge inspection for us every year. He is amazed at what makes the town work behind the scenes with the folks from the Street, Sewer, Water, and Sanitation Departments. The mowing season is upon us. You don't want the city to mow your lawn, because we're very expensive and do a lousy job. If the lawn gets to be 10 inches or more, we will send a letter to the property owner and we will follow it up with another contact. Usually by the time we are able to get around to mowing it, the lawn is going to be around 15-20 inches tall. The mayor encouraged everyone to mow.

Councilman Wells said he already has had several people in Timber Glen ask him about who is going to mow all of the vacant lots. Mayor Riley said the city will take some responsibility depending on the ownership of the property and where it is located, but obviously we encourage volunteers and other people to do it. The city mows on a case-by-case basis. Councilman Wells said when the grass gets waist deep, for safety reasons, we don't want snakes and things like that in the neighborhood. Mayor Riley said a similar situation happened last year with Cross Creek. Councilman Wells said that the bank mowed it last year, but they said they would not be doing it this year.

Mayor Riley asked Councilman Jaehnig to report on the JETT team.

Councilman Jaehnig said the current number of new jobs was 219.5. He said they reduced the number by ten due to the closing of Buckaroos, but added 26 jobs at Ahresty, 7 new jobs at Ferno, Aldi's added one employee, Smith Feike Minton has added one part-time person. We also have a new business in the downtown that added two new jobs. We are currently adding 12.22 jobs per week. That will bring us at the end of the year 635 new jobs. This is not counting any of the Polaris, Praxair, Timbertech or Custom Molded Products jobs at this point.

Councilman McKay announced there is a new business in the downtown. It is called Mom's Friendly Game Shop, located between Jen's Deli/Books 'N More, and The Crave. The proprietors are Jane, Andrew & Lee and are in the audience. Councilman McKay explained that in the past Lee was a computer person in a huge Wastewater Sewer Facility in New Jersey and had to leave that for medical reasons. He is a ham radio operator and came to the HamFest in Dayton. They liked the area around here, so they decided to relocate to this area. He said they looked at all the surrounding areas and chose Wilmington because it was friendly and uplifting. Councilman McKay said they are starting a new business called Mom's Friendly Game Shop. It's a family owned facility and has nothing to do with video games. It is all board games and gaming tables, and open five days a week. It will be a quality place. It would be a place to take a family.

Andrew, owner of Mom's Friendly Game Shop, said that they wanted to have a more family-focused store than a dungeon/comic book-type store. The store will include children's games, family games, strategy games, war games, and role-playing games. It will include card games as well: Pokémon, Magic-the-Gathering, Rook. They will also have play spaces – two tables that can sit up to twelve people, and two more in a stretch. They will be hosting gaming events there – non-gambling, non-video-game related. They will be open 5-7 days a week. They have two full-time employees and two part-time employees.

Councilman McKay welcomed them to the downtown.

[Applause]

Mayor Riley said we continue to work on the economic development front and continue to pull in jobs. We've had a lot of successes. He said that he and Brett Dixon spent the entire day, a week ago Friday, at an Ohio Economic Development Alliance meeting in the Dayton area. Wilmington is part of the Dayton Development Coalition portion of JobsOhio. We work directly with the DDC on development, and we have a good working relationship with them.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead had no report.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells introduced the second and third readings on an ordinance amending Chapter 925, Refuse Collection.

A motion was made by Wells and seconded by Jaehnig to suspend the rules and give the second and third reading on the ordinance Amending Chapter 925, Refuse Collection, of the Codified Ordinances.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Wells and seconded by Jaehnig to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5089 passed as read.

President Kirchner said that he is excited about the legislation, with the mayor, the Service Director, and the landfill superintendent committing that we will be able to store up the funds for long-term monitoring, expansion and capping.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced the second reading on the ordinance to pull-back the mandate that council salaries match OPERS requirements.

A motion was made by Siebenaller and seconded by Mead to give the first reading only on the ordinance Rescinding Ordinance 4576 Setting Salaries of City Council Members and Appointed Salaried Officials to at Least Meet the Minimum Amount Required by the Ohio Public Employees Retirement System (OPERS) to Obtain One Year of Credit for One Year of Service.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

Siebenaller requested that the third reading be on the Agenda for the next meeting.

Safety Committee - Chairperson Wells introduced legislation authorizing the mayor to enter into an agreement with Adams Township Trustees for the provision of fire and emergency ambulance services.

A motion was made by Wells and seconded by McKay to give the first reading only on a resolution Authorizing the Mayor to Enter into an Agreement with the Board of Trustees of Adams Township for the Provision of Fire and Emergency Ambulance Service for 2014-2015.

Motion passed.

Mayor Riley mentioned that it was a continuation of a contract that the city has had for many years.

Director of Law read resolution by title only.

Wells requested that the second reading be on the Agenda for the next meeting.

Councilman Wells introduced legislation allowing the city to sell surplus items through internet auction.

A motion was made by Wells and seconded by Mead to give the first reading only on a resolution Expressing Intent to Sell City Surplus Items to the Public Through an On-Line Auction Service and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

Wells requested that the second and third reading be on the agenda for the next meeting.

Councilman Wallace commented that he would like to know how much was made through the internet auction. He said we are taking business away from local auctioneers when we do this online. He would like to see the numbers to see if the increase in revenue from the on-line auction warrants taking that business away from local auctioneers.

Councilman Jaehnig said that Chief Weyand did a year-by-year study that showed the GovDeals was a significant increase.

Safety Director Russ Burton said he would get with the Chiefs and have them provide the numbers for council's information.

Councilman Wells introduced the third reading on legislation authorizing a dispatching agreement with Blanchester-Marion Township Joint Fire District.

A motion was made by Wells and seconded by Mead to give the first reading only on a resolution Authorizing the Mayor to Enter into a Dispatching Agreement with the Blanchester-Marion Township Joint Fire District and Declaring an Emergency. President asked for discussion.

Councilman Siebenaller asked if this was also a continuation of a previous contract.

Mayor Riley explained the contracts and said that the city has been dispatching for both of them for years.

Seeing no more discussion, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Wells and seconded by Mead to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by Mead to pass the resolution as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Res. No. 2324 passed as read.

Councilman Wells introduced legislation authorizing an agreement to provide dispatching services for the SRWW Joint Fire District.

A motion was made by Wells and seconded by Mead to give the first reading only on a resolution Authorizing the Mayor to Enter Into a Dispatching Agreement with the SRWW Joint Fire District and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Wells and seconded by Mead to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by Mead to pass the resolution as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Res. No. 2325 passed as read.

Downtown Revitalization Committee - Chairperson McKay mentioned that the Wine Walk was coming up on the 17th. Tickets are still available. It's on a Friday evening.

Parks and Recreation Committee – Chairperson Jaehnig said he was asked by the Park Board about their request for funding and when the council might be discussing it.

President Kirchner said they would have to get together a budget work session. He said he tried to schedule one previously but the Clerk of Council was not available and he

had not heard any updates on other available dates. He said they would look at the schedule and see what they could get coming up.

Councilman Jaehnig said that they were running into crunch time on some projects.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director – In the absence of the Service Director Reinsmith, Mayor Riley said the only update was that he had been crawling around under the city, much to the amusement of the service department employees.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Jaehnig that the Income Tax Report – April 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Paul Hunter asked the mayor what was going to be done about the situation at the old Bob & Carl's parking lot. He said there were many holes out there and believed that the owners of the property need to make the repairs, in the same manner in which homeowners who let their grass grow are required to mow their lawns. Mayor Riley said he had a conversation with a gentleman today who are actually in litigation to rent the property. If it is rented, the parking lot will be fixed by the property owner.

Paul Hunter said the potholes have extended now into the thoroughfare as you enter the area. Mayor Riley said that they are working to get the property rented and it has been a long process. Paul Hunter said this has been going on for years. Mayor Riley responded that there are numerous properties that are dilapidated throughout the city that they are trying to attend to. Paul Hunter asked what happened with the demolition plans through the county money. Mayor Riley said that we are still in the process of applying for that money.

Paul Hunter said there was a property on Locust that is looking very bad. Mayor Riley said that he had been informed that the property owner was wishing to fix that property up.

Councilman Stuckert asked the mayor what are the legal options for the city in terms of properties that do not get rented and continue to deteriorate. Mayor Riley said we have to go through the courts to have it vacated and to try to get permission from the property owner to tear it down. Every case is different. We have a gentleman who died in his property a year ago. His only surviving heir is a brother who lives in California who doesn't seem to care but also doesn't seem to want it torn down. So, we're in the process of working through that. We have the big house on Locust that Paul is referencing. A couple of young men were working on rehabbing it; there was a person in town that was going to buy it and rehab it, but that didn't work out. Now these two young men are working to rehab it again. We basically have to be patient and wait for the property owner to take care of it.

Paul Hunter said we have ordinances with violations. He believes \$2000 to fill up the potholes is not so much to ask if the building is rented or not. They are in violation of our laws.

Councilman Stuckert asked about the railroad crossing on Sugartree. Denny Gherman said the railroad agreed to fix it last fall but it has not been done. Councilman Stuckert asked if we could do the repairs ourselves and then bill them. Mayor Riley explained that we cannot do anything on the railroads. Treasurer Paul Fear said that it was interesting to note that we had sent them their money to use their right-of-ways.

Scott Kirchner asked if the payments for right-of-way fees could be held in escrow until they fix the crossing. Law Director Shidaker said that he did not know it had not been fixed yet. He said he thought it was time to send another letter.

Councilman Wells thanked Harry McVey. He called him about a safety problem in Timber Glen, and he came out immediately and repaired it. It was a cement drain culvert that was not covered. He asked the mayor about the status of Total Baking Solutions. Mayor Riley said he would have to check with Harry as he has the most contact with them. He said he assumed things are progressing well as he had not heard otherwise. Councilman Wells said he had not seen any activity over there.

Councilman Jaehnig noted that the Income Tax report showed an increase of about \$25,000 in taxes received – just over last year and asked how that compares to our projections for this year.

Treasurer Paul Fear said that it was encouraging because it was for individuals and withholding. He said the business is still down. It meets and exceeds our projections. We increased it from \$4,000,000 to \$4,050,000. He said we have a shot of hitting \$4.1 million or so. We're tracking ahead now.

Paul Hunter said in 2011, it was 92,613 in April, which is higher than what we have now, I believe. We're still going down a little from previous years, but better than last year.

[Discussion of first and second quarter comparisons]

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by McKay to adjourn.
President declared council adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met on Thursday, May 16, 2013, with President Pro Tem Mark McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, absent; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

A motion was made by Jaehnig and seconded by Stuckert to excuse the absent member. Motion passed.

Absent member excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President Pro Tem of Council asked cell phones to be set to silent mode.

President of Council –

President Pro Tem explained that the President Scott Kirchner was out of town on business.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, May 2, as presented.

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley announced that 2013 marks the 10-year anniversary of the Wilmington Performing Arts Studio. He read the following proclamation:

WHEREAS. The Wilmington Performing Arts Studio is proudly celebrating their 10-year anniversary of teaching students lessons in dance and life; and

WHEREAS, the studio has approximately 190 students who are taking lessons and learning skills in piano, voice and a wide variety of dance classes; and

WHEREAS, Erin Cavender, owner of the Wilmington Performing Arts Studio, credits her outstanding instructors, her family, and Mr. Cole Haugh, the studio manager, with inspiring greatness from their students and bringing them to their celebration of "A Decade of Dance."

NOW, THEREFORE, in anticipation of this program to be held at the Clinton-Massie High School on June 1st, I, Randy Riley, Mayor of the City of Wilmington, Ohio, do hereby encourage all citizens to join me in congratulating The Wilmington Performing Arts Studio and their entire staff as they celebrate A DECADE OF DANCE

[Applause and congratulations]

Mayor Riley pointed out that there were three students from Doug Cooper's class on assignment. He told them not to hesitate to ask questions.

Mayor Riley said he had the honor of recognizing Virgene Peterson, who has been a teacher for 70 years. He said they had a very nice celebration at Denver School.

He further recognized that Relay for Life was held the previous weekend out in the park and was a nice celebration – not celebrating disease but celebrating life. A senior

awareness fair will be held at Clinton County Senior Center on Nelson Avenue on June 14 from 2-4. This is to bring awareness to the seniors about things that are available to them in terms of health, fire safety and social service agencies. Before the next meeting, State Representative Steve Stivers will be at the Wilmington College McCoy Room at Kelly Center on Thursday, May 30, at 7 p.m. to host a listening session for citizen concerns.

President Pro Tem McKay announced that an election was held last week and some new people as well as old people were elected. He said that in America we have an election, we don't have bloodshed, and it's probably one of the best run election systems in the world. He said he was proud that we could elect people the way we do.

Auditor - Auditor David Hollingsworth said that he would wait until the end of May to do a spreadsheet for the members of council to show where we are year-to-date. He said he wanted to make sure they get all the tax collections through the end of April. He said that he wanted to give a snapshot of where the city is in terms of the General Fund balance. At the end of April 2012, the city had a General Fund balance of \$2,122,883. This year we have a balance at the end of April 2013 of 2,751,998. We began the year on January 2013 with a carryover balance of \$2,757,000, so year to date, we've only spent that down about \$6000. He went on to say that when the budget was created, we talked about using the insurance fund as kind of a balancing mechanism because we had built up quite a reserve. We did not fund that the first two or three months of the year, and we're still carrying a balance. We started out at the beginning of the year with \$679,000 in the insurance fund. At the end of April, not having funded that for two or three months, we still had a balance of \$644,000. As of today, we are still a little over \$600,000 in the insurance fund. Barring no major catastrophes it seems like that is working as far as being able to use that fund to be able to offset some of the contributions we are going to have to make.

President Pro Tem McKay asked if fund can be replenished when we use monies out of the insurance fund.

Auditor David Hollingsworth explained that the city just didn't fund it. Once the money goes into that insurance fund, it is used for insurance. He explained that we did not want to deplete the General Fund and over-fund the insurance fund in the budget process.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead had no report.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells said that Steve Taylor from Santech was in the audience and asked him to speak.

Steve Taylor said that he had stopped at the landfill and it looks amazing out there. It's a great site, and he learns something from Donnie Maher each time he sees him. He said Superintendent Maher really knows the business and the city is lucky to have him.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced the third reading on legislation rescinding automatic pay increases for council members.

A motion was made by Siebenaller and seconded by Mead to give the third reading only on the ordinance Rescinding Ordinance 4576 Setting Salaries of City Council Members and Appointed Salaried Officials to at Least Meet the Minimum Amount Required by the Ohio Public Employees Retirement System (OPERS) to Obtain One Year of Credit for One Year of Service.

President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Siebenaller and seconded by Mead to pass the ordinance as read.

Motion passed.

President Pro Tem of Council declared Ord. No. 5090 passed as read.

Safety Committee - Chairperson Wells introduced the second reading on legislation authorizing the mayor to enter into contract with Adams Township to provide fire and ambulance service.

A motion was made by Wells and seconded by Stuckert to give the second reading only on a resolution Authorizing the Mayor to Enter into an Agreement With the Board of Trustees of Adams Township for the Provision of Fire and Emergency Ambulance Service for 2014-2015.

President Pro Tem called for vote.

Motion passed.

Director of Law read resolution by title only.

Wells requested that the third reading be on the Agenda for the next meeting.

Councilman Wells introduced legislation expressing intent to sell surplus items to the public through an on-line auction service.

A motion was made by Wells and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution Expressing Intent to Sell City Surplus Items to the Public Through an On-Line Auction Service and Declaring an Emergency.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by Stuckert to pass the resolution as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President Pro Tem of Council declared Res. No. 2326 passed as read.

President Pro Tem McKay said Mayor Riley had an additional announcement. Mayor Riley asked Councilman Jaehnig to present the latest jobs numbers from the JETT team.

Councilman Jaehnig said the new number is 236, an increase of 17 from the last posting. The increases are one additional employee from Ahresty, eight more from Custom Molded, four and a half employees at the new Mexican restaurant, Don Jalapeños, which is now open for business, and three from the new hair salon, Making the Cut. Making the Cut will also be hiring more stylists. He introduced Mercedes Welch from Making the Cut.

Mercedes Welch – Our owners are Wendy Smith and Annette Haney. We are located at 989 S. South Street. She passed out a flyer announcing the Grand Opening and Ribbon Cutting of Making the Cut on Saturday, May 18, at 2 p.m. and explained the services available at the salon.

Downtown Revitalization Committee - Councilman McKay said that he ate at Don Jalapeños and it was very good. He said that Smith's Barber Shop in the downtown also was being re-opened by a new barber.

Parks and Recreation Committee – Chairperson Jaehnig asked Clerk Brenda Woods if President of Council Scott Kirchner had contacted her about scheduling the discussion about the parks budget.

Clerk Brenda Woods said that he had not.

Mayor Riley pointed out that there were two tournaments being held at the Park – Heather's Hope Tournament and an Ohio Fast Pitch Spring Blast Tournament. Together

they would include about 30 teams coming to Wilmington, which has a good economic impact.

Councilman McKay announced that the Wilmington Wine Walk would be held tomorrow, Friday evening.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith said that recently they passed legislation changing the fees at the landfill, with an effective date of June 1. He said the superintendent of the landfill had sent out letters to all of the carriers and had received confirmation from two of them to come back. He said those two average around \$33,000 a month in landfill fees and that will add a lot to the bottom line. We're still at about 40% for recycling, about 4 tons a week is going to Abitibi, but there is no money being made. He said Don Maher had found a compacter for recycling and is trying to put that deal together. On a side note, the Clinton County Solid Waste Committee is going to start updating the 10-year plan. The committee and the mayor need to start thinking about what we want to do so we can take it to committee. The Service Director went on to say that he thought that economic progress can be measured in the building department. Last year on May 15, we had brought in around \$8000 in building permit fees – 66 permits. Yesterday, our total was \$40,000 in building permit fees – 111 permits. There is a lot of interest in people reinvesting in their properties. Last year out total revenue was \$34,900. We've passed that already. The city has also sent out 77 letters already to mow grass.

Councilman Wells said that he has heard only good comments regarding the new fees at the landfill. He encouraged all citizens to recycle.

Paul Hunter asked what the alternate route would be for traffic during the bridge construction on S. South Street. Service Director Reinsmith said that some traffic would be routed through Southridge, but trucks would be in a different direction. He said the construction should be starting in 30-45 days. He said that the bridge would be completely closed during the construction and should be closed for a couple of months.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Hotel Lodging Tax Report – 1st Quarter 2013, and the Auditor-Treasurer Report – April 2013 be accepted as presented.

Motion passed.

Reports accepted as presented.

President Pro Tem McKay opened the meeting up to the general public and/or members of council to address council while in session.

Bob Mead pointed out that there was information in the packets regarding Toastmasters International. He said it was a good organization and very helpful to improve public speaking.

Councilman Stuckert asked what the status was of the Sugartree railroad crossing and the usage fees. Brian Shidaker asked if we had had any other contact with the railroad company. Service Director Reinsmith said he had spoken to someone. Custom Molded was trying to get a new spur put in and he was going to try to put some leverage on them to improve that crossing at the same time.

[Discussion of railroad]

Mayor Riley said he called last week and left a message for the general manager of the railroad, but he has not heard anything back yet. He said that his experience in the past is that you have to be persistent in order to get a response from the railroad.

President Pro Tem McKay asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Pro Tem McKay asked for a motion to adjourn.

A motion was made by Jaehnig to adjourn.

Motion passed.

Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in regular session on Thursday, June 6, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Officer Ron Cravens was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, May 16, as presented.

Motion passed.

Minutes approved as presented.

President Kirchner introduced Samantha Ahrman from DP&L to give a presentation on summer storm readiness program.

Samantha Ahrman gave a presentation on Summer Storm Readiness, which included an overview of DP&L's process of responding to storm outages. She emphasized that customers should have a preparedness program in their homes, and gave the website www.dpndl.com/outage as a reference for customers.

Paul Hunter asked about special provisions for people who are on oxygen.

Samantha Ahrman explained that it is not financially feasible for the company to provide generators or power units to individuals; therefore, customers need to make sure they are prepared for power outages.

Mayor Riley asked Service Director Reinsmith to provide DP&L with contact information for Denny Gherman and Russ Burton. Service Director Reinsmith asked when the emails may be changed over to new format. Mayor Riley said Chief Weyand was working on this.

President Kirchner announced a special council meeting on Thursday, June 13, at 6:30 p.m. for a budget work session. Also, the first scheduled meeting in July was on July 4. The ordinances read that the meeting is moved to the day after a holiday. The According to the Law Director, council can vote to put the meeting on a different day. President Kirchner suggested the topic be revisited during the public comment portion of the meeting.

Mayor - Mayor Riley thanked Sam Ahrman for her presentation. As mayor, a disastrous storm is one of his greatest worries. He offered to Paul Hunter that most oxygen delivery companies should give you at least one or two e-cylinders that could be used for short-term use. He said that if someone finds themselves in that situation, they should go to the hospital as that is one of the functions that the hospital serves in such an event. He said that he had just attended the graduation ceremony of the Leadership Clinton Institute. He pointed out that Lora Abernathy just graduated this evening from the program. June 14 is the Senior Awareness Fair out at the Senior Center. He encouraged all seniors to go out because there would be a lot of good information about services that are available. He announced that there was a church work day at Southeast Neighborhood Park on June 15. He said he also had another meeting with the Ukrainian delegation in Cincinnati. He said they are very interested in coming to Wilmington as both a cultural exchange to look at economic ventures together. He said kudos to the entire community when

Governor Kasich came to the community to celebrate six new companies, with 528 new jobs. He said that brings our total of potential jobs up to 750, although we will not count those jobs until they actually start. He thanked everyone on council who helped to bring new jobs in. He thanked Brett Dixon for all his work in economic development.

[Applause]

Mayor Riley went on to say the governor was very complimentary of the work we have done in the community. He said the in terms of the job creation tax credits approved by the Tax Commission in Columbus, it seemed like every tax credit that was given was given to a company in Clinton County. He said he was proud of the community – that now that we have the ball rolling, it is important to keep it that way. He said he was sure that we would have 1000 new jobs by this time next year. He announced that the Banana Split Festival would be on June 7-8. He said he invited the City Manager from Latrobe, PA to the festival, but he declined. He said he had a graduation. He also invited the mayor of Latrobe but had not heard back. He said she probably was not coming because she was afraid to face us knowing that we had actually invented the banana split here in Wilmington. He encouraged everyone to come out. He introduced Sarah Bohle from the Council on Aging.

Sarah Bohle gave a presentation on the Council on Aging of Southwestern Ohio. She presented copies of their annual report and gave a brief update on what the Council of Aging does in Clinton County. She explained in depth the services provided by the Elderly Services Program, whose main goal is to help adults 65 years and older maintain independent living in their homes. She pointed out that in Clinton County it takes a little over \$300 a month to keep a person in their home through the Elderly Services Program. A nursing home through the Medicaid program runs between \$4800 and \$5000 a month. The Council on Aging administers the contract for the Elderly Services Program through the Clinton County Commissioners. About 90% of the funding comes from the Senior Services tax levy. Without the tax levy, the program does not exist. They will be asking for another levy around 2017. She said the Council on Aging has a very informative website.

Councilman Jaehnig said that there are 250 jobs posted. CaLee's Screenprinting is our 19th new business this year in the community, with one additional employee. Beaugards's BBQ is growing and added two more employees. ABX air has added four employees. Cargill out at the airpark added two employees. JMCC, also out at the airpark, is half an employee. The Experiential Academy has added five. That brings us 14.5 since our last announcement – bringing us currently to 250.5 new jobs.

Mayor Riley said that a large multinational company named Cole Taylor has announced that they have purchased Liberty Savings, Lending Liberty Mortgage. They are keeping all of the Liberty Employees plus they are accepting applications.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead had no report.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells said that the new fee schedule for the landfill was in place. He said that with the new schedule and if they could get an increase on recycling, it could help to save the landfill.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced the first reading on ordinance amending a section requiring a separate bond for council members as they are already covered through our blanket bond.

A motion was made by Siebenaller and seconded by Wells to give the first reading only on the ordinance Amending a Section of Chapter 133, Employment Provision, of the Codified Ordinances of the City of Wilmington.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

Siebenaller requested that the second reading be on the Agenda for the next regular meeting.

Siebenaller introduced legislation to provide an enterprise zone agreement with Custom Molded Products. He said the agenda calls for three readings and an emergency, but he wanted to discuss only doing the first reading this evening and the second and third readings at the next council meeting to make sure we have all of the questions answered. He said there have been questions regarding the estimate of the new property value. He asked for discussion.

President Kirchner asked if Terry Habermehl had an estimate of what the enterprise zone tax abatement is.

Terry Habermehl said that they used an estimate of \$1.5 million dollars. This is an estimate because an exact amount could not be given until the facility is completed. He said across all of the subdivisions, it is just over \$26,000 annually.

Mayor Riley said that he spoke to Ron Sexton, Superintendent of the City Schools, and he strongly supports this. He said that since it is tied to job creation of a minimum of 40 jobs, he would be in support of the abatement. He explained that the performance of job creation would be monitored annually by the Tax Incentive Review Council.

Bill Liermann, 1069 Linhof Road, spoke on behalf of the Board of Education. He said he understands that it is a work in progress, but the school administration does not want to impede the progress and they do not want to slow it down at all. They are behind it 110%. He said they just want to be kept informed.

Councilman Jaehnig pointed out just don't know how many of the jobs will actually live in the school district. Bill Liermann said the more jobs that have been created will increase the tax base, which will help the schools.

Mayor Riley applauded the school and their willingness to cooperate with the city in terms of the enterprise zones. He asked for the school board statement to go into the record.

Bill Liermann paraphrased a statement from the school. We know that the discussions have been ongoing with the City officials and county officials as well. We want to see the project. We want to publicly indicate our support for the project, our desire to move forward without any delay. We won't impede or slow down the process. As Mr. Sexton indicated to me via telephone, we just ask that we are kept informed as it proceeds. We encourage City Council to get the ball rolling and, if possible, put it on a fast track. We applaud the efforts of all of the stakeholders involved and we just encourage you to expedite the process.

Mayor Riley also pointed out that this was one of the programs for which the governor came to Wilmington to celebrate. Brett Dixon explained the enterprise zone in further detail. He said that the company had faced delays in the process through no fault of their own and through no fault of council. He added that they cannot break ground or move forward until council approves this.

Siebenaller asked a question regarding the 70% of jobs that need to be maintained. Brett Dixon explained that is 70% of the jobs tied to this project. He said they had already hired new employees.

[Further discussion of enterprise zone]

President Kirchner pointed out that the agreement said a percentage of retained or created jobs. Dixon said that all indications are that they would maintain the minimum number of created jobs at all costs.

Councilman Jaehnig said that there are two different programs Custom Molded wishes to take advantage of – the job creation tax credit at the state level and the enterprise zone that is at the local level.

Siebenaller further clarified that the enterprise zone was a 50% real property tax credit.

Mayor Riley said that he had spoken to the owners/managers of Custom Molded Products and they are very excited about the improvements.

Councilman Siebenaller pointed out an error in the agreement that lists “personal property” rather than “real property.” He asked for questions or comments.

A motion was made by Siebenaller and seconded by Wells to amend the resolution authorizing an agreement with Custom Molded Products to state that it is a 50% exemption on real property tax rather than personal property tax.

Motion passed unanimously.

Resolution amended.

A motion was made by Siebenaller and seconded by Jaehnig to give the first reading only on A Resolution Authorizing an Agreement with Custom Molded Products, LLC. Providing for a Project and Tax Exemption Pursuant to the State Enterprise Zone Program, and Making Determinations in Connection Therewith; Repealing All Prior Conflicting Ordinances, and Declaring an Emergency, As Amended.

President asked for discussion.

Seeing none, President called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Wells to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the resolution by title only.

A motion was made by Siebenaller and seconded by Stuckert to pass the resolution as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Res. No. 2327 passed as read.

Safety Committee - Chairperson Wells presented the third reading on a resolution authorizing the mayor to enter into an agreement with Adams Township to provide fire and ambulance services.

A motion was made by Wells and seconded by Mead to give the third reading only on a resolution Authorizing the Mayor to Enter into an Agreement with the Board of Trustees of Adams Township for the Provision of Fire and Emergency Ambulance Service for 2014-2015.

President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

Councilman Wells asked if there were any questions. No questions presented.

A motion was made by Wells and seconded by Stuckert to pass the resolution as read.

Motion passed. All yeas.

President of Council declared Res. No. 2328 passed as read.

Downtown Revitalization Committee - Chairperson McKay said that he made a stop today at Save-A-Cent Clothing Consignment shop, which is beside the stained glass art gallery. It will open around the first of July. The proprietor is Jessica Sanchez. He also noted there is a new barber in the location where Wayne Smith's shop used to be. He got a new haircut from her and he's had a lot of compliments on it.

Parks and Recreation Committee – Chairperson Jaehnig had nothing on the agenda, but wanted to clarify that the parks supplemental request would be discussed at the upcoming special council meeting.

President Kirchner said that it would be reviewed if it was available with all of the details. He said that one of the things they would talk about is what funds are available and what priorities are for council. There are still safety needs that are unmet and there are also additional incomes from unexpected areas.

Councilman Jaehnig said that all the information has been reviewed by the Parks Committee and had been sent on to be voted on by council, so he was not sure what further information was needed.

President Kirchner said that there were grants that they needed to apply for and that information needed to be included.

Councilman Jaehnig said that was already in the information that was passed by the Parks Committee 90 days ago. President Kirchner asked if it had been to council.

Councilman Jaehnig explained that it was passed in the Parks Committee 90 days ago and that President Kirchner asked that it go through Finance through a special council meeting instead. They have been waiting on the meeting to be set. President Kirchner said it could then be discussed at the special council.

Councilman Jaehnig said that Lori Williams had sent him an email but he had not yet been able to read it. He asked that she give a brief update on the parks.

Lori Williams stated that they currently have over 400 kids now playing baseball in the park Monday through Thursday evening. The Galvin Park swing set has been placed. They have brought in tons of dirt to rehab the ball fields, and that work has been done by means of the banner program, and she extended her thanks to all organizations who have donated a banner or bought a banner. Over 35 kids participated in the Passport to Fishing program. They are working on a long-term partnership so they can do that annually. There is a church work day on June 15 at Southeast Neighborhood Park. They are going to get as much work done as they can. There will be a basketball tournament and food. She read the following statement:

I hope the city administration will reconsider the project that they have proposed as the highest priority project for CDBG funding for 2013. The Park Board had approved a request for funding to help with the Southeast Neighborhood Park Transformation project and we were very hopeful that it would be viewed as an opportunity to build up a park in a residential area. The intention of CDBG funding is to improve low-to-moderate income neighborhoods, and we certainly felt like it fit very well into that program. That park was originally purchased with CDBG funding, so it certainly met the requirements in terms of income. We believe that improving opportunities for children and adults to engage in healthy activities in a safe and fun environment is important. The decision of how to allocate CDBG funds will be made this Monday, and there is still time to consider the best use of those funds. Perhaps even splitting in some way so that the Southeast Park project, and more importantly the community, will benefit from that investment in a very tangible way. As you know, I like green space, but an empty lot does not have much play value. I guarantee that there is going to be a lot more play value and value back to the people that already live in the community if we can get some more done. There have been what I would consider some disparaging comments made about

the use of funds in that park in the neighborhood. As a person who has been involved in this project from day one, and there are several people who have been too, it is very discouraging. This is an opportunity for us to a community to show that everybody matters. We have had really different standards depending on where the property is. I've heard people say, "It's not a race issue; it's not a class issue." I understand people don't understand that or believe what they believe. But, I really would like you to consider putting a little bit of investment into that neighborhood. I hope that there are some people that would want to concur and I hope that some of the council people...I know Mr. Stuckert came to the meeting too and that is in his ward. When you see the faces. I am there every day. I see the kids there playing. They're jumping on picnic tables because there is nothing else for them to do. This is their back yard, and we can do better. I'm not asking for a lot of money to accomplish this. We are already trying to tap into so many resources. Like I was talking about the volunteer labor. We are trying to stretch as far as we can. I think we are being good stewards of that money. That is all...if there are any questions.

Councilman Stuckert: I would like to weigh in on this too. As she said, this is part of my ward. There is not a question in my mind in terms of priority. Of course, we don't get to make any decisions on the funds – the county is going to make them – but I would definitely plan to go to the county and make the case that in terms of priorities, that park down there is at the top of the list. I was not aware until she had made me aware of the fact that they had requested that the city take it to the county as a priority. Now that I know that, I will put my whole weight around it. That is already green space. We want to improve it. We want to make it available to the citizens of the ward. That takes priority over demolition. We'll figure out demolition some other way; let's do the parks. It has my full support. If there is some way of splitting...fine, but my emphasis is going to be on the parks.

Councilman McKay said that he was also at the meeting and he agreed with Councilman Stuckert; this needs to be considered very strongly by the commissioners. I guess I would ask the mayor to advocate for at least a portion of that money to be allocated to the park project. There is going to be continued blood, sweat and tears put into that park and a lot of the sweat equity. We will do our very best to support it. We realize that it is not our final decision but I hope that we can help the commissioners to at least allocate a portion of it.

Councilman Jaehnig – I would like to go a step a further and say that we not do that. It's nice that we are passionate about spending someone else's money, I would like to see that we are also passionate about spending some city money to correct some of the situations as we move into the budget discussion next week. Because we have issues that we can correct that would help relieve situations at the parks – also not just for the southeast park but for the entire community as a whole. I agree with everything that was stated. I would just hope that when it comes down to it, the council could take a further step in shouldering the support and just not spending someone else's money, but spending some of our own.

James Dixon – 1049 Peggy Lane – I lived down the street from the mayor for years. I was at the park's meeting. I just found out that \$44,000 has been allocated to demolishing some buildings in the Sugartree area. My opinion is that all of or at least some of that money be allocated to the park. I think it would be very nice for us to show that community we care about them regardless of what side of town they live on. I am going to be one of those 200 workers that will be out there working on the church day. I think the city should offer their support as there are many people in the community trying to offer their support.

Councilman Jaehnig said there was a big change in how CDBG grants are processed from last year to this year. In the past, that is something that would come before council. We would get to discuss and prioritize what we felt was important and then apply for them. The money was awarded directly to the city. Now everything goes to the county and the county commissioners make the decisions on how they are going to award the CDBG funds.

Mayor Riley said not only has the process changed, but the number of dollars available for CDBG projects is lower. We have less money and it is being divvied up differently. I would like to point out that one of the reasons we were looking at the Sugartree corridor was council had recently approved \$150,000 in UDAG money to improve Sugartree. You improve one part of the street and then you have buildings that are literally falling down on both sides of it – it doesn't make a lot of sense. I thought I was taking my direction from what council wanted with your earlier investment of \$150,000 at the Escape. I will take my direction from council and we can certainly talk about it. I also encourage all council members to go out with their churches and work on the project on June 15.

President Kirchner said he felt like council did not have the opportunity to support the application. He said that the mayor was always encouraged to come to council and talk about those priorities. I don't know how we arrived at the demolitions as the priorities, but we can take this into account and see if we can help switch the directions.

Lori Williams asked if a decision would be made on Monday at 9 a.m. Mayor Riley said he did not know when the decision would be made by the commissioners.

President Kirchner asked for clarification on the application process. He asked if we had to submit applications for specific projects and we didn't have one for the park that could be submitted.

Clerk Brenda Woods said that Southeast Neighborhood Park was submitted as part of the application.

President Kirchner asked if the problem was there was not enough funding.

Councilman Jaehnig said that other communities also applied for the money. Some funds went to Port William, and he was not sure how the commissioners make the decision.

President Kirchner asked if it was based on our prioritization.

Mayor Riley said he did not know how the commissioners make those decisions.

President Kirchner said he did not know how they made the decision, so he was not sure if the city could affect the outcome.

Lori Williams said that the consultant told her that there was a limited amount of funds and the city prioritized the projects so that the demolition project was ranked above the park project.

Mayor Riley said he believed that was correct. Again, going back to what he said, council did give him direction by approving \$150,000 in UDAG money for improvements on Sugartree. I took that as a major emphasis of this council. If he misinterpreted, he apologizes. He agreed that there was a limited amount of money. This is not just for Wilmington – it's for the whole county. We want to make Sugartree an attractive place to do business. One building we would like to knock down is a third fallen in. The other building is not what you would want in a major intersection downtown. He would much rather see that developed as a nice restaurant or a nice business. That building is not conducive to that the way it is. The properties down there would be more valuable if that was down. Of course, we have to go through the family who owns it. We have to work with the property owners and give them options. Maybe those two buildings are not the ones that would be destroyed. We have dozens of properties in the city of Wilmington that are falling down in various neighborhoods. We could look at all of the neighborhoods and see what we could do to help them.

Paul Hunter – There's another pot of money for demolition. Use the Forward Ohio money to do the demolitions and then use the CDBG money for the parks.

Mayor Riley and Councilman Jaehnig stated that was for residential demolitions.

President Kirchner said it sounded like the council would like to propose that the mayor change the priorities. He said that it sounded like a worthy investment and the council, if they felt so inclined, could request that the projects be reprioritized. What was the original amount of the request?

Lori Williams said that it was originally in the high 40's but they pared it down to \$21,000.

President Kirchner asked what the amount was we got for the projects.

Larry Reinsmith said it was \$44,000. He said the demolitions were \$25,000 minimum each. He said part of the deal is they give you \$45,000 and you have to agree to make up the difference.

[Discussion of demolitions and parks project]

Councilman Stuckert said that he would support the money going through to the parks.

President Kirchner said that they can propose a motion to have the priorities changed to move the parks to the top of the submission list.

Councilman Wallace said that he was in favor of the idea, but he offered that when the commissioners take a look at changing the priorities, we may lose some of the money. They could send the money on somewhere else.

Councilman Jaehnig asked Larry about how the city would be expected to cover the difference. Are we required to complete the project even though the funding might be cut in half?

They have to finalize by tomorrow. We would just choose to do one building if the funding was reduced.

A motion was made by Stuckert and seconded by Mead to move the parks project to the top of the city's list of priorities for the CDBG Formula application to the county.

President of Council asked for discussion.

Councilman McKay asked if the \$21,000 would be adequate for the southeast park.

Lori Williams said that was what they agreed to because it funded certain things that they knew were priorities. Obviously, it would be delightful to get the \$44,000, but \$21,000 is what we said we could use.

Councilman McKay said a compromise would be to ask for the \$21,000 to go to the parks and the remainder to go to demolition.

Councilman Siebenaller said from a city's perspective, our responsibility should be to providing quality parks over demolishing buildings.

Councilman Wells said that kids are more important than an empty lot.

President called for a vote on reprioritizing the CDBG application. Motion carried. All voted yea.

Councilman Stuckert said the sense of the community is not negative toward the park. He said that we could do a lot with that space.

Councilman McKay said that no matter how the vote goes with the commissioners, Lori Williams should be credited with how much work she has put into it.

[Applause]

Mayor Riley thanked everyone for their input and appreciated their thoughts.

President Kirchner suggested that the list of projects be coordinated through the Judiciary Committee as it had been done in the past and engage council proactively in the process. Councilman Jaehnig said that in the past he did not believe they saw all of the ideas either.

[Discussion of past process of CDBG]

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Income Tax Report – May 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

President Kirchner opened a discussion regarding changing the date of the July 4 council meeting.

[Discussion of date of July 4 meeting]

A majority of council members offered that they would prefer a July 3 meeting date. The date of the meeting will be set at the next regular council meeting.

Paul Hunter said that in terms of the enterprise zone agreement, the model would be 75-25 for real property seven years – modeled after Timbertech. He said he didn't understand where the 50% came from.

Brett Dixon said that the state minimum is 50. When you get to 75%, you have to get the permission of the school board. Brian Shidaker said that is what the company applied for.

Paul Hunter also said that there are two other pots of money that could be used that are not in the general fund. The bed tax can afford \$21,000 in a heartbeat. Also, the county is now in the process of collecting hundreds of thousands of dollars in casino funds. At one time we passed a resolution that the mayor approach the commissioners regarding the casino funds.

Paul Fear said that the counties are banding together and holding the casino monies and no one is giving any to municipalities in their jurisdictions. He said they are hoping that the state will be increasing the money in the local government fund. They may give 360 million back of the 500 million they took away. We are waiting for the state budget to go through.

[Discussion of casino funds and local government fund]

Terry Habermehl thanked the council for prioritizing the parks as Habitat for Humanity has made a large investment in that area as well.

Councilman Siebenaller thanked Terry Habermehl and Brett Dixon for being at council tonight.

Councilman Mead asked if the upgrade in the county's emergency communications system would have any effect on the city's system or if the city was coordinating with the county.

Mayor Riley said that Chief Weyand was working with Brian Prickett on the project. He said there would be some changes – certain city departments will not need to be on the new system.

[Discussion of emergency systems and testing procedures]

Jason Bowling, 51 Randolph. We lost a family member not long ago due to an ongoing verbal altercation that turned physical. I think it was kind of a mutual thing. We have had limited contact with the justice system. The lead detective hasn't made any attempts. We don't know what is going on with it. We are really concerned and we're hoping that you might be able to give some direction on who we can talk to and who we can try to get some answers from. We don't want to be malicious, but we are just completely shattered by this event. To know that it took 2-3 weeks before anybody reached out to the victim's family is unheard of. We've reached out to the prosecutor and the detective, and we've been put on hold. We've been told that we'll get a call back. We have yet to get a call back. This was on April 30. I'm sure everybody in this room is aware of this case. It was the stabbing at Pettit's. His daughter sat here all night waiting for this opportunity to get an answer, and she couldn't handle it, so she took off. I just ask please...is there anything...anything we can do to try to keep this from being swept under the rug.

President Kirchner said sorry for your loss. He asked Safety Director Russ Burton to take their number and work on getting them connected with the information and people involved that could help them answer their questions.

Mayor Riley offered his sympathies to the family. Having lost a child, he understands that heartbreak. One of the things that Safety Director Burton will tell you is that it is an ongoing investigation. It has not been wrapped up yet. There will be no comment from the mayor's office or the safety director about the investigation.

Jason Bowling – I'm not looking for a public explanation. Just fill my mom in. That was her son. That's the next of kin. Just please, keep her informed.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by McKay to adjourn.
President of Council declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in special session on Thursday, June 13, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, absent; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

A motion was made by Mead and seconded by Wallace to excuse the absent member. Motion passed. All yeas.
Absent member excused.

President Kirchner – The legislation under the Auditor will need to move under a committee to come onto the floor. Both pieces should be considered after the budget work session so the council members understand where we stand and whether they would like to move forward.

Councilman Mead – I propose we do the budget workshop first so we know just where we stand before we attack any of the other items. We should look at the supplemental appropriation at the end of the meeting and should plan the vote on the buy-back at the next regular meeting this month.

Auditor Hollingsworth asked if they wanted him to speak on the legislation.

President Kirchner stated that there was a motion on the floor.

Loren Stuckert seconded the motion.

President Kirchner asked if there was any discussion.

Auditor Hollingsworth – The bond anticipation note legislation had absolutely no effect on the General Fund. That appropriation has already been approved in the budget. The easiest way to explain it is Paul and I invest the city's money, whether it is in CDs or allowable securities. That is all we are doing with this issue. It was brought to our attention that we are actually allowed to invest in our own debt. What that does is allow us to maintain or keep the interest that we would usually pay to a third party. That is the only thing it is doing. We have money sitting in a savings account that is earning about 1% interest. If we go on the open market and sell these notes like we have in the past, we're going to pay a third party, someone outside of the city, somewhere probably close to 2%. By going ahead and taking our own cash – the money is not going out of the General Fund, it is just an investment inside the General Fund. If we need that cash, we can sell that note on the open market. That is what we're not doing by going this route. We're just keeping that security inside the city.

Councilman Jaehnig – So instead of 1% or 1.5% interest by investing it, we could make 2% on the bond interest?

Paul Fear – Right now, the \$902,500 is at 1.59, so anybody else, whether we take the whole \$902,500 or the \$702,500, which is this number, anybody else we are going to be pay in excess of 1.59, which is the 2% he is talking about. What he is saying is, with the money that we have in an overnight, we are going to buy that note ourselves and not pay that 2% to ourselves. It's not money that's invested; it's money that we're not paying out.

Auditor David Hollingsworth – Plus we don't have part of the issuance cost (what we would normally pay a bond underwriter to sell), which that cost is built into the interest rate along with the attorney's fees. The only costs that we would be incurring would be the attorney's fees, which we are going to incur anyway. In my mind, there's no need not to act on it tonight. We were just trying to avoid any possible conflicts. The notes come due on the 18th, which is our second scheduled meeting in July. With July 4, I know we rescheduled the meeting, but just in case there are not enough people here. Again, the

appropriations have already been approved. It is not that you're approving additional monies to be spent; it is already in the budget. The only thing that we are spending is the note currently is a little over \$900,000 and we're taking \$100,000 out of the landfill and \$100,000 out of permissive tax to pay that note down to about \$700,000. The remainder balance is what we would be investing in. Does that make sense?

Councilman Siebenaller – The bond appropriations that were in the budget was specifically to buy this note.

Auditor David Hollingsworth: We had to appropriate the money because we knew the note was coming due anyway. So, yeah, it's already in the budget.

Councilman Siebenaller – How long, assuming we needed this money then for General Fund purposes, how long does it take? Assuming we have a buyer, how long does it usually take to actually sell that?

Auditor David Hollingsworth – We've never done that, but it would be like any other security. There should be a market for it. It would be no different than selling the note right now on the open market.

President Kirchner – Is there a reason the note has to exist or can we just use the cash to eliminate the debt that we have been refinancing year after year after year?

Auditor David Hollingsworth – Well if you pay the cash out, you do affect the General Fund. I think the idea was, at least the portion that was the landfill, that the fees were structured as such so that could be paid off over a period of time. Also to fit in with the schedule of actually expanding the landfill – so all of that cash wasn't taken at one time to pay it down. It just kind of preserves the cash that we have available to work with. It is just sitting in a form of security rather than in cash. But it's no different than having the cash other than there would be an additional step of having to sell that if we needed to have the cash for that note.

Councilman Jaehnig – A portion of the particular bond was specifically for landfill.

Auditor David Hollingsworth – Correct. It is combination of Lowes Drive, Davids Drive and the landfill.

Councilman Jaehnig – So whatever portion was the landfill, we couldn't pay that with General Funds anyway, so that has to be paid...

Auditor David Hollingsworth – Well, you could. You can pay anything with General Fund monies. There is really no need to pay that off. We've been paying it off over time. I think that was the originally idea – to be able to spread that over a period of time. In this case, we are not incurring any interest costs theoretically, because we're paying ourselves.

Councilman Stuckert – So are we holding this for one year?

Auditor David Hollingsworth – Right. It would come up again next year for renewal and you can either sell it on the open market or we can do the same thing – whatever you decide to pay down on that obligation. I don't think the payment on that is set in stone – you guys determine how much you want to pay down based on how much permissive tax money is available and how much is in the landfill.

President Kirchner - Every year you would have the opportunity, as we have seen with this, to add projects to it and increase the amount you would go out for the one-year bond revenue anticipation bond.

Auditor David Hollingsworth – What we were trying to do was save some costs to the city and to the General Fund and also to the landfill.

Paul Hunter – To answer your question real quick – right now, there is a note outstanding for \$902,500 - \$400,000 of that is landfill vertical integration. The other \$502,500 is Lowes Drive and Davids Drive. So that is how that \$902,500 of bond anticipation note, which is the note that is set up. To answer Scott's question, yes we could take \$400,000 out of the \$656,000 that is in the Waste Fund now and reduce it down \$200,000. And we could take \$502,500 that is in the General Fund and pay it down and then not have any note at all. Yes. That is an option. Like he said, it would reduce your General Fund down and reduce the others down. Now six months from now, you could create a new note if you needed the money and then go to the market with that and do the same thing.

President Kirchner – I understand that the difference is, this note exists, but the bottom line is that the reason you can say it makes no effect to the General Fund is because you're using the General Fund to buy the note back into the General Fund and then just putting it in the place. The fact is, the debt still remains then. It is an instrument of debt that can be negotiated and sold, I understand. The concern for me is that as we have seen the markets begin to enter what I'll call a tentative period of fluctuation based on the Fed Chairman's indication, the quantitative easing is about to be reduced. We have seen interest rates rise. We have seen the interest rate environment become unstable. We've seen the Dow begin to reflect the instability that is sensed in the market. The bottom line is, by leaving this debt out here, we could end up in a situation if we don't pay it off while we have the cash, of having to go out into a market that has a much different interest environment. That is why, in my mind, looking at retiring the debt if we have the capability at this time with the situation the way it is, I think we are protecting the citizens to the best of ability. If the funds are available, I think it would be a prudent thing to do while we have the benefit of these low interest rates. I have understood why we weren't as concerned about being able to get the debt down while we were facing deficit budgets. The fact that we were able to balance the budget for this year and see a carryover amount that we could use to eliminate this debt, the idea being that you get down the temporary debt. This Lowes debt has been out there going on 10 years or better – long enough that we're about in a maintenance cycle on them. I just think this is a short-term instrument that has been used for a long-term purpose in a way. My thought would be that council ought to take a look at the benefit of balancing the budget and creating a carry-over balance that enables them to retire this debt, protecting the citizens in this environment. That was my thought and why you were going to look at it after you understood the carryover balances and the monies available. The question of whether or not you would take that money out of landfill – obviously you would have to take a look at the landfill budget specifically and whether or not.... I agree with the David, the fees were structured so they could pay that over time. The current environment would give you one more year. We could take a look at what would be available from that standpoint. Davids Drive has been open 5-6 years.

Service Director Reinsmith – What kind of money do we have in permissive tax? Because in years past, we have made payments.

Auditor David Hollingsworth – Well that is where the money is coming from to make this payment. It's not really coming out of the General Fund per se. That is the reason it has not been paid off. There is not enough money in permissive tax to do that all at one time. I don't think it is smart to take half million dollars if you are going to take it out of the General Fund. It's stable right now, but to take a half a million dollars to pay that note off, I don't think makes good sense.

President Kirchner – It may not be a half million dollars. Not knowing where we are at currently.

Auditor David Hollingsworth – I think that is what Paul just said.

President Kirchner – It would be a half million to pay the whole thing off. But we could take, say an extra \$300,000 and only have to roll \$200,000 out there in General Fund debt if that is what is available based on the budget analysis and what we have in carryover.

Paul Fear – We didn't want to take too big of a hit on the \$400,000 that is still owed on the landfill because there may be needs for equipment and that type of stuff. There is enough there, because it is at \$600,000. We could save – that total interest to be paid from there – and stay in the landfill account – is still \$280,000, even if you paid that \$400,000. But, if you're going to take just the permissive and reduce the other note by \$100,000, then we should still do some of it, which we don't pay any interest on because we are buying the note back ourselves.

Auditor David Hollingsworth – I'm not sure what the cost of the additional expansion that has to take place.

President Kirchner – The fees were set up so the money for the cost of each expansion was able to be paid before the next session came along. So, that debt should get to zero before the next expansion debt gets there. That was a 21.7% increase in fees as I recall. That was placed on the citizens specifically because we had to do it.

Paul Fear – You're right on the vertical expansion, but there still isn't any excess money that is being brought in necessarily for truck replacement and those types of things.

President Kirchner – that is not what I understood with the adjustments just made. I understood that the operational costs of the entire landfill facility would not only be covered, but the mayor had indicated that they were going to be able to build reserve funds for long-term capping and monitoring.

Paul Fear – But if we're only 15 days into that fund and in 30 days you need a new truck, then you haven't built reserve funds to cover it. I agree that if you don't need a truck for a year, then you're fine. But, you know yourself, with personal vehicles, it doesn't matter how you plan for it. I just don't think you should deplete it too far. We thought about paying off a couple of hundred thousand instead of just one. It will be okay, but that's a year from now – not 15 days into it.

President Kirchner – My question goes to the fact that there was supposed to be a schedule to how we paid that off anyway. It was supposed to get to zero about the time you would need to do another expansion.

Paul Fear – What I'm saying is if you take all the money, then that takes care of that, but what about trucks or other repairs. There are a couple of trash trucks that need to be replaced, and you wouldn't have the money for it.

President Kirchner – I'm not advocating taking all of that money. I'm advocating that council take a look at what funds are available. I know when we completed the balanced budget last year for this year, by reducing that budget the amounts we did and looking at the revenue where we were at, you actually had a carryover that was larger than the preferred minimum of 25%. Council would have the option of taking a look at using some of that money to retire some of that debt and protect the citizens from this interest rate environment that I, quite frankly, think could get a little dicey here in the short-term. What the Fed has done has never been done before and how they pull off that smooth landing has yet to be proved capable. It could be drastically different interest rate environment in a year depending on how that goes. That was what I was advocating – that council have an opportunity to see the budget reports, see where they are at year-to-date, see any changes in the budget. I know we have had some significant additional costs and some things that we pulled out, such as police cruisers, that we need to understand how to fund. We need to take a look at what money is left at that point, what that carryover will look like at the end of the year, if we are on for our projections for income and expenses this year, and go from that route.

Councilman Stuckert – I think it sounds like a good idea, but the only way we would be able to logically vote on this proposal as it was written would be if we were going to definitely to take a hold of this note. I think it would be wise to do that. The auditor has indicated that they have a time-frame. We ought to move quickly on finding out what kind of money we have so we can get to a place where we can make a decision whether we are going to pay off any or all of it and answer all of these questions.

Councilman Jaehnig – Did I misunderstand you? We have a time limit in regards we have to do something by the 18th. If we do what is proposed, there is nothing that says that once we have done the full analysis two or three months down the road, we can't go back and do exactly what is being proposed.

President Kirchner – Well, once you roll the notes on the 18th, you're out buying back. There is nothing that says you can't do the full work at this time and get it right before you issue the notes again.

Auditor David Hollingsworth – The right thing to do is roll them. That is my opinion. You are talking about taking money out of the General Fund. We beat each other over the head at year-end in the budget trying to get it balanced. Now you want to take – whether it is the full amount or part – and pay down the note. To me, it doesn't make any sense. Because by buying the security ourselves, it cost us nothing. We will have an investment called "City of Wilmington."

Paul Fear – You ought to use the permissive tax money and pay it down by at least \$100,000, which is what you are proposing.

Auditor David Hollingsworth – Right.

Paul Fear – At the end of the meeting, you can decide how much of the other \$400,000 from the landfill you want to pay down. Thirdly, whether you want to use any General Fund.

Auditor David Hollingsworth – If you preserve the cash in the General Fund, if you want to add cruisers, you've got the cash to do it. If that is your mindset that you're going to now use that 25% as your benchmark. There was even controversy about that. Once that was set, there is a cushion there of probably six to eight hundred thousand dollars. Once you guys committed to the 25% and then found out there was a cushion there, then everybody kind of said, "Wait a minute, maybe we didn't really mean that, because now we've got excess reserve there." You know, you can do some of the other things by not taking the cash and paying the note down. You're taking a chance on the interest rates moving – they're going to move at some point. We had a lengthy meeting today with bond counsel. We were on the phone with Moody's to get a rating on the bonds that we are going to refinance. Scott Stubbins, our bond underwriter, said the long-term rates are moving up. The short-term rates, not so much. So, I'm comfortable with 12 months. At the end of 12 months, you can make a decision on what you want to do at that point. Whether you want to have the same discussion – whether you want to pay them off, which I still don't think you want to do – not until we have recovered the General Fund. We're just now to the point where we are seeing increased employment. We haven't felt the effect of those income tax dollars that we are going to be collecting yet. At least buy yourselves some time and know where we are at General Fund-wise, because there are some other things you probably want to do with that cash, other than pay these notes down. If we can buy them ourselves and not incur any interest costs.

Paul Fear – It is my understanding that if we buy the \$702,500 now, which you are proposing to do, we can buy any portion down any time you want to. Two months from now, if you want to reduce it by \$100,000 with the landfill money, you can.

Auditor David Hollingsworth – Yes, but I don't see any reason in doing that until they come due again in 12 months.

Paul Fear – Yeah, because we're just paying it to ourselves on that.

Auditor David Hollingsworth – And the interest rate that we have put in at the advice of our legal counsel is 0.24%. That is all we're paying ourselves. Some of that money would come from the landfill and come to the General Fund, since the General Fund would own the obligation. But it's peanuts, and the only thing we're out are just the legal fees. I think there is a supplemental for \$3750, which you would be incurring anyway. If you think this through...if we sold these notes on the open market, that cost would be

built into the interest rate that you would be paying. Now there is technically no note being sold on the market – we are buying it ourselves – so we would be paying that outright rather than rolling that into the interest rate like we normally do.

Councilman McKay – It kind of seems like we're talking in generalities here and don't have the real information to make the whole decision. I know we have a motion on the floor. Is there a way to table that motion until the end of our discussion?

Councilman Jaehnig – I think the motion was just to change the agenda.

President Kirchner – It's to move it to the back of the discussion – behind the budget discussion.

Councilman McKay – I suggest we vote on the motion.

President Kirchner called for a vote.

Motion carried. All yeas.

President Kirchner – We will move it to the end of the meeting. The supplemental appropriation ordinance also deals with costs associated with that item. Correct?

Auditor David Hollingsworth – Correct.

President Kirchner – So, finance committee?

Councilman Mead – There are two supplemental appropriations. Three readings on one of them is the \$750 for indigent burial.

President Kirchner – I think Councilman Jaehnig has a question.

Councilman Jaehnig – We just voted to put all of that at the end of the evening and move the budget review to the very front of the meeting. That was the proposal.

Councilman Mead – I thought he was talking about these items.

President Kirchner – I thought he only said the one. I'm sorry, I didn't catch that he suggested in that meeting to move the supplemental.

Councilman Jaehnig – I believe his statement was to move the budget review to the top of the meeting.

Councilman Mead – Yes. Just reverse it. I retract what I was doing.

President Kirchner – Okay then, going to the purpose of the meeting – Finance Committee, budget workshop. I will turn it over to you, Bob.

Councilman Mead – Since in the past you have run the budget workshop, I am going to turn it back over to you since the whole council is involved.

President Kirchner – I know David had indicated that he could have a report of the state of the city at the end of May. David, it looks like you brought copies.

Auditor David Hollingsworth – I brought copies for everyone. Like in the past, the legal size worksheets reflect just the General Fund. I had Mary Kay go in and just make a copy of our year-to-date revenue and expenditure report for all of the funds, which will include what you are looking at here, but this has some history to it. I'll go over the General Fund and then we can delve into any of the other departments you want to at that point.

Auditor David Hollingsworth – The very last column I tried to reflect, again qualifying this in that not every bit of revenue that we receive or every expenditure is an even amount every month. You might see some expenditures that are one-time payments that

are in here that you see an appropriation where we have spent 100% of what we appropriated. There is usually a reason for that – usually a one-time lump expenditure. The revenues – if you take a look – I've highlighted the inheritance tax. We have collected almost \$147,000 this year. I speculate this will probably be the last year unless there are some unusual circumstances where there is an estate that is held open longer than nine months. It is possible that we could receive inheritance tax beyond 2013, but it is a little doubtful. The other thing that is not on here that we just received – we actually got on the website – I don't know if any of you have noticed in the paper, Worker's Comp had been overcharging folks. We got on to see if there was any indication as to what kind of refund the city might be entitled to. It looks like we are going to get about \$101,000 from Worker's Comp for being overcharged over whatever period of time. That will be split over all of the departments, but most of that will probably come back to the General Fund. Worker's Comp is based on payroll and employees. Income Tax – you get an income tax report. On the last report, our income tax revenues were up about \$40,000 year-to-date. So, it looks like so far we are in line with what we projected. We thought we would be up \$50,000 over the year before, so we're at \$42,000. Granted, the income tax revenues are going to fall off toward the end of the year because we receive the bulk of that during the first 4-5 months of the year. If you take a look at the second page, we should have received – everything was even keel every month – about 42% of our revenues, and we're at 42.98%. Now, not every line item is that percentage, but as a whole, if you take a look at the total, we're kind of right in line with what we budgeted for the total amount. I didn't have a chance to talk to Mary Kay. There's nothing in here yet about our Fire and Emergency ambulance contracts. We haven't collected anything yet, and I think we normally get it quarterly. There is nothing reflected in here, so I have to find out what happened here, unless they paid before the end of the year. I'll get that clarified from Mary Kay. Stop me if you have any questions. General Fund-wise, if you take a look at total expenditures to date, I think some of this has to do with supplemental appropriations we have made so far this year, we've collected about \$42,000 more than we've spent year-to-date. That number is on the next to the last page underneath the actual 5/31/13. We started out at the beginning of the year with a cash balance of \$2,757,000. At the end of May, we had a balance of \$2,799,000. Nothing stuck out to me when I looked at this. We are only through the month of May as far as the expenditures go. Nothing really looked like it was out of line. This is the first time you guys have had a chance to look at this. Just glance through it and let me know if you have any questions.

President Kirchner – I'm trying to compare this to formats we have had before. The line labeled Actual, 5/31/13. When we look at that number in that column, that is indicating what we have actual spent compared to the line item.

Auditor David Hollingsworth- That is correct.

President Kirchner – Budget 2013 reflects the original budget amount...

Auditor David Hollingsworth – Plus any supplemental appropriations and transfers.

President Kirchner – Okay. So that column would reflect any changes from the column labeled Actual 12/31/12, which was the approved budget at the end of the year last year for 2013.

Auditor David Hollingsworth – 12/31/12 is our actual revenue and expenditures from 2012. It really has nothing to do with the budget.

President Kirchner – So we don't have the initial start. That would go back to what we approved.

Auditor David Hollingsworth – What you approved back in December 2012 at the end of the year is reflected in the budget 2013 column, plus any other supplementals or transfers that council approved so far this year.

President Kirchner – You indicated that we were looking at the potential of getting a refund through Worker's Compensation. My question is one of the alterations that we

did to the budget this year as I understood it was we actually encountered that the Bureau of Worker's Compensation coverage that changed on us. I want to say it was like 13%.

Auditor David Hollingsworth – The rate did, but we didn't have that rate when we did the budget. That was determined after the budget was prepared. So there had been no supplementals to the Worker's Comp line item. That new rate was not available at the budget.

President Kirchner – Right. But I thought we did do a supplemental to address the deficiencies because we had...

Auditor David Hollingsworth – We may have.

President Kirchner – So that would be reflected....

Auditor David Hollingsworth – It will be in the budget column here.

President Kirchner – But these are only the General Fund accounts here.

Auditor David Hollingsworth – That is correct.

President Kirchner – We don't have the individual accounts...

Auditor David Hollingsworth – We do on the other worksheet. All of the funds are there.

President Kirchner – Which goes back to just matching up the numbers.

[Discussion of where numbers are located on worksheet]

Auditor David Hollingsworth – At the end of the year, we talked about the insurance fund, and that's basically what we used to get the budget balanced. We reduced the monthly contribution into the insurance fund. So far, that has worked out pretty well. As of today, we still had \$601,000 left in that insurance fund. I ran into Liz – she was going to run an actual claims report – which I don't have yet from her – from January through the end of April or the end of May, so we could take a look at what the actual claims were. The \$601,000 in that fund at the end of May will reflect what has actually been spent. But she was going to give me an indication of what claims may still be out there that have not been paid yet but would come out of that fund. We are still putting money into it but at a reduced amount than what we were in the previous year. So far, there have been no major claims that would have a negative impact on that fund.

President Kirchner – I know I wasn't able to be here at the meeting when Liz presented, but it was my understanding that we saw a savings on the overall insurance costs for the entire city in somewhere in the neighborhood of 2%, as I recall Duane saying, as compared to last year. Which means we had somewhere in the neighborhood, as I recall, we were seeing increases across the departments in the 20-25% range, so there should be several hundred thousand dollars that were in the budget, in fact maybe more than several hundred thousand dollars. I am trying to remember – it was 2.35 was last year's cost and we had somewhere in the neighborhood of 2.57 was the overall cost this year.

Auditor David Hollingsworth – As far as...

President Kirchner – The top liability potential. We had set up our budget to be able to cover that. Based on that liability being lower, it would seem to me that council would have the ability to do reverse appropriations from supplemented departments and move that money back into the General Fund and potentially do something like retire some of this debt.

Auditor David Hollingsworth – I don't think that you can do that, though, because the problem you have is you have employees' money in there too. I don't think you can just recoup that into the General Fund.

President Kirchner – I’m talking about the appropriated budget line item that we haven’t spent out of yet, in the individual budgets that way. I understand what you’re saying about the insurance fund itself – where employees are putting their money in with it. Every month, they contribute so much from their paychecks and the city contributes so much from our insurance line item. What I’m saying, back in those insurance line items, we have too much money in those, and we could actually go into those that we haven’t already moved into that fund and pull those funds back.

Auditor David Hollingsworth – I’m not sure we can do that.

