

Wilmington City Council met on Thursday, December 1, 2011, with President Fred Ertel presiding.

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

Assistant Chief Duane Weyand was also present.

A motion was made by McKay and seconded by Mead to excuse the absent member.
Motion passed.
Absent member excused.

Council gave the Pledge of Allegiance to the flag.

A motion was made by McKay and seconded by Stuckert to approve the minutes of the last regular meeting, November 17, as received.
Motion passed.
Minutes approved as received.

President of Council – Fred Ertel mentioned a Notice of Public Hearing on the application of the City of Wilmington for an Ohio EPA permit related to the vertical expansion of the landfill at 397 S. Nelson Ave., Wilmington, Ohio. The public hearing will be held on Monday, Dec. 5, 2011, 6:30 p.m., in the Community Room, City Building, 69 N. South Street, Wilmington, Ohio. A copy of the permit application is available for public inspection at the Wilmington Public Library.

President Ertel opened the public hearing on the rezoning of 55.789 +/- acres, which is part of a 281.312 acre tract located on S.R. 134 and Davids Drive from R-3 Multi-Family Residential to I-1 Industrial. The subject real estate is the property of Kelly A. Tolliver, Trustee of the Kelly A. Tolliver RLT, dated 3.12.97 and Kirby L. Tolliver, Trustee of the Kirby L. Tolliver RLT, dated 3.12.97.

Bill Peelle introduced himself as the attorney representing the Tollivers. He said that council should remember that this matter was before the council a few months ago. He said that in the initial application, he requested the full 281.312 acres be rezoned. He explained that the legal description did not reflect the full amount so there was a 55-acre tract out in the middle of the area that was not rezoned. He said that this current rezoning request was to finish up the initial rezoning. He explained that this was part of the Tolliver Fields project to create a shovel-ready site for certain kinds of agricultural products.

Councilman Jaehnig explained that this 55 acres was intended to be included in the original legislation but was omitted in the legal description portion of the legislation.

President Ertel said that council was planning on having three readings if that would be appropriate.

Bill Peelle said he would appreciate that very much.

President Ertel asked if there were any other comments or questions.

Seeing none, President Ertel closed the public hearing.

Mayor – Mayor Raizk had no report.

Asset, Acquisition and Use –In the absence of Chairperson Sandy Mongold, Councilman McKay announced that they had one piece of legislation. He said they had the first reading on legislation authorizing the mayor to enter into a purchase and sale agreement with Xidas Enterprises. He said that the legislation was reviewed earlier in committee and asked if there were any questions.

Councilman Wells asked if it would be possible to get a copy of the appraisal.

Mary Kay Vance said it was available in her office for review.

Councilman McKay explained that this resolution would permit the city of Wilmington to purchase the property which was formerly the Manhatten. After purchase, it would be passed on to DWCIC for use as a public area as part of the Sugartree Street Corridor. He said further that the funds used to purchase the property would be grant funds and would not come out of the general fund.

Mayor Raizk said that the contract is in preparation and would be available by the next council meeting.

A motion was made by McKay and seconded by Wallace to give the first reading only on the resolution Authorizing the Mayor to Enter into a Purchase and Sale Agreement for Real Property Owned by Xidas Enterprises, Inc. (.316 Acres More or Less) and Declaring an Emergency.
Motion passed.

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

Auditor – Auditor David Hollingsworth presented a two-page worksheet that he had made to simplify the status of revenue and expenditures. He pointed out the carry-over balance on the report, \$2,875,750 reflects the worse-possible-case scenario. He said it was a conservative estimate. He said that he put in bold the revenue sources that would be significantly reduced in the coming year. They include: Local Government Fund, Homestead & Rollback, Fire Contracts, Tier II Grant, and Miscellaneous Revenue. He said that according to the budget, the City would be taking the Fund Balance down from \$2,875,750 to \$1,873,496 by the end of next year. He said that he thinks the council members need to get a budget in place and then work on it as soon as the new year starts. He said that it is imperative that we have a budget in place in order to operate. He pointed out that about half of the expenditures are tied up in transfers to other funds. He said that in order to make substantial cuts in order to balance the budget, we would be talking about cutting people. Mr. Hollingsworth said that we would not be doing anything wrong in passing the budget as it now stands as we have the funds in place to cover the budget. He said that a budget is always temporary, because we always change it during the year through supplementals and transfers. For instance, in the current year, we are probably going to spend \$800,000 less than what we had budgeted.

