

Wilmington City Council met on Thursday, December 6, 2012, 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 special meeting, November 10, 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, November 15, 2012, as presented.

Motion passed.

Minutes approved as presented.

President Kirchner announced that DPL Energy would file their aggregation plan with PUCO on Friday, December 7. He said that opt-out letters would be sent out to citizens who are not currently in contract with a supplier on or around December 17, which will inform them that they are automatically enrolled in the aggregation unless they choose not to be. The opt-out period will be 21 days. He said he thought the rate was 5.29 cents per kilowatt hour, and the expected date of savings would be in February 2013. He clarified that this was on the supply portion, not the distribution portion of the bill. He said for citizens who do not receive a letter because they are currently in a contract with another supplier, the number to call regarding the aggregation is 1-888-266-1738, after December 17.

[Discussion of details of aggregation]

Councilman Wallace mentioned that he saw in the paper that the county aggregation was not yet settled in its details. He asked if that would in any way affect the city's rate. President Kirchner said it would not because our aggregation contract is separate. He said in the future those contracts may be combined to increase buying power.

Councilman Wells asked if a person would get the same rate in the future if they opted in later. President Kirchner said that DPL Energy reserved the right to adjust the rate to market value for people who enter the program at a later date. Law Director Siebenaller added that the number of people who get the original rate would not change. If 5000 people signed up originally, then there would be 5000 spots always available at the original rate. If a person signs up at a later date and there is a spot open at the original rate, then that rate will be honored. President Kirchner added that it would be renegotiated again in two years. Paul Hunter explained that you have to compare the cost of cancellation with the estimated amount of savings you could receive through the aggregation during the remainder of your contract period.

[Discussion of details of energy contracts]

President Kirchner added that this program costs nothing to the taxpayers.

Mayor Riley added that he had been in contact with the Lauren Smalley of the PUCO and they offered that they would be happy to answer any general questions citizens might have regarding the process of aggregation.

President Kirchner said congratulations to the Clinton Massie Falcons State Championship football team.

Mayor - Mayor Riley said he was very happy that we have a State Championship team in our county. He said that if they wanted to have a parade in Wilmington as the county seat, we would be happy to host it. They are going to have a big function Saturday at 5:00 at the school. He said he was proud of the pride they had brought to the county.

Councilman Jaehnig added that the Mayor of Clarksville had announced that they would be having a parade on December 22 in honor of the team in Clarksville. He said he thought it would be at noon.

Auditor - Auditor David Hollingsworth had no report.

Ad Hoc – President Kirchner stated that items C and D from the Judiciary Committee needed to be moved to the Ad Hoc portion of the agenda. He introduced the legislation for the LEAP program. He explained that the State Auditor’s Office would be coming in to do an audit of all aspects of the city services – administration and enterprise departments. He said they would look at best practices and give an analysis of how the city is performing in terms of efficiency. He said the concept was to compare the Wilmington to similar cities and give us suggestions on how to operate most efficiently. He said the timeframe would be at the first of the year and would take approximately six months to complete. He said the total cost was \$75,600 if the city pays straight away. He explained that the report would come out in the July-August timeframe. He further announced that the city could participate in the LEAP program through a one-year loan program. The city would have a year after the completion of the report to pay and \$83,160 would be the cost of the one-year deferred payment.

Councilman Jaehnig added that if they did not find savings equal or exceeding the cost of the audit, the city will not be responsible for paying the entire bill.

Joe Gigandet (105 Kentucky Avenue) asked if we paid the \$75,000, would we get refunded the difference if no savings were identified. Councilman Jaehnig stated that you pay after the audit, so either the bill comes due at the end of July or a year later if the city participates in the LEAP program. Joe Gigandet asked if the \$83,160 just included interest charges. President Kirchner said that it includes the cost of a meeting at the end of the year period to review how the city has implemented the suggestions. He said the interest rate was around 1-2%. Councilman Jaehnig also said that a good reason to do the one-year loan program was because if all of the council members were replaced during the next election cycle, the auditors would be able to meet with the new team and get them up to speed.

President Kirchner said that implementation of the program was key to take advantage of the cost savings before the bill needs to be paid. He added that when the program was presented to the city, the State Auditors said that the average amount of savings identified in other jurisdictions has been \$22 per dollar spent on cost of the program. Councilman Jaehnig added that if a best practice was identified early in the process, they would go ahead and present it to us so we could implement it before the report actually comes in, which would translate into more savings for the city.