Councilman Jaehnig – I don’t believe we can, because when Liz was explaining things, she was talking about that specific issue and also how it correlates with the funds that are already in that insurance revenue line item and what that could not be moved back into the General Fund. Also, once it is appropriated, I don’t believe we can change it now.

President Kirchner – We can reverse appropriate at any time, if it is not spent or encumbered. These funds would be spent on a monthly basis to make the city’s payment portion, which by the calculation we used in the budget, was higher. It would be like estimating our house payment to be a \$1000 and it actually came in at \$800. Well, you now have \$200 in your budget every month that you could move back in to use elsewhere. That is the concept of it.

Councilman Jaehnig – I understand the concept. I don’t think legally we can do that.

President Kirchner – We over-budgeted for the line item, councilman. That’s what we did, because we didn’t have firm numbers at the time. We understand why. This is why the April 1 date is an issue – because you can’t plan completely for that budget line item, so you have to overestimate and be sure you’re safe – you play the budget safe and conservatively. You have too much money in that line item. We have too much money in all of those line items. It actually came in not with the increases that were projected, because I did the calculations on a line-by-line, department-by-department basis. We actually had a savings, as I understand it, of 2% over last year’s cost. So, the increases that were put into the budget didn’t need to be there. Actually some of the money...

Auditor David Hollingsworth – I’m not saying we haven’t made adjustments. We reduced those amounts because we’re paying a reduced amount in the insurance fund now.

Councilman Jaehnig – Isn’t that how we balanced the budget – by reducing all of those items?

President Kirchner – No, we didn’t have the information at that time. We didn’t get the information until April 1. The budget was balanced...

Auditor David Hollingsworth – I’ll get clarification on that, but I think we’ve already made some of those adjustments.

President Kirchner – We haven’t done any reverse appropriating. Actually, with the supplements that come out of the General Fund, to supplement some of the Police Fund, Fire Fund, Street Fund.

Auditor David Hollingsworth – But I think if you will remember, when we did the appropriations to the budget, I went through and allocated the \$600,000 that was sitting in reserve and reduced the insurance cost to each department by that \$600,000.

President Kirchner – That is correct. But that is the additional \$600,000 from the year before. That is the money that had been in there since 2011.

Auditor David Hollingsworth – I think we need clarification on this. We could talk about it all night here, but I have the gut feeling that there’s nothing that we can really use substantially with that.

President Kirchner – Do we know the overall cost of insurance this year?

Auditor David Hollingsworth – That is what I'm telling you that Liz was going to prepare for me, but I don't have it right now.

President Kirchner - My question would be, what was on the contract Mr. Mayor? Because it is a very simple number down at the bottom that lays out your liabilities.

Auditor David Hollingsworth – Correct.

President Kirchner – And that is the number that came in far below.

Auditor David Hollingsworth – What I'm telling you is, I don't have that number right now. We can go back and forth all night, but I can't give you an answer right now.

President Kirchner – Well it is potentially hundreds of thousands of dollars that we could use to benefit the taxpayer...

Auditor David Hollingsworth – Well that's fine. But what I'm telling you is I don't have that number right here.

President Kirchner – I'm not sure why five months into this, we would not have addressed and known those numbers. It's a mystery to me.

Mayor Riley – When do you expect to get them?

Auditor David Hollingsworth – I have to get them from Liz. I have to call her. I haven't talked with her other than in just passing the other day when she was in my office.

President Kirchner – Mr. Mayor, do you have a copy of the contract?

Mayor Riley – Not with me.

President Kirchner – In that office?

Mayor Riley - I'm sure we have it in the office, or it would be in Danny's office.

Andrea Tacoronte – It is in Human Resources. I don't have access to it.

President Kirchner – Is Danny here?

Mayor Riley – No.

Auditor David Hollingsworth – Is there a problem why we can't get that information and bring it back to you?

President Kirchner – Well, we have a July 18 deadline on the question of rolling the bonds. In my mind, that's a major source of revenue that was tied up in our budget simply because we protected ourselves from a financial standpoint to be sure we had enough in there to cover insurance costs. That was part of what I would think we would try to do here – is identify impacts to the budget because that came in lower than we expected. We know we have the additional unplanned expenditure of the phone system that came in. We know we had the additional revenues from the inheritance tax this year that we were not expecting. Looking at those impacts to the budget and the question of the things that we had to cut out to balance the budget, like the police cruisers, in my mind is what we need to be doing to really understand what we can accomplish. I know that the parks also has a list of deteriorating facilities that they are interested in potentially getting some funding for. Understanding where those dollars are and how we could better apply them now that we don't need them is exactly what I thought this session would be about.

Auditor David Hollingsworth – You called me; I didn't. If you had specific things you wanted to talk about, all you had to do was ask for it.

President Kirchner – It's just the actual cost of the insurance. I know what we planned in the budget on a line-item by line-item basis, I'm just asking what that actual difference is.

Auditor David Hollingsworth – What I am saying is I don't have that information off the top of my head, but we are more than happy to get it for you. I mean, if you want to buy two cruisers... You kept saying, the 25% that we projected, we are going to keep in reserve to cover our operating costs, but you think there is a cushion there. I mean, if you take with what we budgeted, there is a cushion of probably \$600,000 to \$800,000. If you want to buy two cruisers for \$65,000, take it out of that.

Councilman Stuckert – I think what we want to get at is we want to know what all the money is that we have – not bits and pieces. We want to know where is all of the money that we have so we can weigh that against. Because, obviously this is just like economics. We have unlimited wants and needs. We know we've got enough to do to spend it all. But the critical thing is we've got to know what we actually have, bottom line, everything. That is what we're trying to get at.

Auditor David Hollingsworth – Well, I don't think you will really know that until the end of the year. We can talk about – a budget is – and you mentioned that the other night, Scott. They're just projections. They are estimates.

Councilman Stuckert – But with that insurance thing, at the end of the year we will have to wait again for the renewal thing. We end up never knowing how much money we have the insurance.

President Kirchner – It actually was a projection back when we did the budget. It's a known now. That's the simple data I'm asking for. What the difference was between the projection and the known, because it does come out to hundreds of thousands of dollar that are in that budget that this council could do other things with.

Councilman Stuckert – And that would be in addition to the cushion that we are talking about.

Councilman Siebenaller – It would be above and beyond the 25%. We didn't budget for the inheritance tax. We knew the possibility of having more in the insurance fund and budgeting for more than we would actually need, so that additional is what we are talking about – not actually dipping into the 25%.

President Kirchner – I want to be clear about what I am talking about. We have an insurance fund – a single fund where employee payments and the city payments go into that. I'm not talking about that individual line item. I am talking about the individual departmental benefit line items that are in every department, because that is the appropriated money that was appropriated at that much higher level – that 20 to 30% over last year's cost – and that's the line item that still has unencumbered funds and should have significant unencumbered funds that could be reverse appropriated where we supplemented budgets from the General Fund. I worry because the "insurance fund" name gets thrown around. I'm talking about benefit line items on an individual basis. Those numbers should be known on a department-by-department basis compared to what we budgeted. There is significant money there. It could do a lot of good for some of our facilities – for the safety of our citizens. Andy, I don't know what your status is with equipment and whether or not you have come here tonight with any additional unexpected or unplanned-for needs that are necessities to the safety of the citizens.

Chief Mason – I'm still looking for people. We talked in December about taking the people out of the budget – the two that I lost last year that we wanted to replace. We cut them out to balance the budget. We talked about after the first of the year putting them back in – well you all talked about it. I still don't have that. That is why I am here – for people.

President Kirchner – And honestly that is systemic change. That is where we need the mayor and the auditor to identify how to operate other sections of the city cheaper so that the ongoing revenue can stay balanced. That's not a one-time cost. If you expend...

Councilman Jaehnig - That's not what we talked about at the end of last year.

President Kirchner –I have the floor, please. If you expend that money now on one person now or two and it takes up that money, there is no revenue in the next year to be able to take care of that. That's the budget that the mayor and the auditor brought forward to this council, was to remove those people from the budget in order to balance it. What we are talking about here are one-time funds that once you spend them, don't exist again. That is why we are talking about things like police cruisers and retirement of debt – because it's one-time expenditures that you don't have to keep funding every year. So, I'm with you. I would like to see us make some headway on lowering the administrative overhead and giving back to safety personnel. But I also know that we have the efficiency audits that are coming later this year. They are currently underway. I think they will allow us to establish that here is the balance we need. I'm optimistic that that will settle a lot of the questions about where should personnel be. Should they be in administration or should they be in safety? That is the hope.

Chief Mason – I'm just concerned that if they come back with this audit saying that we need more people, what would the plan be for that? Would it be to cut people to get me people? That seems odd.

President Kirchner – I think we need to look at the whole report, because the report may come back and say we need more safety people in the fire department. We need less people in another department. I'm not going to name one, because I don't know what they're going to say. But, I think ultimately they are going to analyze the entire organizational structure of the city and indicate whether or not we're operating efficiently in all areas. If they come back and say you're efficient everywhere and you're deficient in the fire department, then I think we take that information and go to the public and ask them what they want to do – how they want to handle because we need to increase. If that's what it is, then ultimately you need that comparison to really, I think, give the people the information they need to make this decision. That is why we contracted for this audit. That, of course, is another one-time expenditure that we're going to have next year is the \$85,000 for that audit. At this point, I haven't heard whether or not we have found any savings. Mr. Mayor, have they offered any savings?

Mayor Riley – The \$85,000 is supposed to be paid for out of savings. I haven't seen any preliminary audits yet. We're waiting on the audit information to see where our staffing levels are, where they should be, and recommendations based on looking at our peer communities. They have identified the best peer communities that they are looking at. To add or subtract staff among the department, I'm hoping we're not too far from getting those reports from the state auditor's office. Basically, I thought we were just waiting until we hear from the results of the LEAP program. I'm fine with waiting to hear what they have to say.

President Kirchner – Ultimately, Andy, I would concur with the mayor. We will have to wait to see what they say because we know that we don't currently have a revenue base that would support that beyond a one-time expenditure or carryover funds. There is the potential of hiring somebody for a year and then not being able to continue to employ them because we don't have the funds or the potential that later this year the report could come back and say we don't need one or both. Don't hear me wrong – I think safety is where you start and after that you scrimp where you can.

Chief Mason – To answer your question, I don't have any one-time expenditures of vehicles or anything right now. You know, if I was given a hundred thousand dollars to spend, I would spend it on personnel. That's the only thing I'm concerned about right now.

President Kirchner – Understood. I don't know if council has any additional questions. I was looking for the initial impact of all the changes to the revenue stream. We actually have had some positive ones, which are great from a budgetary standpoint. When we did the phone system, where did that line item impact go? Do you know, David? We did it as part of the 9-1-1 upgrade, but was it actually a police line item? We did it in conjunction with the update to the system.

Auditor David Hollingsworth – It was either appropriated under safety or inside the police, probably. What impact are you looking for? That was already appropriated for.

President Kirchner – Right, but compared to the beginning of the year where we had a balanced budget based on revenue projections and the budget, that was an additional expense that came into this year.

Auditor David Hollingsworth – That is in the very next page. You take a look at the budget – it shows a deficit of \$181,000, that reflects all the supplemental appropriations. On the next to the last page.

President Kirchner – So, \$181,633 is additional expenditure beyond the original project.

Auditor David Hollingsworth – That is correct.

President Kirchner – So the budget has already gone up by \$181,633.

Auditor David Hollingsworth – I don't recall off the top of my head. We weren't dollar for dollar breaking even on the original budget, but I think we were very close.

President Kirchner – I was trying to go through and see the revenue differences from the projection. As I recall, the carryover to the budget that was passed was somewhere in the neighborhood of 34%.

Auditor David Hollingsworth – That is correct.

President Kirchner – The budget that was passed was \$7.7 million. Is that right?

Councilman Stuckert – So, this 181, that's the money over and beyond that we've already supplemental appropriated?

Auditor David Hollingsworth – That is correct.

Councilman Stuckert – So there's nothing in there...in other words...we may have more.

Auditor David Hollingsworth – Or you could have less.

Councilman Stuckert – That includes all the ones you know of at this point. We haven't necessarily...

Auditor David Hollingsworth – We haven't spent that...no. That money has been appropriated.

Councilman McKay – Mr. President...I know the Park Director is here and they wanted to at least discuss those needs, so would this be an appropriate time to do that?

President Kirchner – Yes, I think it would. Obviously, we have some question about just how many funds we do have available and we will have to get back to...

Councilman McKay – I think what she has are predominately one-time needs, which you were trying to identify.

President Kirchner – Yes. Lori, are there any of yours that still continue to potentially have grants that have deadlines?

Lori Williams – Yes. There is one. [Lori Williams presented handout.] Just so you can see how we are doing from a Park Board standpoint – how we look at budget performance. This is what we had talked about before. This was presented to the Park Committee and it passed through the Park Committee. I wanted to give you an update on where we stood with those items that we identified early on. The one thing that I would like to point out on the spreadsheet that we have. What we do is look at it in terms of year over year, which makes sense to most people. What you will see is a summary on the front page and then the second page is the actual revenue, 2013 compared to 2012. Then the next page would be the expenses. I realize that it is premature to ask for any decisions, and I wouldn't want to do that, because I think it's reasonable to try to understand what the full amount available is. If you decide strategically you are going to use it on one-time, I get that. One thing that I would like to point out, if you don't remember anything else, is that from a Park Board standpoint, we are monitoring the budget very closely. We're looking at performance on a monthly basis. On the revenue page, this is a key thing for me. The commercial activity tax in 2012 was budgeted at \$45,875. We only were able to receive \$10,000 of that last year. We budgeted \$37,604 for this year and there is really no reason to believe that we are going to get all of that based on... we know it is a decreasing amount. I am very concerned that at some point in the year we are going to realize that there is no CAT tax coming in. For a small budget, that is nearly 10% of our budget. I would really like the security of knowing that if we don't get that CAT tax, that we will get some kind of help. Our budget is maintained very closely and we have been trying to do a lot of things out of the savings that we have generated for ourselves. When we went presented to the Park Committee, we had a lot of things that we had estimated. The bottom line was 68,700. That was what we thought we needed to fix everything that we had identified as broken. Those are primarily safety things or things that we knew if we did not fix them soon they would be much more costly. Those are really the things that we would like to focus on. So there were some assumptions. I listed a current status for those. So, you can see the things that we have made some progress on and the things that we have said, "Well, you know what, we are not going to be able to do that, so we'll do something else." Some of it was modified. Some of the things we felt like we had to do. When we had a large tournament coming, we went ahead and replaced expensive toilets because you can't have 60 girls teams in with toilets don't flush. So, there are just those kinds of things that we just bit the bullet and said, "You know what, even we don't see this in our cash flow right now, we were very hopeful." What happened to make it comfortable for us to do that is that with the banner program, we were able to net several thousand dollars. We paid for some of those things out of the banner program, which we knew was going to go back into youth sports. We considered facilities youth sports. So that is the status. To answer your question, the tennis courts are an example of that. We are still pursuing some funding for that. I honestly don't see that these things are going to be picked off with grants. The NatureWorks grants for the basketball courts, we are still pursuing that. We should know in September. I'm hopeful about that. Right now, \$37,000 is the number that we're looking at. I know that has not been passed through Park Committee. This is more really just for discussion at this point and to make you aware that we're trying to nibble around the edges of what we see as problems with our facilities and a lot of deferred maintenance that probably should have addressed before it got to this point – but here we are. Any questions?

President Kirchner – So are these in an order of priority or just listed as they occurred or did you just go through the list as they came up.

Lori Williams – They are not listed in a meaningful order.

President Kirchner - That's okay, Lori. I was just asking so I knew what information is here. It looks to me that you whittled down the need from \$68,700 to \$37,150. Does this reflect the Southeast Park or just...

Lori Williams – No. There is a note at the bottom. This excludes anything at Southeast Park. The grants that we've gotten for that and what we hope we can get with CDBG funding is only eligible to be used for Southeast. It's a low and moderate income residential area.

President Kirchner – And let me ask on that. I’m not clear. When you talked about that the other night at the council meeting, were you indicating that the original proposal for that was larger and you had scaled it back for Southeast Park – this specific application for Southeast Park.

Lori Williams – Yes.

President Kirchner – And we have additional items that we could work on there.

Lori Williams – Yes.

President Kirchner – And do you have a copy of the original plan and know what that number is?

Lori Williams – I probably have it in rough draft form somewhere.

President Kirchner – I don’t know what the council would want to do, but I know as I have read about the potential of tearing down a building and not having a plan and having potential additional costs from the General Fund, it just seems to me like any pursuit of the CDBG funds for the purpose may be somewhat of a money pit. If you had a more effective use of that for the Southeast Park that we could implement something that would affect so many more lives, I think...

Mayor Riley – I think we’re veering from the agenda of the meeting.

President Kirchner – We’re talking about the budget.

Mayor Riley – We’re talking about CDBG right now.

President Kirchner – And CDBG is part of the budget.

Mayor Riley – Go for it.

Councilman McKay – Well the commissioners have basically approved to move forward on the amount that was requested from the park to come from CDBG – the portion that the Park’s Director had requested, so that becomes a moot point.

President Kirchner – Well we haven’t made it to the end of that process yet to my understanding. I know there was indication from some members of the office that they were willing to put General Fund monies into an unknown cost project down at the corner of South and Sugartree. I think we really ought to have a plan. And with Lori having a plan, a budget, and an effective impact, and understanding of any potential downsides, it would seem to me like that might be a much more responsible to approach that part of our budget. Really, it just came off of understanding whether or not Southeast Park was in these numbers, and that is where the budget connection came from.

Lori Williams – It is not.

President Kirchner – It was trying to understand that and then understand other possible funding sources than General Fund that we could look at.

Lori Williams – Anything else for me?

President Kirchner - In the CAT tax shortfall, did the Auditor’s office indicate, was it a matter that they just did not have the activity they expected, was the estimate too high? Did we not have the right numbers to begin with?

Lori Williams – No, I think we are using a standard schedule.

Auditor David Hollingsworth – That information comes from the state.

Lori Williams – They give you the best information.

Auditor David Hollingsworth – I'm not sure their collections are being what they expected.

Lori Williams – And it's being phased out.

Auditor David Hollingsworth – It is. It was to soften the blow of the elimination of the personal property tax. Again, it is one of those budget cuts – they were giving you a little bit of time to look for other ways of replacing that revenue, but it was not in place for an indefinite period of time.

Councilman Jaehnig – This is the last year of the CAT tax?

Auditor David Hollingsworth – I think there is one year left possibly. We have the schedule and I would have to look at it. It is a declining schedule, so it is not the same amount of revenue every year.

Councilman Jaehnig – Considering the parks were shorted \$35,000 of what was estimated last year, my concern is that they could have a very similar thing with what they projected at \$37,000 this year. If we see a similar move of a 75% drop....

Lori Williams – We did think that would be carryover. Things were done differently last year thinking that we would have some carryover this year.

Councilman Stuckert – If it is being phased out, we have to look at moving forward – period.

Auditor David Hollingsworth – We had the same thing happen with the General Fund last year. We received substantially less than what they had certified to us.

President Kirchner – So \$37,150 is the General Denver amounts. The Southeast Park is not in these numbers, but it is in the rest of your budget at this point? What you are planning from a budgetary standpoint to support that one?

Lori Williams – No. There are virtually no costs associated with the Southeast Neighborhood Park Transformation Project. We have a grant that was given to the Friends of the Park, so it is being administered out of that fund. Anything else we are going to be doing is through additional grants and volunteer labor and donations. The total scope of that initially was \$76,500. That is what we had asked for from the Social Innovation Fund. But we got a little less than half of that and we started without them.

President Kirchner – Thank you, Lori. So, \$37,150 would take care of what is left on this list. Do we have current estimates on cruisers? Russ do we have estimates. There were originally two?

Safety Director Burton – It was \$64,000, wasn't it?

President Kirchner - \$64,000 for both?

[Andrea Tacoronte passed out the original request from the police for cruisers.]

President Kirchner – Does that include all of the equipment?

Safety Director Burton – That's what makes it high.

President Kirchner – Are there any unforeseen, unplanned needs from the Service Director's office?

Service Director Reinsmith – Not really. I think we're pretty much on line right now with our expenses so far. In the building department, which is out of the General Fund, I need to make some manner transfers – two to three thousand dollars here and there. For

instance, Inspection Fees, Plan Review Fees and the 3% that goes to the state. Last year at this time, we had collected like \$9400. I just checked with Michelle today, and we've already collected \$48,000. We're about \$40,000 ahead from last year. Last year we had 76 building permits. Today there were 140. So, our activity is way up. I knew when we budgeted that we budgeted low, but there has been a big kick in building – a lot of commercial stuff. I think we're still owed another \$12,000 on the hangar project. So, we're going to have a big year. But we need to transfer thousands of dollars to make up for the shortfall in some areas. We haven't spent anything major except for an unforeseen treatment of bugs for \$500. That is about it for building maintenance.

President Kirchner – You don't currently seen any equipment that is of concern. Everything is going as planned in the budget.

Service Director Reinsmith – Everything is working. Now, Scott, how we are going to end up with the radio system for all of the other departments once they make this transfer with the radios for police and fire, I know they are still working on that. We don't know what that expense is going to be.

Mayor Riley – I think the biggest impact is going to be on Wilmington Transit, because they are going to be taken off the emergency radio station, as they should be. They will have to come up with a new communication system – radio dispatch system. We have some options that we can use that will keep the costs down.

Service Director Reinsmith – That is probably the biggest pressing issue right now – those radios.

President Kirchner – So that is the nonemergency radio system.

Service Director Reinsmith – I think we have 70-80 radios in those departments.

President Kirchner – When I look at that, we have 140 employees. That means half of our employees are in those radio systems.

Service Director Reinsmith – They are in vehicles. Like all of the cabs – there are 17 cabs that have radios in them. Base stations. All of the equipment. They all have installed radios in them.

President Kirchner – So every snow plow truck, every....

Service Director Reinsmith – Yes.

President Kirchner – I guess the question is, are we driving all of those vehicles at one time. It seems to me like your snow plows are parked until you get snow events.

Service Director Reinsmith – Well, during the summer you're hauling dirt or asphalt. We don't have a set for each season of trucks. It would be nice if we did.

President Kirchner – So, we have not currently planned for that replacement, and we don't have it in any budgets.

Service Director Reinsmith – We didn't really know anything about it until they decided to switch us off and go to the new communication system.

President Kirchner – Did Phil Floyd have anything in his budget, Mr. Mayor?

Mayor Riley – Well we didn't know because this was part of the county's conversion form the 800 mHz high band system to the MARCS system. That has just come about in the last six or seven months.

Safety Director Burton – And we've known about it for six weeks.

President Kirchner – Because this is the same reason we ended up having to replace phones here, right? Because we changed out the 9-1-1 system.

Service Director Reinsmith – We found out about the radios when they told us they were changing out the phone system.

President Kirchner – It just seems odd to me that we just keep getting surprised by expenses that are going to come along with this. It is like we didn't really look at the system or understand the impact to – is it possible to maintain the old radios and the old systems? That is the question. Or can we plan for it in next year?

Service Director Reinsmith – Those are the discussions that are going on now, Scott. We needed that radio tower out on Hoskins to communicate with our intake structure down at Caesars Creek. I know we've asked to remain on that tower because the county is taking everything off of it.

Mayor Riley – I'm not sure if the tower is going to even still be there. They are about decommissioning the tower and taking it apart because it is a liability to the county to just have that tower standing there. The tower is on Dwiggins Road. I have no idea what the future of that tower might hold, which is why Jerry is looking at alternative means of communicating with the intake structure. We might be able to do that with cellular or some other system. Or maybe we need to put a relay or something in.

President Kirchner – But we don't have any firm dates? It sounds like we're going to have to come up with an alternative radio system of some sort for the cab system anyway. I would ask with cellular technology the way it is, could we operate that system on some type of cellular system? Potentially we should investigate some options that would cheaper, more mobile, more effective. We don't have an actual line item? We just know that those expenses could be out there next year?

Service Director Reinsmith – Randy, what is the drop-dead date on that? Is it next year? We've got a little time on it.

Mayor Riley – We've got time, but I can't tell you exactly how much. Duane was the lead on that. I'm not exactly sure.

Safety Director Burton – I'm thinking it was next year.

President Kirchner – Denny, how about your equipment down at streets? I know Larry gave an overall report, but...

Denny Gherman – The radios are the only things that I have.

President Kirchner – Have you done any checking into alternatives and the cost? We will have to look at the date to see if it will impact this year.

Denny Gherman – We are still waiting to see when this is going to happen and if we are going to be on that system. It is still up in the air.

President Kirchner – I would think that with the snow vehicles, there are reasons why those vehicles would have to be on an emergency band because providing clearance for emergency vehicles would one of the critical things you guys would have to do in a snow event. So, it would seem to me that that would make sense.

Denny Gherman – We have them in all of the key vehicles, which when there is an accident and we have to block roads, we have to be able to communicate with them. We don't have them on mowing equipment or anything of that nature, but anything that could be used for emergency is.

Mayor Riley – We may convert to rather than having them in each vehicle to having them assigned to people – having the handheld ones. It would be less expensive. That would be one of the things we are looking at as a possibility.

Chief Mason – If I may, I was at a meeting Monday night at the Sheriff's office about these radios. Duane still probably knows more about it than I do, but the drop-dead date is the end of 2014. The radios that are going to switch to the MARCS system will come from county money. The concern is the radios that are not switching – the cabs and stuff like that. As of Monday night, they were still unsure whether everyone could come together and keep the tower up on Dwiggins – maybe get five to ten more years out of and the cabs and everyone who currently has it can stay on it – five years or so and then you would address. I'm just saying, it is still up in the air as far as I can tell the other night whether they are decommissioning that completely, whether they are going to keep it up, whether they are going to offer it out. Because you have Clinton Massie Schools on that system, some parks. There is quite a bit in the county that is nonemergency on it. I don't know that they have made the final decision about what they are going to do yet.

President Kirchner – I heard you say that it will at least go through 2014.

Chief Mason – That is what I picked up the other night – the end of 2014.

President Kirchner – That gives us at least a year and half to get ready for it and understand all of the intricacies. At least we know that's not an imminent cost that we could have cover right away. Any other comments that you are aware of unexpected or that have changed?

Auditor David Hollingsworth – Our office started inquiring about automating the payroll. We have looked at the cost of that. We talked to some companies. It would just be for my office – it would be city-wide for all of the departments. We do all of that stuff by hand now. With one less person, that's a little overbearing at times.

[Andrea Tacoronte handed out an information sheet from the landfill]

Mayor Riley – Donnie notes that the gas prices are up significantly. Obviously we know that \$4 is impacting his fuel expenses. They are at 71% whereas now they should be at 41%.

Councilman Stuckert – On the landfill, with the adjusted rate schedule – everybody felt pretty optimistic about that generating extra money internally there. Is there any concrete plan in place to establish some sort of fund for expansion and all of the future costs.

Mayor Riley – Part of their enterprise fund operation is that they will pay for future needs with monies they are making along the way.

Councilman Stuckert – They have looked at that from the viewpoint of establishing something concrete. There isn't any such thing right now? Have we accumulated money for capital improvements and expansion? I know you had mentioned that this would give us an opportunity to do some of that stuff. I was just wondering if they in turn had initiated any action to make that a reality in their budgeting process.

Mayor Riley – I'll check with Donnie and Mary Kay to see what they have been working on.

Councilman Stuckert – Anything you could give us as an update on that will be appreciated.

President Kirchner – What is the current cost for a year of monitoring?

Service Director Reinsmith – It could be \$75,000 a year.

President Kirchner – Which would mean that we would need to be investing back in. Unless there is some great reduction in that cost once you cap it – and perhaps there is – with a cap do you not have as much moisture flowing through there....

Service Director Reinsmith – You are still monitoring and reporting.

President Kirchner – But it would seem that you would need to be putting \$75,000 plus a year into that – accruing that. So it looks to me that the positives at this point are \$147,000 from inheritance tax, \$101,000 from the bureau of Worker’s Comp. We haven’t really received that yet, so we can’t really count it. Is that correct?

Auditor David Hollingsworth – That is correct.

President Kirchner – So we can’t really count that. Income tax is up about \$42,000 compared to last year at this time. David you’re going to get the difference in what the actual costs on the department by department benefit line item compared to...and can you have that for Thursday’s meeting?

Auditor David Hollingsworth – Are you talking about just for the insurance?

President Kirchner – The benefit line item. The 5123 that is in all of the budgets.

Auditor David Hollingsworth – We can do that.

President Kirchner – Because that is the one that we saw significant increase in that I think there is a good bit of extra in there. We’ve seen an increase in our budget of \$181,633.

Auditor David Hollingsworth – The thing to keep in mind too with that number, the increases in revenues are not reflected in that budget that will offset that deficiency. That is only done – the budget commission meets once a quarter. We have to submit an amended certificate. Typically we don’t do that until the end of the year unless there is a specific need that requires us to go back and get our revenue sources recertified so we have that increase amount if we need to spend it on. Typically we don’t do that until the end of the year, so those increase in revenues and building permits you were talking about, you received more than what was originally budgeted that is not reflected in here.

President Kirchner – Okay. So additional incomes are not...

Auditor David Hollingsworth – They are not reflected in the budget.

Paul Fear – You don’t have the contracts in there. That’s a big number – Fire and EMS.

President Kirchner – So that number could reflect that we haven’t received what we budgeted to receive?

Auditor David Hollingsworth – No. What I’m saying is iflike the inheritance tax...we budgeted that at zero, but we received \$147,000. That will not be reflected in the budgeted cost. Nor will any other revenues that we have received over the amount that we budgeted. Those are not in there yet.

President Kirchner – The \$181,000 would just be appropriations beyond what we had originally appropriated.

Auditor David Hollingsworth – And specifically what those are, I can’t tell you off the top of my head.

Councilman Jaehnig – Have we rented more fire equipment?

Mayor Riley – Yes.

Chief Mason – The one apparatus is down south. We leased an engine to a department down toward Cincinnati. I think it was \$2000 a month until the end of the year, so maybe \$20,000.

President Kirchner – I don’t recall that coming through council. Do we have a contract with them on it? Do they maintain the insurance liability coverage on it and all of that?

Mayor Riley – Yes.

President Kirchner – That should have gone through Asset, Acquisition and Use to lease our equipment. Did I miss it in a meeting?

Councilman Jaehnig – I knew about it.

President Kirchner – We have an additional \$20,000 in the fire department there. Would that be General Fund revenue?

Auditor David Hollingsworth – I think it goes into fire.

Councilman Jaehnig – We received a large check from MVRMA at the beginning of the year too.

Auditor David Hollingsworth – But we talked about that before we passed the budget.

President Kirchner – Miscellaneous revenue went up significantly and that was one of the things.

Mayor Riley – On the revenue side, one of the reasons we our income tax is up are the 250-plus jobs we have posted on the front window that have been added this year. Plus the governor was in town a few weeks ago celebrating the job creation tax credits and expansion of industries that will bring 528 additional jobs not counting the 250. That does not include the 259 jobs that will be coming as a result building the JUMP hangar at the end of this year. You add those together and you're over a thousand new jobs that will be in the community by the end of the year. Now those taxes won't really have a cumulative effect until 2014, but that is going to be a big plus for next year. And there are others in the pipeline. There are other jobs in the pipeline that we are working on.

President Kirchner – Does council have other budget questions or items? I think we've covered all of the unexpected expenses that could be out there and potentials for council to consider. We don't know all of the information on revenue available yet.

Auditor David Hollingsworth – One other item, we have a situation. I know Mary Kay approached a Finance Committee meeting during tax season. We are going to have a finding in our audit report for the first time ever in my 28 years because of the lack of segregation of duties in my office because of the lack of employees. We will be coming to you with a proposal. We've taken a look at other departments. Initially we felt we might have a possibility with the income tax department. We really need somebody part-time full time, in that we need somebody part time but they are there all the time. We have some ideas that we will bring to finance.

President Kirchner – So we have the potential of personnel costs for the Auditor. At one point, I talked I think with each of you individually about the idea of perhaps that is an area where the HR Director could bring more value to the city in the payroll area. I don't know if we can find those synergies, we definitely need to. Because obviously with Andy down people and the question of where we are going to fund any of the ongoing expenses of new people. It becomes not a one-time cost, but an ongoing one. We don't budget hope. Right, Mr. Mayor?

Mayor Riley – We haven't yet.

President Kirchner – We have good news on the horizon, but we don't know the impact of the budget. At this point, you have all of the information to date. We can take a little time perhaps and take a look at this. This is a lot of information to digest in one meeting. You know the needs now that are out there. You've got the specifics here in the legislation about potentials in debt that could be retired and the options that the Auditor and the Treasurer have presented. Potentially we could buy our own debt and just pay ourselves for our own debt so to speak, maintain the paper in the account instead of ---in place of eliminating the debt. It is in place of paying it off. I know that legislation and

supplemental appropriation are out there. If council does not have any other questions on the budget at this point.

Auditor David Hollingsworth – If anybody has any questions or concerns. There are a lot of accounts here and a lot of different funds. If you have any questions or need additional information, we will get it for you.

President Kirchner – Chairman Mead, I think there are two additional items that we need to take a look at tonight.

Councilman Mead – I have one ordinance – it is three readings on a supplemental appropriations. One of the appropriations is \$750 for indigent burial. Is there anyone who wants to explain that?

Auditor David Hollingsworth – I can. We're really responsible. If someone is indigent and there is no next of kin that claims the body. It has been a long time since we've had one. Then we are responsible for providing the basic burial needs. We did have a bunch of cemetery plots.

Mayor Riley – We still have those.

Auditor David Hollingsworth – We have plots, it's just a matter of buying a container to bury them.

Mayor Riley – We actually have 42 plots at Sugar Grove that are ours. I think we did budget for one a year, and we have already used one this year.

Andrea Tacoronte – When I looked at the budget, there was not anything in the line. I think we used to put \$1000 in there.

Mayor Riley – This specific individual was definitely indigent. She does have family locally. They are also completely indigent, so they have no money for the mortuary services. So, when we pay for this, we use the least expensive mortuary services, which is cremation. The remains will be given to the family for their disposal. We won't be using one of our funeral plots. If we did, and we have had to do that in the past, then we also have to pay Sugar Grove for opening and closing fees for burying their remains. We don't have that in this instance.

Councilman Mead – That \$750 covers everything?

Mayor Riley – Yes.

Councilman Mead – The other item on there is \$3000 plus for Consultant Fees. Is that for Law Director or the Mayor?

Auditor David Hollingsworth – That is for the Mayor and that is for in relation to the notes that are coming. That is what are attorney projected to be her cost for drafting the legislation and giving the legal opinion on the notes that are coming due.

Councilman Mead – No matter what we do.

Auditor David Hollingsworth – Well, it depends on what you do. That cost could change. But that is what she expected her cost to be. If you decide to go out on the market and sell the note, then you will incur the underwriters cost as well. There could possibly be more.

Councilman Jaehnig – And this is based on the proposal that is being put forward.

Councilman Mead – And the total amount was \$3750.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Councilman Jaehnig – I guess my question is why we do the supplemental since we don't know exactly yet what we are doing with the bond?

President Kirchner – You are going to have to involve the consultant in part of this unless...

Auditor David Hollingsworth – The only thing that would happen is if you guys decide to go on the open market and sell the note, then typically her cost would be billed into the interest rate. I can't see that as being an alternative.

Councilman Mead – It doesn't sound like it at this time.

President Kirchner – Just so I understand, were you talking about buying the entire \$700,000.

Auditor David Hollingsworth – That is correct.

President Kirchner – So we would pay off the \$200,000 that was planned in the budget this year, and you are talking about investing in the entire \$702,500. That is why you would not have buying in the open market.

Auditor David Hollingsworth – Correct. There is enough money now currently sitting in a money market account earning nothing.

Paul Fear – It basically goes from cash to investment. It's just a balance sheet transaction.

President Kirchner – Regardless of whether council decides that they want to pay some of that off and only invest in the rest of it, this transaction would be the same, you would just change the numbers on the form of what you would issue into our bank account as an investment vehicle.

Auditor David Hollingsworth – The other thing to keep in the back of your mind too when you talk about taking a chunk of money and paying this off, in our conversations with Moody's today in getting a bond rating, they look at how much money you have in the reserves. So, that's another thing to keep in the back of your mind. If you spend that money, it's going to deplete those fund balances somewhat.

Councilman Mead – Have you estimated what that might cost?

Auditor David Hollingsworth – I have no idea. That's up to the rating agency. We present our case. We were on the phone two hours today with Moody's going over everything from demographics to real estate valuation in the county, the economic climate, the actual financial picture of the city. It is amazing what people in Chicago know about Wilmington when you talk to them. It's not like you're going to pull anything over on them. They are very knowledgeable and know what they are doing.

Paul Fear – You can consider it a fund accounting mechanism, but basically there is a \$902,500 note out there. My understanding in the fund accounting situation, permissive tax will go to Fifth/Third Bank for \$100,000. The landfill will be reduced by \$100,000 and that goes to Fifth/Third. The rest is an internal transaction – the other \$702,500 goes from a cash item internally to an investment item internally, which stays up in our General Fund. It doesn't deplete that at all. It will deplete the 902 to 702, but the rest will just be ours internally.

President Kirchner – To the Auditor's point, when they are looking at cash reserves, last fall when we were doing the budget and the focus on the 25% was put into question – do you really need 25%? With us at 35% and potentially more based on income at this point and carryover based on the insurance. Actually the insurance changes would be a double benefit because you planned to expend that money so your budget is that much bigger,

which means that your carryover had to be that much bigger to cover that portion of your budget. If it is several thousand dollars that your budget reduces by and that reduces the amount of carryover necessary to achieve 25%, so you're still talking about being – the potential with the insurance changes and the reverse appropriations associated with that – you could be at a 40% or 45% carryover depending on how many hundreds of thousands of dollars that ends up being.

Paul Fear – If the landfill works profitably like you are saying also, that would increase... This \$702,000 is going to be \$300,000 from the landfill. So if it is profitable to that point. I think we ought to renew the \$702,500 and see the profitability there. If it does, then we could pay a couple of thousand dollars off from the landfill by the beginning of the year and reduce that number or take money out of our accounts. I don't think we want to touch it....

Auditor David Hollingsworth – Or use it for some of the other things that have been discussed here tonight.

President Kirchner – But you would still have some money available for some of those items. Obviously the police cruisers, I think is something we have to get because Duane has done a great job of having a maintenance program on those cruisers that have kept large capital investment years from occurring. Still, the point being, whether you take the \$702,000 in the account or you take \$402,000 or \$502,000 and pay off some of it, that expense is still going to be the same is the point about the consulting line item. As long as we take the debt into the account, your expense is going to be the same and so it won't change is the point on the item. Any other discussion?

Seeing none, President called for vote.

Motion passed. Jaehnig voted nay.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, no; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law said that they did not have enough votes to suspend the rules and regulations to give the second and third reading.

President Kirchner – The motion to suspend the rules and regulations did not pass because it requires a super majority.

Andrea Tacoronte reminded council that one item on the supplemental had to do with an indigent burial.

Mayor Riley – Yes, we have a body lying in the morgue.

Law Director Shidaker – What about separating that part out?

President Kirchner – At this point we have done one reading as it. The attempt to suspend the rules and regulations failed. I will tell you that my Roberts Rules understanding at this point has reached its end. So, if you have a suggestion, Mr. Law Director, I would be happy to entertain it.

Law Director Shidaker – I would entertain a motion to reconsider and amend the ordinance to reflect that the consultant services be redacted and just go through with the indigent burial on a separate motion.

A motion was made by McKay for reconsideration, to remove the consultant services item from the ordinance and to consider the ordinance with only the supplemental appropriation for the indigent burial.

President Kirchner – Councilman Jaehnig, is it one or the other that you disagree with. Would you support this moving forward?

Councilman Jaehnig – I would support moving forward with the indigent burial.

Councilman Siebenaller – Just to be clear, the motion is to pull back what we just voted on and just consider the indigent burial and not the consultant services.

Law Director Shidaker – Yes, I would say the motion would be an ordinance making supplemental appropriations, as amended, and it to reflect that you would like to supplement from the General Fund to Other Professional Services – Indigent Burial the sum of \$750.00 only.

Councilman Siebenaller – If we were going to do anything with the consultant services, we would have to have a separate motion to move forward on that.

Councilman Mead – We could probably do that.

A motion was made by McKay and seconded by Wallace to reconsider the ordinance, remove subsection “a” appropriating money into the Consultant Services Line, and give the first reading only on the ordinance Making Supplemental Appropriations, As Amended.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by McKay and seconded by Wallace to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Siebenaller, yes; Mead, yes; McKay, yes; Jaehnig, yes.

Director of Law read the ordinance by title only.

A motion was made by McKay and seconded by Wallace to pass the ordinance as read.

Roll call: Stuckert, yes; Wallace, yes; Siebenaller, yes; Mead, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5091 passed as read.

Councilman Mead – Given the hour, I suggest that any remainder of the discussions or voting that we want to do be conducted at our next regular meeting on the 20th.

President Kirchner – Very good.

Councilman McKay – So at this point we don’t have a motion on the other aspect of the item. Is that what are intent is?

President Kirchner – So you would like that on the regular council agenda on the 20th for consideration.

Andrea Tacoronte – You are asking to have both the supplemental appropriation on the next council meeting plus the legislation for the bond anticipation notes? Is that what you are asking?

Councilman Mead – Yes.

President Kirchner – So the supplemental is to go along with it is separated out.

Andrea Tacoronte – Both pieces of legislation get moved to the next council meeting. Correct?

President Kirchner – Yes.

Andrea Tacoronte – Thank you.

President Kirchner – Minus the indigent burial.

Andrea Tacoronte – Minus the indigent burial.

Councilman McKay – What would the President's intention be on the additional budget items we discussed tonight? When would we discuss those?

President Kirchner – Well, I am hopeful that we can get some of the information by Thursday. Do you think we can get the answers? That would give all of the members of council here and with Councilman Wells out, if I could take an extra copy of the reports, David, I could drop those off to him. You can review the budget this week, understand where we are at, and get that additional information. And then council could act perhaps on some of these items at the meeting that evening.

Councilman McKay – Should there be a Finance Meeting prior to that?

President Kirchner – We could do that.

Councilman McKay – It would seem a better forum to discuss those things.

President Kirchner – I would agree. Understanding from the Chief how quickly he can get quotes and things of that nature if cruisers are something council wants to consider. Would you like to take a look at your membership and see if you could get a meeting together ahead of that?

Councilman Mead – Ahead of our next regular meeting?

[Discussion of scheduling]

Councilman Mead – Based on my schedule, Monday or Wednesday works better for me.

Councilman McKay – Monday looks best for me.

Andrea Tacoronte – Wednesday doesn't work if you're planning on passing legislation.

President Kirchner – It sounds like Monday is the date.

Councilman Jaehnig – Brenda can almost never do a Monday.

President Kirchner – And you would not be available either?

Andrea Tacoronte – I will check and let you know tomorrow.

Mayor Riley – Monday the 17th, I have Brenda as still out.

President Kirchner – I believe that completes all of the items we have on the schedule this evening.

A motion was made by McKay to adjourn.
President declared meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

Thursday, June 20, 2013

Wilmington City Council met in regular session on Thursday, June 20, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, absent; McKay, present.

Chief Weyand was also present.

A motion was made by Mead and seconded by Stuckert to excuse the absent member. Motion passed.

Absent member excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

President Kirchner – The minutes provided in the packet read “special” meeting of council. Those minutes have been changed to reflect “regular” meeting.

Councilman Wells – Bill Liermann informed me that his address is incorrect. The actual address is 1069.

A motion was made by Jaehnig and seconded by McKay to approve the minutes of the last regular meeting, June 6, as amended.

Motion passed.

Minutes approved as amended.

President Kirchner – What is the availability of council members for the upcoming July 4 meeting? Standard procedure indicates that it would be moved to the Friday following a Thursday holiday; however, understanding that folks may take that weekend away, I would ask council members what their availability is on the 3rd and 5th of July.

A majority of council members indicated that they were available on the 3rd. Jaehnig stated that he may have issues with any day that week.

President Kirchner asked for a motion to reschedule the meeting.

A motion was made by Mead and seconded McKay to move the next council meeting date from July 4 to Wednesday, July 3, 2013, at 7:30 p.m.

Motion carried. All yeas.

Meeting rescheduled.

Councilman Mead – Could we get a show of hands of how many are actually going to be able to be there? We do have some legislation that needs voted on.

President Kirchner said that we have at least five members. Councilman Mead said it will require six to suspend the rules. Councilman Jaehnig said he would know his schedule next week.

President Kirchner – I will get a message to Bryan regarding his availability. If we can't address legislation at that time, we can look at special council meetings, if necessary to be sure we can get things through. That completes my portion of the agenda.

Mayor - Mayor Riley – This is a collective bargaining year, and we have been working with the bargaining units. We will not need, to my understanding, to go into executive

session. At this time, I would invite Dave Blaugrand who is our counsel who has been working diligently with us on collective bargaining.

Dave Blaugrand – Mr. President, Members of Council, Mr. Auditor, Mr. Law Director. It has been a very active year so far, and we've got a ways to go yet. Since we had negotiations today, on an evening when we should not add additional costs to me being in town, we thought we would stay and present to you the status on all of our labor negotiations. There are three sets of negotiations that are called for in the city this year. One is the firefighter's negotiation's regular contract cycle – the three-year contract is up. A new contract, typically for three years, is being negotiated. In addition to that, we have a sergeant's unit that includes the Chief Detective and Police Department. That unit, regular cycle three years. We also have a patrol officers unit, and it is a little bit different this year, because the patrol officers last year decertified their bargaining representative, which was the FOP and formed a police patrol association where they have new representation, so they haven't gotten started with negotiations until last month and we had our second bargaining session today. I am pleased to report in those negotiations, they are going very well so far. We signed off 35 articles of the contract today. If you are familiar at all with our labor agreements, that is the vast majority of the articles of the contract. Of course, as you might imagine, most of those were them simply agreeing that the old contract language that of course the city was comfortable with would carry in to the new contract with merely the name FOP deleted and name of their organization put in there. Very few changes at all. Remember, the way the process works, is the administration negotiates the contract and they bring it to you for ratification or not. So, you will get these entire agreements well in advance of us asking you to take any action on them down the road. This one is a ways off. None of the economic issues, for example, have been negotiated with that patrol officer's group at this point, although we clearly had some discussions in the first two sessions. That is actually the last of the three contracts. Going back to the other two, I want to give you an update. With regard to the sergeant's unit, that unit has progressed quite a ways. We have essentially reached with impasse with that group and completed the first step of the impasse resolution process, which is called fact-finding. Our original intent (and the reason we had a proposed executive session scheduled for tonight) was in case we were going to require a vote of council on the fact-finders' report. By state law, council has seven days after it is issued to accept or reject that report. One day after that was issued this week, because the city prevailed and won on the one issue that went to fact-finding, the other side, the union, rejected the fact-finder's report, so you need take no action tonight, because whatever action you would take would be an unnecessary action – it has already been rejected. The next step in that process will likely be something called conciliation. Unlike a fact-finder's report, this cannot be accepted or rejected by city council. It is a final and finding determination. We are not sure that the intent of the FOP is to go to conciliation on this issue. We will know that when the FOP rep gets back from vacation next week; I'm sure I'll get a call on Monday. The issue in that case that went to fact-finding was the issue of step increases. The city's position was that Wilmington right now is in no financial position to award step increases to that unit or any other city employees. So we resisted the union's request for step increases. They insisted that that issue and that issue alone, which we could not come to agreement on, would go to fact-finding. The fact-finder agreed with our position that the city could not afford those steps. Ms. Vance did an amazing job of testifying. Thank you, Mr. Auditor, for having her available to us. Based upon her testimony, the fact-finder ruled for the city. That is the reason that the other side is not getting their way and in that regard rejected the report. There may be some discussion between the parties overcoming to some resolution, which does not include steps of course, and whatever agreement is reached, if there is an agreement reached short of conciliation, will come back to this body for its review and approval or rejection, of course. With regard to the firefighters, the last of the three, we had very good communication, good discussions, and in short order with them – a couple of meetings – agreed to a tentative agreement, which we are going to provide to you tonight the actual tentative agreement. I will explain it to you here in a moment. [Mr. Blaugrand requested that copies be handed out to council members]. We're not going to ask you to take any action on it tonight but to consider it and at your next meeting, or at least within 30 days within us presenting it to you today, you have the ability to either accept or reject the tentative agreement that we are recommending, that the administration is recommending to you. Under Chapter 4117 of

the Revised Code, which is the collective bargaining laws of Ohio, you have 30 days from when a tentative agreement is presented to you. You'll note the tentative agreement was negotiated some time ago, but it is not until we present it to you that the 30-day clock starts to run. Don't worry that there is a 4/29/13 date on this. Again, it was a matter of coordinating when we could do this in an efficient way and be here to perhaps answer questions and explain the document to you. There are three components to this proposed deal between the parties. If we are able to agree to this, the union has already had a meeting and voted to ratify this. If you ratify it, we will have a contract with the firefighters. The only terms in that contract that will change from the current agreement are the terms that set forth on this handwritten sheet that you have here. We do have a completely typed version of the entire contract and if any of you want copies of it to review as you're considering this, Dan Mongold can provide those to you. Let me go through the components of this and answer any questions you might have. With regards to wages, there would be no wage increase and no steps provided in 2013. Again, for the same reasons that the fact-finder found in the sergeant's unit – the testimony from the Auditor's office was very persuasive that this is not the time for the City of Wilmington to engage in wage increases of any sort. With regard to 2014 and those negotiations would start (these are 3-year contracts; that's why we are addressing these 3 years – '13, '14, and '15). With regard to 2014, the only item that would reopen is the issue of wages of 2014, and that would reopen at the end of calendar year 2013, hoping to have it done by the beginning of 2014. Because the budget process is always late in the year, as this year, we extended the bargaining into the beginning of the next year. It was also the case that we were fairly certain that there was not money to give raises, so we weren't really as concerned about worrying about having this done by January 1 of the year. So, we would reopen on wages and only wages. That is simply because we were not willing to agree and recommend to you a wage increase for 2014. We don't have a budget for 2014 yet. We don't know what is included or what the possibilities are. With respect to 2015, there would also be a wage reopen. But, note this, the recommendation of the administration is in the third year only of this contract, that there would be a catch-up of step increases to employees. The way that the contracts work and the way that our interaction with the non-bargaining unit employees has been for a considerable period of time, (not for all of the 30 years that I've been doing this for you folks, but certainly in all of the recent past), is we have tried to match what we do in the bargaining unit for the non-bargaining units. Each of the bargaining units is tied together by what we call the "me-too" language where we essentially treat everybody the same. So to the extent that we agree with the firefighters here to catch up the steps that they have missed, and they have not gotten any step increases since 2009, this would apply to all city employees. It doesn't say that in this contract, but I just want you to know that would be the impact. The Auditor's office has done a good job of trying to calculate this. Of course, we don't know exactly who is going to be employed in 2015, so there may be some drop-off of persons. It's only persons who are employed in 2015 who would benefit from this language. That's the only money that is affected in this and it's prospected in that it happens in 2015. I can tell you that this avoided a fact-finding over all of these issues and obviously saved cost to the city that we weren't able to save in the Police Sergeant's Unit where we have to go to fact-finding. These all are separate negotiations, different parties, so all of those cases have to be handled separately. I wish there were a way that would could just have one fact-finding. Assuming that we would win that fact-finding, I would want one fact-finding and handle them all together, but that's not the way the process works. The second issue that is addressed here is an issue of vacation. Similar to the me-too language I explained with regard to financial matters, over the years we have attempted to treat our employees the same with respect to all benefits. So the second issue we are recommending to you is a change in the firefighters' contract to adopt the language that is in our policy manual so that it will be in the contract, in this case, on vacation carryover. Currently we have on the contract what I would describe as a use-it or lose-it provision with respect to vacation. The problem in our safety forces is due to our scheduling and staffing. Sometimes we can't allow people to take vacations when they want to, so we have other language already in the contract that says if it is the fault of the city that you can't take your vacation, you get to carry it over with the approval of the chiefs. What this does is it gives the chief and the officer, or the firefighter in this case, the opportunity to spread that out over a three-year period where they might be able to find a more convenient time to do that at a later time. Our language adds no additional cost and, in fact, may reduce cost by not having to have a staff at overtime

cost at a time when it wouldn't be convenient to take vacation. It gives a bigger period of time to spread that out. That is what that provision deals with. Finally, the last provision is a fitness provision. The only contract in the city that still retains a mandatory fitness requirement where you could lose your job if you don't pass the fitness test is in the fire department. We had changed that in the police department some time ago. They all still have to pass the fitness test – but no one would lose their job. They would have additional challenges to then step up and prove their fitness and pass it at a later date. We are changing this in the fire contract to match what is in the police contract already and has been for the last contract cycle. There were many, many, many other issues that the union brought to the table, not the least of which was a wage increase for this year. We resisted all of those other changes and yet we were able to get what is called a tentative agreement. All that is, is the other side saying, "We're willing to sign a contract with these provisions." The administration is recommending that we do the same, but it is up to council to approve that. Again, we are not asking you to do that here tonight. We have brought no legislation for you to pass tonight, but within the next 30 days we would like you to consider those provisions and vote up or down, approve or not, a contract which would contain those. That is the status of where we are in labor negotiations. There are lots of related issues that periodically come up that we get involved in, but the main thing we're doing right now is put to bed three labor contracts and we hope to do that.

Councilman McKay – In the first section on wages, I'm slightly confused. On the term "wages" versus the term "steps." I understand what they are, but in 2014 you have a reopeners on wages only and steps are not mentioned.

Dave Blaugrund – That is correct.

Councilman McKay – Then in 2015, in parenthesis, the step issue is brought forward. Does that mean that this is mandatory and what relationship does that have to the term "wages."

Dave Blaugrund – Those are both great questions. I will answer the first part first and the second part after that. It is mandatory language that we are agreeing to. We are saying what is called the annual increase. We see it reported in newspapers as these days 2% or 3%, in that range. I negotiate all over the state, and the state employment relations board, which manages for the state the labor relation process, puts out reports on what all settlements are. The average settlement is close to 3%. Again, after being much, much lower for the past three years. Our settlement here is zero for this, but by the third year, I would anticipate that reopeners negotiation over the annual increase, that would be something that all employees would enjoy – it would take where they are on their pay grid right now and add that percentage to it – that is the annual increase. That is not locked in and is not mandatory for any year of this agreement, except the first year where it is zero. Step increase is the grid that employees look at when they look at their pay scale. So, if you start over here as a probationary employee, you start out at a stated wage on the scale, and then you move after one or more years to the next step, and then you move to the next step, and the next step. In the police patrol contract, for example, there are three steps after probation.

Councilman McKay – The steps would then be caught up in 2015 no matter what.

Dave Blaugrund – That is what the tentative agreement would do. Some people in the city will have missed by then seven years of steps. Some may have missed one year of steps. If it is a three-step contract, like the patrol officers, the most they can miss is three steps. But by 2015, we are talking about catching those up.

Councilman Wallace – On the vacation issue, was severance pay ever addressed with that as well? In other words, if someone is leaving, so we have to make up the pay scale on that or is that dropped if they leave the force or leave Wilmington.

Dave Blaugrund – Separate sections of the contract, just as in the state civil service law that applies to non-bargaining unit employees, there are cash-outs provided by statute and by contract for employee benefits. Sick leave, for example, is not cashed out until

time of retirement for employees, although vacation is considered an earned benefit that you are entitled to when it is earned, so it is fully cashed out when an employee leaves or retires. That is provided in other section of all of our contracts, and it mirrors the civil service law provision where current employees get essentially 25% of sick leave at time of retirement. Now there are some old provisions that we have superseded going back to state law – 25%, there was at one time 75% cash out, 50% cash out. We still have some employees in the city that have banks of that time, although there are probably very few at this point. But for the most part, on sick leave, only at time of retirement would employees be able to cash out their sick leave. Otherwise, and this does come up from time to time, they would remain in the city bank if the employee would be rehired at some time in the future, that sick leave would still be there. If they go take another public job, believe it or not, the law is now that the public sick leave bank may transfer to that other public employer. That was not always the law, but it is now. In terms of sick leave, there is a limited cash out at the time of retirement. Vacation, you get it whenever you leave, whether it is retirement or not.

Councilman Wallace – That is an interesting point. Do we have that in our contract, or is that negotiable. Let's say we hire a police officer from a different community and they've got ten years at that force. When we hire them, that's not a negotiable situation? Is that worth investing in the contract?

Dave Blaugrund – That could be negotiable, but we have a city policy that addresses and caps the amount that they can bring in. We're allowed to cap that. Dan, do you remember what the cap is?

Dan Mongold – I think it's one year for time, any other time brought in, but not to exceed our own seven or fourteen years or twenty-one years. You get a one shot deal.

Dave Blaugrund – That is, in my opinion, a very good, restrictive, conservative policy. You have some cities that have not limited and you have people bringing in a huge amount and they are stuck if they don't have a policy that restricts that. I think you have a very fair policy. That's adopted in our contracts. We honor that. Other questions?

President Kirchner – David, on the annual wages issue? In 2014 reopener, are they limited to only negotiations on that item or is the entire contract addressed at that point if they disagree.

Dave Blaugrund – No. The entire contract is not at risk, and that is the beauty of what we have negotiated here. The only issue that reopens is annual wage increases. That issue alone, if we don't agree, would go to fact-finding and potentially conciliation. Again, whatever the data is, whether it's the comparable data from other communities that we gather and present or the fiscal data that Mary Kay has been so good at presenting over the years that we present, that will be the determining factor as to whether the fact-finder would award wages or not. They didn't even take that issue this year – the wage issue – at least the firefighters and the sergeants haven't taken it. We're still with patrol officers. After we got the successful fact-finder report from the sergeants, our indication today from the patrol union was that we believe they understand that the fact-finder has spoken on those issues. I would hope that we would resolve that at our next meeting.

President Kirchner – All right, next question. Any negotiated wage increases would be percentage increases as steps, correct?

Dave Blaugrund – Typically yes, although we could negotiate cents per hour and sometimes have done that over the years. It just depends on what seems to make the most sense in that particular negotiation.

President Kirchner – So it's potential that even we have calculated at this point the step increase cash-out, that number could go up.

Dave Blaugrund – If we also negotiate a wage increase, no question that it will, because the whole grid would advance by a percentage – you're exactly right. That is correct.

President Kirchner – And by accepting this language, due to the “me-too” language, we would effectively accept it for all bargaining units is what would happen.

Dave Blaugrund – Yes. That is true.

President Kirchner – So, at this point, you indicated that there had been some calculations on the current figure of that cost, understanding that reopeners would potentially raise it. In fact, if I’m not wrong, all of this language would apply the “me too” clause to all of the bargaining units, so they would have at least a reopener on all of them next year, if they invoked the “me-too” clause.

Dave Blaugrund – No. The “me-too” clause. Let me clarify that first and then I’ll go back and answer the other question. The “me-too” clause only applies to wages. We do not have “me-too” language on everything in our contract – just on annual wage increase. That is in there. There is language in the sergeants’ agreement that suggests, they would argue, that it applies to steps in their agreement also. But since they have lost that issue for this year, unless a conciliator reverses the fact-finder, there won’t be any steps for anyone and no “me-too” would apply in any of the contracts to that for this year. In that third year, you’re exactly right. The “me-too” language in the other contracts, if we agree to this here, and I think this would be mirrored in a settlement with the patrol contract, they’re mid-way through their contract. They know what we were presenting to you tonight. Certainly the public will know after our meeting tonight – it’s all public record – we’re not hiding anything in that regard. I would anticipate that they would ask for the same language in their contract, notwithstanding the “me-too.” There was another part of your question that I forgot.

President Kirchner – What was the calculated cost assuming the same employees are here in 2015? What would be the incremental increase and operational cost be on based on that clause?

Dave Blaugrund – The information that we have been provided by the Auditor’s office is calculated based on exactly those parameters that you described. (Of course, we don’t know exactly; you identified correctly the variable). The figure we presented in the fact-finding hearing, is \$375,000.

President Kirchner – That covers all bargaining units or just...?

Dave Blaugrund – It covers all city employees – bargaining units, non-bargaining unit, and enterprise fund employees. So a portion, we can certainly provide the breakout because Mary Kay has calculated all of that, a significant portion of that is Enterprise Fund employees, but I can’t tell you exactly what those numbers are. The total number, including all employees, is \$375,000 in 2015.

President Kirchner – And that’s at to-date current scale, without any increases applied across that.

Dave Blaugrund – Assuming the reopeners do not result in any scale increases, that is correct.

President Kirchner – If the reopeners did result in scale increases, would you simply apply that percentage, whatever would be negotiated, to this number as an increase.

Dave Blaugrund – Yes. The proposed deal is that in 2015, we would catch up steps as they are calculated at that time. You are exactly right, to the extent that we would negotiate or we would be mandated by a binding arbitration or something, to have an increase in that number between now and 2015, that number could increase. I will say this, and it is bit beyond your question, but I think it’s important to understand it. We just had a fact-finder report in June 2013 saying that this city is not financially in a position to where a fact-finder is ordering us to make any step increases, much less a wage increase. The annual increase wasn’t even on the table. The union agreed with that. The opener for 2014 occurs in less than 6 months or about 6 months from now. I don’t

think anything is going to change, and I loath to ever predict what a judge or an arbitrator or a fact-finder will do, but I think it's reasonable, based upon even an improving financial situation and improving jobs picture in Wilmington, Ohio, to suggest it is too soon by January and by your budget at the end of this year, to suggest that there will be any significant increase in the wages ordered by a fact-finder or an arbitrator. Now, I hope I am wrong and the economy goes crazy here and everything is wonderful and you're able to do that in your budget, but I don't think that will be ordered. With regard to 2015, it's just too far out to tell you what a year and a half from now what the financial condition of the city will be such that I could predict whether there would be an annual wage increase ordered. So, your question is a very good one. It could be a bigger number than \$375,000, but it will have to be based on facts at that point in time that are developed in front of a third party that neutrally looks at it and says, "You've got the money." What I will also say, and I want to put this and underline it by saying I'm a lawyer and not a policy maker, not a legislator, and not an administrator, but I've been doing this a long time, you do have other means to deal with balancing the budget in 2015. Even if you were bound to catch up steps for those employees who are still working here, if a third party would order you to do that and you don't have the money, you control and the administration controls how many total employees would receive that benefit. I'm not telling you that to scare anybody, I think things are going great for the City of Wilmington and we're headed in the right direction, but you do have some tools at your disposal to deal with that if need be at that time.

Councilman Jaehnig – Just to clarify the president's comment, I believe that because there is a certain percentage of employees that are already at their maximum step increases, if there is an annual increase that is tacked onto it, it wouldn't be a simple percentage of that \$375,000 because we would be including employees that currently would not be seeing the raises in 2015 because they have already maxed out their steps. Is that correct?

Dave Blaugrund – That is absolutely correct. We have employees that today have maxed out their steps and will receive nothing as a result of this, at any point during this three-year agreement. They would only be receiving that percentage increase. What I was suggesting in response to the president's question is that we first have to calculate impact of that percentage increase because all employees would receive that, and then some employees would get step calculations on top of that and then some would not, but you start with where the scale is and then do the second calculation. I would agree with that completely.

Councilman Wallace – This 375 figure, that would include our commitment to benefits, retirement, etc., or was that simply a step...

Dave Blaugrund – My understanding is that was an all-inclusive number, but I would defer to Ms. Vance to confirm those numbers and make sure. That was the number that we used as the impact in our presentation to the fact-finder. I would be disappointed if it didn't include everything, because I always want to give the bigger number, the bigger impact to the fact-finder when we are arguing that it shouldn't happen now.

Paul Hunter asked if the dollar figure included Enterprise Funds. Dave Blaugrund indicated that everything was included. Paul Hunter then asked how much was just General Fund. David Blaugrund said he did not recall that number but they had that information for the fact-finder.

Paul Hunter – They have to account for the taxpayer money, whereas the Enterprise Fund uses their own.

Dave Blaugrund – Absolutely. All I'm saying is the total number was \$375,000. We certainly can get the break down. It is in the evidence in the fact-finding – it's in the notebook – but I don't have that with me tonight. I can provide that to you.

Councilman Mead asked if the \$370,000 included 3% in 2015.

Dave Blaugrund – It's actually \$375,000 but it includes no 3% in 2015. It's just a catch up of steps. You have some employees who will be due seven years of steps. You have some that are topped out now. That's the total cost of catching up these steps. We have frozen the steps for most employees since 2009. For some, since 2008.

Councilman Jaehnig – The last step increases were given in 2008.

Dave Blaugrund – Most were in 2008. There were some that received a step increase in 2009, I believe, based on information we had at the table today with the patrol officers. That may have been the result of a fact-finding back then. Other questions?

Paul Hunter – Is the percent increase after the step increase or before the step increase.