Paul Hunter questioned the auditor's statement that we have to have a budget by the first of the year. He said that some cities do a continuing resolution that carries them into the next year. He asked if this was a law or if this is the City of Wilmington's policy.

Auditor David Hollingsworth said he would have to refer to the Law Director.

Law Director Kathryn Hapner stated that we have to have at least a temporary budget in place by the end of the year. She said we have to submit a final budget to the county auditor by, she believed, March 31, but she was not sure.

Paul Hunter said that Hillsboro did a continuing resolution and did not have the final budget until the end of January.

Councilman Jaehnig asked if Hillsboro was statutory.

Law Director Hapner said that Hillsboro was statutory and that they always passed their budget in this fashion. She was not sure why. She said she thinks it is a better policy to have the budget in place by the end of the year. She said she also understands that things are in flux right now. She said we have to have at least a temporary budget in place so we can go into the next year. She said we did not have the final budget submitted to the county auditor until later.

Mark McKay said he thought we would discuss the issue in Finance Committee later in the meeting.

Mike Mandelstein asked if there was a possibility of, as the workforce ages and people start to retire, to farm out services privately and to let people be bought out.

Auditor David Hollingsworth said that this has been looked at. He said that some positions have not been replaced after people have retired or have left. He said those types of decision would be under the direction of mayor and department heads.

[Discussion of figures in auditor's report]

Mike Mandelstein clarified his understanding of the budget. He said that it was his understanding that City departments were cut as far as they could without reducing services and that the budget was going to be this way until something happens on a regional basis in terms of the economy. He stated it was as if the city was in a lifeboat that still has enough supplies to get us somewhere for a while, but we better see land soon.

Paul Hunter asked if the safety budget took into consideration the status of the communications director.

Auditor David Hollingsworth said that any changes that we know of going into next year are factored into the budget.

President Ertel asked if there were any more questions.

Auditor David Hollingsworth said that was all he had.

President Ertel announced that under the Finance section, Councilman McKay had asked that the budget ordinance be delayed until the end of the meeting.

Finance Committee – Councilman McKay introduced the ordinance making supplemental appropriations and asked if there were any questions.

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

Motion passed

Director of Law read ordinance by title only.

A motion was made by McKay and seconded by Mead 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; 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: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; McKay, yes.

Motion passed.

President of Council declared Ord. No. 5000 passed as read.

Councilman McKay introduced the ordinance making miscellaneous transfers and asked if there were any questions.

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

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; 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: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; Mongold, yes; McKay, yes.

Motion passed.

President of Council declared Ord. No. 5001 passed as read.

Councilman McKay introduced the legislation creating a new fund and asked if there were any questions.

Scott Kirchner asked if there was a committee meeting where this was discussed.

Mary Kay Vance explained that it was just the fund that was being created for the CDBG Formula 2010 grant that had already been awarded.

Scott Kirchner asked if we were just now receiving the 2010 funds.

Mary Kay Vance said that we had received the award but the funds needed to drawn down as used.

Mayor Raizk clarified that the fund was for the CDBG year 2011, as stated on the agenda.

Scott Kirchner asked if the projects have already been identified.

Mayor Raizk explained that the projects had already been identified and that a public hearing had been held regarding the grant.

Service Director Reinsmith said that there was money in there for a new roof on Rainbow Village, demolition of two to three houses.

Andrea Tacoronte added that the water line to the Little Hearts Big Smiles park was also in the grant.

A motion was made by McKay and seconded by Jaehnig to give the first reading only on the ordinance Establishing a New Fund (Fund #264 – CDBG FY 2011).

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: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, 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: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; McKay, yes.

Motion passed.

President of Council declared Ord. No. 5002 passed as read.

Councilman McKay announced that they would tackle the budget ordinance after the other committee reports.

Water Committee – Chairperson Mike Wallace had no report.

Streets Committee – Chairperson Wells introduced legislation authorizing the abandonment and relocation of a portion of SR 134 in the City of Wilmington, the journalization of the new route and declaring an emergency. He asked if there were any questions.

A motion was made by Wells and seconded by Wallace to give the first reading only on a resolution Authorizing the Abandonment and Relocation of a Portion of S.R. 134 in the City of Wilmington, the Relocation of the New Route and Declaring an Emergency.

Motion passed

Director of Law read resolution by title only.

A motion was made by Jaehnig and seconded by McKay 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; 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: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; McKay, yes.
Motion passed.
President of Council declared Res. No. 2265 passed as read.