Joe Gigandet asked if other cities that had been through the program already had been contacted for feedback. President Kirchner explained that the audit that we are paying for is the same type of audit that a city has to go through if they enter a state of fiscal emergency. He said he reviewed the report of one of those cities and it was very thorough. He said that one of the key points is it compares your city to ones of similar size and demographics. Councilman Stuckert said that there are sites online where you can access information from the reports on the State Auditor’s website.

Mayor Riley stated that he started talking to Christa Criddle and Max Uhl from the State Auditor's Office about the program early in the summer and said that he had explained the program to the supervisors and compared it to the hospital accreditation reviews. He said that one of the nice things is they are independent and have experience and education in municipal management that elected officials may not have.

Councilman Jaehnig pointed out that in the early days of the State Auditor's reviews one of the issues commonly identified was overstaffing. He explained that with economic downturn, the Auditor's Office was no longer finding that to be an issue in many jurisdictions. He said he wanted to assure the employees that the primary aim of the audit was not just to reduce the workforce.

Mayor Riley said that he thought that if the courts wanted a review of their practices, it would come from the State Supreme Court. Paul Hunter said there was an organization in Virginia that does audits for courts. He further explained that Urbana used it to reign in their municipal court costs. Mayor Riley said that he did not think the State Auditor's Office could include a court audit.

President Kirchner introduced the legislation to authorize the mayor to enter into the agreement for the audit. He said the second piece of legislation was authorizing the city to enter into the LEAP program. He said that the reason for three readings and an emergency is to allow the audit to begin at the first of the year.

A motion was made by Jaehnig and seconded by Stuckert to give the first reading only on An Ordinance Authorizing the Mayor of the City of Wilmington, Ohio, to Enter into a Performance Audit Agreement with the Auditor of the State of Ohio for a Total Audit of All City Departments, for the City of Wilmington, 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 Jaehnig 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 Jaehnig 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. 5067 passed as read.

President Kirchner asked the Clerk of Council to make a copy of the proposal for all of the council members to take with them.

President Kirchner introduced the legislation authorizing the mayor to file an application for the LEAP funds. He explained again that it changes the cost of the audit by about \$8000 but also includes a follow-up meeting one year after the initial audit is complete and gives the city the opportunity to implement some of the cost savings before paying the bill.

Councilman Jaehnig added the difference in the LEAP cost included the interest as well as the follow-up meeting.

A motion was made by Jaehnig and seconded by Stuckert to give the first reading only on A Resolution Authorizing the Mayor of the City of Wilmington, Ohio, to Make an Application for a Leverage of Efficiency, Accountability, and Performance Loan (LEAP) to Assist in Deferring the Audit Costs Associated with the Performance Audit for the City of Wilmington, 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 Jaehnig and seconded by Stuckert 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 Jaehnig and seconded by Stuckert 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. 2307 passed as read.

President Kirchner expressed his appreciation to council for their support.

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

Finance Committee - Chairperson Mead said there were three items on the agenda. He introduced the legislation making miscellaneous transfers. He said that some of the items had to do with remodeling being done on the Fire Station I to change the offices to the new location. He said the transfer for the Sewer Maintenance fund was to purchase a lawn mower so they could do their own maintenance. He explained that the landfill had transfers for some vehicle maintenance that needed to be completed. He added that other two were for the Municipal Court.

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: 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 of Council declared Ord. No. 5068 passed as read.

Councilman Mead introduced legislation making supplemental appropriations. He explained that the appropriations were needed in order to pay off the sewer bonds.

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 asked how much the city would be saving by paying off the bond.

President Kirchner said that the bond service payment amount was approximately \$270,000, and that would no longer be in the budget. He added that the rates had to be set in the past in order to keep a level of coverage of 1.1 minimum, \$27,000 in additional rates over operating costs and debt service.

Councilman Stuckert added that the money used for paying off the bond could not have been used for anything else.

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. 5069 passed as read.

Councilman Mead said the third item on his agenda was the 2013 budget discussion. He asked President Kirchner to lead the discussion.

President Kirchner said that he had received an email from the Deputy Auditor indicating that a draft of the budget was prepared for review. Auditor David Hollingsworth said that he had it ready and explained the highlights of the changes. He explained that he had to adjust the savings for bond refinancing down to about half because they would not see the full savings in the first year. He said that Chief Andy Mason also adjusted his salaries down by about \$50,000 in the Fire Department. He said the Police Software was added back in for \$25,000. He said he also had another report that analysis the budget as of the end of November. He said the carryover balance was around \$2.8 or \$2.9. He said originally it was \$3.1, so it would be a little bit less now.

President Kirchner suggested council should take a look at the first draft. He said that council needed to digest the information and asked for a special council meeting on Monday, December 17. He asked if the budget included the changes into the Police and Fire pension payments as discussed in a prior meeting. Auditor David Hollingsworth said that it did. President Kirchner explained the details of the changes in the Police and Fire pension plan.