Dave Blaugrund – Right now, the percent increase is zero. In 2015, there is no mandated percentage increase proposed in this contract. There would be a reopen negotiation.

Paul Hunter – That's just a dollar figure, not a percentage.

Dave Blaugrund – Well, there's no annual increase proposed for 2015. It's open for renegotiation that year, but only that issue is open for negotiation. The rest of the contract is done as of when this is approved.

President Kirchner – On the fitness language change, my concern goes to when you look at firefighters specifically and the specific job that they have to do to potentially save lives. Have we adequately protected the citizens from someone that may not be physically capable of doing the job in requiring that they have the capability to perform the tasks needed?

Dave Blaugrund – Mr. President, that's an excellent question. The change in the contract language does not excuse, if you will, employees from meeting the fitness standards required for their job and being able to perform all of the essential functions of their job to the appropriate level. In fact, there are incentives in that contract for them to do just that and to pass these fitness tests. The only thing that we are taking out, is we had a provision that applies today to at least one employee in the fire department who was hired after that provision was put in, we couldn't go back and apply it retroactively, but to that employee, if he were not to pass a fitness exam, he would be fired and there is not choice. The contract would terminate his contract automatically. Whereas for all of the other employees, we would have to go through the disciplinary process if they wouldn't become fit within the appropriate period of time and pass the test in accordance with the article in the contract. We would have to go through a for-cause proceeding to terminate their employment. We do not have to maintain the employment of any firefighters who is not fit to perform their duties.

President Kirchner – Even with the language change, we would not have to maintain that employment, we simply have to...

Dave Blaugrund – We have to go through a process.

President Kirchner – We don't automatically remove them from the force by the contract?

Dave Blaugrund – We go through a process. We give a pre-disciplinary conference. They have an opportunity to present – you know, maybe they're injured at that point in time. The contract has a provision even currently that if you are injured at the time and that is the reason that you didn't pass the test, you get some accommodation and an opportunity to retest. We would go through all of that and then the potential exists in that instance for an arbitrator to determine whether we had cause or not. That person would be terminated if they are not able to perform the essential functions of their job.

President Kirchner – What is the length of time they could stay on the job without being able to perform?

Dave Blaugrund – There are various examples we could talk about. We currently have employees that have Worker's Compensation injuries who are technically on the job but they're not performing the duties. They are off work. We have employees who are on FMLA who are off work. Assuming those things do not apply, we just have somebody who was unable to perform the job, our disciplinary process can move very quickly. So, from the time you have a pre-disciplinary conference to the time they are removed could be a matter of days. Less than a week is what I'm talking about. Then there is an appeals process, but they are off the job when they go through that grievance arbitration process.

President Kirchner – And that is understood, the fact that injuries and worker's comp wouldn't be included in it. I'm just concerned about having to keep an employee for a length of time when they couldn't perform duties necessary to protect the citizens.

Dave Blaugrund – Very legitimate question. I'm glad we were able to clarify that. That part doesn't change under this change.

Councilman Jaehnig – I'm correct in thinking this is very similar to the DOT rules in regards to truck drivers and so forth, especially when it comes to hypertension, where there is a time they don't pass their physical to renew their license, they have a certain amount of time to come back into compliance. But, depending on the findings of their physical condition, they may not be eligible for on-duty. They are not unemployed and they do not lose their job, but they may not be able to used in service. Is that the type of situation we're working with?

Dave Blaugrund – Yes. In most of the instances, there is a process like that. There could be instances when an employee could be simply terminated if they had no excuse, if you will, they just could not perform the duties of the job and it's not due to disability or an FMLA condition or a Worker's Comp injury. That is what we were trying to clarify.

Councilman Jaehnig – In regards to the president's question and trying to protect the public to make sure we have employees that could meet their needs in an emergency. If an employee is in that type of a situation, normally they're not in service.

Dave Blaugrund – That is absolutely correct. From time-to-time, we do have employees in safety forces positions for a variety of reasons who are no longer able to perform essential functions of their job and there are various processes, including the ones we describes: disability separation, disability retirement, that we use to ensure the safety of the public.

Mayor Riley – I would point out too, Dave, the safety of the public is certainly paramount for the firefighters, but on a day-to-day basis, the most likely person to get injured if they are not fit, is the firefighter him or herself and the other firefighters who count on each other for immediate rescue assistance if they get in trouble. So, the firefighters have a tendency to really keep an eye on each other and make sure that they are all fit enough to have the other guy's back. That's important to note.

Dave Blaugrund - Mayor, you make a good point. What Dave pointed out along those lines in negotiations, and part of the impetus for us to change this, was that they said that peer pressure among firefighters maintains us without any of it. It is more the carrot approach than the stick that is necessary and they are suggesting the fitness of our firefighters is not going to change one bit as a result of this change in the contract. We will have three years to evaluate that if you agree to this and certainly can determine if that is not the case and deal with it accordingly.

President Kirchner – Mr. Safety Director, can I request that you go ahead and prepare copies of that contract for all members of council? President Kirchner – Mr. Auditor, can I also ask that the analysis done indicating the current level of step impact to the third year of this contract, 2015, be documented and provided out to the members of council.

Auditor David Hollingsworth – We can get that to you. Yes.

Councilman Jaehnig – Mr. President, can we confirm that the benefits and everything were involved in that also.

President Kirchner – That's exactly how I would like it broken out – by what all they put in it, whether it just goes to actual steps down or whether it gives the steps. Councilman Wallace had a very good question if that includes what would be our increase in retirement contribution. Benefits are independent of salary steps from the point of insurance costs – medical, dental and vision. If we get those two items to council as soon as possible, we can begin reviewing the information. It will take a little time to read and understand.

Councilman Wallace – Once we start allowing a carryover of vacation time, that becomes an added financial thing upon us to. The severance thing and retirement thing at the end. Fiscally it's a little different, I think, if they earn the right to have a vacation this year they take it, where if they don't take it for two more years and then they retire and then all of a sudden we are paying. It seems to me above and beyond.

Councilman Jaehnig – At some point you have that double up. If we are paying them a salary this year and they're carrying over vacation at some point, you are correct.

Councilman Wallace – That is an additional financial burden that we're voting on here as well.

President Kirchner – Actually, I think I'm going to be able to answer the question you are about to ask. Vacation is already an earned benefit. The individual has earned that. The difference we are allowing flexibility in the case where we had to deny them the ability to take vacation when they wanted due to the fact that we don't have coverage, we are allowing them to carryover further. If they took it at the time, the overtime costs could be increased to the department, so you actually aren't increasing the cost because the vacation is an earned benefit they have already earned anyway. Just allowing them to carry that over allows the possibility that they could schedule it at a more flexible time when you would not have additional overtime costs.

Councilman Wallace – I understand the need for our police officers or a fire people to be given a situation like this, but if we have all of our city employees engage in this contract, all of the sudden, we have office workers, we have people who can take their vacation time and all of a sudden they're taking that down the road. To me that opens up a whole different apple.

President Kirchner – It actually already exists in our city policy manual. They are asking that that language that is already covering those employees be moved over into the contract language. It is actually updating the firemen to carry it over and allow more flexibility.

Mayor Riley – the point is very well taken, Mike, and as the administrator for the city, I want you to know that we are strongly encouraging people to take their vacation. They need that time. Vacation is intended to get out of Dodge, recharge your batteries and have a good time. I think that is vital time. I don't know what the exact number is, some people will carry over a little vacation, but most of them, particularly those that are not in safety services, they're taking their vacation, scheduling it well ahead of time, and taking it when it is appropriate. Some of the problems with our safety services, we just can't predict what the need is going to be.

Councilman Jaehnig – Just to clarify – I think I misheard. Our current agreement is that the administration can roll over vacation time if we can't give it to them. The new agreement would be the administration or the officer can make the determination to roll over vacation time. So, if the officer or firefighters doesn't want to use it this year, he would have the opportunity to roll it over. Both would have that option.

Dave Blaugrund – That's not exactly correct. The current situation only allows the Chief of Police or the Fire Chief to allow a rollover into the next year of the contract. This would allow a three-year window to schedule appropriate vacation, but the chiefs are

still the determiners of when vacation may be taken and when it may not. They are not delegating to the employees the ability to select. They can request when they want to take their vacation but they don't make that decision. I'm not sure that's what you were saying...

Councilman Jaehnig – The officer, if he has three weeks and decides that he wants to move one week into next year, that's not his choice unless we are unable to give him the time, and the chief then makes the decision.

Dave Blaugrund – Almost. He may request that he move it into the next year. Certainly if we were unable to schedule when he wanted to take it and he is unable to schedule it for the balance of the year, we are required to allow it to carryover. But under most circumstances, the time the management determines when vacations can be taken. Management will suggest and encourage – I heard the police chief today tell the patrolman in bargaining that he tries very hard to get people to take vacation in the year that it is earned because safety services need it just as much as the rest of our employees. The mayor's comments were appropriate. With that one exception, I think what both of you has said is accurate.

Mayor Riley – I think all of the safety services people work hard to cover when somebody is on vacation because they know darn good and well that at some point they are going to want to take vacation and they will want somebody to cover for them. They are very diligent with working with each other.

President Kirchner – Mr. Safety Director, may I ask that you also make three additional copies of that contract. We have three unopposed candidates for office, two of which are here tonight, for council and then one would be for the President of Council. With this contract affecting the next three years and two years of their term, I think it would be good to proactively get them a copy at this point so they can review and understand the language and anything that happens in between now and then they would then be able to keep up on. That way, we can have continuity for council and hopefully we will see a city that can do something in those negotiations for officers. Thank you, David.

Mayor Riley – David, I want to thank you and Danny, Chief, and Chief Mason for all of your hard work and diligence in getting us to this point. We aren't quite finished yet. We still have some work to do, but I do so much appreciate your hard work and having somebody with 30-plus years of experience with the city is of great benefit to us. Thank you, David. I appreciate it.

Dave Blaugrund – Thank you for your continued confidence. I'm going to leave so I can turn the meter off for you.

Mayor Riley – the only other things that I have is I definitely want to thank Lora Abernathy for being the judge at the Banana Split Master's Contest. Was that a good time?

Lora Abernathy – That was one of my best days at work.

Mayor Riley – You were paid to eat banana splits. Life is good. Scott, I think you were in the group to help put this thing together. Well done. My public thanks to the Rotary Club for making the Banana Split Festival happen. What a wonderful event for this community. I would like to publicly again point out that I did invite personally and directly the City Manager of Latrobe, PA, and he did not make it. I also sent emails and I communicated by email to the mayor of Latrobe and she did not make it either. I think they have deferred their claim to the banana split. I think it is all ours now. They'll still argue that. I want to point out that on July 4 there will be a celebration in the park. A lot of work has gone into this. We're certainly going to celebrate our Independence Day, but we're also celebrating men and women in our armed forces who have fought and died for us over the years. This is going to be a very special Independence Day, with a focus more on all of our Clinton County veterans. I encourage all of you to be there to celebrate this wonderful day with us. The mayor pointed out that the new jobs number was 263 and asked Rob Jaehnig for an update.

Councilman Jaehnig – Actually, all 13 new jobs are three new companies. We have Groves Tire, which is out on Progress Way, just down from DeLille, four jobs there. Mr. McKay pointed out that the New Current Styles Barbershop had opened and there was one position there. The Port Authority announced that SCTNF had announced that they are moving from Beaver Creek to the Air Park and they are bringing eight jobs with them. The really exciting thing is that we have business right now that are stockpiling jobs. They won't tell me their numbers yet because they want to put out big numbers. Polaris lies in that, DealerTrak lies in that, and the newest one that fits into that category is Timbertech. Timbertech announced a job fair on the Monday, June 24th. They are firing up their hiring big time. They're all holding back numbers because they don't want it to trickle in.

Mayor Riley – It is really an exciting time for Wilmington specifically. What is going on at Timbertech right now and when the governor was here and we celebrated those six companies – ATI, Timbertech, Praxair, Polaris, DealerTrak and the Custom Molded Products – It's just marvelous – 518 new jobs in total there. You add that to the 250 that we have now and then on top of that if assuming by the end of the year we can start hiring at the JUMP hangar when they open, 259 jobs. Friends, that is over 1000 right now that we will have by the end of this year, God willing. That doesn't include some of the ones that are in serious pipeline such as some of the new jobs out at Ahresty that we have talked to them about, Cape May will be opening sometime this year, which those are skilled nursing jobs which will be really good jobs. I've heard that Alkermes is looking at possibly expanding, Grove Tire, and there are others. One of the others that is relatively new, and if you haven't seen them I encourage you to go out is, the Experiential Academy. It's a new private school out on Davids Drive where the old customs building is at. Bruce Sanders is the headmaster of Experiential Academy. There will be a very high student to teacher ratio. They are starting off with three grades, which are 12 students per grade. Their goal is to someday in the near future be a K-12, which would be about a 155-160, with a large complement of teachers, so we have that also. If you haven't been out there, they have truly changed the old customs building.

Councilman Wells – I want to ask you about Timber Glen. I have had several complaints about the tall grass. Now, with summertime coming on, I have complaints about snakes and ticks. I spoke about this this week. Is there any update on anything that you can tell us?

Mayor Riley – No, I haven't heard anything yet. From what I know, it really hasn't changed at all. The owners are still going through a bankruptcy process. My understanding, from talking to the banker who is working with them, it should be fairly imminent, but I don't know a date or if there is a date. We have already mowed that once. There are still other properties that have not been mowed yet. We will circle around and certainly tried to get back to Timber Glen. Which reminds me, before we leave this evening, I received a questionnaire. I had a bit of a conversation with some residents in Country Oaks – same owner, same problem, and same situation. They have a lot of common areas that have not been mowed. We hit that one time. I asked these two ladies to be sure to put their questions down so we don't lose them. They sent me 13 questions and I have responded to them. Actually, those responses apply not just to Country Oaks but to Timber Glen and Cross Creek. I've got that written out for you. It's not good stuff, but it certainly explains where we're at, how we got to where we are at, and what we can do about it. Remind me when this is over and I can get you a copy of that.

Councilman Wells – Well, we're kind of getting worried about health problems now with the warm weather. We have a very large water snake in a retention pond over there. We have pictures of it. Ticks are really bad this year, with that tall grass. We've got a lot of kids running around playing. I know it's a serious problem and it's really bad. I wish it wasn't like this. I just want to keep it in the forefront.

Mayor Riley – Well, there will be potentially ticks and snakes no matter how long the grass, but I think the longer the grass the more likely that when you are walking through

it the more likely they will get on you. Of course, snakes like tall grass more than short grass. Completely understood. Remind me before we go and I will get you that.

Councilman Wells – Well, thanks a lot. We appreciate anything you can do to help us.

Mayor Riley – In fact, once you read over this, if you want copies to give to anybody that is fine, we will certainly make copies for you.

President Kirchner asked the Auditor to provide copies of his reports to the unopposed candidates for council and President of Council.

Auditor - Auditor David Hollingsworth – I have nothing tonight. I'll wait until Finance Committee.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

President Kirchner – Mr. Mayor, will be bringing the fire lease contract before Asset, Acquisition and Use as is customary to enter into a contract like that.

Mayor Riley said that Andy or Russ could get them a copy of that.

Finance Committee - Chairperson Mead we have two discussion issues on the agenda this evening. They are a little bit connected. The first is to finish up our budget discussion that we started at the special meeting. The second one is discussing the potential debt buy-back. We will do the budget discussion first. I'll open it up to anyone who has questions. I think this would be a time, Mr. President, the Auditor was going to give you some information.

President Kirchner – Specifically about the benefit line items and the changes on a line-item by line-item basis for what the ultimate cost ended up being.

Auditor David Hollingsworth – What I tried to do is go back and give you the methodology that was used to come up with the insurance costs that were built in to the budget by the city overall, including the Enterprise Fund and General Fund. Over the last two years prior to this current year, we had built up a reserve in our insurance fund that everyone was aware of to the tune of about \$600,000. So, when it came time for the 2013, and this is kind of sticking point but it's a discussion for another time, we had a renewal date of April 1 on our insurance contract. When we started working through the 2013 budget, we contacted Liz Fortney, our insurance underwriter to get an estimate of what she thought the cost was going to be when it came time for renewal of April 1 of this current year. The number that she gave us was a little bit higher than what we were using for 2012. I can make copies of these, but basically what we did when it came time to come up with what we thought the cost was going to be by line item for each department, is we initially took the maximum exposure that Liz thought the monthly amount was going to be for family and for single and we put that into our grid based on the number of employees for each department to come up with a total cost for each department. Then, when we actually got into 2013, when the contract came up for renewal on April 1, the actual amount that we were going to have to fund as our maximum exposure (and I think that is what you referred to), there was like a 1.9 or 2% reduction over the premium amount from the year before. It was actually a little bit greater reduction than the estimate was that she originally gave us that we worked with in the budget. But to come up with that number for each line item, we used that original maximum exposure amount that she gave us then we reduced that and allocated the excess sitting in the reserve to each department, so we, in effect, reduced our maximum exposure by the excess that was sitting in the insurance fund. So we were taking a chance on our experience in our claims being like they were the two previous years, we would not reach that maximum exposure amount. In effect, we reduced it by the \$600,000. Going forward into this year, at the end of May, we still had about \$600,000 in that reserve, so we were basically paying out what we were paying in to the insurance fund. Mary Kay informed me, I had asked what the balance was as of the first of this week, it was a little bit below \$600,000. Now, as far as the cost going forward for the year, the point that I want to make is we are kind of exposed for that \$600,000. If we would have claims that would be over and

above what we have experienced in the last couple of years because we in effect used that \$600,000 to reduce our insurance costs for the current year. I don't know if that answers your question specifically, but I guess the concern was that we had some excess money appropriated in those insurance line items that you could do reverse appropriations on and pay for some of these capital items that we are talking about funding. It would not be my recommendation at this point in time that we do that. I don't have a vote. All I can give you is my opinion. I would be a little concerned that we are still exposed for another seven months that we could possibly eat into that reserve. Again, that is my opinion. That doesn't give you a specific dollar amount, but I'm not sure.

President Kirchner – That information that you have there, is based on department by department calculations of what she initially said. You will provide that? How we reduced each one of those departments by the carryover. Now that carryover had become unencumbered from 2011. Is that correct?

Auditor David Hollingsworth – Not necessarily. When you say encumbered, that does not necessarily relate to what was appropriated by the insurance line items. That is the actual fund balance. That is the actual cash that was sitting in that account, which is actually an accumulation of maybe 2-3 years.

President Kirchner – When she presented to us in March or April of last year, the indication that we had put an amount into that fund the previous year. That was \$617,000 as I recall. That was \$617,000 more than claims against the insurance fund. Now, understanding that moving forward, there was a period of time during which claims could still be filed from that time, the appearance that there could be a significant portion of that that would end up not being necessary claimed against. That was the money from 2011 we were talking about having used to reduce the 2013 line items, to my understanding of how you presented it in the budget season last year. That fund still maintains payment into it on a monthly basis and perhaps more frequently, I don't know if we do it every pay period monthly, which it is an ongoing rolling number. So, the \$600,000 in there now is not the \$600,000 we're talking about having used to reduce that cost amount.

Auditor David Hollingsworth – The \$600,000 was not just an over-contribution for 2011, that is actually an accumulation ever since we have been self-insured. It stays in that insurance fund. It's just like the General Fund or the Street Maintenance and Repairs Fund or the Police Fund. It is a fund in and of itself that we put money into every month that insurance claims are paid out of. It is funded based upon the maximum exposure amount that our insurance underwriter gives us under the contract, based on our experience rating, what she thinks are claims are going to be, say for a family or for single. So that is what we put into that insurance fund. That doesn't necessarily, and it is obvious because we have accumulated about \$600,000, it doesn't mean...it's what she feels, based on our maximum exposure, that we could possibly pay out in the way of claims. The \$600,000 is an accumulation of money that has gone into the fund. Yes, at some point in time it was appropriated, but it was not all in the 2011 year. When we go into the 2013 year and the budget, we were saying there was \$600,000 and then if we would have gone ahead and funded it to the maximum exposure, it is possible that we could accumulate more money in that account if we don't get hit our maximum exposure amount. Does that make sense? So it continues to....

Councilman Jaehnig – The change that we made for this particular budget year, in the past we had budgeted for the maximum exposure, not counting those funds. And for 2013, we budgeted for the maximum exposure including those funds.

Auditor David Hollingsworth – Correct.

Councilman Jaehnig – That was the big change that we had made.

Auditor David Hollingsworth – Correct.

Councilman Jaehnig – So, because you couldn't go over your maximum exposure, that was going to continue to build.

Auditor David Hollingsworth – Correct.

Councilman Jaehnig – Now, if we hit our maximum exposure, we'd empty the account.

Auditor David Hollingsworth – Correct.

President Kirchner – Actually, that is not completely correct. Because you would have carried over monies from last year. Correct me if I'm wrong, David. There was actually a decision made not to make full contributions in some of the final months of 2012 into that fund, which came back into the General Fund.

Auditor David Hollingsworth – That is correct. I think it might have been the last two months that we did not put our money into that fund because it had built.

President Kirchner - So, we actually improved the carryover from last year to this year by not contributing as much into the insurance fund at the end of last year. But we did not reverse appropriate that, we just...

Auditor David Hollingsworth – But it goes to zero, theoretically at the end of the year. At the end of the budget year, it goes to zero, because we then budget for the next 12 months. It has really nothing to do. The way the insurance contract comes up for renewal has an effect on that, but it has no bearing really on the time period that we're... the contract is on an April 1 through March 31, as far as the insurance contract goes, but we're on a calendar year for our budget. If there is excess in any fund that has been over-appropriated, it goes to zero, because then we're under a new 12-month budget. So, say something as simple as utilities, if we budget \$100,000 for utilities and we only spend \$25,000, we don't carry the \$25,000 over to the subsequent year, it goes to zero and we re-budget for the next 12 months.

President Kirchner – But in the insurance fund that we pay into, because that contract year is continuing, the money accumulating in that fund stays in that fund going into the next year...

Auditor David Hollingsworth – Correct.

President Kirchner - ...and that's the money that we did not pay into. That's the fund that we did not pay into the final two months of last year.

Auditor David Hollingsworth – Correct.

President Kirchner – But there was a balance that came forward, because the contract was still going on...

Auditor David Hollingsworth – Correct.

President Kirchner -... with the known cost for the first three months of the year. That being said, when you go back to the budget for our calendar year 2013, we have an individual benefits line item in every department. That amount was originally budgeted based on initial projections back in the fall; they were not real costs. And those numbers were reduced with the mathematics on taking the last few months of nonpayment to the insurance fund and reducing the \$600,000 of carryover from previous years of non-use out of that line item when we got to December 31. Is that what you are indicating? As of December 31, you had reduced the initial line item by that amount.

Auditor David Hollingsworth – Right.

President Kirchner – And then moving forward, we were still making the assumption we were starting with the original numbers and the only reduction that occurred was from carryover money before. We hadn't reduced the amount we were expecting to be

exposed. We reduced what we going to have to budget for it because we had those fund that could be applied to it. But when we got to April 1, we actually had a significantly lower maximum exposure compared to what we had planned for.

Auditor David Hollingsworth – Right.

President Kirchner – That is the difference in looking at it, because it was planned for, the money was there, that's the difference. I'm asking specifically for that.

Auditor David Hollingsworth – Really, the only difference is going to be the 2% reduction that it ended up being once we redid the contract, because the \$600,000, again, that we carried over from 2012 to 2013, we reduced the estimated maximum exposure for family and for single that Liz had given us, which was just an estimate until the contract we renewed, we reduced that amount by the \$600,000 that is being carried over from the previous year.

President Kirchner – From 2011.

Auditor David Hollingsworth – From 2012. We're talking about the 2013 budget.

President Kirchner – The money that you could reduce the cost by had to do with previous years.

Auditor David Hollingsworth – Right.

President Kirchner – So it had come into 2012 in that fund. We continue to pay the allocations in 2012 into the fund and in fact were able to stop payments the final two months,

Auditor David Hollingsworth – Correct. But that reduction is already reflected in the General Fund carryover balance.

President Kirchner – Right, but the line items were originally built on higher numbers than our actual final costs, so the \$600,000 reduction brought those numbers down from a higher level than they needed to be. That is why I'm asking what the final actual cost was because we need to go back to compare that to the number that came in, and that is the number that would be reduced by \$600,000. So, your allocations are still too high.

Auditor David Hollingsworth – But I don't think by...you kind of mentioned in passing hundreds of thousands of dollars. If anything, it is going to be the 2% and possibly maybe an excess amount that we funded for that first 3-month period until the contract was renegotiated.

President Kirchner – My recollections...

Auditor David Hollingsworth – Let's look at it this way. Let's say our total insurance cost is that Liz gives us premium payments based on our employment staffing levels, single, family, whatever the mix may be. Let's say it comes in at \$2.5 million. That is going to be our maximum exposure. We reduced that number the excess that we were carrying over from 2012, which is the \$600,000. Now there is a little bit of difference in the estimate that she gave us for that short period until the contract was renegotiated, but the actual contract costs from the previous fiscal insurance year was only about 2% less than it was at least in the current contract.

Councilman Jaehnig – I think I see where Scott was coming from in regards to this. When we were working on the 2013 budget, were we working with the estimated increase in healthcare benefits over what we were currently paying in 2012. When we were just doing the budget?

Auditor David Hollingsworth – Initially we were. Yes.

Councilman Jaehnig – And do we know what the increase was?

Auditor David Hollingsworth – I think we went from like \$1700 for a family plan to like \$1800. Don't hold me to that.

Councilman Jaehnig – So maybe a 7% increase. So we went from a 7% potential increase to a 2% decrease. The \$600,000 in my opinion has nothing to do with anything.

Auditor David Hollingsworth – You're looking at the difference between what was budgeted and what the actual...

President Kirchner – That is correct.

Auditor David Hollingsworth – I don't think it's that much because the reduction wasn't that much. I think the big gap you're seeing, at least in my mind, is probably the \$600,000 reduction.

President Kirchner – I'm still not there because when we were initially presented budgets comparing 2013 to 2012, going through and doing calculations on a department by department basis, I found increases in that line item in 23-30% range. That is the increase that I'm saying, that the initial number we started with increased significantly and in fact you could see it if you went year to year looking at the insurance fund line item and you looked at the difference in the two years. As I recall, it was somewhere in the neighborhood of a quarter of a million dollars. Again, my memory isn't what it used to be and there were a lot of numbers in that budget, but I've got the copies at home so you can see the difference on the calendar year basis. That was based on building those individual line items. The \$600,000 aside, what we understood was the result of insurance for this year. You actual had a 2% decrease in the cost compared to last year. So, instead of say 2.3 to 2.55, it should have gone down below 2.3, which means the difference there, regardless of the \$600,000, because the \$600,000 will reduce the...

Auditor David Hollingsworth – I think what we need to do is possibly go back to the 2011 year when we were working on the 2012 budget, because in conversations with Mary Kay, there was a discrepancy because there was a big swing in the premium payment because we had claims (I think it was in 2010), which drove up the cost per both family and single. It was used in the budget, and I don't think that was ever adjusted in the 2012 budget, which resulted in some of the excess. I can get that for you. I don't have that right now, but if that is what you're looking at is that difference as far as the percentage increase, I'll go back and get that. I may be wrong, but I still don't think there's hundreds of thousands of dollars sitting there.

President Kirchner – Well, it seems to me that it should be fairly easy to say...here's what the contract insurance is on a department-by-department, line it up, with the actual line item, and then going back to the initial number that we started with and reduce by the \$600,000, we should come down even farther. Those are numbers that I'm talking about. So, I guess the thought would be if you can provide council with a copy of the approach you took that is fine, but I am asking specifically what is the actual cost per department for those budget line items, so you charged each department, each employee of the city has a line item against what the city contributes to the account from the city's portion of their insurance. That is the line-item-by-line-item cost that I am talking about. That is the one that started much higher last fall in the budget work session and was reduced by the \$600,000 carryover, so that should be significantly lower because it had major increases in it when we did the analysis. That's the information I'm specifically looking for. So, what are our actual line item costs by this new contract? And then we can go back to the budget worksheets you gave us last fall and compare what we started with in the \$600,000 decrease and then decrease even more what we started and what the actual costs there.

Auditor David Hollingsworth – Okay.

President Kirchner – Now, there is an understanding that the first three months of this year were covered by the contract last year, so the actual costs associated would be, but of course with it being just 2% lower, you're very close to the same. I understand that, so

the cost isn't sign different between the two contracts. But what we went into budgeting with was much, much higher. That's the part that I think there could be hundreds of thousands of dollars that were technically put into the budget, although it showed reduced by the \$600,000 carryover that had not been expended in previous years, but it should go down by the difference between what we started with and what we actually ended up with in that contract. That is where I'm coming from.

Councilman Mead – Any other topics that anyone wants to discuss in the budget?

Paul Fear – Can I make one more question on the carryover. My recollection of the numbers was that we used budget numbers of like \$2.4 million like you said in the beginning. We had a six or seven hundred carryover. I think what we did is we adjusted our budget so that we wouldn't make as much contributions in the first three months so that we would reduce some of that \$700,000. So, if we have \$2.4 million and we are going to use the number of the \$700,000, we're basically then going to appropriate for \$1.7 million. What happened was, when she reduced it by 2%, your \$2.4 million ended up at \$2.1 million. So, the \$600,000 we planned to do, you didn't really reduce it by six, it only reduced it by the four. I think you're right because the surplus continued to stay in there. It never dropped down to one or two hundred thousand, like we're going to use that six. Two other things happened, though. We still had low expenses, which naturally anything that goes into that account doesn't get paid out. The second thing we did, was after the first of the year, the employees paid a higher premium. We added more to it from the employees side and still had lower claims. So, you're right, the number that we started out with was \$700,000 only it is now down to \$600,000 because of those other couple of factors. My guess is you'll run into some play there because the \$600,000 that we were going to reduce is now still back at that number, so it can be reduced a second time if that's the decision that you want to make to find allocation for your expenses.

President Kirchner – All of that put together means that the number we originally started with that we reduced by the \$600,000 in previous years was still way higher because actually if we got a reduction in costs this year and the employees are paying more, we should see a larger amount in that fund, actually than we currently had.

Paul Fear – You're right, the three-month reduction that we were doing at the beginning, we did. We took that money out of what would have been there. Then the increase that came from the employees and everything and the lower claims still allowed that money to stay there, because at the end of the month it was still at \$601,000 and at the end of the year it was \$717,000. So, it hasn't gone down. So, you're dealing with the budget and you're dealing with the actual cash that's there. I'm not sure if you make the decision to reverse appropriate or you make the decision to take a lower expense for the next two or three months rather than reverse appropriate. I think there's probably some play money there.

President Kirchner – There is definitely stuff there. It's looking at what were the actual final costs for this contract year on a department by department basis, whichever line items they would be charged against, the city's portion of that. And understanding what that total cost to the city is, and understanding that the employees paid their portion, that is the number that is the difference between what we started with in the budget and what we ended up needing in the budget. The other thing it points out, we actually got lucky this year with a 2% reduction. Having nine months of this budget constantly exposed to its largest single expense in a fluctuating market is just an absolutely dangerous situation. Moving that renewal date to October 1 and having the final three months of the year at risk and having the known value for the budget for nine months of the final year is critical for us to get to in order to protect the employees and their benefits, the budget of the city and the citizens. I definitely think it is something we need to focus on. Would you agree, Mr. Mayor?

Mayor Riley – I'm not sure I agree with that.

President Kirchner – I would think that it would be obvious that having nine months...if that had been a 30% increase, what would that have done to this budget.

Mayor Riley – I'm not exactly sure, but I know in talking with Liz Fortney, the expert on our insurance, and also the Auditor's office, there are some distinct advantages to having the April date from the negotiation with all of the third-party players, we get a definite advantage by doing that. I don't know what the math would be, whether there would be a trade-off or not, but I know we have an advantage by negotiating at the first part of the year rather than the end of the year or the middle of the year. We have a huge advantage. What those numbers would be exactly, I'm not sure.

President Kirchner – Well, in her testimony here in council...

Councilman Mead – Mr. President, could we please wait for some more information and go to the second item?

President Kirchner – David, can you provide that information – the schedules that you used to arrive at the numbers as well as the final cost on a line-by-line basis? How long do you need?

Auditor David Hollingsworth – I could probably have that out sometime next week.

President Kirchner – Okay. If we could have that out next week. I know the HR Director will be putting together the contract language and then you've also got the calculation for the impact of the steps, if we could get a special packet together to get it out to council members next week with that information.

Councilman Mead – I know the hour is late and everyone wants to go home, but we have an important discussion to have because we're going to have to pass something at our next meeting. The Auditor talked about it the other day, we have a \$900,000-plus notes that are coming due and this is the time we have to pay them or do something with them. One of the suggestions is you can pay off the notes altogether, \$900,000, and that was what has prompted some of the budget discussions. Another possibility is you can buy back the debt. I don't totally understand all of this, but you can buy the debt and own your own. It doesn't thrill me, but that is one of the possibilities. Another one is that you can pay some of it. In other words, instead of paying the \$200,000 and refinancing the rest, we could pay more than \$200,000 and reduce the amount that we have to refinance. The fourth one is, as we planned last year when we did the budget, there was \$200,000 that was planned to put on these notes when it came due and to refinance the rest. My recommendation is that we stick to the old plan, we pay off the \$200,000 or whatever it was that was in the plan, refinance the \$700,000-plus and go on with our business, but there are other possibilities. The only reason the buy-back came up was that the consultant from the Auditor said, "Hey, this might be a good idea. You might want to look at it." I think everyone has had time to look at it and we need to talk about it tonight a little bit. We are going to have to pass something by the 18th of July. We have one more meeting coming up on the July 3. We may have to have a meeting before that if we don't get together. So talk about it. Don't go to sleep. Talk about it and try to decide what you want to do. I've given you my recommendation. Let's hear yours.

Councilman Stuckert – I have a question. What had we budgeted this past year, the cost of doing it the normal way. There is the consulting costs and then we budgeted for another \$200,000.

Auditor David Hollingsworth – That has kind of been the history behind this issue. I'll answer your question here in a second. Originally permissive tax monies were obligated for the Lowes Drive and Davids Drive portion. The landfill monies were earmarked for the other portion of that note. There were never any General Fund monies. I know this came up in discussion – that there might be some extra money in the General Fund that could be used to pay the notes off. The General Fund was never obligated to pay any of that debt, even though it can. I would suggest against using any General Fund monies, simply because, as I mentioned at the last council meeting, the mayor, myself, and deputy auditor Mary Kay spent about 2 hours on the phone with Moody's to get a rating on these refunding bonds that we're going to issue. One thing, and this is not the official release, but this was the draft, one reason that we able to maintain our current bond rating and not have it downgraded were the satisfactory reserve levels despite recent

operating deficits. They were very satisfied with the reserves that we had maintained, specifically in the General Fund because it came up in the discussion that it represented 33-34% of our revenue base, so they were very pleased that we were able to maintain that with everything that we have been through. I don't think it would be doing the citizens justice using General Fund monies to pay down that debt in order to pay it off, because I think it could impact future bond ratings if we have to go borrow. As far as the total cost that we have budgeted, I would have to look up the number. The closing costs I know right now we will incur. If we go ahead and buy the note ourselves, it is no different than Paul going and buying a CD at Fifth/Third or PNC Bank or National Bank & Trust. We're simply just taking money and investing it. It just happens to be our own note. What that saves the city and the citizens is from paying a third party interest. Also, we don't incur quite as many issuance costs by having to pay somebody to go out on the open market and sell the notes for us. The only costs we're going to incur would be the legal fees, which you have a supplemental for \$3750. There was probably a little bit more, and I can't give you the exact amount but I can get it for you, there were probably some monies built in to pay for the underwriters' fees. Typically that is built into the interest rate. We were paying on the last note in the mid ones. What was it Paul?

Paul Fear – I have the number right here – to transfer to bond retirement from the waste fund was \$106,500. So \$100,000 was to go to the bond pay down and \$6500 was going to be legal fees. My assumption if I look in the General Fund Transfer to Bond Retirement, we have \$527,328, because it has to do with some other bonds that we have that we're refinancing now. So, my guess we probably have \$6500 from us and \$6500 them, so now we're only going to use \$3750. It was budgeted to retire as per your recommendation, a hundred each.

Councilman Jaehnig – So our savings could be somewhere between \$5000 and \$7000 in what had been budgeted for fees.

Paul Fear – At the \$3750 level, correct.

Auditor David Hollingsworth – Plus the interest that we would be paying...

Paul Fear – Plus buying it ourselves, we don't pay interest to ourselves, we would basically be transferring a couple of thousand dollars from the Enterprise Fund to our fund because they have to pay it anyways. The third thing we are going to save is, we talked about what rate we were going to do, which is probably going to be half a percent here, right now it is 1.69, so we'll save a whole percent on that.

Auditor David Hollingsworth – If something happens that we want to liquidate this investment, we can go out in the market at any time and take out another note and pay ourselves back. The likelihood of that happening is very unlikely, but we do have that flexibility. If for some reason we would need that cash, we could go out and issue another note. That money comes into our coffers and we cancel the existing note.

Councilman Stuckert – On our books, are we turning the debt into an asset.

Auditor David Hollingsworth – No. The debt is still there. Rather than the cash still sitting there, it is now going to be in the form of an investment. It will be our own note. The debt obligation is still there, but we are obligated to ourselves.

Councilman Stuckert – Do we have examples of this being done?

Auditor David Hollingsworth – We have a legal opinion from our bond counsel. She will issue us a legal opinion. Springdale has done it. We have a copy of the legal opinion.

Mayor Riley – My last year as county commissioners, with recommendations from the county treasurer, the county auditor and several others, and bond counsel, it was recommended that the county start buying their own debt rather than getting rid of all of the debt. The county has cash reserves that I wish we had. Rather than paying off all of their own debt, they were going to buy the debt themselves for the reasons that David was mentioning.

Councilman Stuckert – Do we still have permissive tax funds to make payments? What if we made payments and then did the buying of the debt by that amount instead of reducing the amount?

Paul Fear – I know the President made a comment last time. We had planned on reducing these so we would have them down to a zero level in their useful life.

Auditor David Hollingsworth – We are still paying it down.

Paul Fear – We're reducing it a hundred a year over a seven year period or whatever it was.

Councilman Stuckert – What is the size we're going to buy?

Auditor David Hollingsworth – Roughly \$700,000.

Councilman Stuckert – All things being equal, next year what we would do? \$500,000?

Auditor David Hollingsworth – Whatever you guys budget. That has been the history of what pay down each year.

Councilman Stuckert – Using that schedule, what kind of time frame are you taking about?

Auditor David Hollingsworth – Five years on Lowes and Davids Drive and four years on the landfill.

Councilman Stuckert – How close are we having to do repairs?

Auditor David Hollingsworth – That is out of my realm of expertise. You would have to ask the street department on that. It is obvious driving around town that there are streets that are going to need...

Mayor Riley – Davids Drive is in pretty good shape. I don't think anyone is considering doing any repairs to Davids or Lowes Drive at this point.

Councilman Stuckert – We probably would have to do something within five years.

Auditor David Hollingsworth – Lowes Drive, in my opinion, is in kind of bad shape.

President Kirchner – And that is one of the reasons that I had brought in the concept of using the carryover funds to pay that off, because if you drive across Lowes, it's not long before you're going to be spending significant amount of money to do repairs there. Perhaps it wasn't originally designed for the heavy industrial traffic it sees. There is deterioration in that road that you can't deny. The other thing I would throw out to council is that the \$100,000 in permissive tax that is coming in each year could then be used to do the street repairs instead of going to pay off this bond issue. So it's not like that money would just disappear. It would then become available to do street paving and items of that nature. A little relative math, with the excellent budget work that council and the administration were able to accomplish in balancing the budget last year and going back to council's original indication of wanting to maintain the 25% carryover, we actually achieved a 35 or 36% carryover. If you look at our current budget at \$7.8 million, the difference between what we have historically carried over, which is at the 25% level, and what you have actually created in carryover at the 35% level, is actually 10% of the budget. You have actually created a carryover of \$780,000 on top of the \$1.95 million in the 25% number. My recommendation would be that council consider paying off those bonds to get to the point where the permissive tax could be used to repair streets on a regular basis, because we do have deteriorating streets. That money is not making us any money, and that still maintains the 25% carryover that is the history of this city and this council reaffirmed its commitment to last year. And, I have a

question on the Moody's rating. The reserves also look at the amount of debt that the city currently carries. Is that correct?

Auditor David Hollingsworth – Well, that is part of it. But they specifically mentioned the reserves. They don't look at that in relation to your debt necessarily. I would be real concerned taking that excess money and paying down the debt all at one time.

President Kirchner – But last year you seemed willing to go ahead and budget it for spending this year on the structure of the city – In other words, in the structural cost in personnel. So, initially the budget that you brought forward spent that money. So, it didn't carry it over at all.

Auditor David Hollingsworth – When you say initially – it wasn't my budget.

President Kirchner – The mayor had indicated that you had provided the budget, so that is why I said... It wasn't meant to say that it was your budget, but the mayor had indicated this was the work that you had done.

Auditor David Hollingsworth – That's council's decision how much they want to pay down, but it would be my recommendation, and I would like to go on record, that I would not do that.

Councilman Jaehnig – I think whatever is done with the General Fund is one issue. We have an issue with the Solid Waste as it is anyways. If we pay it down and take all of those funds out of the Solid Waste Fund, we do have some major capital expenditures coming up there. If things broke down before we were prepared for it, we would not be in a position to deal with the situation. In conversations with Donnie, taking and paying that down and leaving him with a reserve of \$190,000 would make him very nervous considering some of the conditions on the capital equipment that he has. So, even if we decided to spend the General Fund money, I'm not sure if it is a good idea to spend the Solid Waste funds down considering we're not even a month into the new rates and seeing if that is going to accomplish what we want to accomplish at the landfill. My personal opinion is that I would take the Auditor's recommendation and I would move forward. We're going to save a little bit on the budget. I would take the Auditor's recommendation.

Mayor Riley – I would like to go on record in agreeing with you, Bob, that we do the \$200,000 as we had budgeted and then refinance the remainder of the note. I would agree with David that we buy the note ourselves. But, I agree with you and the Auditor.

Councilman Mead – If it was my debt, I don't owe a nickel to anybody, so I would pay it off. But, it is not my money and it's not my budget. That is still my recommendation, that we do what we had planned on. Next year is another year. If things get better, we can look at it again and do the same thing if we want to next year. But this will have to come up for a vote at an upcoming meeting. I don't know what the protocol is to come up with a consensus so we can prepare the legislation so we can vote on it in the meeting before it's too late.

Councilman McKay – My recommendation would be to go with the Auditor's opinion. He's the guy we pay to do that.

Councilman Mead - What's a good way to take a straw vote?

Councilman McKay – I just gave you my opinion. You have Rob's.

Councilman Wells – I would think that the Finance Committee would decide among themselves and then present that to council.

Councilman Mead – Well, we're going to have to do it. We could probably have a Finance Committee meeting next Thursday. We're used to being here on Thursdays anyhow.

Councilman Wallace – I would vote to go with Auditor's recommendations.

Councilman Stuckert – I'm still a little bit troubled by the fact that we're looking at five years out and we're denying to the streets department and we're denying to those two roads funds for repair. Didn't we have other money left over that's going to do that. It's sort of ironic to me that leading up to this budget here, we were fighting so intensely to get to 25%. Now we're at 35 or whatever it is, and now we're going that way, as you said, Rob. We all know that the Streets Fund has been in serious trouble for some time.

Councilman Jaehnig – Well, it's not the only fund that's in trouble.

Councilman Stuckert – I understand that.

Councilman Jaehnig – That's why my concern is spending all of this money when we know we have issues in parks. We know we have issues in safety. We know we have issues in fire. We know we have areas that we need to look at possibly spend of that overflow. So, to spend down General Fund money and then not have it available to take care of those particular issues to pay down debt that is not going to cost us any interest... It is an interest-free year. But to pay down the debt and not be able to take care of the needs of these other departments, that is what concerns me.

President Kirchner – Actually, Rob, that would not necessarily be the case at all. That is why we covered the additional funds that had come into the budget. You would still have the ability, regardless of this purchase and the use of that extra 10% carryover, there are still additional monies available to address the fact we didn't have police cruisers, to potentially address some of the issues at the parks. Between the Bureau of Workman's Comp refund and the inheritance tax unexpected windfall, you're talking almost \$250,000 that we're not talking about in that carryover. So, those funds to address all of those other issues now exist. The difference is, this move would actually allow the \$100,000 in permissive tax to flow into the Streets Department year after year after year, addressing the needs on the streets. So, potentially, your General Fund support of that could be reduced by that amount. So, it's a pay-me-now/pay-me-later question, but you can still address the concerns that are there before council without having the discussion mixed because of the additional funds that we have identified that are coming into the budget.

Councilman Jaehnig – I would agree with you on that, except for the fact that we've had some requests that have been on the table for over a hundred days and have not been dealt with. We're continuing pushing it down the road. Now, if we had started dealing with some of these things, maybe that would be the case, but we have not dealt with any of them. We have discussions, we have discussions, we have discussions, but we don't seem to be taking any action.

President Kirchner – Well, we still don't have all of the data that we were looking at on the impact of the budget. Because you may have a good bit more in carryover than you think. The reason I have been driving at those insurance numbers is because that could be additional funds to address some of those issues.

Councilman Jaehnig – That may be the case, but for us to rush to judgment to pay off that debt because we have a deadline of July 18, when based on the way we have been working so far, we're not going to have all of those numbers and have everything figured out by July 18.

President Kirchner – I'm not sure how that coincides with the talk of a budget cycle where we could have a brand new budget that we could vote on in an hour last fall, so to me that logic doesn't make sense.

Councilman Jaehnig – What I am saying is I brought the parks needs to council over a hundred days ago. We haven't even had a discussion about spending the money on that yet. It was promised that we would have the discussion, and we have not even had the discussion yet on spending that.

President Kirchner – We had that a week ago where we began to understand what funds were available and what the needs were – what needs have been covered. Actually, we have supplemented the parks budget this year so they can apply for grants. To say that we haven't addressed that at all, to me, is disingenuous.

Councilman Jaehnig – Well, we'll agree to disagree.

President Kirchner – And I think that what you're seeing here is the second time we've asked the question about the insurance money and what could be available.

Councilman Jaehnig – I don't argue with you in regards to that.

President Kirchner – the question about how you address this debt is critical because of the timing of when the debt is due.

Councilman Jaehnig – Whether we renew the debt right now or not, we can decide in three months or four months down the road what the budget says we can do. We can still pay down the debt more. Correct?

Auditor David Hollingsworth – You would have to reissue a new note. We can pay that debt off any time within that 12 months.

Councilman Jaehnig – But, you don't have to issue a note if you're paying it off.

Auditor David Hollingsworth – Well, we have to make sure that language is in the ordinance.

Councilman Jaehnig – Because, that was one of the things that was offered up during the meeting – That we could pay it off at any time that we wanted.

Auditor David Hollingsworth – If we owned it.

Councilman Jaehnig – If we own it. Correct.

President Kirchner – Which is the opportunity you have right now before you, pay it off at this point, and in fact not issue it to ourselves or anyone else and thus free up future unencumbered monies from the permissive tax. \$200,000 is already there. You're talking about \$702,000 that would be reissued now. The question of whether or not to use General Fund money toward the landfill expenses is a whole different question, but number one, with the increases that were put in place back in '09, all of the costs of the expansion were supposed to be taking place and covered. Number two, with the changes that we have recently made and the indication from the Service Director that we were getting major accounts back...

Councilman Jaehnig – To my knowledge, we have gotten one.

President Kirchner – I believe at the last meeting he had indicated that we have two major accounts.

Paul Fear – There were three major accounts. One has come back. The other two have not as of yesterday at 3:30.

Councilman Wells – I have a question. David, the \$700,000, you have to buy that note. Where would that come out of?

Auditor David Hollingsworth – There are two money market accounts that are earning .1% interest roughly. They are just sitting there, so that is what we would use. But, it would go out of a money market account to a security called Wilmington City Short Term Note. That is the only difference.

Mayor Riley – I would also note, Loren, I think you mentioned about the money that we use to fix the roads with. We would not deplete that fund. There will still be money available in

permissive tax to repair roads. It's a matter of prioritizing, and that is something that Denny and Larry do. They are on the roads and are looking at what to prioritize. That is not depleting funds. There would still be money there, if something needs to be done on an emergent basis.

Councilman Stuckert – We know we want police cruisers. We know we have a request for additional money for parks. Can we put up a list of what we would like to spend on if we could out of the pot that is a one-time deal? Can we come up with a list to make these decisions? Because I still say, we're talking, if we satisfy the need to pay these off, we're talking a couple of hundred thousand dollars a year. That is going to take a lot of pressure off. So, if we're talking five years, you're talking a million dollars over five years.

Mayor Riley – As you recall, the Secretary of State's office is doing the LEAP audit for us currently. In fact, they have nearly all of the interviews done. They are working on finalizing their report, and I think that will give us some of those guidelines that you just mentioned.

President Kirchner – Councilman Stuckert, to your point, at the last meeting, that is why I was asking all of the department heads and I forwarded Brenda the email – actually that was Andrea that week you were on vacation. Andrea had sent me an email asking what the department heads needed to do. The indication was, if there are any unplanned for and imminent needed in this year, emergency costs, those need to be brought forward so we understood the list. We did already pay for the phone upgrade. Are the phones working yet?

Clerk Brenda Woods – Yes.

President Kirchner – The police cruisers had not been funded yet - \$64,000.

Chief Weyand – I would say that is down by \$6000, because I got a vehicle forfeited to us. Actually, I took cash in lieu of, so I just saved you \$6000.

President Kirchner – So, that and the parks list of \$37,150 to address Councilman Jaehnig's concern that there are costs at the park we can cover. That was what we got. No indication of additional costs beyond that. So, the money is available to pay off the note to fund those and still not affect your 25% carryover.

Councilman Wallace – How many firemen did he say we needed?

President Kirchner – Well, remember, one of the things we talked about was that we weren't asking for additional personnel requests because those are structural costs.

Councilman Wallace – But that is what he brought up – that he needed more fireman.

President Kirchner – That's correct.

Councilman Wallace – When we asked him what he needed...

President Kirchner – That is true. Andy wanted to put back the two fire personnel that the mayor had removed from the budget funding for this year. But, if you pay for them out of this money, it's one-time money. You don't have the income and your budget isn't balanced.

Councilman Stuckert – I think you have to pay for one-time deals out of your one-time money and pay for your ongoing costs out of your General Fund. Would paying it off bring any more – have we gotten all of the permissive tax money that we're going to get this year. Would we get more from permissive tax.

Auditor David Hollingsworth – I'm not sure what that number is. We usually request it from the county when we need it, but I don't know what's in that fund right now.

Councilman Wallace – Don't we get that later, though. Sometime in October?

Councilman Jaehnig – I think it is twice a year.

[Discussion of permissive tax receipt schedule]

Councilman Mead – How many people are going to be available for a Finance meeting Thursday at 6 p.m.?

Councilman Jaehnig – Are you asking just for the finance committee?

Councilman Mead – I'm asking for a Finance Committee meeting, which anyone can attend, obviously. Bryan should be back. It's one of the last chances we are going to have, because we're going to have to give them a little notice to get legislation together if we do something different. Is Thursday okay, Brenda? That's all I have this evening.

Clerk Brenda Woods – What items do you want on the agenda?

Councilman Mead – The debt buy back...

President Kirchner – It's actually bond anticipation notes. That covers all of the topics.

Paul Fear – Are you going to talk about additional capital needs?

President Kirchner – Finance can have a discussion on potential additional funding, supplemental appropriations, if you like, based on the request for cruisers and the parks. So, supplemental appropriations would be the other item.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee – In the absence of Chairperson Siebenaller, Councilman Stuckert – The head of the Judiciary Committee is not here. If you will bear with me, I'll attempt to bring this to us. We have a couple of items, the second reading on an ordinance amending a section of Chapter 133, Employment Provisions of the Codified Ordinances of the City of Wilmington. It has to do with who needs to be bonded under the blanket bond. Am I correct, Mr. Law Director?

Law Director Shidaker – Yes.

A motion was made by Stuckert and seconded by Wells to give the second reading only on the ordinance Amending a Section of Chapter 133, Employment Provisions, of the Codified Ordinances of the City of Wilmington.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

Councilman Stuckert asked that the third reading be on the agenda for the next meeting.

Councilman Stuckert - The second item, and I may need your help, Mr. Law Director, on this. This is the first reading on an ordinance that is amending our ability to ride skateboards, motorcycles and bicycles on sidewalks.

Mayor Riley – Not motorcycles.

Councilman Stuckert – But it says it right there. If you need more explanation of that. I think this is something you wanted to update, Mr. Law Director.

Law Director Shidaker – This was something that was brought to the Judiciary Committee meeting. This is what I believe you decided at that meeting.

Councilman Stuckert said he would like the first reading.

Councilman Wells asked if they would amend it later.

Councilman Stuckert – Are you saying you do need to amend the motorcycles?

President Kirchner – I was just reading. Actually, if you flip to the second page, Section 2, That each and every section of Chapter 373, Bicycles, Motorcycles, and Skateboards, of the Codified Ordinances, except those sections identified and amended in Section 1 of this ordinance, are hereby ratified and republished and incorporated herein by reference as though fully rewritten herein...which seems highly unusual. Generally, if we didn't touch anything, we wouldn't be making that statement.

Clerk Brenda Woods – All of that was the same. She only changed that part.

Law Director Shidaker – That was just was already in the original chapter, in the original ordinance.

President Kirchner – So that is what it says in the original ordinance.

Law Director Shidaker – The only thing that is changed is “northerly.”

President Kirchner – Very good. So, council can understand what the Law Director is saying, the only change that is being made by this is in 373.11, Section ‘a,’ the strikethrough is removed and the bold is inserted. So you would remove “southerly” and implement “northerly.”

A motion was made by Stuckert and seconded by McKay to give the first reading only on the ordinance Amending §373.11, Riding on Sidewalks, of the Chapter 373, Bicycles, Motorcycles and Skateboards, of the Codified Ordinances of the City of Wilmington.

President called for vote.

Motion passed

Director of Law read ordinance by title only.

Stuckert asked that the second reading be on the Agenda for the next meeting.

Safety Committee - Chairperson Wells – I have nothing on the agenda, but I would like to ask the Chief a question. An officer just left for military duty. Are we planning on hiring another officer?

Chief Weyand – Basically, the position is occupied. We have nothing invested in his departure, but he occupies the position. When he comes back, we have to put him back on the force. I can't hire one and lay one off. It doesn't make much sense. It wasn't really by design to get hired and then get shipped. It was one of those fluke things that happens. The poor kid is kind of sad and upset because it's really a devastation to his life. He had been shipped overseas a few years back, so he wasn't anticipating it. He went to his normal reserve meeting and learned that he was departing for another tour. He has a 10-month old kid, was recently married and had a new job, so he applied for the hardships and all he could do, but unfortunately, it is what it is. That's the military.

Councilman Wells – Does he know when he will return?.

Chief Weyand – His orders say that he could serve up to a maximum of 364 days. Between now and May of next year.

Councilman Wells – Didn't we originally talk about two officers?

Chief Weyand – We have another one that we have been waiting to fund that we put on the burner because we had been waiting on the LEAP report. The LEAP report said that we're eligible to...you know, that we're definitely one behind. We're up what we should by half our staffing. So, what I did do, I worked on, I was able to meet the deadline after

they gave us that report and I got a grant in for the COPS grant, June 4, but the award date isn't until September, so I don't know when that will come about. But, I even applied for that when I asked for the waiver for Russ as far as our match. We'll know on September on that.

Councilman Wells – Thank you.

Downtown Revitalization Committee - Chairperson McKay had no report.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director – In the absence of Service Director Reinsmith, there was no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Jaehnig that the Auditor-Treasurer Report – May 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Councilman Mead – I have one quick comment. I've seen the Fifth/Third building. It looks great. They're doing a great job on it, except I'm disappointed that they didn't put curbs in. They just have dirt coming to the street.

[Discussion of curbs at construction site Rombach/Oak]

Mayor Riley – I think they replaced it the way they found it.

Councilman Jaehnig – I would like to do a two second commercial for Downtown Live, since Mark didn't mention it. There is a party at the mural tomorrow night. I'm working the late shift.

Jeff Fryman – 886 Hickory Trail Drive. I have one comment on what Mr. Wells brought up earlier, just to give you a heads up. There are a lot of folks in our neighborhood, because I live just down the street from Councilman Wells, who are taking it upon themselves to make sure that those areas are cut. The two biggest are the two areas, the green spaces out front. Most folks don't have that kind of lawn equipment to mow those – they are huge. The other area are the drainage areas along the bicycle path or walking path that goes from our neighborhood to Holmes Elementary. Those are probably the big two areas that are difficult to mow. Myself, I have an empty lot next to my house, I've been mowing it now for several years – not a big deal. I'll keep doing that. About the snake, there is a bigger issue in our neighborhood. There are raccoons in our storm sewer and, I hate to mention this one, I really do, but feral cats. Those two are bigger issues than that water snake. I'm not trapping or killing them, but that's the bigger issue in our neighborhood. The snakes are going to be there no matter what.

Mayor Riley – The feral cat fits the same definition as the raccoon or opossum or anything else. I think that's horrible, but that is the way it is. Let me see if I can find somebody to handle that big snake issue. I think you mentioned a big snake.

Councilman Wells – Larry Reinsmith knows all about it.

Mayor Riley – I think I'll see if there is any way we can handle that through some department of natural...

Jeff Fryman – I don't want you to bother. As a person in that neighborhood. If you're going to do that, then take all of the deer out. Leave the snake alone, it belongs there. We're intruding on its space. I would prefer that you leave the snake there.

Councilman Wells – That retention pond back there is never supposed to hold water, which it does hold water.

Jeff Fryman – The creek is there anyway. The snake is going to be there no matter what.

Mayor Riley – Jeff, I'll give you one of those papers that I was talking to Don about earlier. I'll get you one of those as well.

Councilman Wells – We identified it. It's a northern water snake. They're very aggressive.

Bill Limbacher – 934 Darbyshire Drive – I heard today from another citizen that Staples is closing on August 1. Would that be an impact on our community?

Councilman Jaehnig – The little I know is it's a lease dispute. I know that Staples is closing multiple locations, not just the one in Wilmington. I don't know which ones they all are. There are 15 of them. There was a lease dispute. There was an attempt to downsize and shrink the store size, but Staples Corporate and the building owner could not come to an agreement on that reduction. At one point it sounded like they were going to reduce their size by about half, which would actually open up a third store space. I think where things fell apart came down to who is going to pay the cost to split that and put the wall up and things of that nature. That is what little I know. To my knowledge, they still may be jockeying, but I had heard August 3, not August 1. It's not the only one, and it would be very unfortunate for them to leave, no doubt.

President Kirchner asked if anyone else wished to address council while in session.

President Kirchner - Lora Abernathy, could you please note early in your story the change of date for the next regular meeting so folks are aware. Our standard ordinances indicated that it would be Friday. So, when people go on line they will see something different if they investigate our ordinances.

Lora Abernathy – I will find a place for that.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Jaehnig to adjourn.
President Kirchner declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

Wednesday, July 3, 2013

Wilmington City Council met on Wednesday, July 3, 2013, (special meeting time, rescheduled from Thursday, July 4), with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, absent; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, absent; McKay, present.

Chief Weyand was also present.

A motion was made by McKay and seconded by Wallace to excuse the absent members (Jaehnig and Siebenaller).

Motion passed. All yeas.

Absent members excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner asked for approval of the minutes.

Councilman Wells asked that the minutes from the June 13 meeting be amended to remove his name from the roll call vote on page 25, as he did not attend that meeting.

A motion was made by Wells and seconded by Stuckert to amend the minutes of the June 13 meeting as indicated.

Motion passed. All yeas.

Minutes amended.

A motion was made by McKay and seconded by Wells to approve the minutes of the June 13 meeting as amended.

Motion passed. All yeas.

Minutes approved as amended.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the June 20 meeting as presented.

Motion passed. All yeas.

Minutes approved as presented.

President Kirchner presented the Notice to Legislative Authority for a new liquor license for La Bamba of Clinton County, LLC, dba Don Jalapeños at 961, 967, and 967 ½ S. South Street, Wilmington, Ohio. He asked if there would be a public hearing.

Clerk Brenda Woods – No.

President Kirchner asked if it would just sit in the office for public comment and asked how long it would be on file. Clerk Brenda Woods said she did not know. President Kirchner asked Laura Railing if she had input and she said she did not know. President Kirchner asked that the Law Director be consulted on the length of time.

President Kirchner said that in celebration of the birth of our nation tomorrow, July 4, he wished to read a quote from Calvin Coolidge, presented in 1926 in commemoration of the 150th anniversary of the Declaration of Independence.

We live in an age of science and of abounding accumulation of material things. These did not create our Declaration. Our Declaration created them. The things of the spirit come first. Unless we cling to that, all our material prosperity, overwhelming though it may appear, will turn to a barren scepter in our grasp. If we are to maintain the great heritage which has been bequeathed to us, we must be like-minded as the fathers who

created it. We must cultivate the reverence which they had for the things that are holy. We must follow the spiritual and moral leadership which they showed.

President Kirchner - It was an honor leading the Pledge of Allegiance tonight, and I hope everyone will have a safe and happy holiday.

Mayor - Mayor Riley – I would like to encourage everyone to attend the 4th of July celebration at the park tomorrow. It's going to be a special evening, obviously for celebrating the birthday of the nation. We're going to have some special things going on tomorrow evening in recognition of all of our veterans. It starts at about 5 o'clock and goes until after the fireworks. Come together join together with all of us at the park as we as a community celebrate our 4th of July. Saturday of this week at noon, Gary Kersey of Kersey Real Estate will be having an auction of the Little Giant and the property on which it sits. That having been a Clinton County landmark for quite some time, I think it is noteworthy. If you're interested in owning the Little Giant or if you're just interested in finding out firsthand who owns the Little Giant, I encourage you to stop by at noon on Saturday. At the Farmers Market on Saturday 8:00 to 12:00 in the morning, CMH is going to provide a community health screening of Body Mass Index, blood pressure, etc. So, that leaves me with the topic of bond anticipation notes. The Finance Committee has discussed it, but I want to turn it over to the Auditor for further discussions about what we are encouraging council to do with the notes.

Auditor - Auditor David Hollingsworth: We're going to do something a little bit different tonight because everybody wasn't available to be able to discuss this at a special Finance Committee meeting before this meeting. We made arrangements for our legal counsel for our bond and note issues and our bond underwriter to be available via conference call. They're both taking time out of their evenings. Scott Stubbins, who is our bond underwriter, is in Virginia on vacation. Margaret Comey, our bond counsel, is in Michigan, also on vacation. They have agreed to take time out to further explain the ramifications of what council is about to vote on in Finance under Item C. To give you a little overview so maybe the phone call will make sense, we have a note issue that is coming due the 18th of July that involves the construction of Lowes Drive, Davids Drive, and a vertical expansion out at the landfill. Those are three short-term bond anticipation notes that were taken out that run for 12 months. Then they are either paid down, paid off, or rolled over. We've been rolling them since 2003, as 2003 is when we took out the debt on Lowes Drive. We've been paying it down. There was permissive tax dollars pledge to pay down the roadways. Rates were put into place to pay for the vertical expansion at the landfill, plus some additional expansion to be done in the future. But there was a set plan a schedule put into place to pay that debt down over time. The reason we did short-term notes rather than bonds was because of the interest rate environment. The interest rate on short-term debt was a lot less than what it was on bonds. We didn't lock ourselves into a fixed interest rate, so we were able, over the last few years, to take advantage of the lower interest rates, which is less cost to the city in interest costs, and then pay the debt down as we choose. We can accelerate, if it happens that we don't have enough money in permissive tax or some other method of paying down – we could pay the interest only and continue to roll the notes. But, we have been fortunate to be able to pay the principal down as well as the interest. I think what has caused some confusion is we have an opportunity to buy our own debt. I will explain later after the phone call. Basically, that will allow us to not pay a third party the interest cost. In essence, we do not pay any interest at all; we just roll the principal. The other issue we have, and this is where this phone call is very important. Back in November, we had the opportunity, because of the interest rate environment, to save the General Fund hundreds of thousands of dollars by refunding bonds that are outstanding on this building and also some bonds that were outstanding on some fire equipment and some improvements done to the fire house. They are general obligation bonds. It's just like you going out and refinancing your house, when the interest rates drop. We were paying, I believe, somewhere around 4 to 4.5 average interest on those bonds. We can go out on the open market and possibly cut that in half, saving the city hundreds of thousands of dollars in interest costs. It is related to this note in a way that you will soon find out when we talk to our bond underwriter and our legal counsel. When we're through with that phone conversation, I will take as long as it takes to get you to

understand why the notes were taken out, why there was permissive tax, why there was landfill money committed to pay that debt back, and then we'll kind of go from there.