Service Director Reinsmith explained that on ODOT's journal of state highways, Lincoln Street had always been journalized as the route for 134 N coming off of Locust Street. Years ago, the route was changed because Lincoln Street is so narrow and there are so many vehicles were parked on it that they wanted traffic to go north on South Street up to Lorish, turn right on Lorish and then left on Lincoln. Service Director Reinsmith said it had been signed that way and that has been the route for many years. During the process of the bypass, it came to ODOT's attention that in their journal, they show Lincoln Street as the route. In the future, it could affect funding for paving projects. He said that the City is just changing the route to reflect what is actually used.

Scott Kirchner asked why it is an emergency.

Service Director Reinsmith said that ODOT's timetable is what causes it to be an emergency.

Solid Waste/Recycling Committee: Chairperson Don Wells had no report.

Wastewater/Sewer Committee: Chairperson Mark McKay had no report.

Judiciary Committee: Chairperson Rob Jaehnig introduced the ordinance changing the zoning of real property in the City of Wilmington. He reminded members that this had to do with the public hearing they just heard from Mr. Peelle.

A motion was made by Jaehnig and seconded by McKay to give the first reading only on the ordinance Changing the Zoning of Real Property Located in the City of Wilmington, Ohio (Tolliver Fields Project – 55 +/- acres from R-3 to I-1).

Motion passed

Director of Law read ordinance by title only.

A motion was made by Jaehnig 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; McKay, yes.

Director of Law read the ordinance by title only.

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

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

Motion passed.

President of Council declared Ord. No. 5003 passed as read.

Safety Committee- Chairperson Rob Jaehnig introduced legislation authorizing the mayor to enter into a contract to provide EMS and fire service to Adams Township East. He explained that it was a renewal of an existing contract and asked if there were any questions.

A motion was made by Jaehnig 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 Services for 2012-2013.

Motion passed

Director of Law read resolution by title only.

A motion was made by Jaehnig and seconded by McKay 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; 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: Jaehnig, yes; Wells, yes; Stuckert, yes; Wallace, yes; Mead, yes; McKay, yes.

Motion passed.

President of Council declared Res. No. 2266 passed as read.

Councilman Jaehnig expressed his thanks to the Wilmington Police Department for their assistance with Holidazzle. He said that this was the fifth year for the event and all five years have been injury-free. He said the police did a great job of making sure everyone gets to and from the event without incident.

Assistant Chief Weyand thanked Councilman Jaehnig for his comments for all of the planning that went into the event. He said that everyone he talked to enjoyed the evening.

Downtown Revitalization Committee - Convener Mark McKay said that Holidazzle was a great event. He said for the first time they were able to close two streets, which allowed them to have more activities and had more downtown businesses involved. He said it helps to make Wilmington a destination.

Councilman Jaehnig said that they already had four entries for next year. He said that all of the guests that stayed at the General Denver have already rebooked for the next year. He said the original goal of the event was to give the citizens of Wilmington a reason to stay in town on Thanksgiving weekend to ensure that they would not spend monies in other communities during the biggest shopping weekend of the year. He said one of the nice things were all of the teenagers coming back into town from college. It is becoming part of their history and they are not about to miss it. He said quite a few families were holding family reunions on this weekend and incorporating Holidazzle into it.

Assistant Chief Weyand said one of the very nice things about it was he had no complaints from people regarding the traffic. He said that in the past, he would always have complaints during any given parade, but because of the bypass, people were able to get where they needed to go without problems. He said that they ended up closing off two extra streets just to accommodate the crowds. He said the intersections were so crowded they had to expand the area to accommodate more people.

Parks and Recreation Committee - Convener Bob Mead had no report.

Service Director- Service Director Larry Reinsmith had no report.

Safety Director – Mayor Raizk had no report.

Reports:

A motion was made by Wells and seconded by Mead to approve the Hotel Lodging Tax Report – Third Quarter 2011 and the Income Tax Report – November 2011, as received. Motion passed.

Reports accepted as received.

President Ertel announced that they would be going back to the Finance Committee to discuss the budget ordinance.

Finance Committee – Councilman McKay said that several council members and others had approached him in regards to the budget. He said everyone of them are well-intentioned and want a good budget that they can live with. He said they talked about the possibility of engineering a budget that would just be for the first quarter and then allow the new administration to come in and take a look at it immediately and start working on it. He said he had spoken to David Hollingsworth and the Law Director regarding this. He asked David Hollingsworth to share his thoughts on whether or not that is something that could be done.