[Discussion of scheduling of special council meeting on December 17]

President Kirchner announced that the end-of-year special council meeting also needs to be scheduled. It was decided that the meeting would be held on Monday, December 31, at 7 a.m. Councilman Siebenaller said that he would most likely be out of town at that time.

Mayor Riley said that council gets one year of PERS service credit for every year that you are on council. He said that several years ago, council passed an ordinance that if State Public Employees Retirement System changed the regulation and upped the amount that you would have to receive to maintain that one year credit for one year end service, council would automatically be given a raise. He said at the beginning of 2014, council salaries would automatically go up because of changes in PERS.

President Kirchner said that would be a matter for the budgeting season next fall.

Councilman McKay said that you could not vote on a raise during the year after you are reelected. President Kirchner said that you cannot, by law, vote on a raise that would occur inside your term. President Kirchner said that since the employees have not had a raise in a long time and the city is in a deficit situation, council should take action to avoid the raises going into effect. The other council members stated agreement.

Mayor Riley said that he thought it would be good if they deferred the increase.

[Discussion rescinding legislation to automatically raise council salaries]

Councilman Mead said he had nothing further in Finance.

Water Committee - Chairperson Wallace had no report but said they had a Water Committee meeting in the past week. He said they talked about finding ways to sell

water in business development and discussed the strains currently on the Water Department. He said it was a good fact-finding meeting.

Streets Committee - Chairperson McKay had no report.

Solid Waste/Recycling - Chairperson Wells had no report.

Wastewater/Sewer Committee - Chairperson Stuckert said they had no legislation but they had a meeting that he wanted to report on. He explained that there were automatic rate increases that were scheduled to take effect, which have been deferred for the past several years. He said with the retirement of the bonds and the financial condition of Wastewater, the committee wishes to abolish the automatic increases. He said they would be working on putting together the legislation before the end of the year. He said that they would be evaluating the current rates as well.

Law Director Shidaker asked when the next Wastewater Committee meeting would be scheduled.

[Discussion of scheduling of Wastewater Committee]

President Kirchner suggested that Wastewater Committee meet prior to special council on December 17.

Judiciary Committee - Chairperson Stuckert said that he had a few items on the agenda. He asked Marque Jones to present information on the Central Collection Agency Income Tax Collection resolution.

Marque Jones: Said that the Central Collection Agency of Cleveland collects income tax for the City of Cleveland. He said that we could contract with them to collect delinquent taxes for the city. He said the fee was not to go past 5%, but in other places it had been more around 2%. He added that if they do not collect anything, then the city does not pay anything.

Councilman Stuckert clarified that the collection agency can identify people that live in the city that we are not aware of who are not paying their city income tax.

Marque Jones stated that the Central Collection Agency of Cleveland is on contract with the State of Ohio and can access better records than are available for a city the size of Wilmington. He said he thought it could be a good deal for the city.

A motion was made by Stuckert and seconded by McKay to give the first 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.

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

Councilman Stuckert said that Clinton County Regional Planning had recently been in negotiations with the County. He explained that since the City of Wilmington also is part of that regional agreement, the city needs to take action to become part of the new agreement. Nothing has been changed in terms of the contract between the City of Wilmington and Clinton County Regional Planning.

A motion was made by Stuckert and seconded by Jaehnig 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 the 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.

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

Safety Committee - Chairperson Wells had no report.

Downtown Revitalization Committee - Chairperson McKay said that the former News Journal building was supposed to sell, but they did not have enough competitive bidders to put the building for sale. He also announced that the employees of Waring Office Supplies have come together to keep that business open.

President Kirchner complimented Councilman Jaehnig and other downtown members on another successful Holidazzle celebration.

Parks and Recreation Committee – Chairperson Jaehnig said that the Parks had an incredible Turkey Trot over Thanksgiving, with the largest turnout ever. He said they would be scheduling tournaments. They also would be starting an online system for reserving shelter houses starting January 1.

President Kirchner asked if any other information had come forward on the definition of a swimming pool that would exclude the city parks pond.

Law Director Shidaker said to let him know when the next Judiciary Committee meeting was and he would put something together that excludes the pond from the definition.

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 Mead that the Income Tax Report – November 2012 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 Jaehnig said thank you to the Eric Heeg and the Wilmington High School FFA for helping get the parade lined up during the Holidazzle celebration. He also announced that ATI, a division of ATSG, would be moving to Wilmington and would be bringing new jobs – 80 to start.

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 McKay to adjourn.

Motion passed.

Council adjourned.

ATTEST:

President of Council

Clerk