Auditor David Hollingsworth invited council to sit around the table to hear the conference call.

Clerk Brenda Woods called Margaret Comey and Scott Stubbins on the phone.

Auditor David Hollingsworth expressed his appreciation to Margaret Comey and Scott Stubbins and explained that he had given a history of the note issue.

Scott Stubbins - I can walk through the steps of what it would mean in as far as the bond sale and future perception with investors if the General Fund is reduced at the levels that have been talked about. Margaret you can chime in whenever you see the opportunity. We were ready to price the general obligation issue to the city (we were actually looking it to price it yesterday) and were prepared to go into the market. Then after what we had heard was coming down as far as the note payoff, we had to put a stop to the sale, because the information that we had presented to both Moody's investors, which is the rating agency, and what we had included in the offering documents to investors, included what we had thought to be, and what was the original plan, was rolling the notes with the internal purchase of that. So, by kind of changing that plan, it set a couple of other things into motion, the first of which being, obviously, halting the bond sales. We were not able to lock in rates. Second of all, if the city decides to make a generous pay-down of the note and take it out of the General Fund now, we would have to go back to Moody's Investors Services, the rating agency, and have another conference call with them updating them of the situation. We received an A1 rating from the rating agency, which is a very good rating, but part of that rating was predicated on the city had a General Fund balance that afforded it the flexibility going forward and gave it some stability. If that were to be drawn down, certainly Moody's would want to be aware and they would possibly update their rating based on the drawdown of the General Fund. It is not outside of the possibility that the city's rating could be reduced. It was cited as a possible concern going forward. They had cited positives and negatives, and one of the negatives of going forward would be a reduction in the General Fund balance. So, it was something on their minds and if the city were to spend down that General Fund balance at a pretty significant rate, we would have to go back to Moody's and update them on the situation. There is a chance that they could change the rating. There is also a chance they could update the report, which would create a visibility problem with investors, because we already sent a report out to investors. So, changing that report would be kind of questionable to the market. Also, what we have out there, and Margaret can probably talk about this better than I, we have a preliminary offering document out to the investing public, which is a preliminary sales statement or kind of a prospectus document, that document includes balances from the city that were based on the anticipation that the notes would be rolled. It didn't take into account a significant General Fund pay down, so that document would be updated and then resent to investors. There is a chance you could just send out a notice that this page is no longer accurate and this is the change, but it would only go to highlight the situation that the General Fund balance had been reduced, which would highlight it for investors and then bring questions to mind about why exactly is the case. It is not the kind of attention that the city wants to draw. My biggest concern here is, it is kind of a reputational risk, with a cost of what I would call "market perception." When you go out into the market and you're getting ready to sell an issue and you have it change, particularly a draw-down in the balance instead of a credit positive, coming back and changing the situation, you highlight it to the investing public. It can cost you an interest rate, and in the issue we're talking about, it is a refunding issue so there was going to be savings. Any increase in the interest rate will be less savings per year coming to the city. Just to give you an indication, when we were talking Monday with investors before we stopped the issue, we had a regional bank buyer who was interested in me purchasing the whole issue, but with a situation coming along like this, that could easily scare off a buyer who is willing to go at risk for all of the bond, you know, given a changed circumstance. It would certainly cause him to come in at a level that is much higher than where we were before.

Margaret Comey – I would agree with Scott on all of the above. I think the issue of reputational risk in the market is a very large one. We did have to revise the preliminary offering statement that currently has an appendix in it that is a comparative summary of General Fund receipts and expenditures from 2008-2012, and then it shows the budget for fiscal year 2013. The numbers, obviously, at the end of 2013, the budgeted numbers have changed, and that is where this reduction or the issue of the General Fund balance would show up. I know that all of you have been working hard in the last five years to drive new economic development and tightening funds and creating some fund balances to give yourselves a cushion. All of that was recognized by Moody's in our rating call because city officials went through a PowerPoint and indicated why the drop-off had occurred when it did and what the city has done to bring those balances back. I guess the feeling is that your efforts have paid off, and all of our efforts as your finance team have paid off, because for a number of years there was a perception in the market that things weren't going well. Now we have turned that around, if you will. I would just hate to see a problem arise here in the middle of this bond issue that would then change your name in the market. I understand that there is an interest in paying down more on the notes. The notes are, at least in the current year, at a very, very low rate, plus the treasury benefit because you're going to buy the note yourself. There were a couple of years when we had trouble selling the notes, so we have come to a good place in the road, and I think that there's a great risk that we could derail some of this recovery in the eyes of the investment community. Where I come in is in the offering circular, which is the disclosure document that would have to be amended. If we did trigger a downgrade, we would also trigger notices that would have to go out on the electronic system to the MSRB because a rating downgrade trips these notices on continuing disclosure. I guess that's an additional thought we should add in here.

Auditor David Hollingsworth – Does anyone have any questions?

President Kirchner – I have a number of them. First of all, I want to thank you for taking time to meet with us tonight. I would like to ask a couple of questions. First of all, just to get a general understanding, Scott, I know it was last fall when we took the vote to reissue the general obligation debt at the lower interest rate. I'm curious as to why it's just coming to market. Why has that taken this long? I would have thought that we would have completed that prior to now.

Margaret Comey – Well, we have been working on that since November. At that point in time, it would have been considered an advance in funding, which means more than 90 days in advance of the redemption date for the outstanding debt. And there were cost savings generated, but also there is a cost associated with an advance refunding versus what we call a current refunding, which is within 90 days of the redemption date. It has to do with how you use the proceeds of the refunding bonds, the new bonds, and that you buy treasury investments that are essentially ladders to come due at the point in the time when the earliest potential call date – and the earliest potential call date was after May 15. So what we did was watch the market and we turned an advance refunding into a current refunding that still had significant cost savings for the city. That's kind of a technical response. If there's a follow-up, I'll try to respond to that.

President Kirchner – Well, in a way, it does. At that time, we understood it was going to be an advance refunding in which you would issue the bonds, ladder the investments, and then payoff at the appropriate time. But it sounds like somewhere along the lines, a decision was made to do a current refunding instead of an advance refunding.

Margaret Comey – Do you want to talk about negative arbitrage, Scott?

Scott Stubbins – Yes, I can talk about it a little. Part of the concern was investment rates right now, you were funding escrow, are very minimal. Basically, you got short treasury bonds, but in this case, the treasury bonds yield almost nothing. So, part of it was, if we could just pay cash and not have to invest it and when we issue the bonds, essentially pay off the old ones and not have to invest it over a period of time, that because of interest as a transaction to move forward. There were also some complications about getting data compiled from the County Auditor's office. It took a while to get some things documented and get the data into the offering documents that kind of delayed the

issuance. So, it was kind of a combination of an opportunity to get rid of the negative arbitrage and pay off bonds all at once and just some delays in getting things accumulated to be put in the offering document because it takes a while to get all of that information and compile it. It's been a while since the city has done an issuance and it just took longer than anticipated to get it all together.

President Kirchner – So, two factors played into this – complications getting the data compiled by the County Auditor, and the fact that any investment vehicle for that short term once you issue them was not going to have much of a rate of return. The thought being that if you just paid in cash, you didn't have the cost of the transaction of the investments. Is that correct?

Scott Stubbins – Yes.

President Kirchner – But as we began going through the year, we potentially took on more risk with the actual interest rate market. Is that correct? The potential for the bond markets to move.

Margaret Comey – There have been no pronouncements by Bernanke until very recently. The guidance from the fed has been that the rates would be held down for quite a while. I can't remember exactly what the end-date was. It was at the end of 2014.

Scott Stubbins – So, the thing is, we were looking at the interest rates, which were really low, and we wanted to lock it in but there were a couple of reasons why we couldn't get it done exactly when we wanted. It's not as interest rate sensitive as others because it is only out to 2021. Our term, in our market, has a very short issue. Given where the Fed funds rate is and where the federal reserve rates have been, it doesn't expose us to a whole lot of interest rate risk relative to other issues that we sell on the market that may be 30 years, where we have seen interest rates significantly move back. So, yes, there is always a chance when you are working on an issue and you're trying to get it ready to go to market that the interest rates will move against you. And until you actually sell the bond, you never know quite what you're going to get. But, additionally, this issue was a little less interest rate sensitive than most issues you see in the market.

President Kirchner – Okay.

Margaret Comey – The big rate things that have been in the press of late relate to the third year bond rates because of the feeling that rates will move when the Feds move to 2 or three or whichever they land on at this point.

President Kirchner – I believe it's three. My next question would be, Scott, you talked about already having some documentation together regarding these bonds and that there was a plan that was put in there regarding the city planning to purchase these bond anticipation notes. I'm curious when that plan was determined.

Scott Stubbins – The plan was to roll the notes. When it became determined later on, the city, given the city's eligible investment rates and given what they would have obtained on these notes, the more advantageous idea was to just buy them internally. But the plan as it has been over the past number of years was to roll the notes, paying off a chunk like they have been in the past, and keep paying them off over time, but rolling a significant amount. So, that was what was communicated to the rating agencies and that is what is reflected in the preliminary official statement: the intention of rolling it, regardless of whether you sell it to the public or did it internally. It was a decision that I think later in the process was determined it was the best way to go.

Margaret Comey – I think we had a discussion about this at the time that I came up and attended a meeting of the Finance Committee and you also had another committee meeting that evening. In any event, the fact the outstanding GO notes are existing is something that has to be included in the disclosure document. By indicating the typical course of action, we thought that was a plus in the market. But what is reflected was "in 2013, the bond anticipation notes are expected to be paid in part and refunded in part, but the result at the July 18 date, will be expected to be impacted as follows:" That was

the 702,500 number. I know you want to whittle that down somewhat. Part of that \$702,500 is the landfill advancement. It has been my understanding all along that you have been using landfill fees to apply to that debt. The covenant to use income taxes with regard to the other component, although you have fees that you apply to that pay down as well. While that is a various purpose bond anticipation note, it does have those three components. It has been my understanding over time that the revenue stream that you kept dedicated to reduce those notes has been specific.

President Kirchner – Okay, in looking at that language that you just referred to. If we are looking at that fact that the first call option came 5/15, we would have had that document prepared ahead of that. Correct?

Margaret Comey – Yes. I've been working on OF to send in – it went from skeletal form to putting meat on the bones over time as we have been able to get information from the county.

President Kirchner – When did we complete the information from the county that we needed?

Margaret Comey – The POS had an official statement dated June 20, so it would probably would have been 10 days or so before that.

President Kirchner – Okay. So, around June 10.

Margaret Comey – The preliminary official statement is the city's document. It is what one would call a defensive document. There are various means of disclosure of what you have to tell the market and what type of information has to be included with that.

President Kirchner – So, that document went out on 6/20 is what I understand or went live on 6/20.

Margaret Comey – That is correct.

President Kirchner – So the preliminary operating document was available 6/20. I have a feeling that herein lies some of the difficulty because I don't know that council had been brought into this until that course of action was already somewhat locked in. David, I'm not sure when you brought this forward...

Auditor David Hollingsworth – What are you talking about? The buying of the note?

President Kirchner – The buying of...

Auditor David Hollingsworth – Let's not buy it. Let's just sell it back to the bank. We have that option. It's really no different. Am I correct, Scott? It's irrelevant. Because all we have to do is roll the note like we have the last ten years and sell it to a bank. You're going to pay a bank 2 or 2.5% , maybe more, interest. If we buy it ourselves, it costs us nothing.

Councilman McKay – The scenario was put in place when the budget was put in place.

Auditor David Hollingsworth – That is correct.

Councilman McKay – That's kind of what your question is.

President Kirchner – I wouldn't concur with that.

Auditor David Hollingsworth – Well, that's when the original...

President Kirchner – I don't think anything was determined what to do with the carryover balance that was additionally established beyond our historical 25%.

Auditor David Hollingsworth – Well, we can discuss that later. Let's get the questions answered and let them get back....They're on vacation.

Councilman Stuckert – My question is, when that pay-down is to reduce debt, wouldn't that mitigate the concerns that they would have. Because the city's debt would surely carry an equal weight with the fund balances, wouldn't it? We had situations in the past number of years where our fund balance was lower than where we are now as a percentage of the budget. So, my question is, because the pay-down we're talking about – if I had the total amount of the city correct, is approaching 20%, wouldn't that be a positive to the market?

Scott Stubbins – That is a great question. I was part of the group that went to the rating agencies. I can give you their credit feedback and what they thought about the city and how it is reflected upon your overall debt burden. The city's overall debt burden relative to your peers both in Ohio and around the country is not very high. You have a relatively low debt burden versus a lot of your peers. So with the chance of all of the cuts that are cutting from the state and with all of the things like the estate tax going away, Moody's and the investing public look at a General Fund balance as their insurance. I think the 25% of revenues is a great target, but they look at the General Fund balance as their insurance. They are viewing that as money set aside if something were to happen that was unexpected, like you had happen, you can get by during that time. Where they would get concerned is....I work with cities with slightly higher debt burdens and higher General Fund balances. What they would like some of those cities to do is maybe pay off some of the debt because they have a whole lot of debt and they have huge balances and they should use the monies. When you have a fairly low debt burden and your fund balances are kind of near where you want them, reducing the debt burden and reducing the flexibility of the city going forward and putting it (in Moody's eyes) at risk if something were to change or income tax revenues aren't as good, that flexibility that you have to adjust to those situations is reduced. That is what their big concern is. That was reflected in the rating report. When you saw what your strengths were – overall debt burden was modest and the risk going forward – a big reduction in work force or a reduction in the General Fund balance. I think that plays out. For a lot of folks, I think, taking a fund balance and reducing debt makes a lot of sense. But particularly if you have a huge General Fund balance – we have clients that have 70% fund balances to revenues – that might make sense. But if you're at the levels you're talking about and when the rating agency says essentially that they are kind of worried about that as a future risk, it gets to something that you wouldn't want to have happen.

Margaret Comey – I would agree. I look at the cash basis numbers through 2012 and 2013 and the ending balance in the General Fund is a little over \$2.7 million in 2012 and about \$2.65 million in 2013. There is not big difference, maybe \$100,000. The fact is, in Ohio everyone in the investing world is certainly aware of the reduction in dollars flowing from the state to the city, and you need a cushion to get through the tough times. And that's what you've been working on building. Given the language in Moody's letter, if you have a significant reduction in that fund balance, you would end up with either a negative watch on your rating or worse. I just don't know why you would risk doing that. It would be very damaging to the city and the credit.

President Kirchner – I would say, having never seen the Moody's letter and having never had it presented to council, and having never had this opportunity to have this conversation with you and Scott prior to now, I don't think any council member thought they were risking anything by using additional General Fund carryovers to pay off debt. What I am hearing you saying is, for higher debt-level cities, it would be looked at as good for them to spend their cash payment down when they have a much higher debt burden, which would seem to lower their flexibility with higher debt coverage. I'm trying to understand.

Margaret Comey –That was Scott's point rather than mine, but I think he was referring to city's who have much larger fund balances.

Scott Stubbins – Yes.

President Kirchner – But as a percentage of their budget, it's a question mark in our mind, because 25% has historically been the goal. This year, with a balanced budget, a carryover in the neighborhood of 36% was achieved. It was simply a thought that you could eliminate the cost and the debt by paying off the portion that was bond anticipation associated with the Lowes Drive and Davids Drive construction. It was a little bit counterintuitive in this week to begin hearing that this was going to risk our reputation in the market.

Margaret Comey – It was our understanding, I know that the Auditor has relayed information to you all about the rating and the importance of it and the impact of change. I was up at a Finance Committee meeting at one point. I guess if you would have asked us then, we would have responded. We would have been willing to come up. I suppose that when you convene your Finance Committee, you need to invite us to intend. I'm trying to respond to the situation as we see it now and what we think could be problematic for you.

Scott Stubbins – It gets to the point of while the city was looking at the internal purchase as opposed to selling it to the bank. The city would be investing funds that it already was going to put to work, it could buy its own debt. What it does is it reduces the flexibility next year. Your investment rates are up, for whatever reason, the interest rates are up and you're able to sell the note again next year at a lower rate or at a rate that doesn't fluctuate as much, you preserve the ability to go resell that at the market and you don't use your General Fund balance, you keep it flexible. But this year, in this budgetary year, with this note rollover, you kind of get the best of both worlds where you're not paying the high interest rate to a bank or anyone else; you're kind of foregoing that and keeping that interest savings for yourselves. Essentially, you're doing the same thing. You're saving that money. You're not paying interest out to anyone else with that money at the high interest rate, but you've preserved the flexibility next year to reissue that debt and keep that fund balance in place. So essentially, you have the chance to replenish those funds, via the investment funds with the roll of the note. Next year, you might be in the same position where you roll it again, but you roll it at a smaller amount. You have the flexibility to make that decision year to year, as opposed to paying it off now and then let's say next year, for whatever reason, things get a little tighter, you don't have that flexibility to reissue it; you just paid it off. The way I'm viewing this, it's kind of the best of both worlds.

President Kirchner – Well, the budgetary side of this, which I know you guys don't see, is it also frees up an additional \$100,000 a year from permissive tax to put into infrastructure, road repairs specifically, so it actually enables us to maintain the infrastructure better.

Auditor David Hollingsworth – But, no it doesn't. If you don't pay the cash out of the General Fund, you still have the cash. If you so choose to use that money to do repair work on the roads. You still have that cash. If you pay the cash out, what she is telling you... We'll talk about this later, but you're dead set on spending that \$400,000 out of the General Fund and it really doesn't make sense. These guys, and I told you collectively, know more about the interest rate and bond market than any of us in this room. I rely on them. I let them do their job. I have an understanding of what they're talking about, but I let them do their job and I rely on that. If they're telling us that this puts our bond issue at risk, I get concerned. I get real concerned. Because if something does happen, then you all have to answer to these people out here. Not me. I don't have a vote. I just give you my recommendation. And we have talked about the rating being impacted at various meetings. Have we not, Bob? At Finance? Did I not make that a point?

Councilman Mead – You said it could be affected.

Councilman Stuckert – But a statement that it could be isn't a document.

Auditor David Hollingsworth – But we don't know until the event happens. I can't tell you what Moody's is thinking, no more than I can tell you what Mark McKay is thinking right now.

Councilman Stuckert – I understand that. What I'm saying is we have to have more than just a statement that it could be impacted.

Auditor David Hollingsworth – There is no definitive answer. But they are telling you, based on their experience and what has already been disclosed in our bond issue. And as far as that not being talked about – the buying of our own debt is really a moot point. This bond issue, this note issue, was in the original budget. The original budget allowed for \$100,000 being paid down out of the landfill, \$100,000 out of permissive tax. As I stated earlier before our phone conversation, a plan years ago was put into place to pay that debt down over time and give the city flexibility. Now we're running the chance, number one, affecting our bond rating, and we've worked really hard. As far as the timing of the document, Mary Kay has worked tirelessly, along with these folks, trying to get information out of the county, along with trying to get a year-end audit finished, along with doing payroll since we don't have an employee. She has worked her tail off getting the information together for this bond issue. The point is, and you can try to distract it with whatever you want to say, the point is, if you pay this General Fund balance down, you're running the chance of a negative impact on this bond issue that he is trying to sell. If that happens, you're going to have to answer to the citizens – not me.

Councilman Stuckert – I think we all, one way or another, have to answer to the citizens.

Auditor David Hollingsworth – Oh, we're all elected...

Councilman Stuckert – I would question your statement that we're trying to distract.

Auditor David Hollingsworth – I'm just saying, they're telling you what's going to happen...

Councilman Stuckert – I understand. I understand the finance end of it. What you need to understand is, we're looking out there and talking to people about streets right now, so we have to balance it....

Auditor David Hollingsworth – Well, we can talk about that later, but again, let's get these people off the phone so they're not listening to us...

President Kirchner – Margaret, you mentioned that if we had talked about this when you were here back in October, when we were looking at the general obligation bond refunding that Scott is working on, if we had mentioned this plan at that time, it would have been different, is my understanding. If we had gone forward with the idea that we were going to pay off those bonds. Is that correct?

Margaret Comey – My point was, I didn't know that you all were planning to do this back then, and we went with what the budgeted numbers were in the disclosure document. So, that would have changed...

Auditor David Hollingsworth – Can I just say one thing...

Margaret Comey – You're at the point where you're going to diminish your fund balances and Moody's just took you off of negative watch. And you will have money in your General Fund to do repairs. I feel like you're trying to trap me in that response...

President Kirchner – No. There was a specific question in there Margaret.

Margaret Comey – You can do what you want. I can do whatever you want me to do, but the points we make about Moody's will still come into play.

President Kirchner – I understand that. My question was going to be specific to that time. Because at that time, we got a budget that was a deficit budget spending the money that we're talking about right now. I think that is why I think council has a little bit of trouble understanding how balancing that budget and freeing up that cash and then using

it to pay down debt is a difficulty, whereas the idea in October that had been presented by the Administration was to spend it in operations beyond our income.

Margaret Comey – I don't know about your budget discussion and what occurred in October in that regard.

President Kirchner – But that is what we are indicating set the plan in motion to purchase these or roll them as a whole.

Auditor David Hollingsworth – But that has been the plan for the last ten years.

Margaret Comey – The idea to buy them yourselves came into play later in the process. Other jurisdictions are doing this as well. You could be paying a bank a percent and a half or you could be paying yourselves between a quarter of a percent and half a percent and you would be making more on the money by buying your own paper. The opportunity cost of that is better than you having your General Fund balance invested in treasury. So, that is something that has been evolving and occurring over the last few months and so whether you roll the notes or sell them to the local bank or Fifth Third or publicly sell them through Hilliard Lyons, which is Scott's firm, those are all options, as well as the option to buy them yourselves, which we refer to as manuscript debt. That's the new twist. That is one of things David was talking about. We thought it was a really good helpful solution for you.

Councilman McKay – Margaret, I have a question. If, we had talked about all of this last fall, the way you are describing, Scott, they would have had to sell a different scenario to Moody's this spring. Therefore, our bond rating could have been different based on that scenario.

Margaret Comey – Yes. That's right, which is why we don't think it's a good idea that you diminish your fund balance.

Councilman McKay – I just want to say you've all done a tremendous job to take our bond rating where you have and tell the positive aspects of this city. David Hollingsworth and Mary Kay have done a great job. I'm not one of the councilmembers who agrees with paying down the General Fund.

Margaret Comey – David and Mary Kay have done a great deal of work. David has been as active for as many years as we have, so he certainly aware of the parameters of the discussion we have had. And Mary Kay, oh my word, she is very knowledgeable, very diligent and very conscientious. She made our job easier. So, we understand there are challenges and issues to talk about. We're trying to be helpful and certainly not obstructionists.

Councilman McKay – What is the potential situation with the date of the sale? When do we have to have legislation?

Auditor David Hollingsworth- Notes come due on the 18th.

Margaret Comey – The bond anticipation note comes due on July 18. You need to make a determination about what you want to do with these bond anticipation notes very quickly. The plan in place was and the legislation you have provides that you would buy back your stuff; that the city treasury would buy those. If you wanted to change that to sell them to a bank, it would be difficult to get it done at this date, but we could probably...

Councilman McKay – I don't have any more questions.

Margaret Comey - ...but you need to decide what you are going to do with these bond anticipation notes. We're at July 3 and those come due in two weeks.

Councilman McKay – Thank you.

President Kirchner – Margaret, I do think that councilmembers understand the value of the idea of the city purchase where it makes sense, such as with the landfill, which is what the Finance Committee had brought forward, protecting the landfill from the interest rate issues and lowering the cost to borrow. So, that wasn't the issue. The issue was understanding how this would negatively impact the bond rating. What you are saying is that a course of action was set into motion that council had the peripheral portion in of passing the budget last year. I will point out, that until December 31, the additional carryover didn't exist, but council didn't have any information in between December 31 and now to understand that the idea of using that additional carryover to pay down debt was a negative to this. It sounds like the timing has been a perfect storm of putting off the bond issue on the general obligation debt and putting out that deck that said one thing and then the potential here that council would consider doing another. I want to thank you guys for coming on today and explaining that it basically comes down to the fact that the POS, contained information that this was varied from, which is the first time that we have had the opportunity to hear that as the fact of the matter.

Margaret Comey – That's just one aspect. The other aspect is how Moody's uses fund balances. They can change a rating at any time they want, not just during a bond issue. They review issuers from time to time. They try to do it annually.

Auditor David Hollingsworth – Yes. I think we had a downgrade when DHL pulled out.

Scott Stubbins – If we were to sell the bond and they were to find out that a different fact pattern happened... The timing is not optimal given the fact that we are out there in the public with information; a different way of going would severely impact the view of this city, both in the rating public and the investing public.

President Kirchner – It is understood. This was a helpful call, I know at least for myself to understand the details of what had put us in the situation. I don't know if any other council members have any questions.

Councilman Stuckert – It's helped me. I really appreciate the information.

Scott Stubbins & Margaret Comey completed the phone call.

Paul Hunter – David, is this just about the landfill expansion?

Auditor David Hollingsworth – No, the notes are a combination of what debt remains on Lowes Drive, Davids Drive, and the landfill.

Paul Hunter – But the landfill has their own Enterprise Fund.

Auditor David Hollingsworth – Let me explain that. This is a process that started back in 2003 when we first did Lowes Drive. Then we added Davids Drive and the vertical expansion. To get economies of scale, rather than have individual note issues and pay cost to issue those notes each time in three separate issues, we combined them all into one. The landfill pays their portion and then the permissive tax pays their share, but to save the city costs, we combined the three notes together so we are only paying issuance costs once, rather than three separate times. Again, the plan was put into place back in 2003 as far as how that debt was to be paid. The General Fund was never even considered back then. Just for clarification, Mary Kay just handed me a note. The note issue payments that we are making has nothing to do with the 25% balance because it is paid out of permissive tax and out of the landfill. Also, let me clarify the 25%, because in a way I feel that is being used against me (not me personally) or to justify spending anything over and above that. It's not that it can't be spent. Every dollar that is in that General Fund belongs to you guys. I contributed part of that, you contribute part of it, you did, you did. The money is to be used for services to the citizens. It's our job and it's my job specifically as City Auditor to safeguard the assets of the city, to make sure and monitor that the money is used properly, efficiently, and effectively. The 25% came up years ago, back when we issued initial debt on the sewer plant. That is when I came into office. We were getting ready to go to New York to visit face-to-face with an underwriter and insurer. We met with them, but the idea was, they asked a question,

“Well, what do you keep as a reserve?” We knew that going in that they would ask that question, and our bond underwriter at that time said as a general rule of thumb, we see 25% of our operation expenses, or three months, just as a general rule of thumb in case a catastrophe happens that you have cash in reserve to carry yourself for a short period of time until things recover, whether it’s a short-term turn back in the income tax or something as dramatic as we have happen here two-fold with the recession with DHL. So, it’s not that we keep 25% and we just spend everything over that. Whatever we spend, I think we have to take a look and make sure it is used, number one, as best as we can use it, and to benefit the citizens as greatly as it can. As Auditor, I have an issue (not that we can’t – we can use the General Fund for anything), but the fact that we had a plan put into place and we have roadways that we are using permissive tax for. And permissive tax can only be used for road repair and for construction. It can’t be used for any other expenditure in the city. It has to be used for those types of expenses related to the streets and the roads. We put into place a commitment to use the permissive tax to pay for Lowes Drive and Davids Drive. The vertical expansion again, and I know I’m repeating myself, we put rates into place to pay that debt down. I have a problem as Auditor, and this is my business side coming out, I use the same methodology in my public practice, if I see somebody that is taking cash that is normally used for operations and they are going to pay it for a long-term fixed asset and pay cash, I have issues with that. To me, it’s not good cash management. There are some things, like your home, and you guys can probably relate to that. Most people aren’t fortunate enough to have enough excess cash to pay cash up front for a house, so you take out a mortgage. It’s an asset that has value that hopefully will appreciate over time, so it justified having debt on it. The same way with our roadways and our landfill. Believe it or not, we are required to show on our balance sheet the cost of our roadways. We have to capitalize those and show those as an asset on our books. They have value. It makes sense to pay for those over time. I think the other philosophy, which to me makes sense, is rather than paying cash up front for any fixed asset, it’s something that’s going to benefit citizens, it’s going to benefit your children and your grandchildren, it makes some sense to have them share in that cost over time. That’s the issue of the note that we’re looking at right now. Again, the note was in the budget. The budget was to pay \$100,000 out of the landfill and \$100,000 out of permissive tax and then determine what we were going to do with the remainder when it came due – whether we were going to roll it or pay more down. If you look at the history, I had Mary Kay put this together. In 2004, we paid \$175,000 and this was before the landfill came into play – this was just Lowes Drive and Davids Drive. We have paid up to \$200,000 a year. Having the notes just gives us the flexibility. If we have a lot of permissive tax and not many road repairs or road construction that we’re going to do, we can pay extra down, and it will be paid off over time. Right now, after this payment, we will have \$400,000 left on Lowes and Davids Drive. There is \$400,000 now on the landfill. Pay \$100,000 and there will be \$300,000 left on that note. So that’s the note that is coming due here on the 18th. I know the idea of buying our own debt confuses a lot of people. I’ve thought about how to present this. We have money sitting in a money market now earning 0.1%. If you had the opportunity to earn 2%, which investment would you choose? It’s not a trick question. Two percent, right? That’s in essence what we would be doing if we bought our own debt, because we’re not paying interest to an outside party and we’re not depleting our fund balance. When the note rolls around again in a year, we can sell it on the market or we can keep it in our own portfolio. Right now, we have a little over ten million dollars on the last statement that you get every month. If you look at that statement, the Auditor-Treasurers report – there’s over ten million dollars in there. That’s not all sitting in a checking account. Most of that money is invested. Paul Fear does the majority of the investing. I’m part of it, but he does the majority of it. So, that money is not sitting in a checking account, it is sitting in short-term investments that we are allowed to invest in under the Ohio Revised Code, so that we have interest on it. All we were trying to do was avoid paying interest on this note to an outside party and keep the money ourselves.

Paul Hunter – The wastewater example is kind of counter to what you’re saying. We paid it down to lower debt service, which then gave us more of a surplus in the wastewater fund. It’s a little bit different than...

Auditor David Hollingsworth – Same basic concept. Then we throw in the bond issue and as far as the timing on that – back when we started this process with this official

statement, we had a budget in place. We knew what the budgeted payments were and it was a matter of what we were going to do with the balance. It has never made sense to pay it all off. In my mind, it doesn't make sense paying it off out of the General Fund. We have a lot of things coming down the road, as I mentioned in Finance Committee. We have a lot of jobs coming on board – not as many as we did have when DHL was here, but we're slowly starting to recover. We don't know what that income tax number is going to be yet, so I don't see what the rush is to go out and spend \$400,000 out of the General Fund when these notes are only being rolled for a year. Now that you know the impact, budget for that for 2014. That would be my suggestion. Why run the chance of impacting our bond rating and our reputation in the bond market by taking money out of the General Fund. I was trying to figure out what changed. I guess, Bob, I'll have to ask you the question. At the special council meeting, you had made the proposal that we go ahead with what was scheduled, pay \$100,000 out of permissive tax, \$100,000 out of the landfill and roll the rest, whether we buy it or sell it to an outside party. Between that Thursday and the next Thursday when we had the Finance Committee meeting, the initial response was "We're going to pay it all off."

Councilman Stuckert – That's a no-brainer. You brought up the point of buying the debt and you also said we could pay it off if we want to.

Auditor David Hollingsworth – Well you have that option at any time.

Councilman Stuckert – You said it, so...

Auditor David Hollingsworth - I didn't say "Pay it off."

Councilman Stuckert – I understand, but you said...

Auditor David Hollingsworth – That's why I'm asking you what changed your mind to go from paying \$200,000 to paying it all off. I'm just asking the question.

Councilman Stuckert – I know what changed it for me. For me, anytime I can pay off a debt and free up money... For instance I had a purpose for the money, repairing streets. This is not related directly to bonds, but it's in the back of our heads. I'm going out and I'm banging my car around on some streets with holes now, including Lowes Drive. I'm saying, we're going to sit here for four more years and commit \$100,000 in permissive tax money paying down the bond. We have enough money, as you said, sitting in an account not making an interest...use it to pay the bond off. At the beginning of next year, \$100,000, \$200,000, \$300,000 – in four years we pay \$400,000 towards repairing those roads. That is my logic. As far as the statement, let's roll them. Yes, that was in the budget. That is what we planned to do. Then we found out you had the idea of buying our debt. I've talked about this. It's taken a while for us to get our arms around that. I've asked...I've told a number of people out in the community about that proposal. Without fail, the answer that comes back is, if you could do that, why not pay it off? If you can buy your debt, why not pay your debt off? I understand.

Auditor David Hollingsworth – I guess what I have a hard time understanding is, what's the difference...I think it's better or gives you more flexibility if you maintain your cash and you've got that if you want to spend it for roads. If you take the cash and you pay off the debt, the cash is gone and your fund balance is depleted.

Councilman Stuckert – Of course it is if you are spending it on the roads.

Auditor David Hollingsworth – But that is what you are telling me, that you want to use it for roads. Why not maintain the cash. If it is appropriate to spend that money on the roads, spend it.

Councilman Stuckert – Any combination in there...there are all kinds of...

Auditor David Hollingsworth – The problem is, again, if we take that big chunk out of the General Fund right now, you're running a chance on affecting this bond issue that we're trying to sell that had to be pulled off the market yesterday. I understand where he

is coming from. I had the same thing in the private sector. If I'm doing a set of financial statements for clients, if they have a December year-end and something material happens between December 31 and the time I issue the financial statements, I have to disclose that. It's called a subsequent event. It's the same with Moody's. If we have a material change in our fund balances, that's going to have to be disclosed to Moody's before that bond issue is ever sold, which again could affect our rating.

Councilman Stuckert – I think there's another problem, David, that you guys in the financial end don't get. There's a credibility problem with Moody's and all of the big players, because in all of their infinite wisdom, we find ourselves in a nation that has so much debt we can't even imagine. So, there is a credibility problem with that. We can go on about this forever, but I have a question I want to ask you.

Auditor David Hollingsworth – Okay.

Councilman Stuckert – Am I to understand that there is no money being used from the General Fund to pay down any of the debt that the city has.

Auditor David Hollingsworth – Well, the debt on this building is paid out of the General Fund but the two-tenths increase in the income tax was pledged to pay that...

Councilman Stuckert – Okay. Are there any others?

Auditor David Hollingsworth – ...That was set up to pay that debt back over time. The provision was also in there that if it was too much, then that money could be used for the general operations of the city.

Councilman Stuckert – But I'm saying, we have a couple of million dollars of debt total...

Auditor David Hollingsworth – You have some debt on this building as a result of the Honeywell improvements...

Councilman Stuckert – And there is some fire equipment too?

Auditor David Hollingsworth – Fire equipment is basically, I guess in a round-a-bout way, could be paid from the General Fund, but should be paid by the Fire Department out of their real estate taxes and other collections.

Councilman Stuckert – But we end up subsidizing that a lot.

Auditor David Hollingsworth – Well, we can argue about this...

Councilman Stuckert – It's just that indirectly, that's being paid out of the General Fund.

Auditor David Hollingsworth – Here's the bottom line. I understand your concern and acknowledge it. Again, guys, I wouldn't challenge Scott Stubbins' opinion about what he feels Moody's....he's in this every day. He's dealing with Moody's every day. He knows how they react. I have to rely on him. I let him do his job. I rely on him. It's as simple as that. The bottom line is, guys, if you take \$400,000 out of the General Fund, which I have been opposed to at every meeting we have had since this has come up, then you're going to take a chance of that impacting... Number one, when we get that Moody's rating, it cost us about \$15,000 to get that rating. If we have to turn around and get re-rated, it's going to cost us another \$15,000. To me, that's wasting citizens' money. Now that we know what your intentions are, if you want to pay that off to accelerate it, you can do that through the 2014 budget if that is what you want to do. The other thing that I just find I find interesting, when we passed the budget, it passed four to three. You guys can vote however you want. But I was looking through some clippings and it happened to be a clipping of a letter to the editor that you made that said we shouldn't spend any more than what we are taking in. Based on our budget, where our appropriations presently stand, if you would appropriate this \$400,000 out of the General

Fund, you are deficit-spending. You're spending more than you're bringing in during the current year.

Councilman Stuckert – So the 36% or 35% carryover still doesn't take us up over what we're taking in revenue right now.

Auditor David Hollingsworth – I'm not sure that I...

Councilman Stuckert – Because this total overage that we have right now, it's greater than 25%. It's more like 35%.

Auditor David Hollingsworth – That is correct. I actually went back as far as my spreadsheet goes in 2008, and I think there was one year that it was 21%. It's been as high as 50% in '08 and '09 when we had all the DHL revenue coming in. The bottom line, it's not that you have an excess over 25%, it's what's the best use of that. I think at this time, the best use is not to take \$400,000 and pay down debt that you've already got a plan in place to pay down.

Councilman Stuckert – What's your best recommendation right now? Just give us one.

Auditor David Hollingsworth – My best recommendation is pay what was appropriated, the \$100,000 out of the landfill, \$100,000 out of permissive tax, roll the balance. I would buy the debt, but that's up to you guys. It seems to be confusing people. What that does is keep us from paying interest to someone else.

Councilman Wells – I think what confused me, like you said, in the beginning we were going to pay \$100,000 from the landfill, \$100,000 from permissive, go with the note. That was the original plan. But when I heard you say we could buy our debt....

Auditor David Hollingsworth – I wish I had never mentioned it, honestly.

Councilman Wells – I want to say something. If I'm driving a car and I'm making payments on that car and I've got the cash to pay that car off and I call GMAC and I say I want to buy my car note and I make car payments to myself. This is confusing to me. I would pay the debt off and be done with it.

Auditor David Hollingsworth – I understand that. Here is what I would say, Don. Honestly, and I don't say this in a boastful way, but let me do my job. Part of my job...and I'm not say go blindly and approve things that we are proposing, but I go to these folks that we just had a conference call with tonight. That is really what prompted it. I'm not passing the blame... It wasn't my idea, but other municipalities are doing it. To me it made sense. We're not paying any interest is the bottom line.

Councilman Wells – Well, I've never heard of buying my own debt.

Auditor David Hollingsworth – Well, I hadn't either until it was proposed. Randy said the County is actually doing that or is proposing doing that with all of this hospital money. That's how they are paying for the sewer project they had. Basically they are borrowing from themselves. We don't have to do that. We can roll the note. You can sell it back to PNC bank. You will have to pay them \$16,000 or \$18,000. Or we can take money that we have earning nothing in a money market account. Do you want me to confuse you more? Basically by us owning our own debt, technically, it is paid off.

Councilman Stuckert – We don't ever have to pay it off. I'm just sitting here thinking that.

Auditor David Hollingsworth – Technically, it is paid off. When it comes due, you then have the option of either selling the notes back to a bank or paying a portion down and redoing and do the same thing over again.

Councilman McKay – Isn't this the way that the bond counsel has it structured.

Auditor David Hollingsworth – Right.

Councilman McKay – And didn't she say that could cause them some pain to redo it.

Auditor David Hollingsworth – Honestly, Margaret has been a trooper. She has been trying to come up with every scenario possible and have the legislation ready. Guys, we are paying her by the hour. There comes a point...I have absolutely no agenda other than doing a good job for the city. I hope you would have some trust in my office. Again, I don't want you to do blindly, but we weren't trying to do anything funny by doing this. We were just trying to save the city some money and trying to preserve our cash and let's move forward. Any questions?

Councilman Stuckert – I just want to make one observation. It's highly ironic that the bond market and Moody's would treat us differently if we paid off a debt literally, more if we pay off a debt and create a debt instrument that we are keeping on our books. That's just is really ironic.

Auditor David Hollingsworth – I don't know if you caught the comment that I made. I don't know if this is the way they are thinking, but if I'm looking at a city and I see a city that takes operating money and takes a big chunk of it, in light of our history, and they pay off a long-term debt that's on a fixed asset that is going to have a long life, I would question that.

Councilman Stuckert – It's irony.

Paul Hunter – So what is your final recommendation – to buy the debt?

Auditor David Hollingsworth – I just made it. I would buy the debt. If that is an issue, then roll it or sell it. I care, but if it is a deal breaker, then sell it to the bank. I'm kind of at that point. I'm getting exhausted, guys. I haven't slept a whole lot this week just trying to think of how I can convey what we are trying to do. Again, it's to the best interest of the citizens. There are other issues that we don't need to go into that we could have by taking the General Fund that could have a negative impact on the city. This is not the time or the place to go into those.

Councilman McKay – My question is, if we had the legislation that you proposed in front of us tonight, would council be willing....

Auditor David Hollingsworth – You don't have enough to pass it, so you're going to have to have a special council meeting.

President Kirchner – I think that every member of this council has the exact same interest for the citizens that you do. I will say that with this idea of buying our own debt and calling it an investment, I think had there been more transparency and more time given to this council to be able to ask the very questions they finally got to ask tonight, I think it would have been all right. But, if I'm not mistaken, it was June 10 or 11 when you asked this to be put on the agenda for three readings at the special council meeting on June 13, which was only to be a special council meeting for a budget work session.

Auditor David Hollingsworth – Then just sell it to the bank.

President Kirchner – I don't think that anybody has a problem with it, David, other than the fact that they didn't have time to ask the very questions they got to ask because it wasn't brought to finance before then. That's my point.

Auditor David Hollingsworth – I don't have the information about how long ago we talked about this. What was it, Bob? It's been two weeks or three weeks.

Councilman Mead – I'm not sure.

Auditor David Hollingsworth – And I have explained it or tried to explain it on four or five different occasions. I'm not picking on you, Bob, but even when I talked to you the

other day and told you that this issue came up and we couldn't sell the bonds, I think you were still confused because you thought that if we bought our own debt, the money was going to be paid out...

Councilman Mead – Well, it is. The cash will go away and an asset will come in.

Auditor David Hollingsworth – You criticize the timing of it, but I'm not sure if there will ever be enough time to get everyone to understand, because it's not something that we deal with it on a daily basis. I'm sure you will have the same questions if it rolls around again a year from now, if you decide to go ahead and roll the note or buy it...whatever you decide to do. I'm sure that there will be questions a year from now, and I would expect it, because you guys don't work in it every day.

Councilman Mead – But you have to admit, if we buy the debt, the cash goes away and the investment comes in.

Auditor David Hollingsworth – But the way I explained that, though...

Councilman Mead – on paper it balances, but I'm just saying.

Auditor David Hollingsworth – It's no different than taking that cash and buying debt at the....

Councilman Mead – And then your cash is gone.

Auditor David Hollingsworth – But then you have an investment.

Councilman Mead – Not a positive investment – positive on your balance sheet. I do want to answer a question that you asked a moment ago. I remember that evening when I said if it was up to me, I would pay it off. But, it isn't up to me, so I'm going to recommend what was on the budget and we will put it out and go talk about it, which we did. There was a lot of discussion after that and that is why things changed. I don't just do what I feel like, I do what I think people are saying and what people are wanting to do.

Auditor David Hollingsworth – This is just what we have always done over the past ten years as far as paying just part of the note down and then rolling it. This was just a little different twist in that we could not...

Councilman Mead – You see, you muddy up my water when you gave me three choices. We went with one of those choices.

Auditor David Hollingsworth – Honestly, I'm just trying to do my job.

Councilman Mead – I know and so are we.

Mayor Riley – I appreciate all of the sleepless nights David has had. I know I have had a few myself worrying about this whole thing. It really strikes me as unsettling when I hear Scott Stubbins and Margaret Comey talking about our reputational risk because some of the changes that have been recommended. Reputation means a lot to a city, particularly when you are talking about your Moody's rating and that type of thing. I do appreciate everybody's time tonight. I know we've been into this for an hour and a half and we're still on item four. I think it is pretty evident that we can't get anything done tonight because we have only five of the seven councilmembers, so we can't suspend the rules and regulations.

Auditor David Hollingsworth – We just need to give Margaret direction on what we want to do so she can draft the legislation. Again, she is in Michigan right now. So, I guess, whether you actually vote on anything tonight or not, at least give some direction so we can have her start the process.

Mayor Riley – That would be my request is that we have Margaret put together the ordinance that we need to do exactly what David had discussed earlier and that we schedule a special meeting of council sometime next week.

Clerk Brenda Woods explained that she had the ordinance as it had been presented at previous meetings. Mayor Riley asked if the dates needed to be changed and she said no.

President Kirchner – Council has not had the chance to read...

Councilman Wells – That's not fair.

Clerk Brenda Woods – It's the same exact piece of legislation that you looked at the very beginning. It has been in the folder all of this time.

Councilman Wells – When say you have this ordinance, what are you talking about?

Clerk Brenda Woods – The \$702,500. It was the very first one that you were presented. I've kept it all this time.

Councilman Wells – Is this the original one that paid the \$200,000?

Clerk Brenda Woods – Yes. I didn't waste the paper to print it again today. I already kept it from the beginning.

Councilman Stuckert – Does that call for us to buy or does it call for us to put it out on the market?

Auditor David Hollingsworth – When she made the original recommendation, I think she put the language in there where we would buy the note. There is also the opportunity in here, that I might mention, that it could be paid off early. If down road before the 12 months is up you decide you want to do something differently. I just caution you, really think about what you are doing before you do it. Also, we've gone around with this two or three different times. I know she also prepared legislation based on what was discussed at the Finance Committee meetings, so there are probably two or three versions and this is probably the original one. That is the way that she had prepared it to give us that opportunity. I'm glad you kept that.

Mayor Riley – Whatever you guys want to do. If you want to do a first reading tonight, we're not going to be able to go any further than that. I would recommend that prior to the next meeting we can get this distributed to all of council members for their consideration. Then, we really do need to act on it with at least six members so we can suspend the rules and regulations because it would definitely be an emergency by next week.

Councilman Stuckert – I am going to assume that this is at least somewhat similar to the one we had in the packet tonight that had to do with the \$300,000. I had a couple of questions. I think I have figured out the answer, but while I've got you here, I'll ask you.

Auditor David Hollingsworth – We may have to call Margaret, but we'll see.

Councilman Stuckert – I don't think so. It's in the language and I'm sure you've seen the language more than I. It talks about one place, "Whereas the City Auditor....etc... talks about the usefulness of the improvements in section 1 is at least five years." Are you saying Davids Drive is good for another five years?

Auditor David Hollingsworth – No. That is kind of standard language in bond anticipation note ordinances. Your financing improvements that have a useful life of longer than what is stated in there. In order for them to qualify as bond anticipation notes...what that does is it gives you the opportunity if you want them converted to bonds that you could do that.

Councilman Stuckert – Section one talks about the purpose is 30 years the maximum maturity notes in anticipation of the bonds. The anticipation is 240 months, which is 20 years. What is that saying?

Auditor David Hollingsworth – That's just general language. The intent was never to take 30 years to pay these off, but to pay them off over a shorter period. But again, have the flexibility... the interest rate environment was more attractive on the short-term notes at the time these were taken out, so you just roll them.

Councilman Stuckert – Section 2 talks about it shall bear interest at the now estimated rate of 5% a year.

Auditor David Hollingsworth – That, again, is a standard rate. That's for bonds, if you ever go to bonds. It will be whatever the market is when they are sold. Again, it's standard language. The intent is to never to have to go to bonds.

Councilman Stuckert – Are those in the ones that you....

Auditor David Hollingsworth – It should be standard. The only thing that will be different are the dollar amounts that you're talking about refinancing.

Councilman Stuckert – We're talking about \$702,500 total.

Auditor David Hollingsworth – That is correct. That would be the balance that would be left.

President Kirchner – Did you ask about the percentage rate noted?

Auditor David Hollingsworth – That was actually recommended by Margaret. In essence, we're not paying any interest, so that was the minimum rate she felt could be used, probably, in the ordinance. The minimum market rate. We're paying ourselves, so it really doesn't make any difference. There has to be an interest rate, and that is what she suggested.

President Kirchner – But when you look at the next page, you go back “it shall bear interest at the rate of one-quarter percent per annum.” It seems to me that saying that they will bear interest at a now estimated 5% and then...

Auditor David Hollingsworth – That's talking about bonds – if we would convert it to bonds.

President Kirchner – Part of the reason I talk about giving the council opportunity to review the legislation in committee, to have the questions answered, to have the access to Scott and Margaret. I completely agree with the mayor's statement about the concern about the reputation, but until tonight, this council was not able to get those answered.

Councilman McKay – So is council all right to keep the language in there in to buy back. Are we comfortable with that? Because that's the way they are talking about presenting it.

Councilman Wells – But we're not going to vote on that tonight, are we?

Councilman McKay – No. But they need to know how to create the legislation.

President Kirchner – Well, correct me if I'm wrong, David, but that was the original direction and that was the original legislation that was already created. As long as they don't change from that course of action, that already exists.

Auditor David Hollingsworth – That is correct. That is the way it was done originally.

Councilman McKay – I just want everyone to be clear about where they were going.

Mayor Riley – I would point out that Andrea is making copies of the ordinance that Brenda just handed out so you will have copies tonight. I think with that, I am done, and I can just turn it over to the Auditor now.

[Laughter]

Auditor David Hollingsworth – I have nothing...

Councilman Stuckert – Can I just ask one more question. If we own that, if we buy it and we hold the instrument, and the decision of what to do with that instrument is still something that is acted on by council?

Auditor David Hollingsworth – No. That is part of the investment portfolio. Technically, if Paul wanted to sell it or dispose of it, you could do that. Or, if we wanted to terminate it, we could wait the 12 months and reissue it, sell it to a bank. It's just part of our investment portfolio like any other investment we would have right now.

President Kirchner – If I understand your question, would it take an act of council to sell those notes or convert them in some way.

Auditor David Hollingsworth – I don't believe so, but that is something I would have to clarify with Margaret. I'm not sure of the answer of that.

Treasurer Paul Fear – There is a three-fold answer to that. The Ohio Revised Code, Section 731.56 and 733.29 dictates that the city is allowed to buy their own notes. These have been in place for a number of years. Under my Ohio Revised Code designation as the Treasurer, I do the investment of the money. So, what you guys want to do with the actual note is almost immaterial. It is written into every document if I want to buy it, then we'll have to buy it. Council can't stop us from buying it. So, whether the verbiage is in there or not is immaterial. So, we'll hold it. If we need it to cash, we can go ahead and sell it back to a bank and generate the cash. Right now, I have an investment portfolio of about \$6.8 million in government bonds and CDs. We have a repo account that has a 1.4 million in it, which we will use to buy these bonds. They will go from a repo account earning 0.1% to an investment of earning 0.24. So, it's all a Treasurer's decision. What the Auditor has to recommend and understand is anything we put in investment, we have to commit that we are not going to be using for six months, so it's nothing that needs to be liquid for that period of time. So, the fact that it is confusing everybody or not, that is standard wording that we put into notes, and if the Treasurer decides to buy it, they can buy it. You can take the decision from there.

President Kirchner – Mr. Auditor, is there anything else?

Auditor David Hollingsworth – Nothing.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced legislation making supplemental appropriations: General Fund to Income Tax Refunds the sum of \$25,000 to pay tax refunds; Moving Federally Forfeited Fund to Program Expenses in the amount of \$29,959.00 - no effect on the General Fund; General Fund to Public Records the amount of \$2000, to be used for document shredding.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Laura Railing read ordinance by title only.

Mead requested that the second and third readings be placed on the agenda for the next meeting.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee – In the absence of Chairperson Siebenaller, Councilman Stuckert introduced the third reading on an ordinance amending a section of Chapter 133, Employment Provisions and explained that it has to do with who has to be bonded.

A motion was made by Stuckert and seconded by Wells to give the first reading only on the ordinance Amending a Section of Chapter 133, Employment Provisions, of the Codified Ordinances of the City of Wilmington.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Stuckert and seconded by Wells to pass the ordinance as read.

President called for a vote.

Motion passed. All yeas.

President of Council declared Ord. No. 5092 passed as read.

Councilman Stuckert introduced the second reading on an Ordinance Amending section 373.11, Riding on Sidewalks, of Chapter 373 of the Codified Ordinances and said it has to do with changing the direction that they can do that.

President Kirchner clarified that it readjusts the boundary to north side of Sugartree so the bike trail can come down and go across downtown.

A motion was made by Stuckert and seconded by Wells to give the first reading only on the ordinance Amending §373.11, Riding on Sidewalks, of the Chapter 373, Bicycles, Motorcycles and Skateboards, of the Codified Ordinances of the City of Wilmington.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

Stuckert requested that the third reading be on the Agenda for the next regular meeting of council.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay – Even though the mayor has already mentioned the impending auction of the Little Giant, it's important enough to maybe just bring up again. I do have the sale flyer from that. It is a part of history. This single lot is that is improved by a rare piece of Americana, an original valentine diner established in 1947. The original Little Giant establishment had 10 customer stools, a welcomed site for those seeking early and late night meals. Most recently, the City of Wilmington has restored the diner's exterior façade and wall safe, while the diner's vacant interior might well accommodate numerous uses. A most pleasing concrete expanse to the diner's front offers a good visual presentation. At present, electric service is connected to the diner while city water and sewer are available to the site. More parking spots are usable off the site alley running east and west. I urge everybody to think about this. If you have any idea at all that you might be interested in that wonderful little place. I happen to know that some of the original tables and umbrellas and possibly even chairs are available to the right person. It would be a really neat purchase for somebody even in this audience tonight. The sale is noon on Saturday.

Parks and Recreation Committee – In the absence of Chairperson Jaehnig, Councilman McKay had no report.

Income and Levy Tax Committee – In the absence of Chairperson Jaehnig, Councilman McKay had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Income Tax Report – June 2013, be accepted as presented.

Motion passed. All yeas.

Reports accepted as presented.

President Kirchner pointed out that we were down \$91,000 from this time last year.

Paul Fear – It's on the business side of it. We were waiting for loss carry forward to be reported, and evidently people are taking advantage of that. Residents and withholding have been up.

President Kirchner said it looks like July last year was fairly significant. Auditor David Hollingsworth said July has a large influx of withholding tax.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

President Kirchner – Mary Kay and David, I understand that in order for council to be able to move forward with funding the new cruisers, we need to update the amended certificate. Can we make that amendment in this month?

Mary Kay – They meet on the 17th.

President Kirchner – Do you need any action from council in order to do that?

Mary Kay Vance – No. I just need to get the numbers from the mayor.

President Kirchner – Can Finance act on sending that to the agenda for the 18th or would it have to wait?

Mary Kay Vance – No. You could put it on the agenda for the 18th.

President Kirchner – Chief. Do you have the numbers available so that they can?

Assistant Chief – Yes.

Councilman Wallace – I guess my question on that idea is we have a list of items that were suggested. Has it already been determined that that is the top priority that we are going to spend that money on them?

President Kirchner – It was my understanding that it was one of the topics that would be debated tonight for council, but it had to be pulled off because you would have to make the amended certificate match the ability to spend. So, it couldn't come before council tonight for discussion.

Councilman Wallace – Well, it sounded like it was a done-deal. I'm just asking the question. Do we have a list of priorities that we want to talk about?

President Kirchner – Well, I think those cruisers have always been one of the items.

Councilman Wallace – I'm not disputing that. There were other things thrown out there too. I just want to make sure that whatever is supposed to be out there, we have out there on that list.

Julie Ann Schanda – 765 N. South Street. I come before you today as a citizen, a taxpayer and an employee of the City of Wilmington. I come on behalf of my coworkers. It has been since 2008 since we have even discussed the possibility of a raise, step increases, anything on the behalf of the employees. I think we've done a phenomenal job of understanding what happened to our community with DHL, the loss of income, and we have rode with that. But, I also know that in the General Fund there is money. I would ask the council, anyone of you members at this moment, do you know how much the percentage has gone up for the cost of living since 2008 until we stand here today? The exact number? It is 13.3% where we have stayed and the cost of living has risen. It has become difficult. We're at one-time at 168 employees. We're now down to 127. Where has that income or salaries gone? What use has that been put to? I have to say this is my first meeting in which I'm a little shocked. I love saying the Pledge of Allegiance, but I don't feel like I'm standing here in a united front. I don't feel like at this point we are now all on the same team, going for the same goal, which is what is best for the City of Wilmington. It was brought to my attention in the meeting last week, this topic has never been discussed because it has never been brought to your attention. It seems a little harsh, you know. We've all been down here in the past five years, still maintaining our job, doing what has been required of us. Some offices have lost employees and we have picked up the load and have not requested any additional monies. I'm hoping in this council meeting at some point in the very near future we will pull together a task committee and discuss what options we have.

Jerry Rowlands – I agree.

Mayor Riley – I appreciate that very much. In fact, I have already talked to Danny, Mary Kay, and a few others. It is way too early to start even estimating what budget numbers will be for 2014, but that will be an item that I'm pushing for in 2014.

Julie Schanda – I realize that we will be in a better bargaining position by the end of that year...

Mayor Riley – By the end of this year, I think we will be in a better position and Marque gives us estimates on what our income or earnings tax revenue will be. We should be looking at more hopefully as some of these new jobs come in, so we will have a better idea of where we will be in 2014. But that will definitely be on my agenda to bring up as a budget item in 2014. I have already mentioned that to Danny Mongold, Mary Kay and Brenda. That is something we're definitely going to look at.

Julie Schanda – Okay.

Mayor Riley – I appreciate you coming here. I appreciate you bringing it up. Even more than that, yourself and all of the other employees of the City of Wilmington who have hung tough for the last five years. You have been a hell of lot more patient than a lot of employees would be. You will never know how much I appreciate that.

Julie Schanda – Thank you, sir.

President Kirchner – I would also like to say that I think every member of council appreciates all of the work that all of the employees of the city have done and understand what they have dealt with. I also know that even tonight we hear that our income tax report this year is lower than last year. That is a concern. The first half of this year being lower than last year is a concern because we thought we had turned a corner. This council worked very hard to get to a balanced budget – the first one in four years – to try to get back to the point, I think, where they can take care of employees better and especially take care of the citizens you take care of with the resources they provide. It's just a matter of simple economics. If we are making less income as a city, I don't know where it comes from. While I know we have hope, Mr. Mayor, that the income tax numbers will improve with the jobs that are coming. As you have said many times before, we can't budget hope. We have to work with the actual numbers. I think that is what this council has tried hard to do, is to get back to a balanced budget to be sure as

soon as we have an uptick in the income, they can do those things that will better serve our citizens and take care of our employees.

Julie Schanda – Well, I would have to say with what I have heard here this evening and some of the arguing, I'm not sure that everyone is on board and understands that. I certainly understood what Scott and Margaret from Moody's were saying. I certainly appreciate and value David Hollingsworth's opinion, but the General Fund is not a free-for-all.

Councilman Wells – I have a question. If we buy back this debt, that ties up that money that could be used for raises?

Julie Schanda – No, sir. That is not correct.

Auditor David Hollingsworth – It doesn't affect the General Fund.

Julie Schanda – That's not correct at all.

Councilman Wells – What I'm saying is, the money comes from the General Fund.

Auditor David Hollingsworth – Correct.

Councilman Wells – So, are we tying up money?

Auditor David Hollingsworth – By buying back the debt?

Councilman Wells – Yes.

Auditor David Hollingsworth – No.

Councilman Wells – So that would have no effect on raises.

Auditor David Hollingsworth – It's just like any other investment that the city has.

Jerry Rowlands – I would like to add something. I'm the manager of the Water Department. I have lost several good employees because they are leaving. There is no end to this so-called recession in the City of Wilmington and they're packing up and leaving. We spend three years training these operators. We don't get operators coming to Wilmington. We bring them in, we spend three years training them, and guess what they do. They go out the door because they are going to our neighbor cities that have not gone without a cost of living. All of the cities around us have gotten a cost of living. And they currently probably plan on getting it next year. The privates are doing even better than we are. Right now, the operators that I got, I've got one that has 33 years in. He can leave at any time. I beg him to stay. I have two others that age-wise they can leave at any time. I got two novice operators. They have threatened to leave. They've got licenses. They have went up and since the moratorium on our licenses, these guys have not gotten paid for each step that they deserve. Columbus is pulling them away from us, Xenia is pulling them away from us, Hillsboro pulled one away from us. It's up to you guys. I'm going to be retiring in probably five to eight years. There is going to be no one there to run it. You guys are going to have to look a little bit ahead and try to keep the people that we're training, because there is not going to be anyone here to run your water department.

President Kirchner – Jerry, I completely understand and we've talked about this in the water department. As soon as the administration would bring forward any kind of plan that would help address that issue...

Jerry Rowlands – Money. We need cost of living. It's not much of a plan. We have one coming to us that we have been waiting and waiting and waiting that they have been deferring. We have a 4% that we were supposed to get at the beginning of 2009 and we haven't seen it. It would be nice to get that. There shouldn't be any legislation or voting

on that. You can give it to us and make it retroactive. These guys have been working their tails off. You know, eventually the city's not going to have anyone to fill in.

Mayor Riley – I agree with everything you said, Jerry. The exact same thing you said is true for the Wastewater Treatment Plant, Landfill, Police, Fire, everyone. My goal is to help everyone out – not just one department.

Jerry Rowlands – That's what we hope. You get a little money ahead and you want to pay off debt that doesn't really need to be paid off. You can distribute it among the employees who deserve it and have been working hard for you.

Councilman Stuckert – I would like to make a comment back to you on that point. The money that we're talking about here tonight is one-time money. True, if there is some way that we can keep the money, but we're talking about what we're going to do with the debt. Other than a one-time payment to you, that wouldn't be there next year. So, for you to have a salary increase, we have to deal strictly within the structure of the city itself. We can't operate out of the pots that include money that were unanticipated, that raised our...

Jerry Rowlands – But the employees have lost. There should be money in there to distribute among the ones that are making up the difference. I see it. I come up here, I see one person that used do the job of three. And they are at a lower rate. You have secretaries that are doing building department approvals and such like that and have never gotten a raise or any increase of any type. I just don't understand it.

President Kirchner – Jerry, it's simple economics. The money isn't there. I know this council tried last year to remove some of the overhead administrative costs and free up some of that regular income that could have been used for employee raises, but that was vetoed by the mayor.

Jerry Rowlands – What happens when these ones that are doing the jobs of three people are going to get offered...obviously somebody is going to see that they are a go-getter because they showed it around here. They are going to be attracted away. Then they are not going to have anyone. Then you guys are going to have to do it, I reckon. You guys are going to have come in and fill in for everybody. That's all I have to say.

Larry Fisher – I work at the Water Department also. Thank you for the opportunity to speak with you. We have surplus property we don't need. We have to maintain. Let's get rid of it and put it on the market. I know you have to auction it or something like that. It's costing us money to maintain his stuff. Some of it is adjacent to other stuff that is on the market in the regular real estate market and should be sold. Other stuff could be developed by, I don't care who, but right now, all it does is cost us more money. The water department and sewer department are revenue producers. If we market it and make the consumer pay for what it costs us, like any other business. You guys can do that. Politically you have to have the will to explain to the citizens that everything cost more. I'm sure they already realize that. But it cost more to produce a commodity. Okay? And it's not just the payroll and things like that. It's our chemicals. It's everything that goes into producing this. If everyone wants as much as they can use, they are going to have to start paying a little bit more because we're losing too much money on it. Thank you, again.

President Kirchner – Larry, I do know that council did act to get rid of some of the unnecessary parcels, especially the house associated with the old water department.

Larry Fisher – And we got nothing for it.

President Kirchner – And that's the market that it's in.

Larry Fisher – I know.

President Kirchner – I think this council is more than willing to act to let go of assets that don't benefit the citizens and have a cost to it. I do agree with that. I think the other

thing that is important to note is we sell water and take the sewage obviously from everybody in the city. They're a captive audience. The marketing beyond that really comes down to the administration's effort to contact large users like Western Water, to contact local communities so we can set up water districts perhaps that we can supply to, and I know that they may have been approached about that. It's just a matter of something coming before council that makes sense to the citizens. I don't think any of us would turn away a large water customer at any point. In fact, I'm hopeful that some of the efforts in recruiting businesses are targeting that, large water users, because of our water supply situation. We have plenty of water. We do. But we also have the debt associated with it, which is part of the issue we find ourselves faced with. It has driven up the cost of our water and sewer bills. When you look at our rates comparatively across southwest Ohio – no fortunately, we have begun to come down, but for the longest time.

Jerry Rowlands – But you are comparing them to groundwater plants.

Larry Fisher – That's exactly right.

Jerry Rowlands – This survey that the utility office participates in, with the exception of Court House, the rest of them are groundwater. All they do is pump it out of the ground, pump chlorine into it and let it go out. They don't have a new plant. They don't have treatment. They don't soften. We have chemicals, we have lime, we have alum, we have carbon. Just a truckload of carbon is close to \$30,000. Carbon dioxide – once we add lime to it, we have to bring the pH back down. It's a lot more expensive and a lot more technical plant that we've got, and that's why we have a certain amount, but we're still losing money. You guys are going to have to do something on the rates to...