Auditor David Hollingsworth said that it probably could be done, but he would refer to the Law Director. He said a potential problem with doing that is there are some expenditures that only happen within the first quarter and it may be difficult to anticipate those items and then go back and revamp the entire budget. He said you could just put the entire budget in place and then attack it at the beginning of the year and decide what

cuts you are going to make. He said just because it is approved does not mean it is going to be spent.

Paul Hunter asked if they could just break out the general fund from everything else.

Auditor David Hollingsworth said that he was speaking about the general fund. He said there were several funds that feed off of the general fund. He said it would be difficult for them to go back and rework that for just a quarter. He said he did not know what the benefit of it would be. He said it was apparent that the budget was going to be reworked anyway and thought it would make more sense to do it once rather than twice.

Councilman McKay asked Kathryn her thoughts on doing a first quarter budget.

Law Director Kathryn Hapner said it was not as simple as dividing everything by three-fourths and just putting a fourth of each line on there. She said you also cannot just leave all the lines intact and say it is for the first quarter because theoretically you could spend all of the money in the first quarter and have nothing left for the rest of the year.

Councilman Jaehnig asked what we have to file with the county by March 31.

Law Director Hapner said we have to send our budget to the county and they have to look at it and approve it and make sure it all balances out and there are no deficits.

Mary Kay Vance said that the deadline for the City to file their certificate and budget with the county is on January 15.

Councilman McKay said that he had hoped they could sign some resolution just extending this year's budget for another month or so, but apparently that cannot be done. He said he felt that some people have very real concerns and he wanted to accommodate those concerns. He said he would like to have "yes" votes on the budget rather than what has happened in the past.

[TRANSCRIPTION INTERRUPTED – END OF TAPE]

Auditor David Hollingsworth said that legally, the city cannot certify more expenditures than the amount of money there is available to spend.

Councilman Jaehnig stated that he did not want to act rashly on budget decisions regarding cuts without allowing the new mayor and new council to have an opportunity to give input. He said he did not want to cut or slash the budget without the input of the new administration.

Councilman Stuckert said that they needed to create parameters that give the council the ability to have the political will to do what needs to be done next year. He said that there have been three annual budgets now that have been in deficit more than anyone wants. He said that he was told that in the past, the policy was to submit an annual budget on March 31 and thinks there are other places that do it. He would like the process to slow down so they can do the work that needs to be done. He said he would like to go into 2012 with all the tools in place so they can take a close look at the budget with the new mayor. Councilman Stuckert said if things continue the way we are, the city is going to end up with no carry-over funds, and then very drastic cuts will need to be made. He also said that there is no way that the city should be thinking about asking for more revenue from the taxpayers when we haven't really proven that we've done everything we possibly can to get the budget under control. He said that we should not appropriate 12 months' worth of expenditures right now if it can be avoided.

Councilman Mead said that he agreed with Councilman Stuckert. He said that over the past two years he had not seen any plan to balance the budget to their revenues. He said he had not seen anyone propose a way to accomplish that, which means nobody is going to try to do it. He said he thinks the budget needs to be balanced to the revenues and that it needs to be done now so that Wilmington can remain a viable and active city. He said that using the terms "cut" and "slash" are a scare-tactic. He said the people who have

created the current budget are the ones who would need to be involved in rearranging. He said it is like any family or any company...if you have a projected amount of money coming in, that's what you have to work within. He said that seeing as he has not seen a plan for balancing the budget, he would vote "no" for the present budget.

Law Director Hapner said that they did not have to have a reading tonight because they still had two meetings before the end of the year.

Councilman McKay said his goal this evening is to allow people to speak in a public forum and express their views. He said if there is a way to compromise in order to get everyone on the same page would be wonderful. He stated that he did not know what way that would be.

Mike Mandelstein, 1006 W. Locust Street, said that he was very concerned about the budget. He said that it sounded like on January 15 there was a compliance issue. He said that it was his opinion that the budget should be passed in its present form, get in compliance by January 15, and then figure out after the first of the year how they want to modify that budget. He said, in addition to worrying about shrinking the budget, the City needs to focus more on business development to bring in more revenue without further burdening the taxpayers of the city. He said the city needs to promote itself to businesses that might want to relocate here. He said the first thing that should happen is the budget be passed. Then, after the first of the year, everyone can get to work on making it better.