President Kirchner – I have to ask a question, though. My understanding from the Service Director in an article from the News Journal earlier this year is we weren't losing money and we were doing fine. Is that incorrect, Mr. Service Director?

Service Director Reinsmith – I never made that statement.

President Kirchner – That the water plant was going to be okay.

Service Director Reinsmith – No.

President Kirchner – I believe...

Service Director Reinsmith – We're cost out every night, but the revenues have been declining over the past four years.

President Kirchner – and that is pretty much the story we have seen in not just water revenues.

Service Director Reinsmith – Over the last year and a half, we have had a big increase in chemicals, and the way gas is now, they throw a horrendous surcharge on all of the deliveries coming. It's not \$20 a load, it's big bucks.

President Kirchner – The bottom line is, too, guys, you have to understand that we may, because of the setup that we have, with owning the water rights to Caesars Creek and pulling our water out of Caesars Creek, we may have a more complex water treatment system.

Jerry Rowlands – It's the same treatment we had for our reservoirs also. We've always had a surface water treatment plant.

President Kirchner – In the end though, Jerry, the cost of a gallon of water is relative to other communities around.

Jerry Rowlands – Groundwater – some of those are even higher than ours. But, the one we are participating they are not comparative. They do not take into account that each

one of them has a minimum. We have no minimum besides \$1.40 for a meter. All of them have \$10 to \$30 minimum. All this survey does is for 22,500 over a three-month period at a certain dollar amount per thousand, but it doesn't take into account all of the minimum charges that the water department gets. All the survey asks is for who is the highest on 22,000 gallons of water over a three-month period. It's not comparing apples to apples this survey that the city participates in every year.

Paul Fear – Why don't we have a minimum.

Jerry Rowlands – The city has never...

Paul Fear – We're the only ones who don't, right?

Service Director Reinsmith – Well, they talked about it in committee before.

Jerry Rowlands – Yes. We've brought it up. I don't ever get a positive reaction from it.

President Kirchner – Part of the concern is that the minimum would actually attach to the people that use the least.

Jerry Rowlands – Or no water. If the place is empty, at least there would be a minimum coming off it.

President Kirchner – But the flip side to people not using any water is that there is a sewer access charge. So, if you have that money shut off, you have to pay the additional access fee to the sewer. I've never understood the mechanism by which that was implemented, but it has been here back before my time.

Jerry Rowlands – I'm on Highland County Water, I pay a minimum. If I use no water at all, it's \$19 a month.

President Kirchner – See, the concern was that it could negatively impact low income and moderate income families or specifically senior citizens as I recall the discussion. Money doesn't just grow on trees. It comes out of people's pockets. That's the concern.

Paul Fear – So, we should pay for it so others can get the free ride. Is that what you're saying. We pay for it so somebody can get the free ride.

President Kirchner – If they are not using water, I'm not sure how that is a free ride.

Paul Fear – If you build a plant, you have a general cost that should be spread across the whole population.

Jerry Rowlands – The whole city owns the water department; they should all bear the cost.

Paul Fear – We've been waiting for a water committee meeting for six months and have never talked about it.

Colleen Fear – 527 Randolph Street. I want to applaud, the wonderful work done by David Hollingsworth and Mary Kay Vance, for the wonderful opportunity that I have had this evening of listening to the professionals explain to all of who are novice what are happening with our Auditor and their control of the funds. I am a private business owner myself, so listening and hearing what they brought to me was very important. I do have a cushion. It's a business. I provide those need it for care that my business does as well as my employees. My employees never, never feel that they cannot unite with me in talking about their needs. I realize this as a human being that they need to be edified by bringing up the fact that they need some promises from you folks kept. If you don't understand what the financial business is; that is fine. But listen to the ones who totally know how to handle finances. Because if you don't trust them, you're up the creek without a paddle. I service my people the way that I know is best to make them happy. I do not give them lip service, because that is what I've heard. I want you to understand

that these two people that we have in our community know more about the finances than you can ever study. I don't care if you're a business person, teacher, whatever, the fact remains that you have to find out more about what these people are doing for us. You talk about wanting to serve the people, the community? We elect you officials. Boy what comes around, you won't like, because you might be out of a job. I'm telling it to you right up front. If you can't be united in a proper way without having all of this horrible talks amongst yourselves and already having a decision made before you come into here, then go see them at their offices. Go talk to them. Do not give me any more lip service about so and so and so and so when you haven't done your homework either. I will go out and I will tell John Q. Public what these individuals have done and what you have not done. It's up to you. Now you made some promises, and these people are going to hold you to it. If you don't keep your promises, then you will find out what repercussions can happen. Believe me, I've worked in the judicial system, the juvenile system with kids. I made promises to them. I told them that I would help them. I would help them get further ahead – attend school and do all of these things. If they did honor those words, I would take them and do something special with them to boost up their morale – to boost up knowing that they are being cared for. And they did. That's why the program was successful, because I never made promises that I never kept. If I didn't understand situations, I would go find out what I could do to help myself and them. So, that is what I'm saying. Thank you, David. Thank you, Mary Kay. Thank you for the opportunity that I had to learn something here today and know that I have a cushion. Let me tell you, I just got so ticked off at my husband when he said, "Let's have a cushion." I didn't know why. Now I do. Because when that day comes along and you need that cushion, what are you going to do? Grab leaves off of a tree or are you going to have it ready for that rainy day? My hundred and nine year old grandfather was a shrewd businessman. I reap the benefits of his shrewdness, because he made every one of his employees happy. He never doubted the words of the professional. He was a professional, but he didn't learn how to calculate finances. So all I'm saying is, listen to them because they have something to tell you.

Mayor Riley – Colleen, I agree completely. They certainly do deserve our appreciation and thanks and a round of applause for all of the work they have done.

[Applause]

Councilman Stuckert – I don't know about the rest of council, but I kind of feel a little bit of heat coming up this way, so I would like to ask you, does it not look like we are going to take the advice of the Auditor and Mary Kay in the final analysis.

Colleen Fear – Well, I hope you do. I really hope you do.

Councilman Stuckert – Do you understand that the only place that we're allowed by law to talk about this stuff and ask our questions is in this place.

Colleen Fear – Certainly.

Councilman Stuckert – Okay. So, we work very, very hard to try to understand things on our own. I think what I keep hearing from various people in the crowd here, most of whom have an internal attachment to the city, is that the people in the city are doing this incredible job but we're not. I'm going to take umbrage with that. I'm going to come back at you because I think that we are trying to understand. That's why we have legislatures and we have administrators. Legislature is a part-time deal. You want to fire me? Fire me. I'll lose \$315 a month. And you know what? I'll have a whole lot more time than you'll ever understand that I don't have to spend doing what I'm doing to try to do this job. I do a lot of work on this job. We've spent hours, along with the mayor and everyone else, in these meetings. And we are on the same page. Just because we ask questions, just because we come back with other ideas, does not mean that we're fighting and attacking. The only attacks that I seem to hear in this chamber are coming up this way at us. I'm not attacking anybody. I've told the Auditor that I do respect the Auditor and I do respect his advice. But it is what it is. It's advice. That's what it is supposed to be. It's supposed to be advice. If you want us just to take what the Auditor says and what Mary Kay says or what any of the "professionals" in this administration

say to us, you want us to just take it and say, "Okay. You're the professional. Let's go with it," then you know what? You don't need a council. You don't need a Finance Committee. You really don't. All you need is to ask them their advice and do it. But we have a system in this country that allows for this kind of give and take. The problem that we have in Wilmington is that has not existed for a long time.

Colleen Fear – And why?

Councilman Stuckert – Because we have had people that simply wanted to trust the professionals.

Colleen Fear – No. No. I think that David Hollingsworth and Mary Kay Vance do a very good job or they would not have extended the opportunity for this phone call to come in. These were professional people who see the future of our city and they want the best for our city.

Councilman Stuckert – Is it lost on you that (and I'm not questioning Scott Stubbins' honesty, his credibility, and all of that) he sells bonds.

Colleen Fear – Okay.

Councilman Stuckert – He has vested interest in this. So, you've got to understand how our system of government works. We're supposed to be skeptical.

Colleen Fear – But do you think he's pulling the wool over your eyes?

Councilman Stuckert – No. I didn't say that.

Colleen Fear – Would he cheat you?

Councilman Stuckert – No. That's why I asked the questions.

Colleen Fear – That's what I'm saying. David heard the same things that we all did. We all understand. We do. We understood what was happening. What the phone call was saying to us and what David and Mary Kay have been trying to let you all know. It's good.

Councilman Stuckert – So basically, I should not have had any questions.

Colleen Fear – No. That's fine. Questions have to be asked. But the understanding of it is very important too. Do you understand about a cushion? Do you understand about taking x number of dollars, rather than depleting?

Councilman Stuckert – Absolutely.

Colleen Fear – Okay. That's all I'm saying.

Councilman Stuckert – Let me ask you a question. Were you here last year when we were voting down budgets because there wasn't enough cushion – that we were deficit spending – and we had taken the cushion? What was our cushion at the time DHL left? We had gone from a \$5,000,000 cushion to what kind of cushion we have now.

Colleen Fear – But you were depending on one company. It was a large company and you were depending on them.

Councilman Stuckert – And they were gone.

Colleen Fear – And that is what the cushion is for. You don't spend the cushion unless you have to. You save it for a rainy day.

Councilman Stuckert – And we've been arguing that ever since I've been on council. We had to argue for that.

Colleen Fear – I'm sure you have. I'm sure you have.

President Kirchner – If I could offer a couple of thoughts – Number one – up until this budget year, for four years you had over a million dollar deficit spending. They were chewing over a million dollars off of that cushion a year in the budget.

Colleen Fear – Okay.

President Kirchner – I don't recall you being up here talking to them about chewing into the cushion while they were spending it. The other that I will point out is last fall, Mr. Stubbins came to this Finance Committee and the Auditor as well. They recommended refinancing not just the general obligation debt, but the water debt. And because this council asked some questions, we saved, as the Auditor indicated tonight, hundreds of thousands of dollars of taxpayer's money in interest. I think that this council is here to ask questions on behalf of this public. I think those questions can sometimes save a lot of money. I think had the proper time been given and the proper respect for the process in taking it through committee, providing the legislation, providing the financial professionals to answer the questions, it would not have lasted until tonight before council could even ask their questions. To say that this council didn't understand before tonight would be correct because these questions couldn't be answered for council until we had the opportunity tonight. That should have been done a while ago. This dissention wasn't set up by this council. It was set up by not having the proper amount of time to pass this legislation through the process to provide the opportunity to answer the questions. I will defend this council for its right and obligation on the citizens' behalf to ask those questions. I will point out the benefit of it. This council's hard work got to a balanced budget – the first one in four years. The only reason that the cushion that you're talking about exists is because of the discipline of those seven individuals. That is the thing I think you have to keep in mind. They actually didn't just save the cushion; they increased the cushion. They made it bigger and simply wanted to do something to try to provide more long-term service to the roads and the infrastructure of this community. And, until they have the answers here, which they should have had the opportunity to get a month or two ago...

Auditor David Hollingsworth – In defense, Scott, overall, I don't think they said anything different to you tonight than what I said to you at the Finance Committee meeting prior. I'll leave it at that. We can argue here all night. I'm done arguing.

Colleen Fear – Thank you.

Mayor Riley – That's was my thought also.

[Multiple people arguing]

Councilman Stuckert – Well, if the public wants people who sit up here and come in and have the attitude, "whatever the experts say, that's what I'm going with," without doing what we do, then they can have that type of person. If they want someone who views this job as one to play the role of skeptic sometimes...to play the role of someone who is inquiring to get better answers and more answers, then they will want me. If they just want someone to say, "Okay, you're the expert." I mean, there's got to be something in between and that is what we're trying to get. I think there is a larger public out there than just the people who work for the city in one way or another who want what we provide. So, that's why I'm here. I'll be here until they vote me out or I decide to quit.

President Kirchner – You know, 237 years ago tomorrow, there was a group of individuals who said we're not going to take a dictatorial life under oppression. And that is where our country was born, because they stood up; because they were willing to challenge the system. Tomorrow I'm going to celebrate a little bit extra because I think that's exactly why everybody here serves, and I'm proud to do it.

Mary Kay – I'm sorry, but did this council give us direction of where we are going with the notes so we can answer to the people on Friday when come into work? I have yet to hear what your deal is.

President Kirchner – It was my understanding what came out of that – correct me if I'm wrong – it was the original legislation that Margaret Comey had written where the city will buy....

Auditor David Hollingsworth – That's what you copied wasn't it?

Andrea Tacoronte – It was. It was the \$702,500...

Mary Kay Vance – And are we confident enough to let them know that it seems to be the direction this council is going to go?

President Kirchner – What I've heard tonight says the council probably will, but the truth is, until council votes, we don't know.

Mary Kay Vance – So when are we going to do that?

President Kirchner – The last thing that we have to do tonight it to talk about the potential for a special meeting next week. Tuesday and Thursday at 6 p.m. Please check your questions. Other members will need to be contacted. Does anyone know if they will not be available?

[Discussion of Scheduling]

President Kirchner said that it looked like the meeting would be held on Thursday and he would contact the other members.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Councilman McKay to adjourn.
President declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

Thursday, July 18, 2013

Wilmington City Council met in regular session on Thursday, July 18, 2013, with President Pro Tem Mark McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, absent; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

A motion was made by Jaehnig and seconded by Mead to excuse the absent member (Wallace).

Motion passed.

Absent member excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President Pro Tem of Council asked cell phones to be set to silent mode.

President Pro Tem of Council -

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, July 3, as presented.

Motion passed.

Minutes approved as presented.

President Pro Tem McKay introduced Bob Stallman and Sherry Bannister from DPL Energy Resources.

Bob Stallman, DPL Energy Resources, We are a non-regulated affiliate of Dayton Power & Light, a competitive retail electric supplier and provide generation service, electric supply service based on market pricing rather than the regulated pricing that the utility does. Also provide services for many local governments in the DP&L service area, specifically street lighting. Miami Valley Lighting is a subsidiary they provide outdoor street lighting services for many of the local governments in the territory.

Bob Stallman introduced Sherry Bannister, a business analyst, specifically working on municipal aggregation. He said JD Power & Associates just recognized DPL Energy as receiving the highest customer satisfaction in the state of Ohio as it relates to suppliers in the residential class.

Bob Stallman presented a power point. He provided an organizational chart of the Aggregation Team. He gave background on the aggregation process: Palmer Energy, who is a consultant for Clinton County, released the government aggregation RFP in September 2012. They provided response for three types of services – Government aggregation, generation supply for government facilities, and outdoor lighting. DPL Energy entered into a governmental aggregation agreement with Clinton County Commissioners and a generation supply/street lighting agreement with the City of Wilmington in November 2012. The estimated savings residents enrolled in the aggregation program from the start in February through June 2013 was \$482,000. The average customer has saved approximately \$175 since the program started. The aggregation rate is \$0.0529/kWh as compared to the regular DP&L rate of \$0.0930/kWh. He presented enrollment statistics. Out of 3,205 eligible customers, 2,750 customers enrolled in the aggregation program. He went on to say that on a quarterly basis they will be implementing a smaller-scale opt-out aggregation program in order to bring value to those customers who may not have had the opportunity to opt-in during the initial enrollment. Beginning late July, they will be sending out letters to only those new eligible accounts they receive from the utility. That will be approximately 450 customers. The new web portal simplifies the new opt-in member enrollment process and they hope it will be more convenient.

Bob Stallman - The generation supply agreement for government facilities includes 62 accounts. The discount has offered \$35,137 in savings from January through June 2013. Those savings will continue through January 31, 2015. In terms of the street lighting component, Miami Valley Lighting provides street lighting services to the City of Wilmington of about 850-900 lights. The monthly street-lighting charge was a little over \$14,000. Through this program, DPL Energy gave nearly a 20% discount, bringing the monthly charge down to \$11,796 dollars. The savings to date are around \$23,000.

Throughout the entire agreement, we are looking at around \$78,000. The programs have brought value to the city. He asked for questions.

Paul Hunter asked what the rate was for the city before the aggregation. Bob Stallman answered that there was originally about a 15% discount, or about 6.58. Through this program, it was moved to 5.29.

Mayor Riley – I appreciate all of the work that have done on this. I found out today that there are about four or five residents who are having some problems getting their bills right.

Bob Stallman said he would meet with them as soon as he was finished and help them get it straightened out. He said there are some issues with the lists that they receive from the utility and it has caused problems. He said he would help them get enrolled.

Councilman Stuckert asked if the street lighting is separate from the government account savings. Bob Stallman answered that street lighting is a separate service, so it is not included in the electric or generation supply for the government facilities.

Mayor Riley – David Hollingsworth mentioned that we do a street lighting assessment on all our citizens each year, with this decrease we may be able to lower that assessment a little bit next year to give the citizens another break on what they pay.

[Discussion of aggregation]

Councilman Jaehnig said that he still gets many offers from other companies. Bob Stallman said there is no guarantee that other suppliers will not contact citizens, but once they figure out you are under an aggregation program, they tend to go away.

Councilman Jaehnig asked if there was some way to protect the customers from switching out of the city aggregation program.

Bob Stallman said they would get a letter from DP&L that asks them to make sure they want to switch.

Sherry Bannister added that they have a Save the Sale campaign. Bob Stallman explained that when possible they call customers to make sure they want to change.

[Discussion of other electric offers]

Bob Stallman thanked council for their time.

Mayor - Mayor Riley – Introduced Chris Schock and the Community Fellows.

Chris Schock – Thanked the city, on behalf of the Planning Commission and Energy Clinton County, for their continued support of programs and efforts. Just this past week they received word from the International Economic Development Council. This is from the conference's coordinator in Washington, D.C.

I'd really love to invite you to showcase your community that is doing something truly unique and innovative at our national conference this year. I would like to discuss the work of the planning commission and Energize Clinton County and talk about the results that have been realized to date. But what is actually more important than the results here is the

overall shift in thinking that your programs represent. The people who attend our conference hear a lot about business attraction and site selection in propriety of industries, but we would like them to walk away with some new ideas that impart upon them a new way and a new paradigm to do economic development and a new approach to it.

So, the fellows is just one of the programs that fit within that new paradigm and that new approach. He introduced Taylor Stuckert to talk about the program.

Taylor Stuckert – Thanks for having us again. This our 4th year doing the program. By the end of this year, we will have 17 fellows through the program who have worked with almost 50 matches. They are paired with businesses or organizations in the community. They spend ten weeks with them working on a variety of different projects that help those businesses or organizations with different things they are trying to achieve for themselves. It gives them an opportunity to gain professional experience between years in college or right after college that is diverse and in many cases different from what they learned in school. We have three of the five here tonight:

Brooke Beam – A 2008 graduate from East Clinton High School. Attending second year in master's program at Ohio State, focusing on agriculture communications. Working with the Murphy Theatre, That Guy's Family Farm and the Clinton County Farmer's Market.

Madison Law - Graduated from Wilmington High School in 2011. Attends Wittenberg University in Springfield and is a Junior there. Working at Clinton Memorial Hospital and Cape May Retirement Village, doing market research and employee recruitment.

Dawitt Habtemarlam., a junior at Haverford College. Working with the Champion Bridge Company, the Murphy Theatre, and the new coffee shop that is opening up in August, Kava Haus.

Taylor Stuckert – The other two that couldn't be here were Zach McCune, working with Camp Joy and Orion Inc., helping them through the privatization process; and Bria Eslick, who is from the Cleveland area but attended Wilmington College and just graduated this past year. She is working at EMSAR and is working with the Quaker Byway program. By the end of this year, I think the Fellows will have contributed about 7000 hours to the community over the four years. It has been a good program. We had them up in Columbus a week or two ago with Representative Rosenberger. He put them in front of the Board of Reagents. We talked about the program, and the board was so pleased with it that they actually followed up with us and asked us to share our results over the last few years and some of the basics about the program so they could highlight it across the state.

Mayor Riley thanked Chris and Taylor for their work with the Fellows Program.

Taylor Stuckert - August 15 is the final presentation. It will be held in the Community Room. Invitations will be sent out.

Mayor Riley announced that it was the 95th anniversary for the Murphy Theatre and introduced Murphy Board President Leslie Keller.

Leslie Keller introduced Murphy board members and employees to council. She announced a celebration of the Murphy Theatre 95th Anniversary on Wednesday, July 24. They will have free ice cream and free tours. She said she felt lucky and blessed to be part of the Murphy Theatre.

Mayor Riley agreed that the theatre was something to brag about to visitors.

[Discussion of the Murphy theatre history, with people sharing their personal experiences at the Murphy]

Councilman Jaehnig mentioned that they are in the middle of a funding drive.

Mayor Riley presented a proclamation.

WHEREAS, In 1916, Charles Webb Murphy, a Wilmington native and successful businessman, hired the A.P. Eveland Construction Company of Cincinnati to begin construction of a theatre. When told by a colleague that this size theatre in a small town was a bad investment, Charlie acknowledged, "It's not just an investment; it's going to be a monument;" and

WHEREAS, the Murphy Theatre celebrated its opening night on July 24, 1918, to sold-out crowds, and for the last 95 years has been a center of Arts, Entertainment and Civic Engagement for the Wilmington Community; and

WHEREAS, the Murphy Theatre staged live shows, vaudeville, lectures, minstrel shows, and stage plays before becoming primarily a movie house in the 1940s. The stage of the Murphy has been graced by such performers as Mickey Rooney, Rosemary Clooney, Tom Jones, Debbie Reynolds, Marty Robbins, Rick Nelson, and the Oak Ridge Boys; and

WHEREAS, The Wilmington Community acquired the theatre in 1987 and it is now used as a community center, honoring and upholding its historic heritage by continuing to provide quality arts and entertainment programming for its patrons.

NOW, THEREFORE, I, Randy Riley, Mayor of the City of Wilmington, Ohio, do hereby invite all citizen of Wilmington to join with me in the celebration of the The Murphy Theatre 95th Anniversary

Mayor Riley introduced Debbie Stamper from the Clinton County Convention and Visitors Bureau.

Debbie Stamper introduced Paul Williams from the Sports Car Club of America. She said that have been working on putting together an event with him for three and a half years.

Paul Williams – The SCCA consists of 54,000 members who are passionate about auto racing. They drive around cones in a big parking lot. He said Kevin Carver allowed them to use the Air Park on a trial basis in the past and now they are hosting a national event on August 2, 3, and 4, with 300 drivers coming in. Also, the week prior will be a regional event on August 27 and 28. There is no charge for admission and local people can participate in the regional event.

Mayor Riley said it was fun to open our doors and invite people. It allows us to show off our community.

Paul Williams said that Wilmington is the nicest site east of the Mississippi. He said their website is www.cincyscca.com. They close gates at 7:00 on August 2, 3, and 4. It starts at 7 o'clock in the morning. This solo is the beginning group of the road racing and they are all amateurs. This is the beginning of a road racing career.

Mayor Riley thanked Debbie Stamper and Rob Jaehnig for making the event happen.

[Discussion of road racing]

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced legislation making supplemental appropriations – Transfer to parks \$13,150. Lori Williams pared down her list twice and this is the absolute minimum she needs to get done what she needs to get done this year at the parks. This is not everything they would like to have, it is just a small amount that we are going to vote on this evening. I told her in the meeting that we are treating it as a one-time thing this evening. It doesn't necessarily mean that something else is going to happen. We will have to approach it again in the fall when we go into budget time. The second item is from the General Fund to civil service incidentals \$5000 in order to test and put on a couple of new police officers. We've lost a couple for various reasons. These are replacements for ones that are already in the budget.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Supplemental Appropriations.

President Pro Tem called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed. All yeas.

President Pro Tem of Council declared Ord. No. 5096 passed as read.

Councilman Mead introduced an ordinance making miscellaneous transfers – transferring in the police fund from fuel to vehicle maintenance the sum of \$7000.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Miscellaneous Transfers.

President Pro Tem called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed. All yeas.

President Pro Tem of Council declared Ord. No. 5097 passed as read.

Councilman Mead introduced legislation making a supplemental appropriation from the General Fund to motor vehicles in order to purchase two new cruisers. This is additional money from the General Fund and should be treated as such.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Councilman Jaehnig – I was wondering why this never went through committee.

Councilman Mead – It was in committee once and it got stopped before it got to council because they didn't have the certificate approved. We have been through that much of the process, so they just put in at the next council meeting. It didn't come at the last one.

Councilman Siebenaller – The budget commission had to amend the certificate prior to us being able to take action, so we had to wait on that.

Councilman Jaehnig – I didn't remember the official discussion at finance, but I missed a few...

Councilman Mead – It had been through there once and almost got here, but we got stopped at the last minute.

President Pro Tem asked for further discussion.

Seeing none, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Mead, yes.

Motion passed. All yeas.

President Pro Tem of Council declared Ord. No. 5098 passed as read.

Water Committee - In the absence of Chairperson Wallace, Councilman Wells had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced the third reading of the ordinance regarding riding bicycles on the sidewalks.

A motion was made by Siebenaller and seconded by Stuckert to give the third reading only on the ordinance Amending §373.11, Riding on Sidewalks, of Chapter 373, Bicycles, Motorcycles and Skateboards, of the Codified Ordinances of the City of Wilmington.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Siebenaller and seconded by Mead to pass the ordinance as read.

President Pro Tem called for vote.

Motion passed. All yeas.

President of Council declared Ord. No. 5099 passed as read.

Councilman Siebenaller thanked Chris Schock for his work on the ordinance. He said there were many items in the judiciary pipeline and he was looking at a meeting tentatively on August 1.

Safety Committee - Chairperson Wells introduced legislation allowing retiring Police Officer Robert Houghton to retain his service weapon and badge.

A motion was made by Wells and seconded by Mead to give the first reading only on a resolution Regarding a Retiring Officer's Service Weapon and Badge, Providing for Release of Claims, and Honoring Said Officer with the Presentation of the Same, and Declaring an Emergency.

President Pro Tem called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by Wells and seconded by Jaehnig to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Mead, yes; Siebenaller, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by Stuckert to pass the resolution as read.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed. All yeas.

President Pro Tem of Council declared Res. No. 2329 passed as read.

Downtown Revitalization Committee - Chairperson McKay we've talked about the downtown a lot tonight. Things are going well. I think most of you have noticed that there is going to be a new restaurant opening soon – in August. Steve Stovall is the owner – a professor at the college. It looks like it is going to be fun and I think we'll all enjoy giving it a try.

Mayor Riley – The Farmer's Market has been testing the limit of farmers markets and they're actually looking at doing some more things. They're looking at doing something with tractors like we do at the third Friday parties with cars.

Councilman McKay announced that it was Third Friday party downtown this week.

[Discussion of street closures and traffic patterns]

Parks and Recreation Committee – Chairperson Jaehnig thanked council for the movement of funds to the parks. Just as clarification to what Councilman Mead had to say, the reduction in the funds request had to do with the time of the year and the availability to actually accomplish the projects. So, reducing the funding request is because at this point in the year, those are the projects they can actually complete. It doesn't mean the other projects that needed to be done went away or had been solved, they just could not be completed this year, and that is why the reduction in the request.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Mead and seconded by Stuckert that the Auditor-Treasurer's Report – June 2013, and the Treasurer's Office Statement of Earned Interest – 1st Six Months 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Pro Tem McKay opened the meeting up to the general public and/or members of council to address council while in session.

Lee Curtis – 1004 Southridge Ave. said the city needed to do a better job enforcing the cutting of yards and mowing. He mowed someone's lawn over on Cambo Place in order to allow access to some trees that needed to be cut down for safety issues and someone called law enforcement on him.

Mayor Riley explained that it was a long process to have the city mow a lawn. We can't start the process until it is 10 inches and then we have to give notice and wait for a response. About a month ago, we had over 70 that needed to be mowed and the city lacks the manpower to take care of them all. He said he appreciated Mr. Curtis' gesture to cut the lawn himself. He said it really helps when people work together and do that.

[Discussion of mowing]

Paul Hunter – Since the News Journal doesn't publish comments like they used to, I've started a blog to express my opinions and post newsworthy items. Underground Wilmington on Google.

Mayor Riley – I called John Schum today to thank him as he has been watering flowers and washing windows downtown. He has been an excellent neighbor for downtown Wilmington. I want to thank him publicly. Bless your heart, John. Thank you for that.

[Applause]

John Schum – For those of us who work downtown, we spend more time here than we do at home. So, this is how we live.

Mayor Riley – I so appreciate what you do. If everybody who worked downtown had half the interest that you do, this downtown would sparkle all of the time.

Mayor Riley announced that the bridge on South Street by Masons Car Wash is currently closed for construction. It should be five or six weeks. There have been problems with readability of the detour signage, so semis have been continuing to try to go through the construction zone. He has spoken to ODOT about it and they are working on fixing the situation. The city will be doing focus enforcement in Southridge of speeders, of heavy traffic, of people not stopping at stop signs and all of that other stuff. We will be watching that area very closely. Just be careful and remember it's right there by Masons.

President Pro Tem McKay asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Pro Tem McKay asked for a motion to adjourn.

A motion was made by Jaehnig to adjourn.
President Pro Tem McKay declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in regular session on Thursday, August 1, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, July 18, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last special meeting, July 11, as presented.

Motion passed.

Minutes approved as presented.

Mayor -

Mayor Riley swore in James R. Smithson, Jr. as a patrol officer of the Wilmington Police Department.

Mayor Riley asked Councilman Jaehnig to present the new jobs numbers for the City. Councilman Jaehnig announced that the jobs number had increased from 263 to 314. New jobs are as follows: Cole Taylor, 27; Pizza Hut, 17; Arcadia Learning, 1; Downtown Consignment, 1; Leadership Clinton, ½; Groves Tire, 4; CMH, 1.

Councilman McKay said they attended the Pizza Hut ribbon cutting.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead presented the annexation of Suburban Investment, Co. Clinton County Port Authority, Wilmington College, and the City of Wilmington. He said that everyone had maps and agreements to look at. He asked Bill Peelle to present information on the annexation.

Bill Peelle – Each of you should have a large, medium and small on the desk in front of you. You may have to share. Each of you does have a copy of the proposed petition. This annexation is being requested by four parties. It is an annexation that will be anticipated to be done by total agreement. As a result, if council approves it and the Township Trustees approve it, we will file our petition with the county commissioners. At that point, they will have a hearing. But their process basically is to accept it. Because if it is done by agreement, it is not something the county commissioners would have the authority to modify. As a result, what you have in front of you is anticipated to be a petition together with an agreement that would be accepted by all parties and would be unanimously moved through to the next level, which would be the commissioners. I represent Suburban Investment Company, who owns McMahan Trailer Park. It is a McMahan principle who is involved in this. There are seventy-some mobile homes at the site, and there is a critical need for sewer. In fact, there is a mandate that requires that the mobile home be connected to sewer in the near future. As a result, that mandate initiated this petition. As I began to work through the process, I found first that there are two

parcels that McMahan owns. There is also a buffer between McMahan and the current existing city limits. That buffer is the water reservoirs as well as Airborne Road. I think everyone here is well-aware, when property is to be hooked up to the sewer under city requirements, it has to be inside the city. For the city to expand, there are no islands and there are no zones in between that are not incorporated. As a result, Airborne Road has been attached as a legal description to your package. The water reservoirs have been attached as legal descriptions to your package, as are the two properties that are owned by Suburban Investment Company. As we begin to work through this process, we also worked with the Clinton County Engineer. We also worked with the Union Township Trustees, and we also began to work with Wilmington College. Karen Buckley is here this evening representing Wilmington College. Obviously, the City Law Director is here on behalf of the City of Wilmington and Rick Moyer from the Prosecutor's office is assisting with Union Township. Jim Fife, one of the Union Township Trustees is here this evening too. I believe there are people here who can speak on behalf of about every organization. I'm not sure if anybody is here this evening with regard to Clinton County Port Authority. Their primary attorney, Scott Powell, of Vorys Sater is on vacation this week. Interestingly, he has communicated on a regular basis for the last three or four days to make sure that what we are bringing this evening is consistent with the Port's position as well. What happened is, we started with McMahan's Trailer Park needs the sewer. The city then indicated, through one or more persons, that it would be appropriate and ideal for the water reservoirs that the city owns to come into the city. The Airborne Road portion needed to come into the city as well so that there would be a contiguous property without interruption that would all be within the city limits. The existing sewer is at Davids Drive. That sewer line needs to be brought out to McMahan's. McMahan's will pay for that. If the city or another party desires an upgrade beyond that which is necessary to handle the sewer capacity of McMahan's Trailer Park, the extra expense associated with the upgrade would be passed through the party requesting that. That will need to be done when construction starts in the near future. So, working beyond that, the Clinton County Port Authority indicated that it desired to bring in the other runway and the area that is around it for its future development. That property actually extends over to Jenkins Road. Anybody who looks at the maps, which are right in front of you, you will find a 72-acre parcel that is owned by Wilmington College that sort of sits in the center of the pieces of the Port Authority that is contiguous and adjacent to the road. So, Wilmington College indicated the desire to also bring that in so any future development would be able to be accomplished if, in fact, their property needs to be included. When I then met with the Township Trustees, Jim Fife was there and we've talked several times, the township has a desire. My understanding is they do not oppose the annexation, their primary concern is their potential loss of revenue and what that may mean to the township with regard to its future abilities to handle its needs, especially as it sees the future of the city perhaps expanding beyond just this in the future and wondering where does that put the township in terms of its ability to cover its economic needs. That is something that I think Jim will have to address for you. I have not talked with everybody on council, but at the AAU meeting I did talk to the two gentlemen that were there. I've talked to the President of Council at some length. I believe that the concern with regard to the annexation is primarily limited to working out an agreement with the township and the city with regard to the appropriate division of tax revenues in the future. Right now, if I understand correctly, amounts to about \$3000 per year that the township receives.

Jim Fife verified this number.

Bill Peelle – As the runway is exempt from taxation right now and most of the other land is under CAUV application. The primary source of revenue is the real estate tax that comes in from the mobile home park. Once it is annexed, the income tax would be the portion that would be the city's for sure. Whatever the two entities work out is where the real estate tax would come into play. I believe that's about 20 mils and about \$3000 per year at the present time. That is a point of discussion that will need to be held. In this small petition packet that I handed out to each one of you. I worked with the County Engineer yesterday. The county engineer has been absolutely wonderful. They sat down and calculated all of the roadway portions. What you have here, is the net amount that would actually be annexed into the city. So, for example, Jenkins Road, where the property lines come into the road, Jenkins Road would not come into the city. What you

would have is Airborne Road, in its entirety, made up of three different parts, basically 34-plus acres, 0.98 acres, and about 2.22 acres. There are also three parcels owned by the city, two water reservoirs, and the pumping station down the hill. There are two parts that come with Suburban Homes, the mobile home park itself, which is 70-some acres. There are about 103 acres left. There is room for expansion once the sewer lines go in. the college has about 72 acres once we take the roadway out, and that leaves the balance of it with the Port Authority. All of the legal descriptions are included in your packet for every parcel. The county engineer's office is in the process of putting together a legal description for the entire area once all of the parcels have been agreed upon. They are in a perimeter survey, and the entire 1181-plus acres that would be in one survey to bring in. I'm not sure what else anyone on council would want me to address. It is very important, at least to the mobile home park, that this annexation occur sooner rather than later because it is critical that the sewer line get developed out as soon as possible for the mobile home park.

President Kirchner – Between you and the service director, when we talk about sizing the line that will be necessary for McMahan's, are we talking about sizing it to current capacity or to the size necessary to service the development on all of the acreage that they own out there.

Bill Peelle – I'll defer to the service director.

Service Director Reinsmith – I think we would have to look at the potential for all of the acreage. We have a 12-inch line right now that sits right in front of Southern State. Talking with Harry McVey, Superintendent of Wastewater, he was talking probably about the same size of line to go down Airborne Road. It's all going to eventually end up in a lift station right there at the intersection of 134, with a force main going partially back towards Southern State. We're probably looking at a 12-inch line.

Bill Peelle – I think the size needed for McMahan's to be a 4-inch line, so there would just need to be that upgrade to keep it consistent.

President Kirchner – And this is the question I'm asking. Will that 4-inch line service all of the acreage they would be bringing in that could develop or is that just for the capacity now?

Service Director Reinsmith – Bill, you said a 4-inch line.

Bill Peelle – That was what I was told, but I'll accept whatever you tell me.

Service Director Reinsmith – No. Our minimum sized line is an 8-inch line.

Bill Peelle – that is what I thought.

Service Director Reinsmith – The four-inch line will be a forced main, which is all under pressure blowing from one manhole for the lift station. That has a smaller line. But, gravity-fed lines are a minimum of 8-inch.

Bill Peelle – But the construction and the installation of a 12-inch versus an 8-inch wouldn't be a great big difference in terms of the actually worked installed. It might be a little difference in terms of the cost.

Service Director Reinsmith – And the size of the trench, possible, but the size of the pipe difference.

Bill Peelle – We have provisions in our ordinance that covers the upsize should the city require it.

President Kirchner – The understanding that they would take the minimum size gravity line out to Airborne Road. We, as a city would cover the difference of 12-inch line. And then all construction beyond that to the McMahan property would be their responsibility...

[Discussion of sewer lines]

President Kirchner – Would a four-inch line service a fully-developed neighborhood?

Service Director Reinsmith – I don't know. They have already hired an engineering firm out of Lebanon who is working with Harry on pipe sizing.

President Kirchner – So, once it is installed, it would be annexed. This would be part of the city's infrastructure. If they don't install the proper size amount of service, all of the development in the land that they have, that would be a cost to the rest of the citizens. I'm trying to make sure everyone is aware of what that cost would be. My question specifically goes to are we calculating all of those sizes based on development on all of their land coming in.

Service Director Reinsmith – We're working on that right now.

Bill Peelle – My understanding is the larger return to the sewer plant is actually on down Airborne Road and would tie in down there.

Service Director Reinsmith – The one problem you have, you would love to put a 24-inch line in there that would carry anything forever, but you're faced with the EPA fighting you on that because if you go too big, then all of your liquids run through it and you leave your solids. They look at that pretty toughly. We fought to get a 12-inch line down Davids Drive and we had to agree to do certain things to be able to do that because they said that was too big of a line. We talked about all of the industry and things we might have down there, but it didn't make any difference to them.

Doesn't the line that currently comes out to the end of Davids Drive go back toward the sheriff's office and back to a 24-inch that goes across and down through anyway? This newer sewer line or the extension of the existing one will still go

[Discussion of Sewer Lines]

Service Director Reinsmith – You are going to pick up income tax revenue, sewer income, water income and trash revenue.

President Kirchner asked if the park was currently on city water. Service Director Reinsmith explained that there was a master meter. President Kirchner asked how the city will be able to bill individual units. Service Director Reinsmith said that we would be able to charge McMahan's; not buying the park system.

Councilman Wells – So each individual residence will not get a utility bill; it will be billed by the park.

Mayor Riley – It hasn't been all along.

[Discussion of McMahan's billing process]

Service Director Reinsmith explained it would be similar to Town and Country. Everyone pays a certain amount on their monthly lot rental, which includes their water, sewer and their trash pickup.

Councilman McKay verified if their sewer would be brought up to our specifications before brought in.

President Kirchner asked if we would be pumping from their basin and not taking on the sewer system in the park. Service Director Reinsmith explained that was true and we also would not be taking on the maintenance of the streets there.

Councilman Wallace asked how going from county to municipal status affect the CAUV status of the property.

Bill Peelle – Once you take it out of CAVU use, it would go into commercial and the tax would be based on the true fair market value instead of the agriculture.

Councilman Wallace – That will just go through to the township then.

Bill Peelle – It depends on the agreement. The township receives about \$3000 per year.

Councilman Wallace – There is no way the city would be held responsible for that above and beyond.

Bill Peelle – CAUV, as long as it is in place, will be the applicable tax assessed through to the landowner. If development occurs, it will have a new application based on the use and structure and the taxes will go up. The question is, who receives that tax revenue. Under the existing document that is attached to the system, the township is set to receive not just the current tax but the future tax in perpetuity in the land that is being annexed in, which is different than the agreement on the DHL property that was brought in and could potentially be different for each future annexation. I think that is the discussion that I had with Scott the other night on the telephone and that several people have asked about and probably the most important point of the township sitting out here right now. I don't believe there is anybody that I've heard from that is opposed to the annexation. The question is, how is the tax to be properly collected and who receives the tax distribution.

[Discussion of tax collection processes]

Councilman Jaehnig – I'm in complete agreement that the township should be made whole. Where I start to have an issue that any future growth in that area, because the point is for development. If we're going to bring in the cost of Airborne Road, which will quickly eat up all of the tax basis coming in, to then say any development happens or if anything changes in the Air Park for any reason, or something of that nature, any growth on those properties and the value of the properties would continue to go on to the township forever is where I have an issue. I think the township should definitely be made whole. I don't even have a problem with making them more than whole, but at some point, the city has to start seeing the benefits of the investment and the efforts that they're putting into the tract of land. I may be incorrect in this, but I don't believe at this point this tract of land that there is any yearly cost associated with it for the township. The county has costs and the county is going to be saving money by the tract entering the city, but I don't believe there is any cost to the township currently that that was funding. In regards to the budget, I am all for keeping their budget whole or maybe even better than whole, but for all of the funds for any development that happens, okay the world goes crazy, in fifty years the airport's a giant casino and that property is worth 500 million dollars. That's great for Union Township, but there has to be a breaking point at some point. I don't know that it needs to be a number of years or a dollar amount or something, but in my opinion, there needs to be a happy medium.

President Kirchner – If I can offer some thoughts on that, Councilman Jaehnig, historically, prior to the annexation of the airpark, agreements to annex in portions of the township that were connected to the city for development generally, this was agriculture land and enabled us to expand our city's structure, whether it was through homes, such as the defunct Parkside South, now Tolliver Fields, or go out to the new Wal-Mart and things of that nature. One of the things that was done at the time, when you annexed land, you would do a 10-year agreement where the township would continue to get that number for 10 years in order to allow them a time frame to adjust their budget to having that income. I believe if you look into 709.19, by law the Ohio Legislature set up as a maximum time frame that you must give if it would be a contested annexation, would be 12 years, but it doesn't ever give them a hundred percent to my understanding. It reduces the percentage of what they would get in the first seven years, reduces it more in the next set of years. It would actually harm them more than the 10-year agreement we historically have done. Fast forward to 2007, the entrance of DHL, at that time the administration and council worked to annex the airpark, which actually we could have done many years earlier because we serviced them with water and sewer. The

negotiation with the township at that time, because it was a large industrial complex, was to get them on board with taxes in perpetuity. I was on council when that occurred. I didn't think it was responsible to the citizens to sign up for something until the end of time. At the time, my suggestion was extend it to 20 years and to get DHL with skin in the game, they pay the money they were saving in water and sewer over to the township into an endowment that would keep the township. And then DHL left. He said he would suggest capping it at 10 years. He said you had to consider the cost of maintaining Airborne Road, an extra expense for the City.

Jim Fife – The township is trying to propose an agreement that benefits both the city and the township. Any agreement that does not benefit both sides, is not a good agreement. Scott, you talk about forever is a long time. You are correct. When you annex land from the township, you have it forever. Over the past 25 years or so, the city has annexed in excess of 4500 acres from the townships. That's a major impact on township budgets. What we are trying to do is foster a relationship with the city that's based on trust and mutual respect. When one side is taking everything and not giving anything back, that does not foster trust and mutual respect.

President Kirchner – I don't see this as a one-sided agreement. Because, by taking this land into the city, and by the way, the city did not go and look for this land. We did not ask McMahan's to come in. This is not driven by the city desire to move it in. However, my understanding is the impetus behind this is, if we are to be able to develop this with water and sewer, it would have to be in the city now. Here is where I'll say that I don't think it's a one-sided idea. The people that would find jobs here would have the ability to build houses in the township if they didn't want to live in the city. They would have the ability to buy houses in the township and improve them and improve the revenue base. They would have the ability to live in the township if they wished, and the township could actually see improved property values because of the better employment opportunities that would exist. Those employment opportunities have to do with the development capability of the land and that goes to infrastructure. On top of that, the citizens will probably much in excess of \$3000 just on maintenance on that road. That is a real cost to the taxpayers of the city, so subsizing the township when they are taking on the cost of that roadway does not seem like that's a fairness either. The township could benefit very much from this. I'm sure that you've seen foreclosure issues that have addressed property values and reduce your incomes just as the city has. By creating the opportunity to work together and help development opportunities for all members of our community, whether they be in the city or the township... By no means do I think that these jobs would only go to city residents. I think they would go to a number of township residents. I think there is benefit. I think it creates more economically viable community all the way around. It helps keep up the infrastructure that helps support the value of the township. I know we work very closely together on fire services. I think that there is a partnership there, and I don't think this is one-sided move. I also think that based on the understanding of the history of that in perpetuity idea was a one-time deal where all would go back, we're talking about a trust issue and understanding. Was that the township's true understanding of the agreement or was it not. I don't think this issue is as black and white as that statement would put. I think there is a benefit for the township here. There is benefit for the whole community if we work together and get this done.

Jim Fife – With great ____ jean comes great responsibility. We didn't propose the annexation. We were confronted with that possibility. And when we were aware that McMahan's Trailer Park was facing some difficulties in the future, as a township, I think we would be irresponsible if we didn't do everything possible to help our neighbors. It's important that we do that. That's why we are willing to enter into a quick agreement, as quickly as possible. But, we can not continue to have annexation erode the tax base of the township. We can't afford to do that, Scott. From your point of view, it probably makes a lot of sense. From the city's point of view, it makes a lot of sense. We annex the land, there will be development and you will make it up in the township. Well, that sounds good, but in reality, it doesn't always happen. It may happen, but there's no guarantee. So, from a township standpoint, we are willing to enter into an agreement as quickly as possible. All we ask is that we remain whole. That is all we are asking.

President Kirchner – My thought would be, the need for the quick agreement is to service the members of your township, the trailer park.

Jim Fife – It's members of our community; it's not just members of our township. It's what's good for the community. Not what's good for the city. Not what's good for the township. What's good for the whole. The community. McMahan's is a part of our community. They are our neighbors. I want to clarify that.

President Kirchner – Are you saying that the township will stand against this agreement if they don't get in perpetuity.

Jim Fife – I'm saying we are open to negotiation to try to make this happen to help our neighbors.

Councilman Jaehnig – I think we could talk about concepts and semantics and so forth all night. I would like to make a suggestion so we could find a happy medium. I've thought about this a great deal since the AAU meeting and my numbers weren't quite as accurate as the \$3000 that was put out tonight. So, my numbers may be a little bit high and so hopefully people won't have a heart attack. My suggestion, just because I have a problem with the in perpetuity issue. I think that the township should be made whole – absolutely. I don't have a problem with making them more than whole. My proposal would be a \$10,000 payment in lieu for twenty years. That would be my suggestion. We don't know how quickly development is going to come. It could come next week, it could come twenty years down the road. At some point, the return starts to return to the city, but you have more than enough time and you're actually increasing your revenue base during that time period while development occurs. It's at least a starting point to talk, in my opinion.

Councilman Wells – It's \$3000 now per year. Is it possible where you could limit the dollar amount – smaller for a longer period of time. Is it completely up to us to decide what we want to do.

President Kirchner – Whatever we put out would have to be agreed to for a quick annexation. If it is contested, the ORC code takes over and it's a 12-year max with reduce percentages below 100%. So, there is a fallback that actually would be worse than the idea of 10 years at 100%. The ORC spells it out. The legislature indicates what it thinks is fair. So, anything that the township wishes to agree to, they can. Anything this council also wishes to agree to, authorizing the mayor to enter into, they can. But the history of 10 year, 100%, is there. The precedent was set. That was the standard. I don't see limitless expansion of the city, Jim, into the township areas. I also know that we have seen very significant housing investment in the township area, I think far beyond what we have seen in the city. Again, I think that will be challenged without future development, better jobs, better economic situations in the entire community. But I do think that council has a history here, and Mr. Law Director, you can correct me if I'm wrong, we can have the Law Director research, but all of the past annexations or go back a period of time, whatever it was to see what that is, I would be very curious if there was a contract associated with the understanding that when the annexation of the airpark took place, all annexations, future annexations, would return...

Law Director Shidaker – But that's not binding...

President Kirchner – Understood. But what I want to understand was what was the understanding at the time between the township and the city.

Law Director Shidaker – I wasn't here.

President Kirchner – We just need to look and see if there is documentation to that effect. Because I do recall that it was noted that this was a very special situation.

Law Director Shidaker – But even if that was part of it, that is not binding. You can do whatever you want.

Councilman Jaehnig – I think it's new day, it's new people, and we at the situation now. I really would like to hear what Don and Loren and _____ have to say about what Bob requested.

Councilman McKay – I have a question, actually, Jim. I also do not like in perpetuity. Forever is a long time. But do you have any fallback thought, Jim, that the township might accept other than that?

Jim Fife – Mark, I'm one of three.

Councilman McKay – I know.

Jim Fife – I can't speak for the township board, certainly because I'm one of three. I'm here representing the township and our position coming into this was that was what our request would be. If you're asking personally, I'm not opposed to creative thinking, especially if it benefits the community. My feeling here is, though, that any agreement that we enter into has to benefit both sides in addition to McMahan. That is what my personal thinking would be at this time.

Councilman McKay – I think that is where council is also. I would assume that we need to come up with some numbers and some length of time that everybody thinks is a good idea, because I think we all agree with the project.

Councilman Mead – Let's go around the table. Are you Don?

Councilman Wells – Is there any known development coming that we know of.

Bill Peelle – We don't know.

Councilman Stuckert – You say we're going to take on more costs with Airborne Road. Didn't I hear at a meeting somewhere, Larry, that the ballpark figure on maintaining roads is \$100,000 a mile or something like that?

Service Director Reinsmith – That's repaving.

Councilman Stuckert – Well, I think we need to have an idea of what we are getting into with three miles of highway. Our streets department is strained to the max. We're under water as far as being able to maintain the streets that we have right now. This is a huge point in time for us where our revenue is so tight that we've got to know what we are taking on with the air park.

Service Director Reinsmith – The police probably drive that road anyway. They service the air park and they come in from both directions, so it's not like they're going to travel a new road.

President Kirchner – I think the question is very clear to the cost of snow removal, mowing, crack repair, repaving. It's about the street maintenance cost.

Service Director Reinsmith – But he mentioned the police.

President Kirchner – We have a fire contract with union township, so we already service them from a safety standpoint, but this is about the costs of streets.

Paul Hunter – Since the township has less fire area to cover, will they renegotiate the contract downward because they have less territory to cover? They wouldn't dare do that, would they?

Councilman Stuckert – I think that figure has to be on the table before we negotiate.

Service Director Reinsmith – I think it is an issue that needs to be addressed, but it hasn't been addressed so far in the last few years, because none of the streets are being

touched. We haven't taken the bull by the horns and addressed that situation. We're going to have a little more street and roadway, but we have to do something.

Councilman Jaehnig – Is there any relief from the county since the county would have no responsibility for that road any longer than there is funding that is assigned to that road that would possibly come our way or anything of that nature?

Councilman Wallace – I raised the same question in the committee meeting and I'm not sure it ever got 100% answered from that standpoint. I am in the same boat, but the question I raised the other night is the perpetuity idea. I kind of like what Rob was suggesting. I have no problem giving the township as much or more than what they have been getting at this point in time, which would make them feel good about life and we can move the project on to help the process here for the trailer park, which is the reason we're all meeting anyway. I just have a hard time with the perpetuity part.

Paul Hunter – But anything over 1.2, Mike, has to come out of the General Fund. That's the problem with that.

Councilman Mead – At our committee meeting, everybody was exposed to it for the first time and there has been no discussion since then, so everybody has been thinking about it on their own – everybody who was exposed to it. My feelings at this point, for two reasons, one that 10 years because we agreed upon it at our last venture and if it isn't any good and it can just be changed, then what good is a contract. What good is it in writing if it doesn't mean anything and if they can just change it this time, then what does this contract mean, because we could just change it. I'm stating for 10 years and the other reason is I just think it's a very reasonable figure and I think you believed it was back when the other agreement was made. You believed it was reasonable. I think that is where I stand at this point.

Councilman Siebenaller – I agree with being uncomfortable with perpetuity, and I think we just need to try and come to whatever dollar amount might make both sides able to agree. Again, Jim has mentioned that both sides seem to be in favor the project, it's just a matter of figuring out what the exact numbers are.

Councilman Mead – Mark, do you want to talk again?

Councilman McKay – I've asked my question and this isn't the day to answer that question. Obviously, we need some reasonable minds to get together, whether that is the mayor with the township or someone coming back with a proposal that everyone can agree on and then council can or the committee can wrestle with it next.

Councilman Mead – Okay, so what do we need to do at this point? We voiced opinions. We know where we stand.

President Kirchner – Council has the opportunity to authorize the mayor to enter into discussions with a limit of some sort. You could wait for more information such as a review of the historical annexations or you could do nothing.

Law Director Shidaker – Could I just say legally what would happen. The petition, along with the certified copy of the agreement, would go to the commissioners office. If everybody was in agreement, they wouldn't even hold a hearing. They would just pass it and everything would happen fast. In order to have the agreement in place, you need to authorize the mayor to enter into that agreement and then that question becomes under what conditions do you want him to enter into an agreement. Do you want those conditions in place – 10 years, in perpetuity, whatever. So, authorize him to enter into the agreement. You could do that tonight and then it would lay into the township's lap as to whether they would also enter into the agreement. We could attach conditions tonight for the mayor to enter into an agreement, or not, and then put it into the township's laps as to whether or not they would accept that agreement and for that to be the commissioners.

Councilman Mead – We would have to make those decisions before we ask him to enter into that agreement.

Mayor Riley – Well, I would need direction from council...

Law Director Shidaker – Or you don't have to give him direction. You could leave it up to the mayor if you wanted to, or you could give him under these conditions.

Councilman Jaehnig – Is it possible to ask the mayor to sit down with the township and see what sort of agreement might be acceptable and then come back to council.

Councilman McKay – that is what I would suggest.

Mayor Riley – I would be real comfortable with that. I would have no problem with that whatsoever. I would ask that our Law Director go with me and you have your attorney with you and we will sit down and discuss it and see what we can come up with. The options that you have mentioned, I've written down, so....

Law Director Shidaker – It would be nice to know what is on the table, though, so he can go and negotiate this. I mean, if “in perpetuity” is off the table entirely, it would be nice to know that, so when we go into negotiations we wouldn't agree to something like that.

Councilman Siebenaller – The historical reference would be beneficial too, because besides what I've heard in committee meetings and what I've heard here tonight, I have absolutely no reference point for this. So, I like the idea of also hearing what has been done in the past. I think the two could probably be done at the same time.

Mayor Riley –I would appreciate that myself. I would like to have that in my quiver when I go talk to them to know what has been done in the past 25 years.

Paul Hunter – What happens if the township says no but McMahan's says we want to be annexed.

Law Director Shidaker – We would go through the full-blown contested process. The fallback would be what Scott was referring to as far as the compensation is concerned if the commissioners approved it. It would just take longer.

Paul Hunter – But it would go through no matter what.

Law Director Shidaker – Potentially, yes.

President Kirchner - The law director shared with me that all of the annexations he has reviewed, going back to 2004, other than the Airpark were 10-year, 100% of what the township would have gotten had the land not been annexed. I will ask council to very carefully consider staying with just the percentage of that tax amount because as Mr. Hunter pointed out, if you go above the amount they currently get, you will now be taking money out of the General Fund from taxpayers of the city to pay the township.

Councilman Jaehnig – The current ones that have been written in the past for the length of time is not a snapshot at that moment. It is whatever the value is of that property as it goes forward during that 10-year period.

President Kirchner – I don't think anyone has disagreed with that.

Councilman Siebenaller – What you are saying is it is not necessary locked down at \$3000. It's a millage amount.

President Kirchner – That land could increase in value immediately and their millage would go across it.

[Discussion of millage amounts]

Bill Peelle – I relied on the county to confirm my figures and whatever process they went through. Yes, it is about 20 mil. It's based upon about a \$15,000 a year annual real estate collection for all the parcels for all of the tax everywhere, and that's about \$3000. I think what is being said here by the Law Director and everybody is that the City of Wilmington would not receive any real estate taxes for 10 years. The township would receive them.

Law Director Shidaker – Including future improvements.

Paul Hunter – Just the 1.2 is all.

Bill Peelle – Not according to the Law Director.

Law Director Shidaker – Including future improvements for 10 years.

President Kirchner – But it's the applied millage rate that the county has.

Law Director Shidaker – What they would be entitled to each year for 10 years they would receive.

President Kirchner – The point being that the inside millage associated with fire levies and things like that, there would be a dollar difference. Whatever their millage rate would be...

Law Director Shidaker – Whatever they would be entitled to is what they would get each year.

Councilman Mead – So do we need some sort of proposal we can vote on so the mayor knows what we're doing.

President Kirchner – If it would be something that the council would not support when he came back, I think it would be good for the council to give the mayor clear direction on what they would support.

Councilman Mead – I could make a proposal. I propose that we offer the township the percentage or mils that they are getting now for 10 years.

Law Director Shidaker – Not their future improvements for ten years?

Councilman Mead – What they would ordinarily get, which would include future improvements.

Law Director Shidaker – So, what they would have been entitled to each year for ten years.

Councilman Mead – Yes, for ten years, whatever they normally would have gotten.

Mayor Riley – Let me be clear, Bob. You are limiting it to ten years. There is no in perpetuity involved. So, when I go and sit down and talk to these gentlemen, I want to know exactly what it is.

Councilman Mead – Do we need to vote on this thing. The chief is waiting for cruisers.

President Kirchner – In order to vote on it, you need to make a motion.

Councilman Mead – then I move that we pass the proposal that I just made.

Law Director Shidaker – And, if accepted, authorize the mayor to enter into that agreement.

Councilman Mead – Authorize the mayor to enter an agreement with the township with that condition.

President Kirchner – I have a first by Councilman Mead and a second by Councilman Stuckert.

Any discussion?

Councilman Jaehnig – I don't like sending the mayor in unable to negotiate. There's no negotiation. We're making a statement at this point, so the mayor's not negotiating. I have an issue of not giving any opportunity for there to be a discussion.

Mayor Riley – I may come back with something other than what you're asking.

Councilman Mead – That's a negotiation.

Mayor Riley – There is some room for negotiation. What I come back with may not be what you're stating.

Councilman Mead – Exactly. That is all we can do.

Councilman Wallace – I have no problem with extending it beyond 10 years but not making it infinite. Obviously for all of us, that is the biggest hang-up. I have no problems extending that – maybe 20 years. I would have no problem extending it.

Councilman Wells – but if we don't come to an agreement, then it goes to the revised code, which is 12 years. Is that what you said?

Law Director Shidaker – Yes. It is a de-scaling every like two or three years.

Councilman Wells – So this is actually a pretty good offer.

President Kirchner – This actually is a better situation than the ORC spells out based on the percentages of that millage.

Councilman Jaehnig – It's a better offer based on what we could shove down their throat. I like the fact that Jim is talking about – we're not just talking about now, we're talking about the future, and we're talking about a good working relationship in which we are able to do things to in a quick method. The minute we go to a long method, the first time we will be going to a long method every time from there on out. The long method is going to be expensive, because we are going to have to pay lawyers and there are all kinds of things going on. And this is why I want the mayor to have the opportunity to actually negotiate with them instead of tying his hands before he walks in to talk to them.

Councilman Siebenaller – To your point, it is quick because rather than dealing with each other, we're working with each other. Whether we give more latitude than what proposed, there is nothing saying that he can't go talk to the township, and they say, "No." Okay, well they can have that discussion of what would be acceptable and bring that back. So there is still the ability to have the conversation and work with each other.

Councilman Jaehnig – I guess what I am saying is I don't want to give him the authorization to enter into the agreement. I want him to go have the discussion. If we want to take certain things off the table, that's fine. But I don't see the need to give him the authorization to go into the agreement. I would like to just see him go and have the discussion and come back and say, we've gone back and forth and this is what works. Let's talk about the pros and cons of this.

Councilman Siebenaller – Authorizing the proposal with potentially the addendum of years being negotiable. That way, if it is acceptable to the township as Bob proposed they could get it done in the interest of McMahan's property be able to move forward but also being able to talk about if need be.

Mayor Riley – I would have no problem with you passing these as guidelines for the mayor. Certainly, that is the way I'm seeing it and that's the way I'm carrying it – as

guidelines. I will go on record saying that I have a world of respect for Union Township, for the township trustees, for what their mission is and for how well they have accomplished their mission over the past decades. Union Township is a great place, a great place to live, and it has been a pleasure to work with them on their fire services and everything else. I want to negotiate something that is fair for the township and fair for city. Imagine, put yourself in a situation, where you own property and somebody is able to just take parcels of your property without paying you. We do, I think, owe them something. Not, what that something is, I'm more than willing to sit down and talk with township trustees about to find out what is fair for them and fair for us and then bring it back. I think Jim has a real clear understanding that in perpetuity is not ringing well with any of you. But we do have room for discussion.

President Kirchner – I would offer the thought that one of my understandings here is there is a time critical native to this and the thought of authorizing the mayor to enter into a contract that would have those stipulations would actually enable this to get completed and filed in time to get this moving as quickly as necessary for McMahan.

Bill Peelle – Only if the township and the city have entered into the agreement and signed it.

Councilman Siebenaller – If I'm hearing the mayor correctly, either way, you would have to come back to us for approval. What I'm saying is, give you the ability to enter into it as Bob suggested but also, if need be, negotiate and then come back. But there is a potential, at least, for you to go and talk to them. If it is kosher to them, then they could go ahead and move on it.

Mayor Riley – In worst case scenario, I'll be back in two weeks for council approval because we will certainly meet within that period of time, I'm assuming. Right, Jim?

Jim Fife – Yes.

Councilman Siebenaller – But rather than having to come back in and have us consider something at that point, we may already have an agreement.

Councilman Mead – We might have a special council meeting before the two weeks.

President Kirchner – I personally would wonder why we would want to get so far away from the history of the annexation agreement and a deal that is already better than the ORC. This agreement that was hammered out with that partnership in mind, it was a better deal than what the ORC stated. So, I'm just curious as to why the history of the good working relationship and friendship that was founded in that historic approach of 10-years/100% has all of the sudden become a “ramming down the throat” if I heard correctly.

Councilman Jaehnig – No. That's not what I said. If we go the forced method... The comment was made that the 10 years was a good deal compared to the forced method. Well, a forced method is a forced method.

President Kirchner – But the reason the ORC wrote that in is because if a company owner wants to annex into the township, wants to withhold any ability to do it, they had to have a mechanism. It's forced by the property owner. It's not forced by the city. The enforcing has to do with the township resident that wants to move out of the township but the township won't let them. It's not the city forcing it to be done. I think it's a very responsible approach to authorize the mayor to enter into an agreement that would be 10 years/100% of what they would have gotten on the value of the property in that tax year.

Law Director Shidaker – One of two things will happen. They will either accept it or they will counter offer. If they counter-offer, the mayor will come back with the counter.

Councilman Siebenaller – If we need a special meeting, we will have a special meeting.

Councilman Mead – the special meeting wasn't for that purpose. It could be interjected into that special meeting because we'll be there.

Law Director Shidaker – If there is a counter-offer, we'll know about it and put it into the agenda.

President Kirchner asked if there was more discussion.

President called for a vote.

Wallace and Jaehnig voted nay. All other members voted aye.

Motion passed.

Bill Peelle thanked council and repeated that he hoped the compensation issue could get resolved so they could move forward in a timely manner.

Finance Committee - Chairperson Mead introduced legislation rescinding a previous supplemental appropriation. He explained that the police cruiser supplemental appropriation was not done correctly originally.

Auditor David Hollingsworth – The money has to be appropriated so it comes out of the general fund. The original ordinance had the money going directly out of the General Fund to a line item for the cruisers. The money has to actually go from the General Fund to the transfer to police and then appropriate it inside the police fund to the police cruiser for a capital line item. That middle step was skipped in the original ordinance. That's why you are rescinding that ordinance and doing another one.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Rescinding Ordinance No. 5098 Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed. All yeas.

President of Council declared Ord. No. 5100 passed as read.

Councilman Mead introduced the corrected legislation making supplemental appropriations for the purchase of police cruisers.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed. All yeas.

President of Council declared Ord. No. 5101 passed as read.

Water Committee - Chairperson Wallace had no report.

Councilman Wells – I don't know if this is the proper place to bring this up, but this concerns the water committee. Mr. Spinks called Brenda and I and spoke to us about the water bills. Do you want me to talk at the end of council or now.

President Kirchner – I ask that we wait until the end and do it during public session.

Streets Committee - Chairperson McKay introduced legislation that allowed for paving of streets that had not had top coats placed on them. He asked the mayor to speak.

Mayor Riley – One of the things I have been facing since I have been mayor are frequent calls from property owners in Timber Glen, Country Oaks and Cross Creek, etc. These streets need to be top-coated. The roadways are not finished. There is a gap between the curb and the roadway. The manholes are elevated. One of the situations is, the letter of credit that was supposed to be maintained to pay for this no longer exists, so it falls to either the city does it or it doesn't get done. That is basically the situation that we have found ourselves in. In discussion over the last many, many months, we have come to the conclusion that the best way to handle this is use the permissive tax that we do have to finish these four developments, completely finish them so they are done, and then in these developments, any time a parcel is sold that we would recoup from the developer that sold that parcel, we would recoup the money to pay for the street paving. It is going to take more than one parcel, because it is going to take about \$100,000 to complete all of this paving, but in Timber Glen there would be probably three properties sold and we could get it back. It is certainly not going to happen overnight, but at some point in the future we will recoup the money that we have put into it. This seems to be the most logical way to get it done and get it done in a very timely way. My goal would be to get this done during this asphalt season, which generally ends around the end of November. I would love to get it done this year. All of the residents living in those subdivisions certainly deserve to have their subdivisions done, and it falls to us to do it. The developers are not going to get it done.

Councilman Mead – would you tell them how you are going to do it.

Mayor Riley – When a parcel sells, we will get the money back from that parcel. There is also about 30,000 that is available through a couple of letters of credit that are still out there. In Cross Creek and Timber Glen, there are no letters of credit at all.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller had no report.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay had no report.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by * and seconded by * that the * be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by * and seconded by * to adjourn.

Motion passed.

Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in special session on Tuesday, August 13, 2013, at 6:00 p.m. with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

President Kirchner announced that they would move directly into the Auditor of State Office, LEAP Performance Audit portion of the agenda. Because this is an active performance audit, it qualifies as a purpose for executive session.

Law Director Shidaker explained that the Auditor of State would not present the information within any special council meeting and instead requests that council members only hear the LEAP Performance Audit presentation at a separate meeting immediately following the special council meeting. Law Director Shidaker expressed his objection to the process, stating that he thought the perception to the public was poor for all of the council members to be involved in a meeting out of session. He stated he was worried about compliance with Sunshine Laws, but if he had any complaints he would explain that it was orchestrated by the State Auditor's office.

[Discussion of the forum for State Auditor's report]

Clerk Brenda Woods explained that when the Auditor's office contacted them with a time to present the information, she had, at the Law Director's direction, scheduled it as a special session of council in order to comply with the Sunshine Laws.

Councilmembers asked Law Director Shidaker what his legal advice was. Law Director Shidaker stated that he disagreed holding the meeting outside of council, but the Auditor of State would not do it any other way. He said it was very important for the councilmembers to refrain from discussing any city business among themselves during the presentation.

[Further discussion of State Auditor's presentation]

President Kirchner stated that he understood that the presentation was not to be open to the public, which is why they were going into executive session. He did not know that the request was to go out of session in order to hear the report.

[Further discussion of executive session]

President Kirchner stated that they would change the order of the agenda at this point. He said after the close of agenda business, they would hold a brief recess while they consult with the State Auditor's office.

Law Director Shidaker stated that there would be no problem with the council members sitting and listening to a presentation. Councilman Jaehnig asked if they could ask questions. Law Director Shidaker explained that they could ask questions of the State Auditor's office but they cannot deliberate amongst themselves.

President Kirchner stated that any conversation amongst the councilmembers during the meeting with the State Auditor would be a violation of the Sunshine Laws and he would himself report it. He stated that they would now continue on into the Finance Committee section of the agenda.

Finance Committee – Chairperson Mead asked if Law Director Shidaker still required an executive session to discuss pending litigation. Shidaker replied that he did.

A motion was moved by Mead and seconded by McKay to go into executive session to discuss pending litigation. Law Director Shidaker clarified this was under 121.22 (G)(3) and (4) of the Ohio Revised Code.

Motion passed. All yeas.

Council entered into executive session at 6:14 p.m.

Council exited executive session at 6:45 p.m.

Councilman Mead introduced legislation making supplemental appropriations: the Waste Fund to Landfill Vehicle Gas Expense, \$25,000; the General Fund to Director of Law Consultant Services, \$100,000; the General Fund to Civil Service Incidentals, \$5000.

Clerk Brenda Woods read a statement describing the purpose of the civil service incidentals supplemental appropriation for drug testing for compliance with random testing and workers compensation claims.

Councilman Mead asked if anyone wanted separate the supplemental appropriations.

Councilman Stuckert asked if the landfill gas expense was in addition to what was budgeted. Donnie Maher explained that it had to do with using more gas to run equipment due to the heavy rainfall and moving a lot of dirt.

Councilman Jaehnig stated that he had no trouble with the supplemental appropriation but felt that legal fees associated with the enterprise funds should come out of their respective funds.

Councilman Siebenaller said that he agreed and asked how they could split it out.

Mayor Riley said that Law Director Shidaker indicated that he would probably need more before the year was out.

President Kirchner suggested that they direct the Law Director to not cover bills associated with Enterprise Funds.

Law Director Shidaker said that he paid the EPA bill. The current amount of \$12,983.69 has been paid.

Councilman Jaehnig – We could still fix it after the fact because it is not part of this request.

Law Director Shidaker – The \$94,000 that is currently owed does not include the EPA bill.

Auditor David Hollingsworth – What we might be able to do is supplement the cost allocation that was done at the beginning of the year.

President Kirchner said the question was whether we were covering costs associated with the Enterprise Fund.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5103 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers from impound costs to uniforms.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Miscellaneous Transfers.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Ord. No. 5104 passed as read.

Councilman Mead introduced legislation accepting the amounts and rates of tax levies as determined by the budget commission.

A motion was made by Mead and seconded by Stuckert to give the first reading only on a Resolution Accepting the Amounts and rates as Determined by the Budget Commission and Authorizing the Necessary Tax Levies and Certifying Them to the County Auditor.

President asked for discussion.

Councilman Jaehnig asked for clarification of why the Park Fund showed no amount but a Recreation Fund has money in it.

Treasurer Fear explained that when the Park Fund expired, it was continued by the Recreation Fund.

Seeing no more discussion, President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the resolution by title only.

A motion was made by Mead and seconded by Stuckert to pass the resolution as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Res. No. 2330 passed as read.

Councilman Mead introduced legislation accepting the Local Government Assistance Formula.

A motion was made by Mead and seconded by Stuckert to give the first reading only on a resolution Accepting Local Government Assistance Formula As Provided by the Clinton County Auditor.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the resolution by title only.

A motion was made by Mead and seconded by Stuckert to pass the resolution as read. Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Council declared Res. No. 2331 passed as read.

Councilman Mead introduced legislation providing for street lighting special assessments.

A motion was made by Mead and seconded by McKay to give the first reading only on a resolution Declaring it Necessary to Light the Streets, Lanes, Alleys, Lands, Squares, and Public Places in the City of Wilmington, Ohio, with Electric Lights, and for Special Assessments to be Levied to Pay the Cost Thereof for the Year 2014.

President asked for discussion.

Auditor David Hollingsworth explained that the city was requesting approximately \$55,000 less than the year before. Because of aggregation, the monthly fee to light the streets is running just a little shy of \$12,000. The fund is used for lighting the streets and also to pay for the costs of new lighting that is needed.

Councilman Siebenaller asked why this was done in August.

Auditor David Hollingsworth said he thought it was in order to give the Auditor's office time to get the assessment onto the first half real estate in 2014.

President Kirchner asked if there was a reason it needed to be on a special council meeting agenda.

Clerk Woods said that she and Chairman Mead had discussed it and thought it was more efficient to put it on the special council meeting where it could be reviewed by full council rather than schedule yet another Finance Committee meeting. September 15 is the deadline for both items on the agenda.

President Kirchner asked if it was an urgent matter and that is why it needed attention at a special council meeting.

Clerk Woods explained again that she had spoken to Chairman Mead and he thought it was fine that it be brought forward onto the Special Council agenda in order to keep the process moving.

Chairman Mead agreed that he said it should be brought forward for a first reading.

Seeing no more discussion, President called for vote.

Motion passed. All yeas.

Councilman Mead requested that the second reading be on the Agenda for the next council meeting.

Councilman Mead introduced legislation approving liens for utility delinquencies, mowing and lot cleanup.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on a resolution Approving Liens Pursuant to §§729.49, 743.04 of the Ohio Revised Code and §§923.09, 929.03 and 1729.03 of the Codified Ordinances of the City of Wilmington.

President asked for discussion.

Councilman Jaehnig questioned the amount of \$600 in sewer fees and \$0 for water for Meadow Park Plaza.

President Kirchner explained that even when water is shut-off, there is a sewer access charge.

Seeing no other discussion, President called for vote.

Motion passed.

Director of Law read resolution by title only.

Mead requested that the second reading be on the Agenda for the next council meeting.

Woods asked to clarify that item 3(f) (Street Lighting Assessments) was going to have the second reading at the August 15 council meeting. Mead agreed.

President Kirchner asked the Auditor of State to come in and explain the problem with presenting their information during the council meeting.

Councilmembers requested a small recess.

A motion was made by Jaehnig and seconded by McKay to have a five-minute recess.

Motion passed. All yeas.

Council recessed at 7:07 p.m.

Council reconvened after five-minute recess.

President Kirchner said that he had a discussion with the Auditor of State's office. The exemption associated with the discussion of an in-process audit is an exemption that applies if it is their meeting for it not to be a public meeting. If they would do it in an executive session in our meeting, their exemption does not apply. It is not a reason we can go into executive session. So, the indication again is, we can have them do the update and there is no exclusion of members of the administration. There is only exclusion of department heads at this point. It would not be during a meeting of council. I will make it as clear as I can to council again. You can directly ask questions of any member of the State Auditor's office, but councilmembers can in no way converse with each other about any of these matters.

Councilman McKay – So this is not a public meeting because it is their meeting and that is where the exception comes from.

Law Director Shidaker – I guess the question I have is, does anyone in this room currently need to leave?

President Kirchner said the Law Director is asked to be present if he wishes, as well as all elected members of the administration. My only question is whether the Clerk of Council is allowed to be here.

Mayor Riley said that since Brenda Woods has been the official contact with the Auditor's office, then she should be invited to stay.

President Kirchner said that the concern is as in her role of Clerk of Council she be allowed to be remain.

A motion was made by Wallace and seconded by Jaehnig to adjourn.
President Kirchner declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

Thursday, August 15, 2013

Wilmington City Council met in regular session on Thursday, August 15, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, August 1, 2013, as presented.

Motion passed.

Minutes approved as presented.

President Kirchner presented a Notice to Legislative Authority regarding a new liquor license application for Stovall Group, LLC dba Austin's Casual Eatery & Bar, 35 S. South Street, Wilmington, Ohio. This permit is for a D5L permit and will be on file at the Clerk of Council's office. He described the D5L license as follows: Spirituous liquor for on premises consumption only, beer, wine and mixed beverages for on premises, or off premises in original sealed containers, until 2:30am.

Councilman Wells asked if it was a violation to be open until 2:30 a.m. in the historic district.

President Kirchner said that permits in the historic district are only to go until midnight.

Councilman Jaehnig pointed out that the permit regulations and the actual operating hours of the restaurant are two different things.

Mayor - Mayor Riley said it was an honor to have the Governor in town to celebrate more job creation – 140 new jobs at Cole Taylor. They are now in the process of hiring primarily office people to work on mortgages. He said he was impressed by what JobsOhio has done for the City of Wilmington. Kasich had said he wanted state government to operate at the speed of business rather than the speed of bureaucracy, and he sees that happening. Mayor Riley pointed out that Brett Dixon has a good relationship with the Director of JobsOhio and that seems to help us. When looking at all of the jobs currently in the pipeline, it appears we could have a thousand new jobs by early next year.

Mayor Riley – went on to say that one of the things that helps with economic development is good press and good exposure. The City received fantastic exposure recently when we hosted a national event for the Sports Car Club out at the Air Park.

Councilman Jaehnig added that 23 states were represented as well as Canada, with 260 drivers and crews competing here for three days. The participants said our site was second only to their home headquarters in Lincoln, Nebraska. Upon hearing that, the mayor immediately asked them what we needed to do to become better than Nebraska.

Mayor Riley said that many people who drive in these races are business professionals, and a good positive impression of Wilmington is vital. They were impressed not only by the facilities at Air Park but with the restaurants, stores and the friendliness of the people.

Mayor Riley said that the front page of the Wilmington News Journal recently showed him with a pie in the face to support Rainbow Village. He encouraged everyone to support Rainbow Village as it is a great organization that does great work.

Auditor – In the absence of Auditor David Hollingsworth, there was no report.

Asset, Acquisition and Use. - Chairperson Bob Mead introduced item 6(b), legislation authorizing the mayor to enter into a lease agreement for property located adjacent to 35 Sugartree Street and declaring an emergency.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Authorizing the Mayor to Enter Into a Lease Agreement of Certain Property Owned by the City of Wilmington, Not Required for Public Purposes, Pursuant to Ohio Revised Code Section 721.03 – Lease or Sale of Real Estate – Advertisement for Bids and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Wallace to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5105 passed as read.

Councilman Mead then introduced item 6(a), an annexation that had been discussed at the previous council meeting. He asked the mayor for an update.

Mayor Riley – I met with the Union Township Trustees, as instructed, and negotiated with them on the payment in lieu of taxes. Bill Peelle and Jim Fife were there to discuss it. I told them in-perpetuity was off the table. Within no time at all, we had what I felt was a very fair offer from the township as far as the tax payment. It would be ten years at the full rate, and then we would decrease it by a certain amount over the next five years: 80%, 60%, 50%, 40%, 20%, and then the payment in lieu of taxes would be gone. You have details regarding the agreement in your packet. I would note that there are some adjustments that would be made in the number. The number that Danette Hines gave me, if we were making the payment today for those parcels, would be just short of \$3500 (\$3477.68). That will change slightly. When that property becomes part of the city and not part of the township, the amount that was being added to that for their Fire Levy would go away because they would now be covered by the Wilmington City Fire Department. Danette also found out that McMahan's trailer park, the entire property was being taxed at CAUV – the current agricultural value. Twenty-eight acres of that parcel are actually mobile homes, so that is going to have to be adjusted somewhat. There is going to be a little bit of juggling, but I don't think it is going to be a whole lot different than the \$3500. Most importantly, we are working with our friends in Union Township to come up with a fair and equitable exchange for property going from them to us and then us trying to reimburse them for a period of time so they don't lose all of their tax base. We don't know when, where or what, but sometime in the future, there are going to be other annexations. We can't just keep carving away at Union Township's property. This seemed like a very fair thing. I appreciate Jim and the other township trustees working diligently on this. I believe that what we have come up with a fair response. I would recommend this to the council for approval – 10 years of a 100% payment in lieu of taxes and then 80, 60, 50, 40 and 20 over the last five years. Someone had mentioned a full 12-year, but this proposal is only six months different than a full 12 year.

Jim Fife –We want to enter into a good faith agreement, and we want to make this happen for our neighbors out at McMahan's Trailer Park. We came together as a group

to try to put a package together that would be acceptable for both the township and the city council.

Mayor Riley – This will allow us to very quickly provide infrastructure support to those properties so they can get businesses up and running. If there is development there in the next few years, then we get the income tax from the employment. Just looking at McMahan's Trailer Park, if you factor in the sewer and the trash revenue, it really makes up for the \$3500 that we would be paying. It is a good deal for the city and a good deal for the township.

Bill Peelle – the residents of the McMahan's Trailer Park need to move forward as expeditiously as council would be willing to do. There has been a lot of energy put forth by the mayor and the trustees. The trustees moved off of their original position. I encourage council to get the matter resolved as quickly as possible.

President Kirchner asked the Auditor how much of the money was fire levy money. Terry Habermehl stated he did not have the information in front of him. President Kirchner asked Jim Fife if the fire levy was 6 mils and Jim Fife responded that it was.

President Kirchner said that by using the 7.2, we would quintuple the amount we are paying, from 1.2 up to 7. We've never historically done that in annexations. Is the desire of the township to be paid for the amount they would have received from the levy as well?

Richard Moyer - I think the question becomes, if that comes into the city, then in reality, if that contract is still in effect, you are still paying for the fire based on that levy. So, if you give it back to them, it's a wash.

President Kirchner – No. Once it comes into the city, they would not be paying for that portion.

Richard Moyer - Then the contract would need to be renegotiated is what you're saying; the amount of the contract would change.

President Kirchner – A contract is already negotiated to reflect the exact amount of the levy, so whatever they collect on the levy is what the contract amount it.

Councilman Jaehnig – It's not a dollar amount.

President Kirchner – So, by annexing it into the city, they would lose the fire levy income, but they would not have to pay the fire levy income from that property. So, they would not make the money and they would not turn it over to the city.

Moyer – What you're saying is, what the township pays in tax, would revert back to township property, so once that comes back to the city, the township is not going to be taxed on that anymore, so that drops off.

President Kirchner – If that amount is included, it ends up being a double amount, where the city doesn't get the income from the township's levy and they end up paying the township the amount that the township would have already turned over to the city.

[Discussion of fire levies]

President Kirchner – Historically, the language has clearly identified the township millage that was associated with this, and to my knowledge, the current agreement does not. So, it looks like there is a change being proposed.

Councilman McKay – I don't think they are proposing that on purpose. I think we need to talk to the township and Mr. Peelle about that. If their intent is not to do that, I would feel that they could change the language to reflect what we've been talking about.

President Kirchner – Council is going to need to see the agreement with the language changed if that is the case.

[Discussion of millage and levies]

Councilman McKay asked if we could make an assumption that they will change the language and talk about instead, the real issue, the number of years for the agreement.

President Kirchner – My personal thought is that the constituents would not want us to assume on their behalf. They would want us to be sure.

Councilman McKay – Just for the sake of discussion...

President Kirchner – the Law Director has just shared with me that the language, the way it reads, he would interpret to mean the entire 7.2. So, we definitely have some more work to do on any kind of an agreement.

Richard Moyer – If I understand this correctly, the proposal would stay the same as far as the township is concerned, it would ten years at full, then the 80, 60, 50, 40, 20. But, once that property is annexed in, since the fire contract is based upon the collection, based on the millage rather than based on a set figure in the contract itself, that actually ends up being a wash once it comes in. So, what you are looking at to keep them 100% whole is what is left after the fire levy is adjusted after coming into the city.

President Kirchner – That is historically what the contract has contained – as opposed to the levy millage.

Richard Moyer – So tell me where the township would be because fire money drops off, so it puts them in the same position after the annexation as far as tax collections are concerned as it was before the annexation.

[Further discussion of fire levies and millage]

President Kirchner – The mayor had mentioned a 12-year approach, which would not be that much more than the 15 year. Actually, the 12-year that was talked about was the Ohio Revised Code dictated schedule, which would actually be significantly less than this agreement. It becomes decelerating at year one and decelerates through the 12 years. The historic agreement that the city has had with the township is more generous than this.

Councilman McKay – Assuming that the fire levy numbers will not figure into this, the township has not asked for this to happen. They have been asked by their resident. This is something that is somewhat of an emergency nature. They are our neighbors. McMahan's are our neighbors. It is potentially valuable real estate. We have talked about ten year in the past. I feel this needs special treatment, and I would be very much in favor of accepting this proposal.

Councilman Siebenaller – I'm trying to wrap my head around – when you say the fire levy is a wash – what does that do to the numbers?

Councilman Jaehnig – It will drop the number from the \$3477 to approximately between \$600 and \$650 dollars, as the 1.2 inside mill. You will be looking at that for six years, and then an additional five on a degrading scale. If the values of the properties increase, then obviously what they would get reimbursed for would increase, based on what is being proposed.

Mayor Riley – I would hope that any significant property value increases would bring with it an increase in the number of jobs.

Councilman Siebenaller – I don't have a problem with the way it is set up, just making sure I understand exactly what we are doing.

Councilman Mead – I have a statement written out, and I'm going to read it. When the Air Park was annexed, there was an agreement prepared and signed by two parties: the township and the city. At that time, both parties were in agreement that this was the proper way to proceed in this as well as future annexations. The ten-year time limit for tax recovery on all future annexations was put in probably, forget the perpetuity, on the project being annexed at the time. Changing the 10-year agreement now would seem to indicate that the original agreement was not made in good faith, but only to gain an advantage at that time. I feel Wilmington should not change the agreement that was made at that time. I believe we should honor our agreement with the township and make the period for the new annexation agreement ten years. I remember that the conditions recommended by the Ohio Revised Code are not nearly as good as the 10 years at the full amount. That is my opinion.

Councilman Wallace – I do feel like having a good faith agreement with our neighbors, the trustees, I think it's important. I don't have a problem with a 10-year or a 15-year graduated down. I could accept that.

Councilman Stuckert – The only thing that makes me feel a little uncomfortable is people keep using the term good faith and good neighbor as if we go with 10 years, we are not being a good neighbor and we're not doing good faith. I definitely want council and the township to be good neighbors and to do things in good faith. I don't think it's fair to arbitrarily establish that 10 years means not good faith and not good neighbors. I don't think that's fair. I'm concerned about going to fifteen years – is this going to be the new precedent? It's already been stated that we will have additional annexations – they are probably inevitable with the growth of the city. The only reason you annex is because you are taking on land that is going to be developed and people are not going to come unless the city provides city services. I view the relationship between the township and the city similar to the relationship between two lawyers. I don't think you consider one fair and one unfair if they are pushing for the best interest of their constituent. I am interested in having the discussion of what this 15 years means to precedent going forward. Are we going to have a negotiation every time, with a special agreement being worked out every time? Are we going to have a precedent that we live with as we have in the past? I have mixed feelings on it. I'm not prepared to say that I can't be convinced of the 15 years. My strong inclination at this time is to honor the agreement that was made originally that provided for 10 years.

Councilman Wells – At this time, I'm willing to go along with the negotiated agreement that the mayor has come up with as long as we adjust these numbers downward to the true value that we are talking about. If we can get to the true value, I am willing to go along with that.

Councilman Jaehnig – I look at it a little differently. Obviously, McMahan's has a need and that is important and needs to be taken into consideration. The agreement that they made when Airborne annexed into the city was a bad deal. There were a lot of income dollars in there, but the perpetuity was a bad idea. I think each individual circumstance has its own issues. I don't think we can ever set a standard that every piece of property that is ever annexed into the city is going to fall into the same standard. This particular property that we are looking at right now, I look at as an investment. Is it worth our investment? Is it worth this much money to invest to have this in the city? Can we do what we need to do with it to make it worth our while? There is some risk involved because we are acquiring a road that is a substantial road for us to take care of. That concerns me. While Union Township and Wilmington are talking here, it's the county that is making out like a bandit on this deal. If I could figure out how to get money from the county, I would have my hand out, because all of the sudden, they don't have a road that they need to take care of and they're not giving up any funds to help us take care of it. But, this particular piece of property, I think has great investment potential for the community. I really think in the long-haul, the \$660 a year and then gradually scaling for 15 years is a cheap investment. It's a penny stock on the long-term return I think we can get. In the short-term, it will make it a little tight because of the road we need to take care of. But, I think long-term, it's a good investment. I look at it a little bit differently. I think the proposal made is much better than the original proposal of DHL. I'm okay with the graduated scale.

President Kirchner – Mr. Service Director, do we have an estimate on what it costs to take care of the three mile road that we will be annexing? What is it going to cost the citizens of Wilmington to take care of it? There will be no township funds or county funds. Do you have an estimate? I did a little research.

Service Director Reinsmith – Someone was talking about how they pulled it up on the internet. Where did you get yours from?

President Kirchner – This is estimating costs per lane mile, routine highway operations and maintenance study that was performed by the Midwest Regional University Transportation Center, College of Engineering, Department of Civil Engineering, University of Wisconsin, Madison. They incorporated Wisconsin, Michigan into the study. It's 72 pages and very extensive. You're looking at an average of \$4300 per lane mile per year, which multiplied by six, puts you over \$25,000 when you have two lanes and three miles.

Service Director Reinsmith – I might challenge those numbers. If you want to do a quick multiplication, we now have a 107 lane miles of roadway. If we were using your number, what would that number be? Our budget is nowhere near those kind of dollars that we do for all of the other streets in town.

Paul Hunter – That includes the amortization of street paving spread out over that.

President Kirchner – And repair to get you between paving, mowing, and things of that nature. It was an extensive study. So, you would challenge the college's methodology?

Service Director Reinsmith – I'm looking at reality.

President Kirchner – Let's say it's not per mile, let's say it's for the whole road. If we have to plow it three times in a winter, what kind of money are we spending hours-wise, gas-wise, maintenance on the truck-wise? My concern is that an agreement that takes on that cost burden to the citizens of Wilmington but continues to compensate the township basically has the citizens of Wilmington subsidizing the township while they take on the cost and responsibility of this road.

Service Director Reinsmith – You are also picking up income tax. We don't know what that number is. You're picking up sewer revenue. You're picking up trash revenue.

President Kirchner – Those costs are associated with an Enterprise Fund that has to support its operations. I just think that we have to keep in mind that this body services the people of Wilmington and those are real costs that come along with this annexation.

Councilman Mead – Could we move along? I want to give everyone a second shot of going around the table and then we have other things to do tonight.

Councilman McKay – I agree that there are a lot of things we can't pinpoint. We can't pinpoint future development. We can't pinpoint how much cost might be associated with that road. Are we setting precedent? I don't think we really are. I think our precedent is that we have to be open to discussion on any kind of annexation situation. If this lasts fifteen years, that is not a very long time when you balance it against perpetuity, which is what will happen when the 15 years is over. I stay with my original thought that I would agree with this proposal.

Councilman Siebenaller – I will be more comfortable with it once I see the revised numbers.

Councilman Mead – As an engineer and a businessman, I have a real problem with the principle of the thing. If we make agreements and we don't honor those agreements, that is not a good thing. The problem was that we did make that agreement and we say we can change it any time we want to. What does that do to the other agreement? Does that

nullify it – does it nullify part of it? Does it change it? Do we have to renegotiate it? It's just the principle.

Councilman Wallace – I'm good with the fifteen years.

Councilman Stuckert – I think there should be a possibility that the county could help us come up with a figure on what they have spent to maintain that road – a counter and something to balance along with the report. I agree with Councilman Jaehnig – that's the immediate thing that is in front of us that we know is going to be a cost to the city. I don't want to be sitting somewhere down the road and looking back and saying how come we couldn't have thought of these things. I'm still open to get all of the information in and make the final decision, but I think the length of the agreement is critical. I'm torn between the 10 and the 15. I still am on the side of the 10 because it is the original agreement and because of all of the other things to be taken into consideration – the costs – and the fact that we represent our constituents. I want to make sure my vote is in their best interest, as Jim has to be concerned about his constituents. Can we get some information from the county on how much it costs to maintain that road?

Councilman Wells – I'm okay with the 15 years since the last five years are reduced numbers at the true value. I agree with Rob – I think there is potential to recoup what we would spend in time. I think we will develop as time goes on.

Councilman Jaehnig – I appreciate what the president has to say in terms of we have to consider our constituents. That's a two-fold thing. We have to consider how well we spend their money and what costs we're going to accrue for them. We also have to, as the Treasurer does, consider how well we invest their money. Again, I look at this as a good investment. I think the 15-year opportunity is a good investment. I think it's a good deal. It allows us to move forward. Is there risk? There is risk with any investment.

Service Director Reinsmith – Remember, the county is not giving away a dirt road. They are giving away a pretty nice roadway. The estimate for a road like that is about a million dollars a mile, so that's quite a bit of an upswing in your assets for the city, as well as the infrastructure this owner is going to put in – the buried sewer line and lift station, which is probably going to exceed over a hundred thousand dollars, which he is going to put in the ground and everything and turn around and give that to the city. So, we gained a little bit there too.

Bill Peelle – I believe in the meetings I've attended, it's pretty clear that both the township trustees and the city councilpersons are in agreement for the annexation. It is not the issue. Right now we are at an issue of years 11, 12, 13, 14 and 15. When we look at the dollars, that amounts to \$660. On our declining basis, I believe that's \$1650 that this council is considering giving up. I understand what Councilman Stuckert is saying about we have a certain cost to maintain the road, but \$1650 stands between getting the annexation and not getting it done. The point is, we're talking about pennies in terms of economics. We're talking about a principle of do we have an agreement that is set in stone such that if it is a good deal for the parties at one point in time, is it still a good deal. We don't know until each individual application comes in here. So, ten years with the DHL facility as large as it was, was very reasonable. Year 11, 12, 13, 14, and 15 as being proposed in this particular agreement of which the petitioners are not the parties but are subject to council and the township getting resolved in order to move forward on a system that the owners of mobile home park are going to pay for. They are paying for the sewer line all the way from Davids Drive out to Airborne Road and down to wherever it is necessary. They'll also be paying for the rest of the infrastructure that will allow the mobile home park to hook onto that sewer line and will pay the fees then that all the citizens do. So, there is a significant investment right there that the mobile home is putting in. They are not getting reimbursed for that. They didn't come in and ask for some sort of a sewer recapture rate for future users out on the other end of the line. That is a huge benefit. No matter the cost of maintaining what is now a county road and not a township road, the amount of money in year 11 through 15, \$1650, is negligible in maintaining that. So, we come to the point of, what is the reasonable thing to accomplish? There is a mandate and a time period – Paul has talked to everyone at the

EPA to make sure he knows those numbers in terms of the dates – it has to be done by early 2015. The engineers are indicating that they are supposed to have their work done by the next 30-60 days and move forward. The more the annexation process is delayed, the more the timetables become a little more difficult to complete. All I will say is, \$1650 is what is standing between getting this resolved. I understand the principle involved. The amount of money is not very much relative to the needs that are currently before this council and the likelihood of future development and significant job bases of 1% income tax would override the \$1650 that you are looking at in years 11-15.

Councilman Stuckert said that if the properties increase in value, it could be more than \$1650. We got to get our information to make the decision.

Councilman Mead – We're not set up to vote on it, so that is why we are having the discussion. Everything has been very peaceful and quiet. I don't think anyone has objection to the cost.

President Kirchner – Do any of the exemptions on these parcels fade during this agreement time?

Councilman Jaehnig – It will only be exempt if it stays in the hands of the Port Authority.

[Discussions of parcels and exemptions]

Councilman Mead – We are not prepared to vote today, but be prepared to vote at the earliest opportunity.

Mayor Riley said he thought the legislation had been prepared and was actually in the packets.

President Kirchner suggested that council get their questions answered and the language clarified.

Councilman Wells said that school buses and city residents use the road to get to their jobs. Even though it's a county road, many city residents use the road.

Councilman Mead suggested that the language that states that we will follow the same procedure in future annexations not be included.

Councilman Jaehnig – In regards to the engineers and timelines, our next regularly scheduled meeting is not until the first meeting in September. While we are not prepared to take a vote tonight, do we need to take action earlier than that?

Bill Peelle – The first Thursday in September will be fine. I ask that the council consider moving forward on that evening and suspend the rules if possible.

Mayor Riley noted that the council members want to see the Exhibit B as well.

Finance Committee - Chairperson Mead introduced the second reading on legislation declaring it necessary to light streets.

A motion was made by Mead and seconded by Jaehnig to give the second reading only on a resolution Declaring it Necessary to Light the Streets, Lanes, Alleys, Lands, Squares, and Public Places in the City of Wilmington, Ohio, with Electric Lights, and for Special Assessments to be Levied to Pay the Cost Thereof for the Year 2014.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

Mead requested that the third reading be on the Agenda for the next meeting.

Councilman Mead introduced legislation approving liens for delinquent utility bills, mowing and lot clean-up.

A motion was made by Mead and seconded by McKay to give the second reading only on a resolution Approving Liens Pursuant to §§729.49, 743.04 of the Ohio Revised Code and §§923.09, 929.03 and 1729.03 of the Codified Ordinances of the City of Wilmington.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

Mead requested that the third reading be on the Agenda for the next meeting.

Water Committee - Chairperson Wallace announced that they would be trying to get a Water Committee meeting set for early September.

Streets Committee - Chairperson McKay asked Service Director Reinsmith if there was a timeline on the bridge construction on South Street. He noticed that there have been a couple of accidents out on Bernice.

Service Director Reinsmith said they were scheduled to pour the deck the following day.

Solid Waste/Recycling - Chairperson Wells asked about the comparative fund balance sheets. He noticed that the waste fund went from \$708,000 to \$659,000 in one month and wondered why that happened.

Service Director Reinsmith suggested it was the \$100,000 that was paid on the note.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced legislation adopting a City of Wilmington Revolving Loan Fund plan. He explained it was to update the language in UDAG so we can better promote development within the city. The plan was brought forward by Chris Schock and Treasurer Paul Fear.

Treasurer Paul Fear explained that the UDAG has been around since 1981. The mayor and Chris agreed to rework the process to better track the cash flow. We compiled from the SBA and the County Revolving Loan fund and bank underwriters. There is about \$500,000 in the UDAG fund with \$150,000 committed. A more formalized planning process is good.

Paul Hunter asked if there was a plan to collect on Quaker Apartments and if anyone knew what the balances are.

Councilman Siebenaller explained that the balances were reviewed in Judiciary Committee, and this will give us a better ability to determine amounts owed and collect more effectively.

A motion was made by Siebenaller and seconded by Stuckert to give the first reading only on a resolution Adopting a City of Wilmington Revolving Loan Fund (RLF) Plan. President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

Siebenaller requested the second reading be on the agenda for the next meeting.

Councilman Siebenaller introduced legislation amending the codified ordinances in order to better define obligations of owners and developers of subdivisions. I don't think it's any secret that there have been issues with subdivisions not being completed. This goes to update our codes to try to protect the city in future developments.

A motion was made by Siebenaller and seconded by Mead to give the first reading only on the ordinance Amending Section 1123.02 of the Codified Ordinances of the City of Wilmington, Obligations of Owners/Developers.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

Siebenaller requested that the second reading be on the Agenda for the next meeting.

Safety Committee - Chairperson Wells introduced legislation accepting grant proceeds for the Police Department. He asked if Chief Weyand had any issue with this since it did not go through Safety Committee.

Weyand said he was fine with the legislation since the item mentioned was sitting in the garage already.

Councilman Wells explained that it was a medication drop box.

Councilman Jaehnig asked what we do with the medication once it is in the box.

Chief Weyand explained that since the institution of medication disposal days, people have started bringing their medication to the police station all the time. It gives the police a way to store them securely in between the disposals.

President Kirchner asked where it would be located.

Chief Weyand said it would be near dispatch.

Mayor Riley explained that the wastewater treatment plant has a horrible time with people flushing medications down the toilet. We do not want anybody flushing medications. If you have medication they need to get rid of, regardless of what it is, we now have a place for them to get rid of it.

Chief Weyand explained that the city has contracts with a couple of places that incinerate the medication.

Councilman McKay – Is that something we maybe should do a little publicity on?

Chief Weyand – We will as soon as it is completely ready. One of the requirements of the grant is to put labels on it because we don't accept liquids or needles. I want to put it on our cable TV channel as well.

A motion was made by Wells and seconded by McKay to give the first reading only on a resolution Accepting Grant Proceeds for the Police Department from the National Association of Drug Diversion Investigators, Inc.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by Wells and seconded by Jaehnig to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by McKay to pass the resolution as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Res. No. 2332 passed as read.

Downtown Revitalization Committee - Chairperson McKay said that Austin's Casual Eatery and Bar, with or without liquor, is supposed to open on September 2. There will be a Third Friday Event on August 16 in the Mural Parking Lot.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Auditor-Treasurer Report – July 2013, and Hotel Lodging Tax Report – 2nd Quarter 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Councilman Wells said that Samantha Ahrman was in the audience and he wanted to thank her. He sent her an email about a light that was out on Meadow Ridge Circle. She immediately got the work order in and they got it fixed in about five days.

Councilman Siebenaller announced that there would be a Judiciary Committee meeting on Thursday, August 22, at 5:30 p.m.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Jaehnig to adjourn.

President declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

Thursday, September 5, 2013

Wilmington City Council met on Thursday, September 5, 2013, with President Pro Tem Mark McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

President Pro Tem of Council asked cell phones to be set to silent mode.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President Pro Tem of Council -

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last special meeting, August 13, as presented.

Motion passed.

Minutes approved as presented.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, August 15, as presented.

Motion passed.

Minutes approved as presented.

President Pro Tem McKay opened the public hearing on the City of Wilmington Transit Programs for 2014. He introduced Phil Floyd, Director of Transit.

Phil Floyd explained the requirements in order to continuing operating a public transit system for the citizens of Wilmington and the surrounding area. One of the requirements is to hold a public hearing explaining the process and the plans for 2014. The grant application includes a budget proposal and operating procedures plus certification and assurance documents that indicate that we can and will meet all federal and state requirements to operate a system that will provide the public with safe, reliable, efficient public transportation. Also it assures that we will spend funds in a responsible and prudent way, and the city will make available within its General Fund a percentage of the total of the operating and capital budget presented. We have been extremely fortunate here in Wilmington to have the support and backing of our mayor and council, past and present, to be able to provide this service now in its 29th year. During that time, we have raised fares only once. Our goal is to keep the fares the same through 2014. Through the first half of 2013, we are on a pace to provide over 135,000 rides, which will be a one-year record for the Wilmington Transit System. While last year we saw a very slight decrease in ridership, so far this year we're up about 6% from our 2012 ridership numbers. We will continue to work very hard to provide safe, reliable transportation for our citizens to medical appointments, employment opportunities, education, shopping, and all other necessary transportation needs. We continue to experience a very tight budget given the continued economic conditions we see nationwide, at the state level, and, of course, locally. Unfortunately, compared to all other states, Ohio allocates one of the lowest percentages of its overall budget to public transportation. With the economic downturn, the State of Ohio general revenue funding for the public transit in Ohio has decreased 75% since the year 2000 – from 44.32 million dollars per year to 7.2 million in 2013. This funding is spread over 59 local transit systems across Ohio. While the typical state in the nation contributes 23% of the operating funds for transit from the state budget, Ohio contributes less than 3%. Keeping that in mind, we have worked diligently to keep expenses down and, most importantly, we will strive to keep Wilmington's required matching funds as low as possible. We've worked very hard to maintain a high level of service and keep fares low. One unfortunate result of our belt-tightening is longer wait times for our citizens. There are times when riders must wait over an hour for a vehicle, and for this we apologize. We

hope that everyone will understand and be patient as we try to place priority on medical appointments, transportation to work, and those waiting with groceries. It has been particularly more difficult this year, as we have lost some very good, long-term drivers to retirement and/or illness. We will miss these dedicated and valued employees dearly. We have several new drivers on board now and know that they will provide the same level of service that our community has come to expect. We have the greatest group of drivers and support staff anywhere. I would like to publicly thank them for their hard work and dedication through this difficult time. As I have said before and will say again, our employees are our greatest asset. Our hope that in the near future, all Wilmington Transit Employees and all other City of Wilmington employees will be rewarded for their dedication and sacrifices during the last five years. As mentioned by our Water Department superintendent several meetings ago, we are losing some of our most talented employees because of our inability to reward them for their dedicated service. Wilmington Transit recently lost our in-house mechanic due to the frustration of stagnant wages.

Phil Floyd - Now, on with the numbers presented to ODOT in our grant proposal. For 2014, we are requesting \$958,775 in grant assistance. That's compared to \$973,994 last year, which we were approved for and are using. We have been told by ODOT that they have fewer funds available for 2014, so we have cut our overall operating and capital expenditure budget from \$1,568,157.58 this year to \$1,525,710.83 for 2014. Within that budget, we are requesting capital funds to replace one large LTM (light, narrow-body transit vehicle) wheelchair-accessible van and three standard minivans. Also in our capital request, we are seeking \$27,880 to purchase a computer system and software to finally update our dispatch system. We are still operating totally on a manual handwritten log system. With that many rides, that's hard work. While Wilmington is responsible for only 20% of these expenditures on paper, on actuality the amount that the city will be required to make available in the General Fund as matching grant funds for 2014 will only be 14.5% of the total operating and capital budget, or \$220,969. That's what we've presented to the state. These are the amounts that we're requesting for 2014. This may or may not be approved by ODOT, depending on how much is requested by all other systems and how much is available. With the decrease in our overall budget, we gamble every single day – the fuel prices stay stable and the major repairs to vehicles and facilities are minimal. We hope we are approved for the requested funds so that we can continue to provide Wilmington with this invaluable public service. Those of us at Wilmington Transit System will continue to work very hard to provide the transportation service the citizens of Wilmington have come to expect. Thank you. Are there any questions?

Councilman Mead asked, with regards to the hour wait, if citizens can still make appointments and get their cab on time. Phil Floyd answered that they can still make appointments, but they have had to limit those appointments because of the volume needed for medical appointments or jobs, rather than to go to Wal-Mart.

Phil Floyd asked everyone at the meeting to sign-in on the attendance sheet before they leave.

President Pro Tem McKay closed the public hearing for the Wilmington Transit system.

Mayor - Mayor Riley performed the swearing in ceremony for Tyler Binkley, new police officer in the Wilmington Police Department. Chief Weyand introduced Tyler Binkley and his family to council.

Mayor Riley noted that earlier in the week, he had the honor of presenting a proclamation to the DAR (Daughters of the American Revolution) for Constitution Week, which is September 17-23.

Mayor Riley announced that the City will have a 9/11 Remembrance Service on Wednesday, September 11, at 7:30 a.m. in the back parking lot.

Mayor Riley announced proceeds from the annual Mayor's Tournament on Sunday, September 15, at 1:00 p.m. will go to support the Wilmington City Parks Department.

Mayor Riley asked for an update on the JETT jobs tracking from Councilman Jaehnig. Councilman Jaehnig announced that the new jobs number had increased from 314 to 422, an increase of 108 jobs. The businesses adding jobs were CMH, Timbertech, Polaris, Austin's Eatery, American Home Health, which is a new business on Nelson Road, and Cole Taylor. Mayor Riley thanked everyone for the efforts to promote the City of Wilmington as a great place to do business, work, and live.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead introduced legislation to annex certain territory into the city. He asked everyone to give their opinion and hoped that all would vote in a way to move the city ahead.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Authorizing Annexation of Certain Territory Pursuant to Ohio Revised Code §§709.022 and 709.192, and Declaring an Emergency.

President Pro Tem called for vote.

Motion passed.

Director of Law read ordinance by title only.

Councilman Mead asked for discussion from each council member.

Councilman Jaehnig said he felt the annexation agreement was a fair proposal and believed that each annexation that is presented needs to be considered on its own merit. He said he thought it was a good deal for the city. He said that the road was going to cause some expenditure, but the long-term benefit would out-weigh the expense.

Councilman Wells said he was okay with the agreement as presented. He said he thought we would recoup over time anything we had to spend.

Councilman Stuckert said that he was agreement with the annexation. He said when we were in negotiations, there were references to previous agreements that had been made. In the course of looking into it, those were not relevant. There is a rule that a legislative body cannot bind future legislatures. His concern was that with the 15-year spread, the city is taking on a potentially significant new financial responsibility. At this time, the tax receipts will not offset the additional cost of maintaining Airborne Road. In addition, the revenue for fire protection will go down. He said that he heard that if we maintain the roads properly, they should be repaved on a cycle of seven years. By extending the agreement to 15 years, he is afraid they are going to be looking at potentially several hundred dollars plus that we will incur before there is significant development. He said he would like the agreement to say 100% for 10 years.

Councilman Wallace said he is good with the agreement and is in favor of it.

Councilman Mead said he has a basic problem with good men in good faith made good agreements and are now not able to honor them – in terms of the 10 years. He said the annexation appears to be a good thing overall. He said that the township will receive about twice what they would under the state suggested terms.

Councilman Siebenaller said the timeline presented by the ORC for 12 years is better for Wilmington than what is in the annexation agreement. He believes the annexation is a good thing, though, and he is not going to stand in the way.

Councilman McKay said he was in agreement with the proposal as presented. He believes everyone has worked in good faith toward this. It is something that is needed sooner rather than later. He said it was a good compromise for the city, the county and the township overall.

Councilman Stuckert verified that they were voting on a 15-year annexation agreement.

Councilman Mead pointed out that it was the 15-year agreement and the agreement now states that the levy monies will not include the fire levies.

Mayor Riley said that each annexation will be unique in its character. He said he is confident there will be economic development in that area because of the annexation. He said the only fiscal amounts that we can be sure of are the ones involving McMahan's Trailer Park. He said it was a little over \$600 a year. When McMahan's comes into the city, they will generate additional earnings tax. Additionally they will bring in sewer bills and trash departments. If you figure about \$40/month extra for household, that brings in about \$33,600 a year in new revenue.

Councilman Mead said the park would only be one bill. Mayor Riley said that it be based upon usage for the entire park. In addition, Jeff Linkous estimated that for snow removal, they spend about \$1300/mile for snow removal. For mowing, they spend about \$750/mile. He clarified that is both sides of the road. He said it would be about \$6150/year for maintenance of those roads. He said that would be around \$92,000 after fifteen years. The projected revenue from the utilities would be around \$500,000, so the city will be able to make money. He said he was absolutely in favor of the agreement and applauded the township trustees for coming up what he felt was a very reasonable compromise.

Councilman Stuckert asked if the \$500,000 was going into the Enterprise Fund or the General Fund. Mayor answered General Fund. Councilman Stuckert pointed out that the maintenance costs would be coming out of the General Fund. He said he didn't want us to be kicking ourselves down the road if we still have the maintenance costs down the road for repaving and we're still paying the annexation agreement for 15 years. He said he was not opposed to the annexation, just opposed to a 15-year agreement.

Paul Hunter said that he thought water and sewer will be a wash because they currently pay a higher rate for out-of-town service. Service Director Reinsmith said that it should be about a 25% gain.

Councilman Wells said he thought that the 15-year was easier for him because the last five years were not at 100%.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, no; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5106 passed as read.

Finance Committee - Chairperson Mead introduced the third reading on legislation declaring it necessary to light streets and alleys.

A motion was made by Mead and seconded by Jaehnig to give the third reading only on a resolution Declaring it Necessary to Light the Streets, Lanes, Alleys, Lands, Squares and Public Places in the City of Wilmington, Ohio, with Electric Lights and for Special Assessments to be Levied to Pay for the Cost Thereof for the Year 2014..

President Pro Tem called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by Mead and seconded by Jaehnig to pass the resolution as read.

President Pro Tem called for vote.

Motion passed. All yeas.

President Pro Tem of Council declared Res. No. 2333 passed as read.

Councilman Mead introduced the third reading on legislation approving liens for utility delinquencies, mowing and debris removal.

A motion was made by Mead and seconded by Siebenaller to give the third reading only on a resolution Approving Liens Pursuant to §§729.49, 743.04 of the Ohio Revised Code and §§923.09, 929.03 and 1729.03 of the Codified Ordinances of the City of Wilmington.

President Pro Tem called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Mead and seconded by Siebenaller to pass the resolution as read.

President Pro Tem called for vote.

Motion passed. All yeas.

President Pro Tem of Council declared Res. No. 2334 passed as read.

Councilman Mead asked Auditor David Hollingsworth to explain legislation asking for supplemental appropriations.

Auditor David Hollingsworth explained that the supplemental appropriation has to do with direct deductions, the administrative cost that we are charged by the county on any money that they handle, like our levy monies, inheritance tax, and local government funds. They charge an administrative fee for handling that money on our behalf. This is what we think will carry us through to the remainder of the year. When we budget for it, we never know how much it will be as it fluctuates with revenue.

A motion was made by Mead and seconded by Jaehnig to give the first reading only on the ordinance Making Supplemental Appropriations.

President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5107 passed as read.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay said they have been looking at the Denver School parking situation and they will be coming back with another streets meeting on Wednesday, September 11, at 5:30

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced the second reading on legislation converting the UDAG program into an updated revolving loan fund.

A motion was made by Siebenaller and seconded by Mead to give the second reading only on a resolution Adopting a City of Wilmington Revolving Loan Fund (RLF) Plan. President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

Siebenaller requested that the third reading be on the agenda for the next meeting.

Councilman Siebenaller introduced the second reading on legislation updating obligations of owner/developers of subdivisions.

A motion was made by Siebenaller and seconded by Mead to give the second reading only on the ordinance Amending Section 1123.02 of the Codified Ordinances of the City of Wilmington, Obligations of Owner/Developer.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

Siebenaller requested that the third reading be on the agenda for the next meeting.

Councilman Siebenaller introduced legislation authorizing the submittal of a proposal by the Wilmington Transit to the ODOT.

A motion was made by Siebenaller and seconded by Stuckert to give the first reading only on a resolution Authorizing the Submittal of a Proposal with the Ohio Department of Transportation for a Grant Through the U.S. DOT Federal Transit Administration (FTA), As Authorized Under Federal Transit Law, As Codified, 49 USC Section 5311, Financial Assistance for Other Than Urbanized Areas and Funds Available From the Ohio Public Transportation Grant Program and Executing a Contract with the Ohio Department of Transportation Upon Grant Proposal Acceptance, and Declaring an Emergency.

President Pro Tem called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the resolution by title only.

A motion was made by Siebenaller and seconded by Stuckert to pass the resolution as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President Pro Tem of Council declared Res. No. 2335 passed as read.

Councilman Siebenaller introduced legislation allowing the mayor to enter in a contract with ODOT for elderly and disabled transit fare assistance.

A motion was made by Siebenaller and seconded by Stuckert to give the first reading only on a resolution Authorizing the Mayor to Enter into a Contract with the Ohio Department of Transportation for the 2014 Elderly and Disabled Transit Fare Assistance Program, and Declaring an Emergency.

President Pro Tem called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the resolution by title only.

A motion was made by Siebenaller and seconded by Stuckert to pass the resolution as read.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President Pro Tem of Council declared Res. No. 2336 passed as read.

Safety Committee - Chairperson Wells welcomed Officer Binkley to the Wilmington Police Force. He introduced legislation declaring two police vehicles as surplus property and authorizing their sale through internet auction.

Chief Weyand said that the cars were being replaced.

A motion was made by Wells and seconded by Jaehnig to give the first reading only on a resolution Declaring Surplus Property, To Wit: Police Department Vehicle Valued at More than \$1000, and Authorizing the Sale of Said Vehicles, and Declaring an Emergency.

President Pro Tem called for vote.

Motion passed.

Director of Law read resolution by title only.

A motion was made by Wells and seconded by Jaehnig to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Director of Law read the resolution by title only.

A motion was made by Wells and seconded by Jaehnig to pass the resolution as read.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Motion passed.

President Pro Tem of Council declared Res. No. 2337 passed as read.

Downtown Revitalization Committee - Chairperson McKay announced that Austin's eatery is open on S. South Street.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith said they completed the bid projected for the paving projects in the various subdivisions. The engineer's estimate was around \$129,000. Cox Paving came in at around \$127,000 and were awarded the contract. The city received a notice from ODOT regarding House Bill 59. This will increase speed limits on some interstates and allows for an increase in speed on our bypass. ODOT is proposing to raise the speed limit to 65. Finally, the bridge on 68 should be opened on September 15. They paved the approaches and would like to open it sooner if they can get the appropriate barricades in place. They have been on liquidated damages since August 15, so it is costing them \$2000 a day for it to remain closed.

Paul Hunter asked if they are going to repave Randolph since they had worn it out. Service Director Reinsmith said that before they do a project, they videotape all of the streets.

Councilman Jaehnig asked about how you go about adding a streetlight. Service Director Reinsmith said a request can be sent to his office. Councilman Jaehnig said he would like to add one on S. South Street between Sugartree and Main. Mayor Riley said the street lighting was inadequate all the way from Locust to Sugartree. Service Director Reinsmith said we had no poles to put lights on, which makes it difficult, but they can look into it.

Safety Director – In the absence of Safety Director Russ Burton, there was no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Income Tax Report – August 13, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Pro Tem McKay opened the meeting up to the general public and/or members of council to address council while in session.

Mayor Riley recognized the Honor Our Military Everyday exhibit that was in the lobby of the Municipal Building the previous Saturday. They will try to bring the program back again.

Mayor Riley said that the junkyard out on Columbus Street was now cleaned up. Chief Weyand said that they met in March with the owner of the junkyard and his attorney and gave them a deadline. He said that he kept following up and in August, they started cleaning up the property. Mayor Riley thanked Chief Weyand and the Police Department for their follow-up.

Paul Hunter asked if there were any EPA issues that they have to comply with. Mayor Riley said that from the city standpoint, they just needed to get rid of the junk vehicles. If he ever sells the property, it may be an environmental issue.

Paul Fear said that the Corn Festival starts on the upcoming weekend. Mayor Riley said that there is a new whistle, which will be sounded at the grand opening of the Corn Festival at noon on September 6. Paul Fear also announced the Kiwanis Soccer Classic at the College, with two games Friday night and two games Saturday night.

Paul Hunter said that Lowe's recognized retirees and active duty troops with a 10% discount on all purchases.

Marian Miller said we should keep Wilmington College in our thoughts and prayers for the young girl, Jenna Parlette, who passed. Councilman Jaehnig added there was a nice memorial service held today.

Chief Weyand said the parade is 10:00 a.m. on Saturday for the Corn Festival, so expect gridlock in terms of traffic. The Farmers Market will be in the Mural Parking lot.

Councilman Jaehnig said that Holidazzle applications are available for parade entrees. They have an 80-participant limit.

Chief Weyand announced that they would not be testing the tornado sirens this Saturday because of the Corn Festival parade.

President Pro Tem McKay asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Pro Tem McKay asked for a motion to adjourn.

A motion was made by Jaehnig to adjourn.
President Pro Tem declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

Thursday, September 19, 2013

Wilmington City Council met on Thursday, September 19, 2013, with President Pro Tem Mark McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President Pro Tem of Council asked cell phones to be set to silent mode.

President Pro Tem of Council - President Pro Tem McKay:

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, September 5, as presented.

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley announced that President Kirchner's mother had passed away and asked for a moment of silence in honor of Judy Kirchner Davis.

Steven Berk from the Clinton County Farm Bureau gave a presentation about the Farm Bureau. He presented a history of farm bureau and description of the services they provide. They are a lobbying organization, not a government organization. They have 185,000 statewide and are the fourth largest Farm Bureau in the entire country. Every state, including Puerto Rico has a Farm Bureau. It is a very member driven – grass roots organization. If you are a member of the Clinton County Farm Bureau, you also become a member of the state and the federal bureaus. There are 87 Farm Bureaus in the state. They work with strongly Nationwide Insurance, who is the largest insurer of agribusiness. The political action group for Farm Bureau is called AGGPAC (Agriculture for Good Government Political Action Committee). AGGPAC is designed to endorse state and national congressional candidates based on voting records and seek to push legislation they find important. Ohio is number one in Swiss cheese production, number two in eggs, number three in tomatoes, number six in soybeans and corn, and number eleven in dairy production. There are about 75,000 farms in the Ohio and about 460 farmers markets.

Berk - The Clinton County Farm Bureau has 1370 members, and dues are \$60 a year. They contribute back to the community in the form of scholarships, farmers' markets, 4-H and other programs. He presented a slide show of pictures. There are 790 farms in Clinton County, the average size being 288 acres. A little over a quarter million acres are in production in Clinton County. Clinton County is number 6 in the state in corn, 23rd in the state in soybeans, 28th in swine, and 49th in wheat production. The average age of farmer in Clinton County is 53.9 years old, which tells us that we do not have successful succession planning on farms. We do not have young adults finding value in returning to the farm. Certainly, we have a lot of attrition and consolidation of farmers. Just because there are 790 farms in Clinton County doesn't mean there are 790 farmers. You can probably know of instances where one farmer farms several family farms.

Berk - Looking ahead, consumer confidence in food is at an all-time low. We're worried about where our food comes from and how it's raised. Is there growth hormone in my milk making my children go through puberty quicker? Is GMO healthy and right? What about what Europe is doing? What's the longevity of agriculture? Where are we moving to? How are we going to coalesce what we need from agriculture with what the environment can take? One of the biggest concerns right now is water quality and the role phosphorus from agricultural runoff plays in areas such as Grand Lake St. Marys and Lake Erie. We also have a massive rural to urban migration – in general. We see a

lot of people moving away from rural communities into more urban ones. There are also concerns regarding public health and they way we feed ourselves. Berk provided contact information: (740) 505-2026 and sberk@ofbf.org

Paul Hunter asked if there was any blowback from the Farm Bureau's SB5 endorsement. Steven Berk answered that a lot of farmer's are married to teachers and it did make some people upset.

Mayor Riley said that he was impressed with the way the Farm Bureau takes member input on what they should take a stand on and the type of stand they should take. You've done a wonderful job on your public policy side.

Steven Berk thanked everyone.

Mayor Riley mentioned that Ahresty had just been recognized for their six years in the Adopt-a-Highway program. Tomorrow is their 25-year celebration in Wilmington. He noted that Sgt. Bob Houghton retired last week. One of the things we're working on in collaboration with the Air Park is UAS (unmanned aerial systems). We had a great meeting on the 8th with Sinclair Community College and WPAFB. They are partnering with Wilmington College, SSCC, and with the Port Authority as a training site for the UAS technology. It is evolving. On October 28 at 9 a.m. there will be a Small business Resource Forum in the community room downstairs. There will be new details coming. Cliff Rosenberger's office is putting together the program, helping small businesses find out what is out there that can help them be successful. The Murphy Theatre is starting their new season this month. They are going to be having a special program on October 24 at 7 p.m. featuring Kori Ciocca. She was the subject of an award-winning documentary. She was the victim of sexual assault while she was in the military, and she has taken a stand. This film has been endorsed by politicians and people in the military. Also, we had the mayor's golf tournament at the Elks. I chose Wilmington Parks and Recreation and over \$600 was raised by the tournament. Special thanks to Tim Hill and staff at the Elks golf course. We continue to meet with people and talk to people about job opportunities and job growth. I just received a phone call on a lead this afternoon that came because one of the police officers heard of someone looking for a place to relocate. Keep your eyes and ears open.

Councilman Jaehnig said our JETT numbers have increased by 15 to 437. Experiential Academy and CMH have added jobs. We are expecting some announcements coming in the next week. Councilman Jaehnig said that some leads have come from City of Wilmington employees. The employees are going above and beyond to seek out economic development opportunities to try to help and grow the community. It's something that we all can do. Also, the General Denver is now in production of their new salad dressing.

President Pro Tem McKay thanked the mayor for his report and Councilman Jaehnig for his comments regarding job growth.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced legislation making supplemental appropriations and read each of the items. He asked for questions on any of the items.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Supplemental Appropriations.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5108 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Miscellaneous Transfers.

President Pro Tem asked for discussion.

Councilman Wallace asked for an explanation of the transfer from Consultant Services to Income Tax Incidentals, commenting that we had put money into consultant services recently.

[Discussion of transfer from Consultant Services to Income Tax Incidentals]

Service Director Reinsmith said he believed the money was being used for computers.

Councilman Jaehnig said that the extra money in the income tax line consultant services was because Law Director Shidaker had done so much of the work that they did not need to hire outside council.

Seeing no more discussion, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5109 passed as read.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay introduced legislation amending the traffic control map to provide a no-parking zone on the east side of Virginia Circle. He explained that there were problems with traffic congestion around Denver School during school hours. They met with the school officials and went on site to review the problem. Several ideas were considered, and the committee decided to start with the least costly solution and go from there.

Mayor Riley – They spent a morning and an afternoon watching the drop-off and pick-up. It is very busy out there, but one of the main concerns was having parking on both sides of the street leaves a very narrow gap in the middle, which is being used as a pedestrian walkway at times. There are kids walking up and down Virginia Circle. If the parking is eliminated on the east side it will give a clearer path for pedestrians.

Councilman McKay added that the school officials are looking at things they can do on their property that would also alleviate the situation. It is partnership to try to help solve the situation.

Mayor Riley said they took time to ask the parents if they had any ideas, and that seemed to be one idea that no one had great objection to.

Councilman Wallace said one of the suggestions he heard was to make that one or two-block area one-way. He said he personally thought that was the best suggestion, even though it would take adaptation by the people in the neighborhood. He said at least they would have cars moving in one direction, which would help with pedestrian traffic as well. If you go down there on a rainy day, the traffic congestion is doubled. I will vote for what is recommended here, because it is a step in the right direction, but I think more action should be taken.

Service Director Reinsmith pointed out that the no parking zone is just 8 a.m. to 5 p.m., Monday through Friday. The residents will be able to park on their street during other hours.

Mayor Riley said that there would be also stepped-up enforcement. He said this was a first step to see if it helps. If it does not work, something more involved will be considered.

[Discussion of Virginia Circle traffic patterns]

A motion was made by McKay and seconded by Stuckert to give the first reading only on the ordinance Amending the Traffic Control Map and the Traffic Control file to Provide for a “No Parking” Zone on the East Side of Virginia Circle, and Declaring an Emergency.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by McKay and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the ordinance by title only.

A motion was made by McKay and seconded by Stuckert to pass the ordinance as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5110 passed as read.

Councilman McKay explained that they had a request from the Eagles to put two handicapped spaces on Sugartree on the north side of the street. Typically, we would not be in favor of two handicapped spaces together, but that street, as everyone agreed, does not have a lot of parking on it. As was explained to us, the members are getting older and this would be very helpful to them. They are putting three additional spaces in their own parking lot. They have two already to help accommodate events. He asked for discussion.

Councilman Jaehnig asked how many street parking spaces there are in that area. Service Director Reinsmith said there are three spaces there, which are four-hour, and they would want to take two for handicapped. There may be four total. He said the parking lot on the west side does not belong to the Eagles.

Councilman Wallace said that it was brought to Streets Committee a few years ago to bring a handicapped spot in front of Champion Bridge and we denied it. At that time, we said we felt we had enough handicapped parking in that area.

Service Director Reinsmith said that it really beyond the enforceable area. Councilman Wallace said it makes us look inconsistent.

Councilman Jaehnig said the parking lot to the east of the building is posted as tow-away. If their lot is private and then we are going to give them two additional handicapped spots in front of their building, I would like to see a little bit of flexibility in terms of the tow-away zones. There are other businesses across the street from that. There are times that the license bureau is full. He did not like the idea of giving them

two extra spots yet maintaining their entire lot as a tow-away zone. Have we reached out to the other tenants in the area regarding how it will affect them?

Service Director Reinsmith said he counted the spaces and they have 40 spaces in that lot. They have two handicapped spaces already. They are going to add three more and they say they have a lot of handicapped people as they are getting older. For the most part, the lot is empty all day long. It only gets busy during Eagle special events. To take the two out there and lock them out, you put them out of service all day long.

Councilman Jaehnig – If it is currently a 4-hour spot and you make it handicapped, it becomes an 8-hour spot.

Councilman McKay – I work right across the street from there. I can count on one hand the number of times I see people park on that side of the street. It is an anomaly. It is an area that does not require very much parking. I agree that we want to be judicious about handing out parking and we could continue to look at this, but the committee felt that it was reasonable to honor this request.

Councilman Stuckert said he also lives in the area and agrees that those parking places are never used. He would agree to canvass the businesses.

Service Director Reinsmith said that there is nothing that says that a handicapped person cannot park there. If you park there with a handicapped sticker, you can get eight hours out of the space.

A motion was made by McKay and seconded by Stuckert to give the first reading only on the ordinance Amending the Traffic Control map and the Traffic Control File to Create Handicapped Parking Spaces on the North Side of Sugartree Street.

President Pro Tem asked for further discussion.

Seeing none, President called for a roll call vote.

Roll call: McKay, yes; Jaehnig, no; Wells, no; Stuckert, yes; Wallace, no; Mead, no; Siebenaller, no.

Motion failed.

President Pro Tem said we would have to go back to the legislation and decide how to move forward.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced the third reading on legislation adopting a revolving loan plan.

A motion was made by Siebenaller and seconded by Mead to give the third reading only on a resolution Adopting a City of Wilmington Revolving Loan Fund (RLF) Plan.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by Siebenaller and seconded by Mead to pass the resolution as read. President Pro Tem called for a vote.

Motion passed. All yeas.

President Pro Tem of Council declared Res. No. 2338 passed as read.

Councilman Siebenaller introduced the third reading on an ordinance defining the obligations of developers in terms of bonding.

A motion was made by Siebenaller and seconded by Mead to give the first reading only on the ordinance Amending Section 1123.02 of the Codified Ordinances of the City of Wilmington, Obligations of Owner/Developer.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Siebenaller and seconded by Mead to pass the ordinance as read.

President Pro Tem called for vote.

Motion passed. All yeas.

President Pro Tem of Council declared Ord. No. 5111 passed as read.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay said the new restaurant on S. South Street is doing well. Pay them a visit, but don't forget about the other ones.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Councilman McKay asked if there was any headway made on the concerns regarding the bridge approach.