Councilman Wallace pointed out that in the current budget proposal, there was anticipated shortfall of 1.3 million dollars. He said last year they passed a budget that was going to be in deficit, but through working with the departments, the city was able to reduce the proposed deficit by \$800,000. He said he did not think there was anyone on council who wanted to go into the next year with a budget that spends more than it brings in. He said, though, if we can continue to work the directors and continue to try to save the money in the departments, he thinks it is going to be okay. He said that if we take a hard line and say that it has to match dollar to dollar down the line, then he has to tell friends that they need to go look for another job. He said he is not interested in doing that. He said he is more interested in getting a working document going and then track it quarter by quarter and continue to reduce spending while still trying to save people.

Councilman McKay asked if Councilman Wells had a comment.

Councilman Wells said if it was voted on that evening, his intention would be to vote "no." He said he understands what Councilman Wallace was saying but increased revenues means raising city income tax.

Councilman McKay asked Councilman Wells what would need to be done to get him to vote "yes."

Councilman Wells said they could change the budget before the end of the year or pass a temporary budget as was being discussed.

Paul Hunter suggested that they let the citizens into the equation. He said they should allow citizens to vote whether or not they want to pass a streets levy or another tax levy. He said it is a way to correct the revenue part of the equation. He said the citizens have both a right and a responsibility to decide whether they would approve a tax increase before severe cuts are made in services. He said a balanced approach is necessary. He said you can un-do a levy but you can't un-do a city going into fiscal emergency like Waynesville, where the state comes in and tells you what to do.

Mayor-Elect Randy Riley stated that he was not stressed-out by the budget at all. He said they were just numbers on paper. He stated that on January 1 they will start drilling down and looking at everything that is involved in the operation of the city to find places where the City can improve its processes and save money. He said that David and Mary Kay have said several times that we do not have a spending problem, we have a revenue problem. He said it is really both. He said that we need to look at economic development and to get some more jobs in the area. He said that we have one of the greatest economic

development engines in the Air Park and there were great people on the Port Authority working on bringing in new jobs. He said on January 1, he would start working on the budget. Mr. Riley said that the budget they have now is not the budget that they are going to end the year with. He said he has no problem if they start the year with that budget because he is not going to wait until December 2012 to start trying to balance it. He said that all of the council people and Brian will be working on it. He said that council should pass the budget if they want because it's not going to be the budget they end up with at the end of 2012.

Councilman McKay said that he started the discussion in the hopes everyone could express their views. He said that council has been criticized in the past for pushing things through. He said his proposal is to defer the first reading on the budget. He said he would like a finance committee meeting scheduled before the next council meeting so we can come up with a plan that everyone can embrace.

[Discussion of the process of deferring the reading]

President Ertel again asked if anybody else from the public or the council wished to address council while in session.

Mike Mandelstein reiterated that he thought they should put a budget in place and start looking at additional revenue streams. He said that he thought going to the taxpayers was a bad idea. He said the Air Park is not the only thing Wilmington has to offer in terms of economic development. He suggested that there might be a large employer who used to be in the area who felt mistreated who might be willing to come back to Wilmington if they were approached correctly.

Paul Hunter said there is a whole team who is dedicated to economic development.

Councilman Jaehnig said there are a lot of successes going on. He said his outlook on 2012 is extremely positive. He said he believes there are going to be opportunities announced in 2012 besides the JUMP hangar. He said that the council is very aware that the economic redevelopment of Clinton County does not solely lie at the Air Park. He said we were criticized in the past for being a one-trick pony and everyone is very committed to the fact that redevelopment will involve not just the Air Park, not just the City, but the entire county. He said that diversification is key.

Mike Mandelstein reiterated that the budget should be passed.

President Ertel again asked if anybody else from the public or the council wished to address council while in session.

Scott Kirchner, 245 S. Mulberry Street, said that he lives at the corner of S. Mulberry and Truesdell. He said there has been a box spring/mattress next to the street on Truesdell for three weeks now. He asked if there was something that could be done to get that moved. He said that he understood that the policy regarding picking up mattresses was changed because of the bed bug issue, but it was a disappointment that we did not have a procedure in place to deal with mattresses left at the curb. He added that he did not think that having garbage left at the curb was a good way to revitalize the city.

President Ertel again asked if anybody else from the public or the council wished to address council while in session.

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

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

Motion passed.

Council adjourned.

ATTEST:

President of Council

Clerk