Service Director Reinsmith said that ODOT was in the process of working on it. The sidewalk is not done and there was someone in the street in a wheelchair going through there. New rules require that each subcontractor has to be qualified to do each type of contract and the previous sidewalk contractor has not yet gotten his certification.

Mayor Riley said they talked to Jeff Linkous, County Engineer, who realizes that it was not a job well done. Going south on 68, kids riding the bus leave their seats on the second bump.

Safety Director – In the absence of Safety Director Russ Burton, there was no report.

Reports

A motion was made by Wells and seconded by Jaehnig that the Auditor-Treasurer Report, August 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Pro Tem McKay opened the meeting up to the general public and/or members of council to address council while in session.

Paul Hunter, 200 Randolph Street – The annexation is done and over with, but for the record and for future annexations, I want to clear something up. I erred last week in saying that it was a wash between the sewer gain and the water bill loss. We gain the sewer and only lose a quarter of the water. On the other hand, I didn't include the cost of the sewage treatment. Factoring that in, we lose \$62 per 100,000 gallon. It is a wash in the end. It costs us to treat that new sewage, but the water fee loss brings us down to even.

Paul Hunter - I want to address something that Phil Floyd said about losing his mechanic to another job. He indicated it was because of no raise. I'll put a face and a name to that guy. It is Corey Tolliver. He has worked there 20 for years, with no raises in the past five or six years. He left. That could be a trend. As our economy recovers, people aren't going to stay here at this very reduced wage scale we have. I know we don't have a revenue problem; we have a spending problem – I've heard that for the past couple of years. We *do have* a revenue problem – the state has taken away tens of thousands if not hundreds of thousands of dollars. So, we do have a revenue problem. We can increase the revenue by a token property tax increase, rather than having people start wandering away from our place here. We will end up with a big turnover and lower quality workers if we're not careful. Young people are not so enthused about a career in civil service as

some of us are. Corey was vested, but yet he walked because he was too good for the pay he was getting. I know the guy, and he was really sharp.

Joe Sodini – 739 Todds Ridge Rd. I haven't spent a lot of time on this, but I know that there is a problem in the city here dealing with deer harvesting. I know it has been breached over the years, but I would like the council members to look at putting together an ordinance to allow some limited access to harvesting deer out of the city limits. I think when people think about this, they think we will be hunting next to houses, but there is quite a bit of property inside the city limits that are used for farming. Deer do a lot of damage to the farm crops. Again, as a farm community, I think it would make a lot of sense to look at that. ODNR states that deer need to be harvested to keep a healthy environment – not only to limit disease, but to help with problems such as crop damage. In Timber Glen, residents are protecting their trees and flowers with fences because of the deer problem. Some of the people that I've talked to out there, who I thought would be adverse to harvesting, would actually support removing some of these animals. Sympathy with being an agriculture community makes a lot of sense. There is the danger of unbalanced nature. There are some areas that are in the city limits where we are finding people going in and hunting anyway. Because there are no rules, people aren't thinking from a hunting standpoint and things are going on that shouldn't be going on in the city. These things don't happen in the country where we have rules set by the state. This is not about a hunting experience for us; we think there is a harvesting problem in the city. There is no money involved; there is no cost associated. A harvesting agreement is something that would benefit the community. I would be open to talk to people about it – limit the acreage, bow hunting only, no guns in the city. My personal opinion, I don't think there is a danger. If someone was shot with a bow due to hunting or harvesting, I think they should go straight to jail. There is no excuse, if you are an avid hunter, for that kind of accident to happen. We suggest we could donate the meat that was harvested in the city to Your Father's Kitchen or church or people in need.

Councilman Wells – The last time we talked about this, I did some research. I think it's more than just a city problem. I think it is a state problem. The reason being, if we harvest the deer inside the city of Wilmington, other deer are going to come in, more deer. There are deer all over the state. From what I have read, the areas that it works the best is where it is a fenced in, like some of these big city parks and areas like that, because the outside deer won't come in.

Sodini – I still have the property on 68 where Praxair is. They are hunting between the corporation limit and that spot. What happens in the gun season, the deer run into the sanctuary. When gun season happens, they move into the city, which protects the deer and makes it that much worse. I see the opposite effect happening.

Councilman Wells – I see the statistics that the state publishes. There are thousands of deer taken every year. They're not taking enough deer to reduce the population. They just keep coming back.

Sodini – that's ODNR's job to figure that out. There are still too many deer everywhere. I do suggest that if you would consider that, the rules and regulations be set up by ODNR and we follow those guidelines.

Councilman Jaehnig – ODNR was suggesting bow also. One of the questions they were not able to answer – with it being bow, all of the literature and everything that I could find, show that 50% of the deer when hunted by bow do not go down immediately. They will die but they can go off anywhere from 100 to 500 yards before dropping. Less than 50% of the time, they are dropped where they are hit with a bow. The thing that we asked was, if we take a look at an overlay of the city, where is it we can hunt and a deer takes off and then isn't going to end up in someone's back yard dying from the bow hunt or in the parks or on the bike trail, or God forbid, it's been shot, running across a busy intersection. That was one of the questions we had and no one was able to provide us with solid answers that it wasn't an issue. We really don't need a deer ending up in someone's sandbox in their backyard dying.

Sodini – I guess that it possible. I’m not saying it would never happen. I’ve got a place in Hillsboro where we hunt. There are houses all down there. I’ve been hunting for 20 years. I’m not saying it doesn’t happen, but I don’t know a story where a deer has run into someone’s yard and died. I’m sure that happens, but it’s one out of 10,000 deer. They typically, and in every case I’ve ever seen in deer hunting, situations that I’ve been involved with, deer take cover. They don’t come in the open, they go to the deepest spot when they’re injured, shot or harvested.

Councilman Wells – Years ago, I witnessed, with my own eyes, a deer right downtown Wilmington with an arrow in his hindquarter running around there by the National Bank. I would assume it was one of those poachers that you were talking about, because it wasn’t deer hunting season.

Sodini – I’ve seen arrows in deer also. that is something that happens every once in while. Every once in a while someone makes a lousy shot. If we focus on those bad things, it doesn’t allow something that needs to be done. A deer can run in front of a car or a motorcycle tomorrow and it could be so much worse. I don’t want to use scare tactics.

Councilman Jaehnig – We had the chief look at statistics regarding deer accidents in the city, and the last time we had this discussion we had seen a decrease.

Sodini – What they are doing to the crops and the underbrush of the city is the issue. I think we need to focus on that to do it for the agriculture side. If we focus on the accidents, that is not what the real problem. It is causing problems on our farms and it is causing problems in our neighborhoods.

Paul Hunter – we just had a thousand acres of rural land brought into the city limits, so we need to look at that.

Councilman Siebenaller – Any discussion would probably need to go through the Judiciary Committee, so I would be happy to get your number afterwards so we can have a further discussion.

Mayor Riley – I will get a hold of ODNR, Game, Fish and Wildlife, and talk to them and see what other communities are doing. Maybe you and I can get together and have a cup of coffee and chat about it. Bob Thobaben, who is a staunch environmentalist, came to this council before I was here with the same concern. Someone had counted the deer and it was a huge population.

Councilman Wells – If we take a hundred deer, will there not be any deer coming back? It would be an ongoing thing.

Sodini – It will be an ongoing thing.

Councilman Jaehnig – One of the problems that we have is we’re surrounded by Union Township and there are a lot of people who will not allow hunting to happen. If they’re not going to allow hunting to happen in their areas, then our immediately surrounding area will feed right back in. I’m not opposed to harvesting. I would prefer to know that if we are going to harvest we are going to take that deer down and out. I’d rather send policeman out to the landfill where we know we have hundreds.

Sodini- I have seen some horrific things happen to deer in nature. Watching a deer harvested by a bow is a hundred times easier than watching a pack of coyotes take one down or one that is maimed from being hit by a car. It’s a lot more humane. I think it’s something we need to do and I’ll be glad to help.

Councilman Jaehnig took a moment to recognize Judy Kirchner Davis. She was one of the founding members of Holidazzle and we greatly appreciate everything she added to the program and to the community. She will be sorely missed.

President Pro Tem McKay asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Pro Tem McKay asked for a motion to adjourn.

A motion was made by Wells to adjourn.

President Pro Tem declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met on Thursday, October 3, 2013, with President Pro Tem Mark McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President Pro Tem of Council asked cell phones to be set to silent mode.

President of Council - President Pro Tem McKay explained that the President of Council and the mayor were both absent.

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, September 19, as presented.

Motion passed.

Minutes approved as presented.

Mayor - In the absence of Mayor Riley, President Pro Tem McKay performed the swearing in ceremony of Jack Coates, III, a new firefighter/EMT with the City of Wilmington.

Chief Andy Mason thanked the mayor and council for allowing them to hire Firefighter/EMT Coates.

President Pro Tem McKay welcomed Firefighter/EMT Coates. He asked for an update on the JETT job tracking from Councilman Jaehnig.

Councilman Jaehnig said that the job count was now at 550, a 113 job increase from the last report. There are an additional 20 jobs from Custom Molded, 21 more jobs at Ahresty, 19 at ATSG, 4 from PlugSmart, and Cole Taylor added 49 employees. That leaves 200 to go before Christmas.

Councilman McKay said that PlugSmart is in the downtown area on South Street.

Auditor – In the absence of Auditor David Hollingsworth, there was no report.

Asset, Acquisition and Use. - Chairperson Bob Mead announced three readings on an ordinance declaring the property at the corner of Lowes Drive and Prairie Avenue to be surplus and authorizing the mayor to enter into a purchase agreement for these parcels. He explained that the city has no use for these properties and so they wish to sell them.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Declaring Parcels #2900160410 and #2901604080, More Commonly Known as the Corner of Lowes Drive and Prairie Road, Wilmington, Ohio, to be Surplus Property, Authorizing the Mayor to Enter Into a Purchase and Sale Agreement for Said Parcels, Declaring an Emergency.

President Pro Tem asked for discussion.

Councilman Wells asked if there was a minimum bid. Mead answered that the suggested minimum bid is \$20,000.

Seeing no more discussion, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5112 passed as read.

Finance Committee - Chairperson Mead introduced legislation making supplemental appropriations: From the State Forfeiture Fund to Program Expenses - \$4,300.00 and From the General Fund to Contract Services - \$2,200.00. He explained the contract services was the additional money needed to roll over the notes earlier in the year.

Councilman Jaehnig added that the additional costs were incurred because of the additional work bond counsel had to do in because of council requests for information. He said that it was \$2200 that the city did not need to spend.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Supplemental Appropriations.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

Councilman Wells said that he thought for \$2200 it had to be more than just talking on the telephone for a few minutes.

Brenda Woods explained that it was talking on the telephone and multiple changes of the bond documents.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5113 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers in the water department to pay for additional sludge disposal.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Miscellaneous Transfers.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5114 passed as read.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay said that the signs were placed on Virginia Circle to help alleviate traffic congestion during school hours. We will also start patrolling that and hopefully the situation will improve. He said they were working on putting together a Streets Meeting next Thursday.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller had no report.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay had no report.

Parks and Recreation Committee – Chairperson Jaehnig said that the bridge over the pond has been renovated with the help of John Stanforth.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Income Tax Report – September 3013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Pro Tem McKay opened the meeting up to the general public and/or members of council to address council while in session.

Paul Hunter - At the last meeting, the council voted to spend \$8400 in Wilmington taxpayer money to demolish a privately owned house, 142 N. Mulberry. In my opinion, the demolition is an improvement to the property for the property owner's benefit. A building lot with a deteriorating and unsafe building is of very little value, but a cleared and vacant lot in the heart of the city has considerable value. The city should at least attempt to repay the taxpayers by taking ownership of the approved parcel for resale and development. There are delinquent taxes on the property. According to State statute, the legislative authority of a municipal corporation may declare, by ordinance, that it is in the public interest for the municipal corporation to acquire tax-delinquent real property within the municipal corporation.

Service Director Reinsmith – This property has been in violation of the zoning and building codes since the 1980s. It has changed hands many times recently, going in and out of estate. Now it's back in estate again and it has back taxes due on it. We had to remove the chimney last year because it was falling into the neighbor's property. The property has been condemned and is imminent danger to public health and safety. The fire department has been in there. There have been people living in there. They're probably going to burn the house down. I understand that we have to spend taxpayer money, but we have ordinances on the book that concern property maintenance.

[Discussion of property]

Service Director Reinsmith explained that \$14,000 of the demolition costs were going to come from the CDBG Formula grant. The entire cost of demolition is higher than normal because asbestos was found in the home.

Councilman Mead – Said that the committee had discussed that in the future they should have more discussion about using General Fund money to do work on other people's property. As long as money is in short supply, perhaps we should not use our money for that purpose. We could find it somewhere else.

Councilman Jaehnig asked if any homes recently had been demolished with General Fund money. Service Director Reinsmith answered that they have used grant money. He added that when the government is made aware of a serious problem and we ignore it, there could be negligence involved. If someone gets hurt, they are going to be coming to us with the deep pockets to sue us. We can pay them now or pay them later. Councilman Mead said that would be the time for the Service Director to send the Law Director to council to explain what our obligations are so we can act appropriately.

President Pro Tem McKay asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Pro Tem McKay asked for a motion to adjourn.

A motion was made by Wells to adjourn.

President Pro Tem declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

Thursday, October 17, 2013

Wilmington City Council met on Thursday, October 17, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, absent; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

A motion was made by Mead and seconded by Stuckert to excuse the absent member (Councilman Wells).

Motion passed. All yeas.

Absent member excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by McKay and seconded by Mead to amend the minutes of the October 3 meeting to replace "President Kirchner" with "President Pro Tem McKay" on the final page of the minutes.

Motion passed. All yeas.

Minutes amended.

A motion was made by Stuckert and seconded by Siebenaller to approve the minutes of the last regular meeting, October 3, as amended.

Motion passed. All yeas.

Minutes approved as amended.

President Kirchner announced that the City of Wilmington, in conjunction with the Wilmington Tree Commission, is holding a Fall Foliage Photography Competition. Information is available on the City of Wilmington website. Also, there will be a Small Business Resource Forum, hosted by Representative Cliff Rosenberger, on Monday, October 28, from 9 a.m. to 11:30 a.m. in the Community Room of the Municipal Building. Finally, Kori Cioca, will be receiving the Lamplighter Award on Thursday, October 24, at the General Denver.

Councilman Jaehnig stated that the documentary "The Invisible War," which discusses sexual abuse and rape in the military, will be showing at the Murphy Theatre also.

Mayor – In the absence of Mayor Riley, there was no report.

Auditor - Auditor David Hollingsworth: Our office has been compiling budget requests from the departments and are waiting on insurance information. The office should have something compiled soon so that council can start budget workshops.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced legislation on supplemental appropriation requests for financial housekeeping items.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed. All yeas.

President of Council declared Ord. No. 5115 passed as read.

Councilman Mead introduced legislation requesting supplemental appropriations in order to fund the relocation of the M&R Department to Nelson Avenue and the relocation of the Water Department storage to the M&R Department's current facility. He explained there \$85,000 would come from the water company and \$2,600 would come from the General Fund, for a total \$87,600 for the move.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

President Kirchner said he did not see where the \$2600 was coming out of the General Fund. Auditor David Hollingsworth explained that the \$2600 would be appropriated out of the M&R Fund.

Councilman Jaehnig elaborated that 75% of the equipment for the M&R Department sits outside in the rain and is not protected. This is causing wear and tear on the equipment. The Water Department is storing a lot of equipment in water towers, which have a lot of condensation.

Councilman Siebenaller asked if Denny anticipated needing additional supplementals by the end of the year to help with the move. Denny Gherman said he thought the number is accurate and they could do the move within that budget.

Paul Hunter pointed out that they are using too much electric in the Nelson Avenue building because of electrical problems. He wondered if the electrical problems would be solved before the M&R Department moved out there. Denny Gherman said the time frame for the move was immediate. He explained that biggest part of the \$87,000, the biggest part, are electrical improvements in there. Paul Hunter said there are transformers running and drawing power that are not needed. He added that they are going to put a meter on that building to make sure that they are not undercharging TBS. Service Director Reinsmith said he thought they were working on deactivating the transformers.

[Further discussion of electrical usage at the Nelson Avenue site]

Seeing no further discussion, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes;

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes;

Motion passed. All yeas.

President of Council declared Ord. No. 5116 passed as read.

Councilman Mead introduced three readings on an ordinance making supplemental appropriations to the M&R fund in the amount of \$105,500.00, which is to be used to buy two dump/snow plow trucks.

Denny Gherman explained that the current trucks are 15 years old. The average life of a snowplow is 8 years. We were hoping to get another year, but it is just impossible.

Councilman Jaehnig – There are trucks that are available now and these trucks are getting harder and harder to find because of EPA emission standards that the industry has not been able to meet.

Denny Gherman – There are no new trucks available on state bid that meet emissions. Everyone is looking for used trucks and they are few and far between.

Councilman Mead – These are used trucks that have been refurbished and have new dump beds and new snow plows. The pictures of the trucks looked great. We saw the one of the old trucks and it was in very bad shape.

A motion was made by Mead and seconded by Jaehnig to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Councilman Stuckert – We had some discussion with Mary Kay and I would like the Auditor to explain – the question that I had in the committee meeting was if we could have a way to identify where this \$105,000 is coming from in the budget.

Auditor David Hollingsworth – Mary Kay had put together some information to tell me what was discussed at the Finance Committee meeting. Year-to-date, council has approved supplemental appropriations that added approximately \$450,000 to the original budget. Our increase in revenues, being primarily the inheritance tax that we did not budget for originally, is up about \$382,000. So, you're net appropriations over additional revenues is about \$70,000 roughly. You have taken \$70,000 in the General Fund out of the carryover balance.

Councilman Stuckert – Can you enlighten us to where we are in terms of the carryover balance.

Auditor David Hollingsworth – It depends on what kind of reserve you want to carryover. At the beginning of the year, we were right at 35 or 36 percent, I believe. Our general rule is 25% is what we want to keep as a carryover. That is a moving target. It is going to change at the end of the year because at the end of the year, we don't have that much revenue coming in and we're spending more than what we're going to take in. It's part of the budget process. Mary Kay took a look at what had been requested that will affect the General Fund. If we spend everything that we've appropriated for 2013, she projected the cash balance to be about 2.3 million dollars at the end of the year. Right now, we're sitting at about 3 million dollars in the account at the end of September. You can see there is going to be a drain on the General Fund between now and the end of the year. That happens every year because of the way our revenue stream comes in. The 25%, you're probably still within that, but that is going to change based on income tax collections and supplemental appropriations.

[Discussion of carryover balance]

Councilman Jaehnig clarified that we would be buying two new trucks with new plows plus a new bed for a third truck.

Denny Gherman - This would also leave the city with a flatbed truck to haul the chipper box and move the sound stage. The new trucks would be low profile and better suited for subdivisions.

Seeing no further discussion, President called for vote.
Motion passed. All yeas.

Director of Law read ordinance by title only.
A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.
Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes; Wallace, yes.
Director of Law read the ordinance by title only.
A motion was made by Mead and seconded by McKay to pass the ordinance as read.
Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes.
Motion passed. All yeas.
President of Council declared Ord. No. 5117 passed as read.

Councilman Mead said that Councilman Wells is back home. There is an outside chance that he might come back to council late in November.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay thanked council for passing the truck purchase through Finance.

Solid Waste/Recycling – In the absence of Chairperson Wells, Councilman Jaehnig had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller had no report.

Safety Committee - In the absence of Chairperson Wells, Councilman McKay had no report.

Downtown Revitalization Committee - Chairperson McKay announced the Chocolate Walk on Friday, October 18.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith reported that ODOT approved the repair on the new bridge on South Street. They plan to start on Monday and will have one lane of traffic maintained. It may take up to a month to repair.

Councilman Mead asked about the status of the paving on the subdivision streets.

Service Director Reinsmith said they were under contract. The contracts state that they are to be done by November 1.

President Kirchner asked about the schedule for leaf pickup.

Service Director Reinsmith stated around November 4 the city would start picking up leaves.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by McKay and seconded by Jaehnig that the Auditor-Treasurer Report, September 2013, be accepted as presented.
Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

President Kirchner announced that there would be an Ad Hoc Committee meeting coming up in the next week to discuss two items: Tree Commission legislation review and a potential gas aggregation in the future.

Councilman McKay mentioned that the mayor is in Ukraine this week. The mayor hopes to attract new business for Wilmington while there and foster sister city relationships.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

Councilman Siebenaller stated that he would like to piggyback a Judiciary Meeting onto the Ad Hoc meeting.

A motion was made by McKay to adjourn.

Motion passed.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

November 7, 2013

Wilmington City Council met on Thursday, November 7, 2013, with President Pro Tem Mark McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, absent (arrived at 7:44 p.m.); McKay, present.

Chief Weyand was also present.

A motion was made by Wells and seconded by Jaehnig to excuse the absent member (Councilman Siebenaller).

Motion passed,

Absent member excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President Pro Tem of Council asked cell phones to be set to silent mode.

President of Council - President Pro Tem McKay:

A motion was made by Jaehnig and seconded by Stuckert to approve the minutes of the last regular meeting, October 17, as presented.

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley welcomed Councilman Wells back.

Councilman Wells thanked everyone for their support since his accident and hip replacement.

Mayor Riley presented a proclamation recognizing November as Pancreatic Cancer Awareness month as follows:

WHEREAS, This year, an estimated 45,220 people will be diagnosed with pancreatic cancer in the United States and 38,460 will die from the disease; and

WHEREAS, Pancreatic cancer is one of the deadliest cancers. When symptoms first present themselves, it is often too late for an optimistic prognosis. Seventy-three percent of pancreatic cancer patients die within the first year of their diagnosis. Ninety-four percent of pancreatic cancer patients die within the first five years. It is the fourth leading cause of cancer death in the United States.

WHEREAS, There is no cure for pancreatic cancer and there have been no significant improvements in survival rates in the last 40 years; and

WHEREAS, The good health and well-being of the residents of Wilmington, Ohio are enhanced as a direct result of increased awareness about pancreatic cancer and research into early detection, causes, and effective treatments.

NOW, THEREFORE, I, RANDY RILEY, Mayor of the City of Wilmington, Ohio, hereby designate the entire month of November to be PANCREATIC CANCER AWARENESS MONTH throughout the City of Wilmington, and ask all citizens to put a Purple Light in their window or wear a piece of purple clothing during this month in honor and recognition of citizens we have lost to this devastating disease.

Mayor Riley announced that the City of Wilmington received the Healthy Ohio Healthy Community Gold Award for the second year in a row from the Ohio Department of Health.

Mayor Riley announced the deadline for submissions for the City of Wilmington/Wilmington Tree Commission Fall Foliage Photography Contest is Friday, November 15.

Mayor Riley announced that there would be a program at the Veteran's Memorial at Courthouse Square on Monday, November 11 at around 10:30. Veteran's programs are designed to end exactly at 11:00 a.m.

Mayor Riley said that Brett Beatty from ODNR and Bob Thobaben, local naturalist, were at the meeting to discuss the deer population. The deer herd within the City of Wilmington is growing and it is causing difficulties.

Brett Beatty, Wildlife Management Supervisor at District 5 at the Ohio Department of Natural Resources (ODNR) provided a history of hunting in Ohio. He explained that at one time deer were scarce, but now we have a robust deer population. The goal of the division of wildlife is to maintain the number of deer per people, which is done through hunting regulations. The problem with using hunting as a deer management tool is that it is limited within the city limits, for obvious reasons. Bow hunting can be used in relatively close confines of populated areas and still be safe using elevated platforms. The problem in cities is one neighbor might be okay with the amount of deer in their neighborhood, while another one might be frustrated because their plants are being eaten to the ground. You have to strike a balance with the needs of all citizens. He asked for questions.

Mayor Riley – We do not allow hunting within the city, so we would need to change our ordinances to be able to do that. This is just step one to open the discussion.

Bob Thobaben – We have well over 300 deer inside the city limits. They are increasing 5-7% per year. A healthy deer population is about 20-25 per square mile, with 10-15 being ideal. Within the city limits, we have about 80-90 per square mile – About 13 times what it should be.

Brett Beatty described the negative effects of an elevated deer population on the ecosystem. You have to remove more deer from the population than you have births in order to control it. He explained that there are not many natural predators. Currently, 15% of deer die from natural predators, disease and accidents, and 85% are harvested by hunters.

Mayor Riley pointed out that Indian Hill has a good deer program. Beatty added that many cities are implementing hunting programs and each one does it differently. He explained that it is a nationwide issue.

Councilman Wells asked why the State of Ohio doesn't reduce the deer population more. Brett Beatty explained that if every deer hunter killed their potential limit, we would be able to reduce the population considerably. The average deer hunter kills less than their limit.

Paul Hunter asked about contraception to control the herd. Brett Beatty explained that studies have shown that it only effective when the herd is very separated from outside influences, but the City is not like that.

[Discussion of deer population]

Joe Sodini said that he thought the issue of control was important from an agricultural standpoint. Brett Beatty gave an overview of the travel patterns of deer.

Bill Limbacher asked if there was a provision for disposal of the animal. Beatty said that normally the deer belongs to the person who kills it, but some cities send the meat to a

food bank. He also described a program called Hunters and Farmers Feeding the Hungry.

Paul Hunter asked if some cities use professional cullers to clean out the herd. Brett Beatty gave an overview of the process of hiring sharpshooters to take care of the herd. Some cities use the police force.

President Pro Tem McKay suggested the discussion be continued within a Judiciary Committee. Mayor Riley suggested we put together legislation and send it to the Judiciary Committee. Brett Beatty said that it should have an educational component to it, for instance looking into fencing options.

Councilman McKay asked for a list of 4-5 cities of comparable size that have successful programs. Mayor Riley said it needs to be a balanced approach. Rob Jaehnig asked if farmers have more opportunity to remove deer from their property. Beatty explained that if a farmer has current, active damage caused by a deer, he could be eligible for a deer damage permit, which is similar to the sharpshooting permit.

[Discussion of process of deer permits]

Bob Thobaben stated that deer kill more Americans every year than sharks, bears, mountain lions, coyotes and bees and wasps with anaphylactic shock combined. In Clinton County we average between 180 and 210 deer strikes a year. Approximately 20% of them may be within the city limits.

Councilman Jaehnig – Based on the last data we had, the deer strikes in the city are almost nonexistent because we drive slowly. He said we should make sure we have statistics that are relevant to the city. One of the problems is that many of the landowners in Union Township surrounding the city will not allow people to hunt on their property. He added that he was adamantly opposed to deer hunting in the city before, but he was willing to think about the issue.

Mayor Riley said one of his concerns also was the health of the herd because of the density. Beatty said that most of the calls received in the mayor's office are probably regarding property damage, and it is the concerns of the citizens that need to be addressed in the discussion. Riley asked Beatty to forward examples to the mayor's office of communities that have instituted effective deer management.

Mayor Riley distributed a deer management proposal that was put together by Bob Thobaben four years ago to the members of council.

Mayor Riley thanked the city for allowing him to be gone for nearly two weeks when he was in the Ukraine. There will be follow-up about the trip in the newspaper. He emphasized that he personally paid for the trip 100% - not a dime of city money was spent on this. It was funded through his own pocket and the Sister City program in Cincinnati and was a very interesting trip.

Mayor Riley said that Small Business Resource Forum was a good success. Congratulations to Representative Cliff Rosenberger and his Legislative Aide, Ben Webb, for putting it together. It was helpful for several small businesses.

Mayor Riley congratulated Randi Milburn, Marian Miller, Joe Spicer, and Loren Stuckert for their successful elections. He thanked Bill Limbacher for making it an interesting process. In January, almost half of the council will be new.

Councilman Jaehnig said that the new JETT jobs number was 563. There are 10 new jobs from Cole Taylor and 3 from a new physician at CMH. We should have new numbers from TimberTech this year. He added that in the month of October, there were 63 building permits in the County, which is much higher than last year.

Mayor Riley said that while the jobs numbers are encouraging, the support from the state is declining. Governor Kasich vowed that he would balance the State's budget, and he

has done that through eliminating the local government funding sources such as the Local Government Fund and the CAT tax.

Auditor - Auditor David Hollingsworth – If the Finance Committee would want to schedule a work session, we will have budget packets out to council members by the first of next week.

Ad Hoc Committee – In the absence of Chairman Kirchner, Councilman Jaehnig introduced legislation authorizing the mayor to enter into an agreement with Buckeye Energy Brokers for natural gas aggregation services. He said that Paul Hunter had compiled some information and it appears that the electric aggregation program has been successful in saving \$2,000,000 in the community this year.

Paul Hunter asked if there would be two public hearings. Councilman Jaehnig said that tonight they were just doing the first reading and President Kirchner would explain the entire process further at the next meeting. This legislation is necessary in order to start the process of acquiring bids for suppliers.

Paul Hunter said that people should note they should be cautious when signing up for individual contracts because they will face cancellation fees when the aggregation comes into effect.

A motion was made by Jaehnig and seconded by Wallace to give the first reading only on a resolution Authorizing the Mayor to Enter Into An Agreement for Natural Gas Aggregation Services With Buckeye Energy Brokers.

President Pro Tem asked for discussion.

Councilman Siebenaller said that according to the Ohio Consumer Council, the process requires two public hearings. Essentially, it is the same process as electric aggregation: Plan adoption, certification, shopping for the best rate, and notification.

Seeing no further discussion, President Pro Tem called for vote.

Motion passed.

Director of Law read resolution by title only.

Councilman Jaehnig requested that the second reading be placed on the agenda for the next meeting. He also requested that the Clerk of Council confer with the President Kirchner regarding any time constraints that might require both the second and third reading to be placed on the agenda for the next meeting.

Asset, Acquisition and Use. - Chairperson Bob Mead announced that they would be having an Asset, Acquisition and Use Committee meeting on Wednesday of next week at 6 p.m. to discuss purchasing the Dupree property.

Finance Committee - Chairperson Mead introduced legislation making supplemental appropriations: \$750 from the General Fund to Indigent Burial, \$23,379 from Permissive Tax Fund to Street Improvements; \$30,225 from Street M&R Fund to Street Maintenance.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Supplemental Appropriations.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5118 passed as read.

Councilman Mead introduced legislation making supplemental appropriations: From the General Fund to Consultant Services – Building Inspector in the amount of \$2200.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Supplemental Appropriations.

President Pro Tem asked for discussion.

Councilman Jaehnig asked Service Director Reinsmith if this amount would get the city through the end of the year.

Service Director Reinsmith replied that he thought this would carry the department through. He said last year they did about \$34,000 in building permit fees, but this year the city is above \$90,000 in building permit fees, which means there have been many more inspections.

Seeing no more discussion, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5119 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers for the police department.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Miscellaneous Transfers.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5120 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers for the Fire Department and Sanitation Department.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Miscellaneous Transfers.

President Pro Tem asked for discussion.

Councilman Jaehnig asked for an explanation for the items in the Fire Department which are being transferred into the Communications line.

Fire Chief Mason explained the transfer of money into the communications line item is to upgrade to new radios that the county is buying. These are more rugged portable radios and cost \$18,000.

Seeing no more discussion, President Pro Tem called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Pro Tem Council declared Ord. No. 5121 passed as read.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Councilman Wells said that the streets in Timber Glen look great. Everyone is very happy to have them finished after all of these years. Councilman Jaehnig said he has also had many phone calls from Country Oaks regarding their newly finished streets.

Solid Waste/Recycling - Chairperson Wells had no report but said that he noted that Clinton Memorial Hospital did not have a recycling program. He thought maybe it would be a good project for Leadership Clinton. Mayor Riley noted that when he worked there, they had a cardboard bailer by the loading dock.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller had no report.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay had no report.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

President Pro Tem McKay asked if he wanted to discuss the bridge. Service Director Reinsmith said that they are continuing to work on it.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Income Tax Report, October 2013, and the Hotel Lodging Tax Report, 3rd Quarter 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

Councilman Jaehnig asked for a change in the reporting on the Hotel Lodging Tax. He would like the report to include comparison of previous amounts.

President Pro Tem McKay opened the meeting up to the general public and/or members of council to address council while in session.

Councilman Mead said councilmembers received a letter stating that the contracts for the safety personnel had been completed and that if council took no action within a certain amount of days, the contract would automatically go into effect, just as the previous one had. On the previous contract, the gentleman came up and explained to us that they hadn't completed it yet. They were part-way through it and they would come back to us when it was finished and we would know where to go from there. Now it appears as though we have approved one contract and they are saying if we don't take action on this one, it will be approved. We don't know yet how much it is going to cost or where the money is going to come from. We are not rejecting our safety departments – we love our safety departments, it's just that I think we would not be doing the city a favor if we accepted contracts for which we do not know the cost and we don't know where it is going to come from. He asked the Law Director for an explanation of the process.

Law Director Shidaker – As you know, I didn't participate in the negotiations; we had another attorney do that. My understanding from the law, once they reach an agreement and that is presented to the council, the council may reject the agreement by three-fifths of a vote. There is a deadline, but I don't know what the date is. The council has a right to reject it by three-fifths of the vote. The membership of the Union also has the right to reject it by three-fifths of the vote. If neither party rejects it, then it goes into effect.

Councilman Mead wanted to know what his options are. Law Director Shidaker said council can reject it, but he doesn't know the date it will go into effect.

Councilman Siebenaller asked how the agreement was supposed to be presented to council.

Law Director Shidaker – The contract and the recommendations are supposed to be presented to the council. On the other side, the contract and the recommendations are presented to the union. You were supposed to have an opportunity to review that and then reject within the timeframe.

Councilman Mead said the thirty days is almost over and if they do nothing that means they will accept the contract.

Mayor Riley said the contract did not change significantly. There are no new salary changes. I don't recall the detail, but there are no increases. There will be a salary reopeners starting in January where they will look at just the salary.

Chief Weyand – We changed the flashlight policy, the way compensatory time is accumulated, we changed the current rate of pay to remove some inconsistencies in payout method.

Councilman Mead said the according to the way the contract was explained, in 2015 all of the raises and steps for the employees would be caught up.

Mayor Riley said that would be part of the reopeners. If everything works out, hopefully we should be able to get all city employees back in their pay grid and back on their pay scale by 2015. It is certainly a step of faith that we will be able to get that done. Obviously, if the money is just not there to do it, we will have to renegotiate the contract at that time. That is absolutely our goal.

Councilman Mead clarified that the current obligation does not include salary increases at this time.

Mayor Riley – It includes looking at salaries every year, but there have been no numbers set out for salary increases. I have always been adamant, Bob, that whatever is good for the Union, is good for the non-Union. If the Union employees get a percentage increase

where they get put back in their steps, we have to do that for every employee in the City of Wilmington.

Councilman Mead – that was part of my big concern is that it is not just one group or another group – it's everybody.

President Pro Tem McKay – If you have questions, could you talk to the Law Director and the Mayor and then if it is necessary, we could have a special session before this time period elapses.

Councilman Mead – If there are no increases in what we are approving, then I don't know that there is a problem. It's just when we get a letter like this saying that we've approved a contract and we're getting ready to approve another one, it causes concern if we don't know where the money comes from.

Councilman Siebenaller – When did we approve the other contract?

Law Director Shidaker – Let me read this to you, Brian. "If neither rejects the recommendations, the recommendations shall be deemed agreed upon as the final resolution and the bargaining agreement shall be executed between the parties."

Councilman Siebenaller – I understand that part of it. My concern is I was not aware there was a ticking clock at that time.

Councilman Jaehnig – The last time the representative was in and talked to us, we only had one outstanding contract, which was the Sergeants. Basically, the others had been agreed to. The Sergeant's one would be similar to the two others that were in agreement. I agree with the fact that we didn't get an update before we received that letter. That would have been helpful. At that time, they did explain the direction that we were going and how it was to work. I do agree that a quick update would have been helpful in clarification and making sure we are all on the same page.

Councilman Mead – My understanding was they would come back and tell us when it was complete so we could review it.

Councilman Stuckert – There was no clear indication at any time that the clock was ticking on our approving anything. There is no mechanism to bring it to us with the full understanding that the clock is ticking. That is a lapse in our methodology.

Councilman Siebenaller suggested that they could do a review of the contracts in Judiciary before the end of the year to discuss the process. President Pro Tem McKay verified that the councilmembers were okay with following this procedure and not attempting to schedule another session to discuss this.

Councilman Jaehnig announced that it is HoliDazzle time. We are in the process of taking applications for parade entries. The website is www.hometownholidazzle.com. There are still openings. This year they will be doing something new and different through a company called Wham City Lights. There will be an app you can put on your phone. On the night of HoliDazzle, we will ask that everyone download this app. Then over the loud speakers on the Murphy Block and the Courthouse block, we will play a tone, which will synchronize your phone with all of the other phones in the area, up to 2800 phones. Music will play over the speakers and the phones will flash and turn colors with the music. The audience will have a chance to be a part of HoliDazzle and the show that is going on. We should have a lot of fun with it.

Helen Dunlap – 2002 Prairie Road. My sister and I own property in Wilmington and we have some concerns about how the Water Department handles rental properties with regard to the billing issues. Many times a renter will move out of your property leaving the landowner with a huge bill, and the landowner is responsible for paying those. Once that is paid, that same renter can move back into Wilmington at a different address and get water in their name again, only to leave that property a few months later and stiff that landlord. We would like to see some changes. Maybe the water department could take a

deposit when somebody signs up for water. If they are up to date currently when they leave, they get that deposit back. I think it's time everybody is held responsible. There are some people who are taking advantage of the system, and it's up to the landlord to pay the bill.

President Pro Tem McKay – We had this discussion a couple of months ago. I'll let Councilman Wallace, the Chairman of the Water Department given an answer.

Councilman Wallace- I would say every two years this has come up pretty regularly during my ten years on council. We keep looking at taking a deposit from renters, and somehow that ends up not being a good way for us and the way we try to handle things. We certainly are receptive. Some of us sitting up here are property owners and rent out and get stuck the same way you're discussing right now. As we have taken a look at this thing, we understand that obviously it's not perfect. We have also looked at the way other communities do things. It's tough for us to try to shorten that time frame down. We've looked at the length of the billing cycle to try to keep the bill as small as we can as well. We've looked at a lot of different things. It's obviously not perfect, but it's the best way we think we can do it at this point in time.

Helen Dunlap – Could these people be flagged so if they owe money when they left, they don't get water in their name again?

Service Director Reinsmith – If they have a debt, then they can't sign up again.

Helen Dunlap – But they do. Because the landlord has paid their debt.

Terry Hudson – We have several properties in Wilmington. Right now, we have very good renters. However, my problem is, they let it go two or three months before we're even notified that it's delinquent. That renter is gone. We pay the bill, then that same renter breezes back into Wilmington because we paid the bill, and it's another landlord's problem. They need to be flagged somehow. I think 30 days, let them get behind, if they're behind 30 days, notify the landlord.

[Discussion of utility billing procedures]

Helen Dunlap asked if there was a way to flag names at the water department so the landlord can call in and find out that the renters were previously delinquent and the landlord had to pay the bill for them.

The mayor suggested a meeting between Ms. Dunlap, Mike Wallace, Jerry Rowlands, Barb McVey and himself to discuss the issue further. He asked her to call into the office to set something up.

President Pro Tem McKay asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Pro Tem McKay asked for a motion to adjourn.

A motion was made by Wells to adjourn.

Motion passed.

President Pro Tem declared council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

Thursday, November 21, 2013

Wilmington City Council met on Thursday, November 21, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by Wells and seconded by Stuckert to approve the minutes of the last regular meeting, November 7, as presented.

Motion passed. All yeas.

Minutes approved as presented.

President Kirchner announced that on December 5 two public hearings will be held on the gas aggregation plan of operation. We will be finalizing times and getting the notices out.

Mayor - Mayor Riley said that Don Wells had an announcement.

Councilman Wells announced that this evening would be his last council meeting as he is resigning effective November 30. He said he has enjoyed serving the citizens of the Third Ward. He added that Joe Spicer would do a fine job for the citizens of the Third Ward.

Mayor Riley presented Councilman Wells with a recognition plaque and a Key to the City.

Adam Rapien presented a letter of appreciation to Councilman Wells from Congressman Steve Stivers. He also announced that their office is a Toys for Tots drop-off location. Donations should be made before December 13.

[Banter of thanks and congratulations to Councilman Wells]

Mayor Riley introduced Nathan Prather, an eight-year-old local student, who gave a presentation on environmental sustainability.

Councilman Jaehnig gave the new JETT jobs report. The number of new jobs is currently 618, an addition of 55 new jobs since the last meeting: 54 at Ahresty and one at Praxair. Mayor Riley said that as soon as the jobs that have been approved for job creation tax credits come through, the city should have over 1000 new jobs by springtime.

Mayor Riley said that he helped Mary Lou Holdren put her Disney display up, which is ready for visitors to visit. He recognized members of the fraternity Lambda Chi Alpha, one of the fraternities at Wilmington College, who showed up en masse, put in long hours, and helped get everything done.

Auditor – In the absence of Auditor David Hollingsworth, there was no report.

Ad Hoc – Chairman Kirchner introduced the second and third readings on legislation authorizing the mayor to enter into an agreement with Buckeye Energy Brokers to implement a natural gas aggregation program.

A motion was made by Jaehnig and seconded by McKay to suspend the rules and give the second and third reading on the resolution Authorizing the Mayor to Enter Into an Agreement for Natural Gas Aggregation Services With Buckeye Energy Brokers. President asked for discussion.

Councilman Wallace asked how Buckeye Energy Brokers were chosen?

President Kirchner explained they had originally educated council on the aggregation markets. There are not a lot of aggregation firms out there and the gas aggregation cannot be done through the same broker as the electric aggregation, which was done through the county.

Councilman Wallace - Is there any chance of different companies getting different prices to us?

President Kirchner explained that Buckeye Energy Brokers aren't actually a natural gas provider, but they will help the city obtain quotes from different companies and will put together the aggregation program. Gas aggregation is different than the electric aggregation as the county will not be included in it.

Paul Hunter added that the broker takes the money from the vendor and not the city, so it is no cost to the citizens.

Seeing no more discussion, President called for a vote.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the resolution by title only.

A motion was made by Jaehnig and seconded by McKay to pass the resolution as read.

Roll call: Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Res. No. 2339 passed as read.

Asset, Acquisition and Use. - Chairperson Bob Mead introduced the first reading on legislation to enter into a purchase and sale agreement for the Dupree property.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on a resolution Authorizing the Mayor to Enter Into a Purchase and Sale Agreement for Real Property Owned by Glenn F. and Ruth Lee Dupree (.741 Acres More or Less) and Declaring an Emergency.

President asked for discussion.

Councilman Jaehnig asked what the land was being purchased for.

Mayor Riley explained that the three parcels being purchased connect Mulberry Street to South Street in the old rail bed. It will extend the Luther Warren Peace Path into downtown Wilmington and where the Xidas Park will be. The downtown urban bike path will be redirected to Sugartree Street. It is part of the development of the Sugartree Corridor.

Councilman McKay added that there is also a small building on the property at Mulberry Street, which the city will probably use for storage. Mayor Riley said that Main Street was interested in using the building.

Councilman Mead added that it will not require General Fund money; it will be grant money.

[Discussion of Dupree property]

It was noted that the sale contract was for \$79,000. Paul Hunter mentioned that the properties appraised out at \$57,600. Mayor Riley said that the price, after bargaining,

was negotiated to \$79,000. Councilman McKay explained that it was integral to the corridor project.

Seeing no more discussion, President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

Mead requested that the second and third reading be on the Agenda for the next meeting.

Finance Committee - Chairperson Mead introduced supplemental appropriations for the Hotel Lodging Excise Tax Fund in the amount of \$20,567.00.

Councilman Jaehnig asked if this was because we went above budget for the year. Mary Kay Vance answered that the city budgets off receipts from the previous year and we went beyond that last year. The local hotels have had a much better year than the previous year.

A motion was made by Mead and seconded by Wallace to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes.

Motion passed.

President of Council declared Ord. No. 5122 passed as read.

Councilman Mead introduced legislation making supplemental appropriations: From General Fund to EMS Billing, \$5000 – Mary Kay Vance explained that we had excess revenue in EMS billing so we needed to pay MBI more than we had anticipated. From Utility Billing Credit Card Fund to Credit Card Fees, \$1000 – Mary Kay Vance explained this did not have anything to do with the General Fund. More people have paid with credit card than expected, so we have to pay more in fees for that service.

Councilman Jaehnig asked if the credit card in utility billing has been helpful. Mary Kay Vance says that it is being used more each year.

From General Fund to the Law Library, \$6,000 – The court collects fees for the library fund. More money came in through the courts for the law library, so we have to pay more than was budgeted.

Law Director Shidaker asked if there was a reason it runs through the General Fund to the Law Library and not straight from the courts to the Law Library. Mary Kay Vance said that it is a Revised Code issue. She tried to change it in the past but was not able to.

[Discussion of funding stream for the Law Library]

From the Voluntary Recycling Fund to Program Expense, \$6,000.00 – Donnie Maher explained that we received our \$10,000 from Clinton County Solid Waste and we need the \$6,000.00 to finish buying equipment to streamline the recycling program.

[Discussion of recycling improvements]

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Ord. No. 5123 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers. Donnie Maher explained that they had taken a real hit on their tires this year and needed to move money in order to keep tires on the packers. He is moving money from Training and Travel and Utilities to pay for them.

Mary Kay Vance explained that the Income Tax Service needed to move more monies into Incidentals because of computer costs. They also need more money in their income tax salaries. Both of the transfers are coming out of their consultant services.

Councilman Wallace asked if this was the same consultant services as council had recently put money into. Mary Kay Vance answered that it was a different line. This was the line they use to take people to court to collect income taxes.

[Discussion of income tax transfers]

Landfill monitoring to landfill vehicle expense, \$5000 and from landfill monitoring to collection vehicle expense, \$5000 – Donnie Maher explained that the excavator needed repair, which is a landfill vehicle expense. A cable broke on one of the packers and had a cylinder repair that was needed.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Miscellaneous Transfers.

President asked for discussion.

Law Director Shidaker said since the city has been handling the income tax legal issues in-house instead of going outside counsel, we save approximately \$13,000 a year. The Treasurer's Department is happy with the work we're doing for them. Even though it is \$1000 in-house costs, we're saving quite a lot by doing it here.

Seeing no more discussion, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: McKay, yes; Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Council declared Ord. No. 5124 passed as read.

Water Committee - Chairperson Wallace had no report. He asked for a Water Committee meeting before the next council session.

Streets Committee - Chairperson McKay had no report. He asked for a Streets Committee meeting prior to the next council meeting to discuss the vacation of alleys in the college area near the Kettering Building. He asked that the meeting be held prior to the next council meeting. The item has already been through Planning Commission.

Solid Waste/Recycling - Chairperson Wells thanked Steve Taylor from Santech for coming to Wilmington and trying to help with the landfill.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller introduced legislation approving a UDAG loan to the Adam Bede company. This is for downtown renovation on apartment buildings.

Councilman Jaehnig asked which building was being renovated. Marcie Hawley replied that it was 59 W. Main where Kosta is located. The restoration is for the second floor.

A motion was made by Siebenaller and seconded by Wells to give the first reading only on a resolution Authorizing a UDAG Loan to Adam Bede Holding Company from the UDAG Project Income Revolving Loan Fund; and Declaring an Emergency. President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

Siebenaller requested that the second and third readings be on the Agenda for the next meeting.

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay asked Councilman Jaehnig to speak.

Councilman Jaehnig provided information on the upcoming the Holidazzle parade on November 30. There is a new sound system in the downtown, so announcements and music should come across much better. They're also doing a program called Santa's Smartphone Flash Mob, which involves downloading an app from Wham City Lights that will allow all the cell phones to be synchronized into a lightshow to music. He thanked Steve Stivers' office and Frontier Communications for helping with the phone calls to the North Pole this year. There is a lot going on during the day, so come downtown early.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report but the bridge should be open tomorrow.

Paul Hunter asked how the leaf collection was going. Service Director Reinsmith said that they started earlier in the month and it was going okay.

Safety Director – In the absence Safety Director Russ Burton, there was no report.

Reports

A motion was made by Wells and seconded by Stuckert that the Auditor-Treasurer Report – October 2103, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

President Kirchner thanked Councilman Wells for his ten years of service to the community. Councilman Stuckert thanked Councilman Wells for being a mentor and an inspiration to him. Councilman McKay commended Councilman Wells for his passion in advocating for the citizens of the Third Ward. Councilman Jaehnig said Councilman Wells' connection to his constituents has always stood out and he hoped to live up to his example.

John Schum – 81 W. Main Street. He said the Wilmington Arts Collaborative had been asked by Chris Schock if there was any interest in putting art in the lobby of the Municipal Building. The membership would love to do that and were discussing a method of suspending the art so the walls would not be damaged. Members of the collaborative are willing to pay for a suspension method, but they would like exclusive rights to hang art on it if they pay for it. That poses a problem since it is a public building and they would like guidance on resolving the issue.

President Kirchner said he would like to consult with the Law Director and asked John Schum if he could provide a cost estimate. John Schum agreed to put together an estimate.

Mayor Riley said that there were some pieces he would imagine could not hang in the city building even though some people might consider it art. Cincinnati went through some of this years and years ago. He said he would talk to Brian Shidaker to possibly put together a statement of standards that would prohibit art that was obscene or objectionable. I love the idea of hanging art and I love your concept of how to hang it.

Law Director Shidaker stated that it was a complex issue, but they could discuss it.

Councilman Jaehnig pointed out that there were five trees created by the Wilmington Arts Collaborative, in conjunction with the JETT team, hanging in the windows at the front of the Municipal Building. These pieces are absolutely stunning and there are more coming. Each tree tells a different story. We will be getting information on the artist for each tree, taking photos, and getting those into the paper. I truly see that this is something that can grow from here where we can see these Wilmington trees become a symbol that could hang in different buildings.

John Schum – They are trying to illustrate what it is like to live and thrive in Wilmington. That was the goal.

Mayor Riley said he would like to see them in other buildings in downtown Wilmington.

President Kirchner said that everyone got their initial budget worksheet and encouraged everyone to look at it. We will put together a schedule for budget meetings. I will send out an email asking you for your availability so we can set up special council meetings to discuss the budget.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Wells and seconded by Stuckert to adjourn.
Motion passed.
Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

December 5, 2013

Wilmington City Council met on Thursday, December 5, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by Stuckert and seconded by Mead to approve the minutes of the last regular meeting, November 21, as presented.

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley announced that the winner of the Wilmington Tree Commission/City of Wilmington Fall Foliage Photography Contest was Brett Rudduck. He presented a certificate to Brett Rudduck and stated that the picture would be published in the Wilmington News Journal and will be displayed in the lobby at the City Building.

[Applause]

Mayor Riley went on to say they would like to do additional tree photography contests in the future.

Marque Jones explained that letters had gone out from CCA (Central Collection Agency) in Cleveland, Ohio. Letters were only supposed to go to those individuals not on file that live in Wilmington. There were 344 letters sent out. Income Tax Department has been getting a lot of calls. People want to know if it is legitimate. The city found out that the way they match their records with the IRS is by a Social Security number, not name and address. The biggest problem occurs with individuals that have a business who file under their business. Those people were also sent letters even though they had filed their taxes. Those individuals have been able resolve the issue by calling the CCA company. CCA then verifies that we have a tax return on file. Other problems have included social security numbers being entered incorrectly or spousal issues. Each case is being looked at on a case-by-case basis.

Councilman Jaehnig asked how we interact with businesses located within the city limits so they know they have to withhold city income tax on their employees. What is the trigger that causes the discussion?

Marque Jones – A lot of it comes from Mr. Reinsmith's office. When they come in for building permits or occupancy permits, the Building and Zoning Department sends us a copy to let us know that they are in the city. We also get information from the water department. If we do not have them on file, then we send them a letter.

Councilman Jaehnig asked if the letters were being sent to people that were not working or working outside the community. Marque Jones says the CCA does not tell them anything. We get the money that they collect but not the tax returns. Councilman McKay asked if they take a percentage. Marque Jones said that they take around 3% for collection.

[Discussion of income tax collection process]

Councilman Stuckert asked if they could refer people to the Income Tax Department to answer questions. Marque Jones said that was fine.

Marque Jones said that the CCA said that we had done a great job of collection, but there were a few that were still out there. He hoped to get to 100% collection.

Mayor Riley asked that everyone be prepared and ready for upcoming snow and ice events. Stay at home if you can and take care of your neighbors.

Councilman McKay asked if the new snow trucks are in. Denny Gherman answered that they are not, but they are working on it. We should have the first one prior to Christmas.

Mayor Riley announced that Glenn Beck's production team had been back in town in the last week or two. Allen Willoughby and Robyn Morris are traveling to Texas next week to be on his radio/internet show.

Mayor Riley expressed appreciation to Trevor Shoemaker, Steve Brown and Rob Jaehnig for putting together a great HoliDazzle event.

Paul Hunter asked the mayor's opinion on Nelson Mandela's passing. Mayor Riley said that Nelson Mandela was a personal hero of his and he mourns his loss. He is to the world what Jefferson, Adams and Franklin were to the United States. Nelson Mandela went to jail for 27 years. The most amazing thing is he came out determined to make that country better. He didn't come out bitter and angry, he came out with resolve to solve the problems of South Africa.

Auditor – In the absence of Auditor David Hollingsworth, there was no report.

Asset, Acquisition and Use. - Chairperson Bob Mead presented the second and third readings on legislation authorizing a purchase and sale agreement of the Dupree property on Sugartree Street.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution Authorizing the Mayor to Enter into a Purchase and Sale Agreement for Real Property Owned by Glenn F. and Ruth Lee Dupree (.741 Acres More or Less) and Declaring an Emergency.

Roll call: Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the resolution by title only.

A motion was made by Mead and seconded by Stuckert to pass the resolution as read.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Res. No. 2340 passed as read.

Finance Committee - Chairperson Mead introduced an ordinance making supplemental appropriations:

From UDAG to Adam Bede Expenses for \$65,000.00. Paul Hunter asked what the Adam Bede project was. Councilman Siebenaller explained that they were renovating apartments in the downtown area.

General Fund to Income Tax Refunds for \$100,000. Marque Jones explained that a company located in Wilmington was owed a large refund of around \$300,000 last year has agreed to take smaller payments of \$100,000. A change in the tax code has created a situation where they are able show a loss. President Kirchner asked whether or not we expected them to show a loss in the upcoming year. Marque Jones said he did not have that information.

[Discussion]

General Fund to Administration Salaries for \$4000: This is for employees selling their vacation back to the city.

Community Corrections Fund to Program Expenses for \$5,000.00, which is a standard movement of funds.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes.

Motion passed.

President of Council declared Ord. No. 5125 passed as read.

Councilman Mead said they hoped the Auditor and the city's insurance broker could share some information with council on the 2014 budget, but that was not going to happen this evening. The President of Council has scheduled two special meetings, December 10 and December 11 at 6 p.m., for individual departments to discuss the budget. We really don't have the information needed to get into a full discussion at this time. Unless the president has something he wants to add, I do not have anything further at this time.

President Kirchner verified that all the council members received their copy of the initial submitted budget. He encouraged them to have their questions ready. There is also the prospective schedule for the special council meetings in their packets. If council needs additional meetings, we will schedule additional meetings.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay said that a public hearing was needed regarding the vacating of alleys at Wilmington College.

President Kirchner opened the public hearing on vacating two alleys.

Councilman McKay introduced attorney for Wilmington College, Karen Buckley.

Karen Buckley – The College is undertaking a \$19 million project to renovate and expand Kettering Hall, the sciences building, and adjoining Robinson Hall. This vacation is one of the early steps. We are financing the project through the United States Department of Agriculture, so there are lots of steps that they have to go through. These alleys cross the campus; all land around them is owned by the college. They have not been opened and used as traffic alleys for many years, so it will not affect any traffic patterns at the college. One is currently a sidewalk. The other is in grass across the campus. Are there any questions? You have pictures in your packet.

President Kirchner asked if it had been verified that there are no utilities in these areas.

Karen Buckley said that had been verified. Councilman Jaehnig stated that this is housekeeping that should have been done years ago.

Councilman McKay stated that they are asking for three readings and an emergency. Karen Buckley added that many other steps that depend upon this, including re-platting

the area, and getting a description so they can pledge that to the United States government in security.

President Kirchner asked for any other questions or comments.

Seeing none, President Kirchner closed the public hearing on vacating two alleys at Wilmington College.

A motion was made by McKay and seconded by Wallace to give the first reading only on An Ordinance to Vacate Two Alleys at Wilmington College, and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by McKay and seconded by Stuckert to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes; Wallace, yes.

Director of Law read the ordinance by title only.

A motion was made by McKay and seconded by Wallace to pass the ordinance as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Ord. No. 5126 passed as read.

Solid Waste/Recycling – In the absence of Chairperson Wells, Councilman Jaehnig had no report.

President Kirchner said they recently had heard the city new rates are low. He would be interested in the budget discussion to have Donnie speak about the rate performance.

Service Director Reinsmith explained that Donnie Maher would not be able to attend and he would be discussing it instead. He added that the rates were competitive, but he did not believe that they were low. He said they lost about \$200,000 in revenue during the first few months when the rates were initially changed. We are now getting those private haulers back. He said that they had been doing research and it appears that we are losing about \$5000 a day by using the scales.

President Kirchner said that when the scale discussion began, it was the indication from Donnie Maher that they were not making enough money because they didn't have scales.

Service Director Reinsmith said that the thing council was looking for was accuracy when they bought the scales.

President Kirchner said it was estimate of what kind of weight tonnage you had per cubic yard. You are ultimately looking at a cost....right now, with the 22% increase that was put through, you put a lot of burden on the taxpayers, the individual households in this community to build this facility.

Service Director Reinsmith – We talked about that increase. The problem is, we did that increase so we would have money to pay for these future expansions. The problem is, the EPA and the Solid Waste District took about half that money, so that big increase didn't come to our landfill. They went to fees.

President Kirchner – I know our local Solid Waste Management District has one of the highest fees going. You sit on that board...what is the justification for that?

Paul Hunter – So they can keep their \$700,000 slush fund.

Service Director Reinsmith – Right now, we are rewriting an update in the plan. If you want to make some suggestions, you could do it now.

President Kirchner asked for a draft copy. Service Director Reinsmith said they are doing a chapter a month. It will take about a year.

[Discussion of Waste District Update]

President Kirchner said that council would like the opportunity to challenge the fees when the report is completed.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller presented the second and third readings on a UDAG loan to the Adam Bede Holding Company, which was discussed in previous meetings.

A motion was made by Siebenaller and seconded by Stuckert to suspend the rules and give the second and third reading on A Resolution Authorizing a UDAG Loan to Adam Bede Holding Company from the UDAG Project Income Revolving Loan Fund; and Declaring an Emergency.

Roll call: McKay, yes; Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the resolution by title only.

A motion was made by Siebenaller and seconded by Stuckert to pass the resolution as read.

Roll call: Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Council declared Res. No. 2341 passed as read.

Safety Committee - In the absence of Chairperson Wells, Councilman Mead had no report.

Downtown Revitalization Committee - Chairperson McKay said the HoliDazzle was very successful.

Parks and Recreation Committee – Chairperson Jaehnig announced there is a Parks Board meeting at 6 p.m. on Monday.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith said he called ODOT and got the bridge on South Street opened, although they do have a little more work to do. They also received a favorable bid on the lot at the corner of Prairie and Lowes drive, so they need to finish the sale of that piece of property.

Safety Director – In the absence of Safety Director Russ Burton, there was no report.

Reports

A motion was made by Stuckert and seconded by Jaehnig that the Income Tax Report – November 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Paul Hunter asked President Kirchner if there was any concrete indication that there will be a pay raise for the city employees in next year's budget.

President Kirchner said they had not yet sat down and gone through the budget line items, but he would not anticipate such an increase.

Paul Hunter – What do the recent council election results tell us? In this single-party controlled city council, members cannot say in all honesty that the people have spoken or that they represent the majority of the residents. They can only say their party has spoken and even saying that is ambiguous when 82% of the registered voters stayed at home last fall. One incumbent member was reelected by winning less than 14% of his wards possible votes. That's hardly a mandate. This being the case, a special burden is placed on the elected members. In my opinion, they should reach beyond personal and political beliefs when considering legislation affecting all of the people. In any case, that is what it is.

The second item I would like to cover, and there is a connection. Council members of the more conservative wing of the ruling party have often stated that the city has had a spending problem and not a revenue problem. I would posit that we had both back in 2010 but through much budget cutting and trimming, the spending part has been pretty much solved. That leaves the revenue problem that has been exacerbated by significant reductions in revenue sharing from the state, loss of estate tax, and stagnant income tax and property tax receipts. Another threat is looming in the state when they take over the income tax administration. Under the new rules, we're slated to lose money, are we not?

The problem with focusing only on the spending side is that we are forcing the city workforce to carry the majority of the burden of austerity that we have put on them while we residents, that's me included, get a free ride.

A couple of examples:

Who are the hardest working city employees that toil in the early hours of rainy, windy and wintery days? If you think it's our trash collectors, you are right. We set out trash, yard waste, tree limbs, recyclables and even bedding in the evening and voila, the next morning it's gone. Every week of the year. Tell the collector that was hired in 2008 for \$13.63 an hour and now makes an adjusted \$12 an hour that he is responsible for the city's budget woes.

Michelle Horner, who works in the Building and Zoning Department was hired as an assistant in 2009 for \$13.66 an hour. Since that time, she has taken over many of the duties of the former building official who was making almost \$40.00 an hour. Michelle is now making an adjusted \$12.30 an hour for her part in making a significant reduction in city spending.

As I have mentioned several times at this podium and with the cautionary lead to this presentation, the voters should be given a choice in the revenue issue. The best measure of the voters thinking, since the election doesn't appear to indicate that, is for council to offer a nonpartisan, non-council-supported property tax levy choice in next spring's primary.

I ask Councilman Stuckert, whom I perceive to be representative of the conservative wing of council, what possible objection he and his fellows have to letting the underrepresented residents make the decision to tax themselves a few dollars a month to prevent an exodus of experienced city workers as the economy recovers...and we're losing them. Thank you.

President Kirchner announced Special Council meetings are to be held on Tuesday, December 10, and Wednesday, December 11, at 6:00 p.m. to discuss the budget. Also, on Wednesday, December 11, there will be a the first public hearing for Natural Gas Aggregation. The second public hearing will be held at the regular council meeting on December 19. There is a list of Frequently Asked Questions and we will look into getting that on the city website. Also, Happy Birthday to the Law Director.

Councilman Jaehnig thanked Chief Duane Weyand and the rest of the officers, Denny Gherman and Streets Department, Phil Floyd and the Transit Department and the firefighters for all of their assistance at Holidazzle. Also would like to thank the

Wilmington FFA. For the 7th year in a row, they have provided the majority of labor in actually organizing the parade at the high school.

Mayor Riley said that when the city is in having fun mode, all of those workers are very busy making it happen.

Paul Hunter added that the County Commissioners had their update on aggregation. Between the city and the county this year, in a 12-month period, well over \$3,000,000 is going to be held in the greater community which can be spent here rather than being sent to Dayton or wherever else it was going to go. The City Council and County Commissioners should be given credit for passing the legislation and moving forward because it is working.

President Kirchner said the original estimate for annualized savings in electric alone inside the city was \$4,000,000 between all of the accounts that are eligible. Paul Hunter said it was closer to \$1,500,000 in actual savings. President Kirchner said he was encouraged that they are also moving gas aggregation forward. Paul Hunter mentioned that there was one city employee whose electric bill went up because of the aggregation.

Sam Ahrman explained that all of the other utilities in Ohio have 100% of their generation separate from the utility, which means that they are all at a market rate. They go out and auction their generation in public auctions once a year. We are doing it in a stepped program. We have to be 100% done by May 2017. Right now, when you switch to any of the retail providers, they are able to offer you market rates. That is what DP&L will be able to do too in the future.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by Wallace and seconded by Jaehnig to adjourn. President of Council declared the meeting adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

December 10, 2013

Wilmington City Council met in special session on Tuesday, December 10, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Stuckert, absent; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

A motion was made by Mead and seconded by Wallace to excuse the absent member, Councilman Stuckert.

Motion passed.

Absent member excused.

Councilman Wallace asked about the status of newly appointed Councilman Joe Spicer. President Kirchner explained that Councilman Spicer was not available for meetings this week but would be sworn in as soon as he is available to attend.

President Kirchner explained the only item on the agenda was the budget and turned the meeting over to Chairman of Finance, Councilman Mead.

Finance Committee - Chairperson Mead said council would be reviewing the departmental budgets and turned the discussion back over to President Kirchner.

President Kirchner asked the Auditor for an overview of the budget.

Auditor David Hollingsworth – As of today, the cash balance is approximately \$2.9 million dollars. At the end of November, we were at \$3.2 million. December is a traditionally a month in which there are a lot of expenditures and not much income. We still are expecting revenue in the form of the fire payment from Union Township, which is about \$300,000. In December 2012, we spent about \$200,000 more than we brought in. If this year is about the same, we could have a carryover balance higher than \$2.6 million. The current year expenditures exceed the revenue stream; however, we are still within the 25% for a carryover balance. There should be no new hires included in the budget, which allows council to review hiring employees in the upcoming year. The Auditor's office will need to bring in another person at least part-time. There are only two people in the office and we need to look forward to upcoming retirements. Someone should be in place in order to make it a smooth transition when that happens.

Mary Kay Vance/Mayor – Two new hires for the Police Department were left in the budget. Those replace police officers that have left this year.

Auditor David Hollingsworth – The Auditor's Office is looking at automated payroll in the future. Mary Kay Vance said some of the upfront costs of transitioning into automated payroll are already in the 2014 budget.

Auditor David Hollingsworth - Liz Fortney was not able to attend. The expected cost for our self-insured plan has been placed in the budget based on past 12 month claims. We have half a million dollars in the insurance fund. Last year we used the excess in the insurance fund to balance the budget. This year we are only going down to the bare minimum balance we are expected to have in that fund. We did not use the excess in the insurance fund to reduce our insurance costs. Councilman Mead noted that it looked like a 10-15% increase. Auditor David Hollingsworth explained that this was a bad claim year as the city had several individuals who met the maximum in their claims.

Mary Kay Vance - Part of it was because we reduced each department's expense by the amount we were using of the insurance fund. We did not do that this year.

[Discussion of insurance]

President Kirchner – the new budget was \$8.1 million, which is an increase of \$800,000 over the last year. Mary Kay Vance said that there was only a slight increase rate from last year to projected next year.

President Kirchner – The budget approved for 2013 was \$7.28 million. The estimated actual performance of 2013 was \$8.3, which is approximately a million dollars of increased costs.

Councilman Wallace – Although we spent more than anticipated, we also had unexpected revenue sources. Auditor David Hollingsworth said that there were multiple things happening that changed the amount spent.

[Discussion of budget performance]

Mary Kay Vance – We had supplementals beyond the additional revenue stream in the amount of \$60,000 through October. Since that time, additional expenditures have been approved for purchasing trucks. She also noted that there were more safety personnel in the budget than last year. President Kirchner noted that there was a half million dollar deficit in the budget. The projected cash balance at the end of 2014 was right at 25%.

President Kirchner – Income tax collections appear to be \$87,000 less than last year's collections. Auditor David Hollingsworth explained changes in the federal tax code regarding bonus depreciation and Section 179 depreciation. These changes allow companies to show a loss, resulting in large income tax refunds. This is something that cannot be easily predicted by the city.

[Discussion difficulties of projecting income tax revenues]

Phil Floyd presented information on the Transit Budget for 2014 and answered council's questions. This year's budget is similar to last year. They continue to try to make reductions and run efficiently. He pointed out that there was a change in administration for the grant program and the Transit program's funding was initially cut by quite a bit. After meetings and negotiations, they have restored the grant funding for 2014. He pointed out several areas of cost reductions. They will need three standard van replacements and one larger van. They also have budgeted for dispatch computers and software in order to modernize the operations. The total budget is about \$40,000 less than last year. Their city's matching funds are up \$6000 because of a change in the method of calculation by the state. He reminded council that what is set aside for matching funds may not actually be spent.

[Q&A Session for Transit Budget]

Jerry Rowlands presented information on the Water Department Budget for 2014 and answered council's questions. He went through the budget line-by-line describing each entry. He explained how weather affects sludge. He explained how recent changes in sampling regulations resulted in an EPA violation by the city, so there will be increased costs for additional testing and postage. The water quality has not changed but the EPA requirements have. Rowlands explained that carbon filters would remedy the EPA issues. They would cost \$3-4 million to install and would have an annual maintenance fee for carbon regeneration of \$300,000 – \$400,000. He discussed water tower inspection processes and maintenance needs. He explained that they also will not be able to use any of their existing fittings or meters after the first of the year because they do not meet new lead level standards.

[Q&A session for Water Department]

He added that he had capital equipment needs but they were cut from his budget. The mayor explained that capital equipment needs would be looked at separate from operating budget.

President Kirchner had questions regarding why the utility line appeared lower. Jerry Rowlands said he would verify the numbers and get back to council. President Kirchner

asked if they could lower the budget for utilities based on potential aggregation savings. Mary Kay explained that the proposed budget numbers were based upon this past year's performance.

Jerry Rowlands – It would be nice if council looked at the revenue side of the budget. They say they want to run it like a business, but they don't run it like a business because they don't address ongoing revenue issues. I have cut the budget as much as I can. My men our working on their 6th year without any raises. Soon qualified workers will leave.

Mike Wallace said that he had meetings with the Water Committee about jobs and about people quitting and about raising rates. He said that in every rate hike discussion they have had, everyone wanted to hold fast on the rates. He said that Jerry is putting Band-Aids on pipes now.

The mayor said that Jerry Rowlands has done a very good job of keeping the maintenance costs down. Those are expenses that are being deferred, but we will have to take care of things eventually.

Jerry Rowlands said that the upcoming year will mark the 10th year without a rate increase. He pointed out that all of their suppliers have increased their prices to the city during that time. President Kirchner said that by allowing the budget to tie up money that you're not going to spend on utilities and not allowing you to do maintenance on the system or maintenance on the facilities doesn't make sense.

Jerry Rowlands – The issue is not that I have a little bit more money in utilities and I don't have it in facilities maintenance – The issue is we don't have revenue overall that covers our operating costs. I can transfer that money if I need to. Overall, I try to keep our expenses down but there is not enough revenue. In a couple of years they will have to sell or contract out the Water Department because without raising rates, there will not be enough money to run it.

[Discussion of water rates]

President Kirchner pointed out that Chairman of the Water Committee, Mike Wallace never asked for an increase in rates to be brought forward to council.

Jerry Rowlands said that he had put raises into the payroll line and was told to take them out. He said that the employees have not had raises in five and a half years – they want raises now. President Kirchner says that council is pleased that they have been able to allow the people to keep their jobs. Many citizens do not have a job. We're happy that we've been able to keep those jobs.

[Discussion of reduction of water usage]

President Kirchner pointed out that the previous administration lost Western Water business.

[Discussion of city's relationship with Western Water]

Councilman Wallace said they discussed taking rates to the public for discussion but they didn't feel that 2013 was the time to discuss it. He won't be here in 2014, but his plan was to take it to open meetings for public discussion.

Paul Fear said when they paid off the sewer, they talked about adjusting the water rates up, but Jerry was not asked to come up with a proposal to raise rates. Councilman Wallace explained that it didn't seem to be the right time to raise rates because everything had been on a freeze – wages, hiring, etc. Paul Fear said that the city's water is not that expensive compared to other places. President Kirchner said the next council needs to look to lowering sewer rates and raise water rates by making it revenue-neutral to households.

Service Director Reinsmith said that Jerry would like a minimum monthly rate. Jerry said that if you take the operational costs and divide it by subscribers, you get a minimum monthly rate. President Kirchner said that creating a monthly rate would make it so there was no incentive for the department to control operational costs.

[Further discussion of water and sewer operations]

President Kirchner maintained that the city departments needed to ask for what they need if they need rate increases.

Auditor David Hollingsworth left the meeting at 8:00 p.m.

Service Director Reinsmith presented information regarding the Sanitation Department budget. He explained the losses in revenue experienced when the rates changed and how we lost customers during that time. \$200,000 was lost. Those carriers are back on board now. The biggest increase in the budget is the \$700,000 increase for the vertical of the landfill. That must be done or the city will have to haul their trash down to Georgetown. The expansion is slated for the first of next year. The landfill could possibly run out of space by February. President Kirchner asked why this had not been planned for before. Service Director Reinsmith explained that there was a disagreement with the EPA and so all of the permits were stopped until that was resolved.

President Kirchner said that there was a 22 % increase just four years ago so that they could have an expanded landfill, but now they were not going to have a landfill. Service Director Reinsmith answered that they have a landfill and a portion of the 22% increase went toward fees for the State EPA, local solid waste group or health department.

President Kirchner said that the Service Director and the Landfill Superintendent were adamant about getting outside haulers to bring their trash back and now are telling council that the hole is filled.

Service Director Reinsmith said the real issue is that the landfill needs revenues and the scales that were brought in are costing the landfill money.

[Heated argument between President Kirchner and Service Director Reinsmith regarding the landfill scales]

Councilman McKay asked for the President Kirchner and Service Director Reinsmith to stop arguing.

Service Director Reinsmith explained that the EPA held the expansion permits for several months while the lawyers fought out another matter. The delay means that we have to get the cell done at the first of the year.

President Kirchner asked for explanation of the changes in landfill salaries.

Mary Kay Vance said they would need to talk to Don Maher directly for specifics in the employee changes.

Service Director Reinsmith – The EPA mandated that he have an extra person in the back of the landfill. He had two people; they said he has to have three.

President Kirchner asked why the facilities maintenance line was reduced. Service Director Reinsmith said that the scales were now in. Also, they had been rehabbing the building across the street to move the welding shop into it. Service Director Reinsmith said that Don Maher could give them more specific information about the renovation of that building.

Councilman Mead asked if there is going to be any problem with having a place to put the trash. Service Director Reinsmith answered no.

Councilman Jaehnig asked what the cost of the scale was. Service Director Reinsmith said approximately \$100,000 after all was said and done.

[Continued Landfill Budget Q&A]

President Kirchner asked for a breakdown of the state and local fees. He wondered if there were differences in those fees since we had the scales.

[Discussion of landfill debt]

Mary Kay Vance said that they could break down the fees if needed. She further explained that the fee structure was put in place for the vertical expansion, but the expansion has come more quickly and the revenue is less than anticipated. Therefore, cash flow has taken a hit.

Councilman Jaehnig said that this is a good example of why no other city in the state operates a landfill.

Councilman Mead explained that the capital budgets would be separated from the operating budget and would be presented later.

Mayor Riley added that we are going to try to delay capital expenditures as much as we can. Clerk Brenda Woods handed out a list of capital items.

Councilman Siebenaller asked how many of the items were included in the budget. Clerk Woods answered only the capital construction for sanitation was included. The Wastewater Treatment capital construction may never have to be done; it depends on what the EPA mandates.

[Discussion of capital items in budget]

Mayor Riley - Some of the items will have to be purchased but some will not. There are two cruisers on there. Whether or not he purchases them will be a council decision in the next year. A week or so ago, we were told by the State Auditors that we have two cruisers too many. Does that mean we trade in two to buy two or do we trade in four to buy two? Those are discussions that we need to have next year. The roof on Station I also needs to be replaced.

Mayor Riley presented the administration budget.

[Administration budget Q&A]

President Kirchner asked what the increase in administrative salaries is. Mary Kay Vance suggested it may have to do with overtime required for extra meetings but they would have to review the line. It was asked why there was an increase in engineering contracts. Service Director Reinsmith explained that we are getting ready to hire CDS to do the city maps.

Mayor Riley said he would like to find raises for all of the employees by the end of the first quarter. The budget is fluid. He said he feels they've done a good job for the last couple of years and will continue to do a good job.

[Further discussion of differences between the 2013 projection, the 2013 performance and the 2014 projections]

Mary Kay Vance offered to provide another report that shows 2013 year's original budget compared with 2013's actual expenditures and 2014 proposed budget.

A motion was made by Jaehnig to adjourn.
President Kirchner declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in special session on Wednesday, December 11, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Stuckert, absent; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

A motion was made by Mead and seconded by Siebenaller to excuse the absent member, Loren Stuckert.

Motion passed.

Absent member excused.

Ad Hoc

President Kirchner opened the public hearing on Gas Aggregation Plan of Operation.

Tom Bellish from Buckeye Energy Brokers gave an overview on the process of gas aggregation. After the second hearing, the city can file for certification before the Public Utilities Commission. Buckeye Energy Brokers is currently in the process of looking at proposals, and they plan to bring those to the December 19 council meeting. He presented a summary of the plan. There will be no termination fees; residents can leave the aggregation at any time. Vectren will provide a list of all eligible customers.

Percentage of Income Payment Plans will not be eligible. If you are with another supplier at the time of aggregation, you will not be available for automatic sign up but you may sign up manually. Billing process will remain the same. Budget billing and automatic payments will not change. Two letters will be sent. The first one comes from the supplier and explain that residents have 21 days to opt-out. If the resident does not opt-out, then Vectren will send a letter informing the customer they are about to be switched and give them seven days in which they can change their mind. The gas aggregation is just for city residents. Buckeye Energy has a toll-free number and it will be provided to the residents. If a person moves to another residence within the city limits or if their account number changes, they will be removed from the aggregation program and will need to sign back up manually.

Councilman Wallace – How do I know about the aggregation plan if I just move into Wilmington.

Tom Bellish – There will be a mailing about every six months to catch people who may have been missed in the initial aggregation. There could also be an announcement on the city website periodically to try to pick up other people.

Councilman Wallace suggested information be given to realtors.

President Kirchner asked if people under contract with another company could cancel their current program and opt-in. Tom Bellish answered that they could.

President Kirchner closed the public hearing on gas aggregation.

President Kirchner announced the second public hearing on gas aggregation will be held at the December 19 council meeting.

Finance Committee - Chairperson Mead asked President Kirchner to lead the discussion of the budget review.

Mary Kay Vance presented updated budget worksheets and explained two changes. First, the mayor's salary had been included twice in the original administrative salary calculations and this has been corrected. Secondly, the M&R fund transfer number was reduced based on latest information on the revenue stream.

Mary Kay Vance presented a spreadsheet that included the following information: 1) Year-to-date budget including all supplementals and purchase orders, 2) YTD expenses; 3) Last year's original budget appropriations requests, 4) Current year budget appropriation requests, and 5) Difference between last year and this year's appropriation requests.

The net difference from 2013 to 2014 was \$295,000. Of the \$295,000, the transfers are \$204,000. When you add all the differences between the current budget and the supplementals, and we have \$585,000 in supplementals that were done to the General Fund alone in this calendar year.

Harry McVey presented information on the Wastewater Department budget and answered questions from council. He pointed out that the utility line was reduced because TBS was not using as much energy currently.

President Kirchner asked if the utilities in the Nelson Avenue building would be split between the M&R and Wastewater with the joint use of the building. He expressed concern about an enterprise fund supporting a General Fund department. Mary Kay Vance explained that the Wastewater Department will invoice the Streets Department for the utilities they use and will be reimbursed by check. The paper trail is an optimum way of tracking the movement of funds.

[Discussion of accounting process splitting costs between departments]

Harry McVey explained there is an increase in architectural engineering because of anticipated engineering costs associated with an upcoming permit renewal and phosphorus removal requirements. They will not know what changes will be required until the permit process begins.

Councilman Jaehnig asked if the Wastewater Department anticipated being able to add to its bottom line by the end of the year. Harry McVey answered that it depends on what happens during the permit process.

Councilman Jaehnig asked why the performance of the department is better this year than was projected. Harry McVey answered that they did not do any sewer rehab, which saved \$200,000. The stormwater permit was due this year and preparation for that took up most of the time. The lines did not get cleaned and cleared in order to do lining, so they are hoping to do that next year. There are no capital requests in the budget. The department would like to purchase a new concrete truck and use their existing concrete truck to replace a 1980 Ford grit truck.

[Discussion of Wastewater budget and performance of the sewer/stormwater system]

Councilman McKay asked to explain the decrease in the CORF project. Harry explained that the CORF project is almost finished. They are keeping \$83,000 in the budget in case they need to come back for well testing.

[Wastewater Department Q&A]

Denny Gherman presented the budget for the Maintenance and Repair Department. Utilities have increased mostly due to the move to the new building. We have done several things to try to make repairs to save energy. Our utilities include all of the traffic lights in town. Street maintenance went from \$30,000 to \$50,000 due to the fact that we haven't done any major paving for several years. We have to do work on the streets. That's the only two items of increase in our budget.

[Discussion of increase in utility billing line and move into new building]

Councilman Jaehnig asked how much money Denny would need in order to get the street paving program in full gear. Denny Gherman answered it would take about a million dollars to get it back up where it needs to be. Councilman McKay said they would be addressing that early in the next year. Mayor Riley explained that the licensure

of truck vehicles going from Ohio to Indiana was a reduction of \$800,000 a year from the street maintenance budget. He went on to say that he had spoken to both the Director of the BMV and R&L about the issue.

[Discussion of paving needs in the city]

Chief Andy Mason presented the Fire Department Budget and answered questions from council. The utility line and the facilities maintenance lines have been reduced because they are not operating Station 2 as they were before.

Councilman Jaehnig noted that the liability insurance was lower.

Councilman McKay asked if we are still leasing engines to other jurisdictions. Andy Mason said they were.

President Kirchner asked for an explanation of the Fire Department personnel. Chief Mason said they started 2013 with 16 people, and they currently have 17 people.

[Discussion of fire staffing levels and overtime]

President Kirchner asked if there was a squad on the capital item wish list. Andy Mason said it was not a top priority. He said that he has four squads; two are currently under repair.

[Discussion of number of squads and repairs required]

Chief Andy Mason said that he has a vehicle replacement schedule, but it has been put on hold for the time being. His number one priority on the capital wish list is the roof on the station downtown. Of the vehicles that need to be replaced, the ambulance is the number one priority.

[Discussion of Fire Department and EMS vehicles and equipment]

Chief of Police Duane Weyand presented the budget for the Wilmington Police Department and answered questions. He pointed out there is a reduction in salaries because of turnovers this year. Employees have been replaced at a different rate of pay. Maintenance contracts have been reduced. Fuel is lower. Vehicle maintenance is a little higher because of aging vehicles. The city has reduced costs by eliminating the impound lot. We would like to add an officer but have not funded for it. We are at 21 officers.

[Discussion of vehicles]

Chief of Police Duane Weyand presented the budget for the Communications Department and answered questions. The schools are now hiring their crossing guards so that saves \$12,000. Contract expenses are a little different because we are phasing maintenance contracts out and have a different 9-1-1 system.

President Kirchner asked council if they had questions or comments regarding the budget.

Councilman Mead asked for prioritization of the capital requests for 2014.

Councilman Siebenaller said his main concern is that we had \$500,000 in supplementals this year and was worried that we could have up to \$800,000 additional costs once the capital needs are considered. He would like to see where savings may be found.

President Kirchner noted that the city benefited from inheritance tax and that will not happen again. He also suggested there were savings from an operational standpoint that had not been found yet.

Councilman Siebenaller indicated that he would like to see the roof for the fire station be added to the budget. Mayor Riley said they did not have a cost estimate on it yet.

Councilman Jaehnig said he thought it was important to know what the budgetary needs will be. He would also like to look at three revenue issues at the first quarter; skilled gaming regulation; increase in water rates/decrease in wastewater rates; operation of the landfill by a third party. We should get these on the agenda for the first quarter so we can tackle the capital expenditure issues.

Mayor Riley said he spoke with Scott Nally, the Executive Director of the Ohio EPA. Mr. Nally told him that the city should decide if it really wants to be in the landfill business and wished to come to council at the beginning of the year to discuss the landfill.

Councilman Jaehnig said that council has concentrated a lot on cuts but has not concentrated on funding issues.

Mayor Riley said he hoped that the county would share some of the state casino money. He said he also worries about the financial effects of a natural disaster such as what happened in Joplin, Missouri.

Councilman Mead said the budget needs to be as accurate as possible and it should take into consideration probable upcoming capital needs. President Kirchner agreed. Councilman Jaehnig said that it was imperative to actually look at the revenue side was well.

[Discussion of taxation and budgeting philosophies]

[Discussion of skilled gaming facilities in the community]

Councilman Wallace asked how much money it would cost to give raises to the employees. Mayor Riley said he wants to wait to see what happens with the insurance. He said they did not know yet how much that would cost. The employees have gone for at least four years without any increases and the cost of living has gone up.

President Kirchner said that he thought council's way of saying "thank you" to the employees and show their appreciation was to do everything they could to make sure they still had jobs. He said there was nothing they could do if the revenue was not available. He pointed out that many people in the community had lost their jobs and their insurance. He added the analysis from the state should tell us about how our salaried positions compare to peer cities and how the benefit package compares. The single largest expenditure that this city has is the benefit line item.

Councilman McKay asked what Councilman Mead wanted to do regarding the capital items. Councilman Mead said we should look at what the department heads are asking for and prioritize them and then seriously consider that when looking at the budget totals.

Mayor Riley said that there were certain things that he would not be comfortable including. He said that would confer with the department heads and prioritize the items and present them to council.

[Discussion of meeting schedule]

A meeting was scheduled for December 30, 2013, to finish the year-end fiscal business.

Councilman Wallace suggested a special meeting before the December 19 council meeting in order to bring the absent members up to speed.

A special meeting was called for 6 p.m. on December 19.

Clerk Woods suggested that the absent members provide a list of questions regarding the budget so that the administration can be prepared to address their concerns. She agreed to put a budget packet together with the latest information for them.

President Kirchner asked Clerk Woods to put together the budget ordinance for council's consideration at the regular council meeting on Thursday, December 19.

Mary Kay Vance said that if there were specific questions, it would be helpful if they would email them ahead of the meeting so they can be addressed.

President Kirchner asked for the first reading of the ordinance to be done on Thursday, December 19, with the second and third readings on December 30.

A motion was made by Jaehnig to adjourn.

President Kirchner declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

December 19, 2013

Wilmington City Council met in regular session on Thursday, December 19, 2013, at 7:30 p.m., with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Spicer, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President Kirchner pointed out that there is a boy scout in the audience.

Joe Keiter explained that he is working on Citizenship and Community Merit Badge and added that he wished to interview whoever is in charge of road maintenance and snow removal for his project.

President Kirchner welcomed new member Councilman Spicer.

President of Council

A motion was made by Stuckert and seconded by Mead to approve the minutes of the last regular meeting, December 5, as presented.

Motion passed.

Minutes approved as presented.

President Kirchner announced a Notice to Legislative Authority from the Ohio Division of Liquor control of a Transfer of Ownership from Loft by Samuel Walker LLC to The Loft at Samuel Walkers LLC. This will be in the mayor's office for review and available for comment until January 6.

President Kirchner opened the second public hearing on natural gas aggregation.

Tom Bellish – Buckeye Energy Brokers. Mr. Bellish presented an overview of the process of natural gas aggregation. After the hearings, the city can apply for certification to become a natural gas aggregation. After thirty days, the program can begin. Mr. Bellish provided a copy of the Plan of Operation. There will be no fees involved in getting in and out of the program. Billing processes will remain the same in terms of automatic deduction and budget billing. The natural gas aggregation simply provides lower prices and savings to the residents. After the hearing, Buckeye Energy will submit paperwork for the filing. The plan also includes the opt-out letter. The plan is kept up to date and current through additional mailings. Residents service is still provided by Vectren, but the supply portion of the bill will be through someone else. They are trying for an April start and will probably do an 18-month agreement the first time. This way, the renewal of the program would start in the fall, which is the more traditional time to start a gas program. After the initial 18-month term, the aggregation contract will be renewed every year or every two years. Percentage of Income customers are not eligible to opt-in to the natural gas aggregation program. Customers need to be current on their current bills in order to enroll in the program. Residents who have already signed on with another provider also will not receive notification, but may opt-in to the plan if they wish. The Plan of Operation includes all contact numbers, plus residents may call Tom Bellish directly with questions. When a customer changes residences, they must request to sign in to the plan again. If a person moves into the community, they will need to request to join the aggregation.

President Kirchner asked by what date someone would need to break their contract with their current supplier if they wished to receive notification of the aggregation program. Tom Bellish explained that the list will be developed in February. There will be a press release that notifies people of the upcoming aggregation program.

Paul Hunter asked if the city building would be part of the program as well. Tom Bellish answered that they would fall under the same rules as anyone else.

Paul Hunter asked if the pricing would be a percentage of market price or a flat rate. Tom Bellish replied that it could be either a flat rate or a fixed number of cents above the Mercantile Exchange price for the commodity. He went on to explain that if it is a fixed price, he would like to see that number be less than 50 cents.

Seeing there was no more discussion, President Kirchner closed the public hearing on natural gas aggregation.

Mayor - Mayor Riley presented recognition plaques to President Kirchner, Councilman Siebenaller and Councilman Wallace and thanked them for their time serving on council. He pointed out that Mike Wallace had served on Council for ten years.

Sherry Stuckert presented letters from Congressman Steve Stivers to each of the departing council members.

Mayor Riley announced the United Way fund drive. He added that he thought in the past 100% of council supporting United Way through payroll deductions.

President Kirchner said he believed council should lead by example and encouraged all members to support the United Way.

Mayor Riley spoke about the Wilmington Succeeds program. He explained the program was introduced to him by Jan Blohm from Wilmington College. It is a program designed to retain young people in the community. It is loosely based on a program Kalamazoo, Michigan that is underwritten through a huge grant from the UpJohn Company. If a student in Kalamazoo completes four years of high school, their college is paid for. The challenge here is we do not have a large corporation to underwrite a program, but we want to make it easier for young people to go to college locally and to retain them after their graduation from college. Wilmington Succeeds was brought about through a collaboration between Wilmington College, the City of Wilmington, Wilmington City Schools, and Southern State Community College. At one of the first meetings, Ron Sexton said that in his career, one of the saddest things he has ever seen is for a counselor or a teacher to be talking to a sixth grader and the sixth grader has already written off any possibility of college because they don't have the money to go. He introduced Jim Reynolds to talk about the Wilmington Succeeds program.

Jim Reynolds presented information on the Wilmington Succeeds program. I'm grateful for the partnerships we have developed through these discussions. I think the college wants to be an early important partner in this process. Probably just like all of you, I see that the growth of the city and the county is dependent upon a couple of different things. One is a business climate that is supportive of growth and expansion of new businesses. But the second thing that is probably the linchpin I think for growth in any community is a good school system. When I think about school systems and an opportunity for education, I think about pre-kindergarten all the way through grade 16 or graduation from College. We have a unique opportunity as a city and as a county because of the educational things that we have in place: a four-year college, a two-year community college, a technical vocational school, and a good city school system. All of these things work together, I think, to invite the opportunity for growth and expansion of the city and the county. The college is very happy to partner in this process. What we have offered to do is that for any students that spends a minimum of three years in the Wilmington High School, we would love for them to come to Wilmington College. They can enter in either their first year or their third year. At the third year, irrespective of when they enter, we will offer them up to \$15,000 for the two years in forgivable loans, so that when they graduate from college, we will forgive 75% of that loan. If they stay in the city for two years or more, we will forgive the other 25% as well. We want to work as closely as we can with the city and the county to continue to foster growth. Probably just like all of you, in our business, growth is vital and essential. We need to have the opportunity to recruit students of Wilmington College. We are excited about the partnerships that have

developed. We look forward to working with all of you and all of the city as we embark on this interesting program.

Mayor Riley – This is a multi-layered project. We don't have a big sponsor like Kalamazoo has, so we had to put our heads together to come up with parts and pieces that would make this work. It's been quite a challenge to come up with a program that would really entice a student to come here and commit to going to college. If a student goes to Southern State Community College and transfers to Wilmington in their third year, they are in the program. They have worked out a deal where almost everything is transferable now between Southern State and Wilmington College, which is phenomenal. Jim has stepped up to the table on this, as has Southern State. Wilmington City Schools is also huge player in this. They have the kids.

Bill Liermann, Wilmington City School Board – We are talking about the cornerstone of what makes a community strong. We are talking about future high school graduates. This lays the foundation and the groundwork. It will help keep graduates working in the community, living in the community, and being a future stakeholder in the community. We would like to echo our sentiments on behalf of the Wilmington Board of Education. It's a great collaborative agreement. When you think about it, education, homeownership, viable workforce, they all three work together and can hope to build a strong community. We appreciate it.

Mayor Riley – I appreciate the School Board's 100% support of the program. Chris Schock has been a large part of our meetings and discussions. Taylor is here this evening to present on behalf of the Regional Planning.

Taylor Stuckert – We're excited for the collaboration. This has been an ongoing effort for quite some time. Looking at this issue of young professionals, I actually began researching the topic last year when I was in grad school. I passed out information sheets to each of you. One of the things that stood out in my research was the level of educational attainment of the City of Wilmington over the past forty years. In 1970, Wilmington exceeded the state average in the percentage of population of the age of 25 that had at least a bachelor's degree. Over the next forty years, we have declined to a point that we are now 10 points below the state average. With the demand for bachelor's degree holders, as well as associate's degree holders, and all types of educational levels for workforce development, it is imperative that the City of Wilmington reverse that trend. I think it's a great statement for the City. Something that we hear on a regular basis from existing employers and potential employers is that demand for bachelor's degree holders and workforce development, so I think this will speak volumes towards the City's and the Colleges' effort to reverse that. I think it's important that we collaborate with all of these institutions. One thing that was interesting in the research as well is that in the past ten years, we have these four-year institution and we have a wonderful two-year institution as well. For the past ten years, Wilmington College has graduated over 2400 students with a Bachelor's Degree; 361 of them were from Clinton County. During that period, Wilmington has had a net gain of 16 bachelor's degrees from the census. We have these institutions in this community. We have these great educational assets. I think it speaks volumes that they're all getting together and understanding the issue and are serious about addressing it.

Councilman McKay – Taylor Stuckert is the RPC Assistant Director now.

Mayor Riley – We want these students to stay. I've worked with people my whole life who have student loans and it takes them into their 30's and 40's to get their loans paid off. With the help of Southern State, Wilmington College, and the educational programs here, we will be able to get them a college education at a low price. Within four or five years of graduating from college, they should be practically debt-free. The thing I am pushing for is that they be a resident of the City of Wilmington. There is a program that is state-sponsored called Grants for Grads that helps college graduates buy a house. I would like to see the City also help college graduates to buy a house. This part of the program is a work in progress. We are talking about giving the citizens of Wilmington a chance to help make sure that Wilmington College High School graduates, Wilmington college graduates succeed. Personally, I would be delighted to pay an extra 5-10 dollars

a month to make this happen. We send out almost 5000 billing statements a month. There has to be a way that we can encourage people to make donations to the city for this program. We are all committed that it is a great idea; we are all committed to making it happen.

Mayor Riley – We were talking earlier about economic development and bringing businesses here. When you have companies that are looking for a site to settle their business on, if all things are equal, they start looking at things like hospitals, colleges, YMCAs, the entrances and exits from the city, and the amenities. This is the type of thing that will bring business interests to this community.

Councilman Jaehnig – The basic story that you have now is now just for our residents. But as the jobs move into Wilmington, we want not just for the employer moving into Wilmington, we want their employees to decide to choose Wilmington as their place to live. So, here's the story you are going to be able to sell. You have a family that has to move for their job. They have kids in middle school. You have Wilmington City Schools already prepared to have a sit-down and say, "Whatever your family situation is, if you work hard and you get good grades, we will guarantee that you are going to be able to move on to college." Southern State has already said, "We're here and ready for you." The average Pell grant that their students qualify for is \$5500 a year. The cost to attend Southern State is a little over \$4000 a year. So, Southern State has \$1500 that they give back to the student for books and incidentals to help them get through the college year. They can complete two years at southern State debt free. Then they can move on and get their Bachelor's degree from Wilmington College. And Wilmington College says, "We would love to have you. We are going to take every credit that you've already earned at Southern State and we are going to apply it to a four-year degree here. And on top of that, we are going to give you \$15,000 of forgivable loans. If you graduate from Wilmington College, we're going to write off 75% of that off the bat. If you move into the community and you stay here for another two years, we're going to write off the other 25%." Then, to take it a step further, we're going to combine funds from the City non-profit fund, not taxpayer's dollars, with the Grants for Grads program with the state, and we're going to help you buy a house. That's a serious commitment to kids. That's a serious statement that we want you to move to our community and we're going to take care of you. We're going to make sure that there is not just a job for you but there is a future for your child. That is something you can really sell to a business. I can guarantee you that Kalamazoo is not hurting for the opportunity to have businesses move into their community. We can do the same thing.

Mayor Riley – We have been able to do this without going to the schools for an increase. As we roll out the program, one of the things I am committed to is going to some our businesses that really benefit from an educated workforce and talking to them about supporting this program – Like UpJohn has done in Kalamazoo. This is going to be good for the City of Wilmington.

Councilman McKay thanked the Mayor and Rob for their leadership in bringing this along.

Joe Keiter - It sounds like a really good, developed program, but once you give the student an education, they're smart now, and they've got a house in Wilmington, is there is going to be a program to get higher level jobs?

Mayor Riley – We have been working on that for the past couple of years. We have a commitment from ten different industries building their workforce. They have committed to a certain number to get job creation tax credits. Alkermes, for instance, has high level technical jobs. Praxair develops medical and industrial gasses. We have Clinton Memorial Hospital and Cape May has a new skilled nursing facility. We are working both sides of the equation.

[General discussion of Wilmington Succeeds]

Auditor – In the absence of Auditor David Hollingsworth, there was no report.

Ad Hoc – President Kirchner introduced legislation adopting the Natural Gas Aggregation Program Plan of Operation and Governance.

A motion was made by Stuckert and seconded by McKay to give the first reading only on An Ordinance Adopting the City of Wilmington Natural Gas Aggregation Program Plan of Operation and Governance Pursuant to Section 4929.26, Ohio Revised Code, and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Siebenaller and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Spicer, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the ordinance by title only.

A motion was made by McKay and seconded by Stuckert to pass the ordinance as read.

Roll call: Spicer, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5127 passed as read.

Asset, Acquisition and Use. - Chairperson Bob Mead had no report.

Finance Committee - Chairperson Mead introduced legislation making supplemental appropriations and read each one.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Supplemental Appropriations.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Spicer, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Spicer, yes; Stuckert, yes.

Motion passed.

President of Council declared Ord. No. 5128 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers.

A motion was made by Mead and seconded by Siebenaller to give the first reading only on the ordinance Making Miscellaneous Transfers.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Spicer, yes; Stuckert, yes; Wallace, yes.

Director of Law read the ordinance by title only.

A motion was made by Mead and seconded by Siebenaller to pass the ordinance as read.

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Spicer, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Ord. No. 5129 passed as read.

Councilman Mead – I think everyone is aware that the city is working on the budget for the upcoming year. I want to say before we vote on it, you can look at this on two ways: one way is half-full/half-empty. The other way, you can pass a budget that is higher than you need and work like heck during the year to get it down. Or you can pass a budget that concerns you because it is lower than what you need and work like heck during the year to make it happen, knowing that you have the money to pay for it if you don't. I know that everyone probably has their mind made up. However it is, vote the way you think it ought to be and let your conscience do the rest.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Appropriations for Current Expenses and Other Expenses and Other Expenditures of the City of Wilmington, Ohio, During Fiscal Year Ending December 31, 2014.

President asked for discussion.

Councilman Stuckert – We probably all have our minds made up. I would like to give my logic behind how I would vote. The city has a history with its budgets and except for last year, it was the first time in a decade or more that we started with a budget that balanced revenue to spending. I continue to believe that is how we should start the year out each time. Under the old system, we've managed to work ourselves to a situation where we have streets that have not been repaved under a consistent repaving system, we have employees who have not had a raise in a number of years. Both of those have to be addressed. I think we have to work our way to the point where we can do that. I don't think appropriating more spending than we have estimated revenue helps us in that. Obviously, I think we have to do more than that. I think this is the beginning. I am convinced that we can find ways to make this happen. I want everyone to know that I'm perfectly willing to join with the mayor. I know he has worked hard. I don't vote this way because I think the administration has been frivolous, loose, or not restrained. I think they have struggled very hard, but I think we have to do more. I think that we are going to be able to find some ideas where we can meet this first target of balancing revenue to expenditures and actually maybe even go beyond that. It is in that spirit that I am going to insist that we do not resume kicking the can down the road but that remain where we were last year and try to improve on that this year with starting with a budget that balances revenue to expenditures.

Councilman Jaehnig – Personally, I think the budget that has been proposed is a very fair and very frugal budget. While, yes, it is spending some of our funds that are in our carryover, to cut an additional \$400,000-\$500,000 would be a disservice to our employees. The only way that we are going to find those types of cuts is by cutting additional employees. With the funds that we have and the direction that we're turning to and considering the fact that there are opportunities that we could pursue to help start to repair our revenue side of the ledger, I think it would be premature to go down that road. I think we have a commitment to the employees not to just give them a raise. I believe they all deserve it, but more importantly, to keep them employed. I think we have already cut as far as we can in our staffing and can't afford any others at this point. I think this administration has proven they can be trusted with our funds and are frugal in how they approach things. Our ending balance this year will be higher than our starting balance at the beginning of the year. I think that is a very good sign and a very good working relationship. The budget that has been proposed, I have no problem putting it forward as we continue to work hard on the revenue as well as the expenditure side.

Councilman McKay – I also support this budget. I feel very confident that the administration, supervisors have done their part and will continue to do their part. This budget is very well thought out. I will say again, I feel it is short-sighted to vote down this budget. I think it's more proactive to vote for it and work throughout the year in a positive way to increase revenues. This budget contains a 30% carryover, which is 5% more than what we normally require, so I definitely will support this.

Mayor Riley – We need a budget. As Mary Kay has pointed out many times, this is a balanced budget. We are not spending ourselves into any debt at all. In fact, a year and a half or so ago when Bob Mead made the recommendation that we set a goal for this

council and this administration that we have a 25% carryover, I supported that 100%. I have supported it ever since. That is just good management. Right now, we're going to have a carryover of approximately 30%, which gives us good wiggle room in case something unexpected does come up. A 30% carryover is fine. If we tried to balance this budget to revenue, we would be cutting jobs from the city. There is no way we can do that without making major cuts in services that our citizens deserve. If we cut \$500,000 out of the budget, instead of having a 25% carryover, we would end up with a 35 or 40% carryover. At what point does that become a little ludicrous? People pay their taxes to get service and service comes from employees and people who work for the city. We have a string of things that we have been working on the last couple of years. Some of it is coming to fruition. There is just no sense in making what I think are unnecessary cuts, that would cut so deeply that it would injure the services that we provide our citizens. Loren, you have mentioned about streets. We are still getting permissive tax. We have about \$120,000 this year designated for street repair. It's not as much as we used to get, but we are still keeping the streets drivable. Are some of them needing more repair? Yes. Let's work on that. Let's work on the revenue side of it. I think we are getting closer to getting the \$800,000 back. Let's work together to go forward and not take a step back by taking things away from our citizens. Another thing that bothers me, is "I've made up my mind before I came here." "I had my mind made up before I even came to this meeting." Then why have the meetings? We're here to discuss issues. We're here to talk about the future of the City of Wilmington, and to say you've made up your mind before you ever came to the meeting, I think that's wrong. We're here to discuss. We're here to talk to each other. We're here to do the very best that we can for the City of Wilmington. The budget is flexible. My goal as the administrator of the City is to make sure we provide the services that our citizens so dearly deserved and that they have paid for with their tax dollars. We can do this with this budget. If we cut \$500,000 out of this budget to balance it to revenue, we're not going to do that. I ask you, if you've had your mind made up, don't be afraid of doing what is right for the citizens of Wilmington. We can make this work. We've made it work for the past two years. This is a good budget. I strongly encourage city council to support it.

Councilman Mead – I have one thing to say. There was no inference at all that people had their mind made up before they came here. They sat through meetings. They discussed it. I would assume that at the time to vote, people have decided how they are going to vote.

Councilman Stuckert – If I come into the meeting with the mindset to support the administration, that really cuts both ways.

Mayor Riley – Absolutely.

Councilman Stuckert – I looked at the last decade or more of the city budget, the one thing I saw consistently in the last decade or so is not going into each year into a budget that balances revenue to spending. I think the problem with the streets paving and the employee compensation are both tied to this inability to have the discipline to balance revenue to spending. That's the basis of my thinking. There are places where we could find quite a bit of savings.

Mayor Riley – If we try to cut \$500,000 out of this budget to balance it to revenue, we are going to eviscerate the services that the city provides to the citizens. I asked everyone to just not base their vote on promises that they've made or things that they've heard. Base your vote on what is best for the citizens of the City of Wilmington.

Councilman Siebenaller – If we are at a deficit, how do we get to the point of being able to give the employees raises, pave the streets without raising taxes (which I think is irresponsible), or budgeting hope? I really feel that is the starting point to getting to what they deserve.

Mayor Riley – And we're working on that. When David was here for the earlier meeting, he noted that the carryover has increased from last year to this year, in spite of the fact that we appropriated more money and spent more money than what we initially budgeted. The carryover is still 5% higher. We are being diligent.

President Kirchner – I would offer one perspective on the budget. The additional carryover amounts to about the unexpected revenue from the inheritance tax that came in this year. Had we not gotten that unexpected money, you would not see that carryover going up to that level.

Councilman Wallace – Had we not gotten the unexpected money, we wouldn't have spent as much either. Because we did supplementals \$500,000 above and beyond what was passed last year. Call a spade a spade. We may not have had quite the carryover, but we would not have spent what we spent. If we do not do one supplemental next year, at least you know where you stand on what we appropriate on this budget.

President Kirchner – Perhaps if the mayor would be willing to say they won't come back for supplementals but instead will work within this budget, there would be the potential that council would feel more comfortable with it. I will say, with this being my final budget work with council, as I look at it, I continue myself to have a great deal of problem with anybody that says, the budget is balanced, when you spend more than you take in. Just because you have it in savings, in my mind, it is not balanced. I also think it is disingenuous to say we would have devastating cuts to city services in order to save a half million dollars, when you look at the fact that this council brought before this mayor legislation that he vetoed that would eliminate two administrative positions that would save half that amount. I think the savings can be there. The employees that are on the streets providing the services are the critical thing that we need to take care of, but a deficit budget flies directly in the face of providing an opportunity to get back to cost-of-living raises and supporting our employees who have sacrificed so much and do such a great job for our citizens.

Councilman Jaehnig – This is where I have an issue with Councilman Siebenaller. In our budget process, if we never talk about revenues, whether we feel a tax is appropriate or not, whether we want to pass permitting or not on skill games, or whatever. If we are never discussing the revenue side, then we're not having an appropriate budget discussion. We cannot cut ourselves into an increased budget. You cannot just cut expenditures. You cannot cut yourself to the point of healthiness. You have to have a balanced discussion on both sides. I am with you on I would not like to see any additional taxes for our citizens, but for us to not talk about it because we don't want to see it, may not be the appropriate thing. If the mayor has no luck regarding licensing fees for our streets department, then we would be irresponsible not to look at a property levy for streets. Do I like it? No. But it's the citizens choice to make. It is not our responsibility to make it for them. The one issue I have, and Bryan, you're the exception to the rule, but I hear we passed this balanced budget last year. Yes, a balanced budget was passed last year, against the advice of the president and with a "no" vote from Mr. Stuckert, Mr. Mead and Mr. Wells. That's fine. I have no problem with the vote. But, you can't then use that as your flag of why we need to get back to a zero budget for this upcoming year. It is a work in progress that has to be dealt with every time. I think council has dropped the ball on the revenue side. We have to look at the landfill. I think we may be at the point where the landfill can no longer be a part of this city. We own it, but we may have to lease it out. There are revenue opportunities for the city there. The discussion has to be had. Because I have a feeling our life is going to become much more difficult with the landfill, whether we like it or not. Skilled gaming, whether you agree with it or not, should come up for a vote. If it gets voted down, fine. But the fact that it never came up for a vote is not fair to the public. None of us as a single individual should be holding back legislation or the public's right to have a discussion on it. We have to bring these things forward and talk openly about it and not killing things in committee. I would prefer not to have any additional taxes or levies, but I think that is something we may have to look at it.

President Kirchner – As I see the beginning slide back to this concept of that landfill being some cash cow. I want to make a clear point. – if the Ohio EPA indicates that this city cannot run it, then simply leasing it out to someone when they will have the same difficulties will not solve the money problems of this town but it will turn it into southwest Ohio's trash dump. I think that that is something that this council has to keep in mind. That is on our front lawn.

Councilman Jaehnig – The fact is the landfill is already approved to its maximum height. It's a myth that it can get any bigger. It can't go any higher than it is already approved for. Any expansion has to go away from the city. The second myth is we won't know what's going into that landfill. Well, I'm sorry to say, we don't know what's going in it now. The only time we know what is in it is when the EPA comes in and takes a look at it. You know what, that's the same people that are going to be taking a look at it when somebody else is running the landfill. We're looking at a \$23,000,000 expansion that we're going to have find funds for. If the EPA says, we're not going to let you expand, it's going to cost us \$2.6 million to close the landfill, and we have no revenues to cover that. Plus, \$150,000 a year in maintenance to do that. There is a reason why we're the only city left in the state that is running a landfill. There are others that can do it better that don't have the same restrictions held upon them that a government does. I think the discussion has to be had. I think we should listen to the citizens and talk to them about it. But we need to give them all of the facts. We can't make that decision for them.

President called for yea-nay vote on the first reading of the budget ordinance.

Law Director requested a roll call.

Roll call: McKay, yes; Jaehnig, yes; Spicer, no; Stuckert, no; Wallace, yes; Mead, no; Siebenaller, no.

Motion to give the first reading failed.

President Kirchner – We apparently have more work to do on the legislation to get it presentable for reading. We will have to have another meeting and bring the legislation back in another or more discussed form.

Councilman McKay – How do we move forward with this?

President Kirchner – It would be a good idea to have a budget work session. It will be a special council meeting.

[Discussion of schedules and budget process]

A special council meeting was scheduled for Monday, December 23, at 6 p.m.

Law Director Shidaker pointed out if there were less than six people in favor of the issue, it will need to be read on three separate dates.

[Further discussion of schedules and the budget process]

A special council meeting was scheduled for Thursday, December 19, at 6 p.m.

Councilman McKay suggested that if there are thoughts and ideas from the people who did not approve the budget, maybe they could share them ahead of time.

President Kirchner said the onus is on the administration to take a look at the budget and come back forward with some suggestions and improvements.

Councilman Jaehnig – If you have a problem with the budget, then I think you would have suggestions to fix it.

Mayor Riley – I think the administration has come up with a very good budget, with a 30% carryover. I've already stated, I don't see where we can cut \$500,000 out of this budget without doing serious damage to the citizens. If you have any ideas, look at your budget and let us know, but I don't see where any improvements to this thing can be made. We've looked at it; we've talked to every supervisor of the city. We've worked hard to bring this budget before you tonight. I am, quite frankly, very disappointed that it is not being supported. I don't know that we can do any better.

Councilman McKay – I know at least one person said they knew there were several places where we could cut the budget, so I would like to know what those thought are.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling – The Committee had no report.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller had no report.

Safety Committee - The Committee had no report.

Downtown Revitalization Committee - Chairperson McKay had no report.

Parks and Recreation Committee – Chairperson Jaehnig had no report.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Stuckert and seconded by Wallace that the Auditor-Treasurer Report – November 2013, be accepted as presented.

Motion passed. All yeas.

Reports accepted as presented.

President Kirchner opened the meeting up to the general public and/or members of council to address council while in session.

Cindy Peterson – 640 Prairie Avenue. We’re on item Number 21, and I want to go back up to item Number 6 [Natural Gas Aggregation]. I want to acknowledge Paul Hunter. I know that he did a lot of work behind the scenes and at the forefront and really brought the level of visibility and importance to the city.

Paul Hunter – 200 Randolph St. My timing is not very good with this. To quote William Shakespeare, “I have come to praise Kirchner, not to bury him.” I want to thank him for his service in all these years. The partial list of his work as a public servant includes: Served on the Board of Zoning Appeals both as a member and the president; Original supporter and facilitator of our successful curbside recycling program; Leader in the effort to convert the city’s outside tax levies from five-year ballot issues to continuous status, thus saving the city money and time involved. Scott was a key player in stopping the sewer main project planned to benefit a single developer, saving us thousands of dollars. He held the line on sewer rate increases that would have resulted in significant costs for residents and businesses. Scott was the most important official in the electric aggregation project that will save the residents and City budget millions of dollars. One of his last acts was to coordinate the gas aggregation program for the City that has the potential to save additional money. Although I haven’t always agreed with Scott’s methods, I have respect for his principles. Few in public office display the courage of their convictions that he has shown when dealing with the political establishment. He has sacrificed his political life in a successful effort to control the city’s spending policies during a great difficult period. Thank you, Scott.

Jonathan McKay – 371 High Street. Councilman Wallace, I want to thank you for what you have done the past ten years. I remember you standing in the library at the high school in a gray flannel suit saying that you wanted to give back to this community – and that is what you’ve done. You’ve done an excellent job. As I said in an earlier report by the News Journal when I tried to become your predecessor, you have stuck to your convictions. You’ve come a long way since that first meeting when I came up here. I’ve called you on some occasions and you got back to me pretty quick, even though I had a

relative on the city council I could have called just as easy. I want to thank you for what you've done. You've been wonderful to this community and you have given back.

[Applause]

Bill Limbacher – 394 Darbyshire Dr. I would like to raise a more mundane but more long-term issue. On my street it is very crowded with cars, especially the side facing Fife Ave. In contrast to when I moved there in the 80s, there are many houses there that are no longer single family. It makes it difficult to not only walk down the street but to drive down the street. The street bends as it goes down and it has cars on both sides. If the council can at some point in time address that issue, the residents of that street would be grateful.

Councilman Mead – When you get older, you begin to appreciate young people who are intelligent and are ready to go get them and who are ready to step in and do a good job. Bryan Siebenaller has pleased me very much because he gets into it. He's got his own mind. He doesn't do what other people tell him to do. He does his homework and he's done a terrific job as the youngest guy on council. I want to congratulate you.

[Applause]

President Kirchner – I would like to say at my final regular meeting that it has been an honor working with all of you, even if at times we have disagreed. It is truly an honor to give back to this community through public service. Thank you for all of your hard work. I thank you for how easy you've made this job be. I appreciate each and every one of you for the individual that you are and the time that we spent together here. Thank you. It's been an honor.

President Kirchner asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Kirchner asked for a motion to adjourn.

A motion was made by McKay to adjourn.

President of Council declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in special session on Thursday, December 19, 2013, at 6:00 p.m. with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Spicer, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present (arrived at 6:10 p.m.).

A motion was made by Siebenaller and seconded by Jaehnig to excuse the absent member, Councilman McKay.

Motion passed. All yeas.

Absent member excused.

Finance Committee –

An overview of the 2014 budget was presented to the council members, including the prioritized capital requests listing. The primary capital needs included the roof on Fire Station 1 and mowing equipment.

The carryover of the budget as presented to council is close to \$3 million, which provides a 30% buffer rather than the suggested 25%.

Councilman Mead said that he believes the expenditures requested should equal the amount of revenue predicted. Councilman Stuckert agreed.

Councilman Jaehnig said that council should also be addressing the revenue side of the budget.

President Kirchner spoke of the history of increasing budgets when times were good but when DHL left, no reductions in the budget were made.

[Discussion of budget]

The employee insurance plan was discussed in detail.

The council gave input on their budget philosophies and discussed what the term “balanced budget” means.

Council talked about the issue of new taxes to generate revenue. It was suggested that putting a tax levy on the ballot was one way of allowing citizens to have a say in what services they want.

Council discussed cutting services to the citizens and whether or not cutting the budget also requires that services to the citizens be decreased or eliminated.

Council talked about the permissive tax monies that were lost when R&L moved their truck licensing from Ohio to Indiana. The mayor explained that he has had meetings with the Director the BMV and made a case for changing Ohio’s licensing processes in order to bring that business back.

Council reviewed the concept of employee raises. It was discussed that the union contracts had provisions for payroll changes in the upcoming years.

A motion was made by Stuckert and seconded by Jaehnig to adjourn.
President Kirchner declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

Wilmington City Council met in special session on Thursday, December 23, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Spicer, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Finance Committee - Chairperson Mead asked President Kirchner to lead the discussion of the budget.

President Kirchner – Last Thursday council voted down the budget presented by the administration. Tonight's meeting is a budget work session to try to get a budget that council will approve. I don't want to speak for council, they are concerned about the budget being a deficit budget.

Councilman Mead - We need to have a budget where expenditures are balanced to revenue so that we have money in 2015 for the planned employee raises and so we can start maintaining our streets.

Councilman Stuckert – I'm not in favor of asking the citizens for additional tax money, but I don't oppose the discussion. I think there are areas where cuts can be made – maybe from the audit that was done or through the insurance benefit fund. We need to be disciplined to not spend more than we take in. Our first priority should be the citizens. Then we need to prioritize employees and streets.

Councilman Spicer – Being new, in theory, I believe we should balance our expenditures to revenue. I also believe the employees should not have to go without raises. I'm okay with retaining the 25% carryover and using the extra 5% to fund the shortfall as long as we take a hardline stance on looking at expenditures as we go through the year.

Mayor Riley – It's good that we have this discussion. The budget should be viewed as a bucket rather than a garden hose. There's never a constant flow of money going through the hose, but as long as you make sure you keep the bucket 25% full, we'll be okay. This budget leaves us with a bucket that is 30% full at the end. My number one priority is that we get more money to the staff. I also am worried about the streets. We have \$120,000 a year in permissive tax money and I am trying to get that increased. I've gone over the budget with the supervisors and reviewed the organizational chart to find ways to consolidate. There is no way that we can cut \$500,000 out of this budget. If we do that, we will be cutting services to the citizens. This is a bare-bones budget.

Councilman Mead – One of the things we need to keep in front of us, we have generally committed that in 2015, we are going to try to catch up with some of the increases that have been missed. Any new significant revenue is going to take a year to two years.

Councilman Wallace – I know the one thing that has stuck with me over the last few years, if we have enough carryover to get into the next year, which is what is being proposed, I'm pretty much okay because I'm not interested in letting more employees go. It makes no sense to me to let people go so I can plow up some money to give someone a raise. I don't like that. I know if we had taken this stance five years ago or seven years ago, our quality of life in Wilmington today would not be as good as it is today. I am not interested in reducing the budget so we have to let anybody go.

Mayor Riley – The county commissioners made the newspapers because they passed their budget. They have less than a 5% carryover in their General Fund. So, we're arguing about a 25% carryover. If we decided that the minimum carryover that we should have is 20%, we would be able to do the raises and the other things you're talking about. I agree with you on the 25%. I think if we can get through the first quarter of this year, we're going to find that things are going to be a whole lot better. We have more

jobs coming in and I think that we are going to end the year better than what this budget implies.

Auditor David Hollingsworth –Our unencumbered balance right now is \$3,038,000.00. We got in a Union Township check plus a check for emergency ambulance for \$57,000 that we weren't necessarily expecting. We started the year with \$2.6 or \$2.7 million dollars, so we have actually added to the General Fund balance this year. That equates to about a 32% carryover. There are supplementals that you can't avoid. Let's review what this council approved during the course of the year when we had a balanced budget. You approved the purchase of two new police cars, \$64,000. You approved a new phone system, which was \$20,550. There was a tax refund of \$160,000, which you cannot avoid. You approved \$105,500 for two new trucks for the streets department. We needed \$65,000 for litigation. If we get sued again and are found to be at fault or have to settle, you have to pay it. You also had a safety grant of \$48,000 and you transferred \$13,150 to the recreation fund. If there was desperate concern about keeping money back to pay for the bargaining units negotiations, it's not reflected in the supplementals approved by the council. Some of them you could have said no to.

Thinking about that chunk of money we have to come up with to get everyone caught up to speed in 2015 – it really goes past 2015. If our revenue source stays flat and we balance the budget, that's an additional three or four hundred thousand dollars you are going to have every year thereafter. It's not just a one-time deal. What are you going to do beyond 2015? Even if you balance the budget, it doesn't solve the problem. As far as the streets go, some thought is going to have to be given. You are not going to be able to do all of that out of operating money. Maybe you will have to finance that. There was nothing dramatically new built into this budget

Councilman Jaehnig – I look at it a little different. If the goal was to have a budget that was set based on revenue, then I believe that should have been stated before last week. The goal as I had always understood it, was to make sure we had a minimum of 25% carryover. I think to spring that or make that a demand this late in the year...it's difficult to implement with no notice. If we are concerned about spending an additional \$500,000 over revenue, then we shouldn't have spent the additional revenues that came in this year on things like police cruisers and paying off debt and phone systems. The budget is a work in progress. Fighting over it at the last minute is not solving anything. If the Finance Committee wanted a budget balanced to revenue, they should have said that a quarter ago. I think the budget is a good budget. Larry, what was your projected revenue for the building department and where did you end up?

Service Director Reinsmith – Last year I told you the permit fees were \$34,000. Today we just passed \$114,000. We're up \$80,000 in the building department.

Councilman Jaehnig – That tells us that there is growth taking place.

Councilman Stuckert – I understand the bucket concept, except our bucket is at 30% because we're not paving streets and we're not paying employees. There are two priorities that are not in there, and that is why we have a carryover. I ran on the platform of balancing spending to revenue. I don't know how you missed that we were interested in balancing spending to revenue. Based on that, David you're right. It was a mistake for us to approve those supplementals we did last year. Unfortunately, a little like Joe here, there is a learning curve and we're a little naïve. I don't understand the concept of the administration bringing the heads of departments and stuff in and tell us how badly we need something and wanting it and then we do it and we're told, "Why did you do that?"

Auditor David Hollingsworth – I'm not saying they were a mistake, because we ended up with roughly \$400,000 more in the General Fund at the end of the year than we started the year with, even though you approved supplementals.

[Discussion of budget]

Councilman Stuckert – I'll say that it has to be harder to get supplementals in the future.

Councilman Jaehnig – We're already looking at everything very thoroughly and it shows at the end of the year because we have more funds now than we did at the beginning of the year.

[Discussion of previous year budget process]

Councilman Siebenaller – I understand Councilman Jaehnig point about the difficulty about the conversation starting so late. I think that has been a problem this year, at least with me, being able to understand everything and get questions answered and that kind of thing. We started the conversation very late. I've talked to the mayor about this. A budget balanced to revenue is something that I've always wanted. I think it has been stated here in budget work sessions. I understand we also voted that we want 25% minimum carryover, but I don't think that necessarily negates the fact that we still want to balance budget to revenue.

Councilman Jaehnig – Me, personally, if a vote was going to come up to set a standard of having budget to revenue as the standard, I would vote no, because you can't guarantee that is going to be possible every single year.

[Discussion of the philosophy of budgeting revenue to expenditures]

President Kirchner – I would offer a comment to you Councilman Jaehnig. I will guarantee you that if you continue to spend more than you take in, there will be a time when you will find a way to budget to your revenue. You will have to. I think that the responsibility of this group is to not to get to the point where you have to do it, but to get to the point through discipline you achieve it, just as our citizens do in their home budgets.

Mayor Riley – I think we've done that. A few years ago, the bucket at the end of the year only had about 15% left in it. Then, after a lot of work and discussions, got 25% left in it. This is the budget was given to you over a month ago. It has been tweaked a little bit, but it has not really been changed. I think you should pass it and then help us throughout the year not only cut expenditures but also develop revenue. Let's show people that we're open for business. We have a willing work force. Let's show them we have a council who is willing to pass a budget that ensures services continue for the citizens that they deserve. Our number one priority is service to the citizens, and I think we've done that on a shoestring.

Councilman Stuckert – My pledge is to present the face of the city as you indicated. I pledge to work with you and work together to look for ways to make adjustments in the budget. I think we all have to work with you to identify ways to make cuts. I want to be able to vote against the budget and work with you. I guess that's what I'm trying to stay.

Mayor Riley – I would much rather you vote for the budget.

Councilman McKay – I also agree with the budget as it has been presented. I would like to concur with the thoughts of Councilman Wallace that services to the public that attract folks are extremely important and sometimes you have to dip into the carryover to do that. I appreciate, Joe, that you're doing some thinking here. I think there are folks here that have not changed their mind. That's their prerogative to do that. I will support this budget. I think it's well thought out. I'm sorry that it doesn't balance to revenue, but we've got to get more revenue. That's what we need to do.

Councilman Spicer – We have the extra carryover this year, but what happens at the end of this year if we just stay at the 25%? I don't mind dipping into the reserve if we don't go below the 25%. We need to be prudent throughout the year. We have to keep our employees.

President Kirchner asked about the transfer to bond retirement line.

Mary Kay Vance – That number came directly from Scott Stubbins.

[Discussion of debt retirement]

Auditor David Hollingsworth said they would look it up and they would get back with council.

President Kirchner suggested that a minimum amount be placed in the insurance fund and that would come closer to balancing the budget.

Auditor David Hollingsworth said that is something that should be discussed throughout the year. At some point you have to trust the administration that they will not over spend the money just because it is sitting there.

[Discussion of insurance fund]

Auditor David Hollingsworth left the meeting at 7:00 p.m.

President Kirchner, seeing no more discussion, turned the meeting over to Councilman Mead to discuss the first reading of the budget.

A motion was made by Mead and seconded by McKay to give the first reading only on the ordinance Making Appropriations for Current Expenses and Other Expenses and Other Expenditures of the City of Wilmington, Ohio During Fiscal Year Ending December 31, 2014.

President called for a roll call vote.

Roll call: Jaehnig, yes; Spicer, yes; Stuckert, no; Wallace, yes; Mead, no; Siebenaller, yes; McKay, yes.

Motion passed.

President Kirchner read ordinance by title only.

Mayor Riley asked if anyone was interested in suspending the rules.

Chief Weyand said the employees would appreciate a budget being passed before Christmas.

Councilman McKay – If you move to suspend the rules and that fails, can you come back and do a single reading the next time.

President Kirchner said he believed it would not affect the legislation. He said the agenda only stated the first reading. It may not be legal to do more than one reading at this meeting.

[Discussion of time of next meeting]

The time of the special council meeting set for December 26 was changed to 8:00 a.m.

President Kirchner asked that the second and third reading be placed on the agenda for the special council.

Marque Jones said that he ran a report today and we're up \$54,000 in withholding, which represents \$5.4 million in payroll that's out there. It has exceeded the end of the year last year. We are going to track the number of people that come into Wilmington versus the ones that are in Wilmington on the payroll and withholding, so we will know what percentage is coming from the outside.

A motion was made by McKay to adjourn.

President Kirchner declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

December 26, 2013

Wilmington City Council met in special session on Thursday, December 26, 2013, at 8:00 a.m. with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Spicer, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

President of Council asked cell phones to be set to silent mode.

Finance Committee - Chairperson Mead – I still thinks it is a mistake to not balance expenditures to revenue, but for the sake of harmony, I would like to move to suspend the rules and regulations to give the second and third reading on the budget.

A motion was made by Mead and seconded by McKay to suspend the rules and give the second and third reading on the ordinance Making Appropriations for Current Expenses and Other Expenses and Other Expenditures of the City of Wilmington, Ohio During Fiscal year ending December 31, 2014.

Roll call: Jaehnig, yes; Spicer, yes; Stuckert, no; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President Kirchner read the ordinance by title only.

A motion was made by Mead and seconded by McKay to pass the ordinance as read.

Roll call: Spicer, yes; Stuckert, no; Wallace, yes; Mead, no; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Ord. No. 5130 passed as read.

A motion was made by Jaehnig to adjourn.

President of Council declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk

COUNCIL

December 30, 2013

Wilmington City Council met in special session on Thursday, December 30, 2013, at 8:00 a.m. with President Pro Tem Mark McKay presiding.

Call to Order

Roll Call: Jaehnig, present; Spicer, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, absent; McKay, present.

Chief Weyand was also present.

A motion was made by Mead and seconded by Wallace to excuse the absent member.
Motion passed. All yeas.

Absent member (Siebenaller) excused.

Finance Committee - Chairperson Mead introduced legislation making reverse appropriations.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Supplemental Appropriations (Reverse Appropriations).
President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed. All yeas.

President Pro Tem read ordinance by title only.

A motion was made by Mead and seconded by Wallace to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Jaehnig, yes; Spicer, yes; Stuckert, yes; Wallace, yes; Mead, yes; McKay, yes.
President Pro Tem read the ordinance by title only.

A motion was made by Mead and seconded by Stuckert to pass the ordinance as read.

Roll call: Spicer, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President Pro Tem of Council declared Ord. No. 5131 passed as read.

Councilman Mead introduced legislation making miscellaneous transfers.

A motion was made by Mead and seconded by Stuckert to give the first reading only on the ordinance Making Miscellaneous Transfers.

President Pro Tem asked for discussion.

Seeing none, President Pro Tem called for vote.

Motion passed. All yeas.

President Pro Tem read ordinance by title only.

A motion was made by Mead and seconded by Wallace to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; McKay, yes; Jaehnig, yes; Spicer, yes.
President Pro Tem read the ordinance by title only.

A motion was made by Mead and seconded by Wallace to pass the ordinance as read.

Roll call: Wallace, yes; Mead, yes; McKay, yes; Jaehnig, yes; Spicer, yes; Stuckert, yes.
Motion passed.

President Pro Tem of Council declared Ord. No. 5132 passed as read.

A motion was made by Stuckert to adjourn.

President Pro Tem declared the meeting adjourned.

Council adjourned.

ATTEST:

President of Council

Clerk