

CITY OF BLUE ASH

Interoffice Memo – City Manager's Office

TO: City Council
FROM: City Manager and Department Directors
SUBJECT: Agenda Items for the November 10 Council Meeting
DATE: November 8, 2011
COPIES: Department Directors, Press, Clerk of Council, Solicitor

This memo offers a brief description of the topics included on the November 10 Council agenda.

11.a.1. Ordinance No. 2011-69 - Authorizing multi-year contract for CAFR/accounting services

Although the City of Blue Ash has always maintained its daily accounting records on a cash basis, beginning in 1986, standards were put in place which required governmental entities operating on a cash basis to prepare an annual report in a more “business-like” modified accrual format. Since this requirement became effective, the City has cooperatively worked with a knowledgeable and experienced accounting firm located in Hilliard, Ohio, known as Donald J. Schonhardt & Associates, Inc. This firm has consistently and successfully assisted the City in the annual “conversion” of our accounting year results on a cash basis into a modified accrual format, in preparing the necessary reports for review and audit by either the State Auditor’s Office or an independent accountant chosen by the Auditor’s Office, and in the completion and presentation of the Comprehensive Annual Financial Report (CAFR).

Generally, the City works on a multi-year contract with Donald J. Schonhardt & Associates, Inc. and the time is upon us for a new contract which would cover the City’s financial 2011, 2012, and 2013 accounting years. A proposal was submitted to the City on November 1, 2011, and that proposal and the related contract has been carefully examined and parallels our past agreements. The proposal provided by Donald J. Schonhardt & Associates, Inc. offers to provide these services to the City of Blue Ash over the next three years at the same rate provided to the City in the previous three years – representing no increase in cost over a six year period.

The services provided by this accounting support firm are essential for the preparation of our finance report in a modified accrual or business format, and are a necessity in the preparation for the efforts of the State Auditor’s Office and for the completion of the City’s annual CAFR. As such, the Treasurer and Deputy Treasurer recommends Councils’ authorization by approval of Ordinance No. 2011-69.

Please direct questions regarding this ordinance to the Treasurer.

11.a.2. Ordinance No. 2011-70 – Authorizing the creation of a new capital project construction fund #449 (Cooper Road Sidewalk Project – CMAQ)

One of the near-term capital projects demonstrating the City’s commitment to connectivity involves the design and construction of a new sidewalk on Cooper Road from Plainfield Road to Waxwing Drive. Gordon Perry, the Public Works Director, has been working on the framework of this project, including successful application for CMAQ grant funding in the maximum amount of \$500,000. It is expected that this 2013 project will require funding from the City in the \$400,000 range. At this time, information from the Public Works Director revealed that this project will begin, with continuing design efforts and right-of-way efforts in 2012, with construction in 2013. It is, therefore, necessary for City Council to authorize the creation of the project fund within the City’s accounting structure.

The Deputy Treasurer/Tax Commissioner has assigned Construction Fund #449 to this project and seeks authorization to establish necessary revenue and expenditure components of this fund so that financial transactions associated with the project can be properly tracked, in accordance with good accounting practice and the requirements of the CMAQ grant.

Please direct questions regarding this ordinance to the Treasurer, or to the Public Works Director as to the scope or timing of the project.

11.b.1. Ordinance No. 2011-71 – Authorizing the City Manager to purchase materials and supplies for the outfitting and finishing of the Cooper Creek Event Center

As the construction phase of the Cooper Creek Event Center and Pro Shop winds down, certain required furnishings, equipment, materials, signage, and other interior and external components are required for the finish of the facility and its preparation to open. The purchase of various dishes, glassware, and flatware to equip the banquet room, café, and bar are available through Wasserstrom Company, a local food service equipment vendor, for an amount not to exceed \$52,000 in 2011. Wasserstrom has immediate access to service, equipment, and maintains an inventory for purchases and replacement purchases, as the need arises, and has a reputation of quality, service, competitive pricing, and continuing presence.

The project planning team, architect, and designers have been working cooperatively on a consistent “branding” of the Cooper Creek Event Center which involves a commonality of colors, a branding theme, and coordination of interior and exterior signage to compliment the branding efforts and to provide a first-class, professional appearance. ASI Signage Innovations, located in Loveland, Ohio, has been working on a signage theme with the planning team and architect, and has offered a proposal for the design, color, theme, and brand coordination, and installation of this signage for a total cost not to exceed \$40,000. It is recommended by the planning team and the Parks and Recreation Director that these finishing materials be authorized for acquisition by the City of Blue Ash for a timely and proper equipping and finishing of the Cooper Creek Event Center.

Please direct questions regarding this ordinance to the Parks and Recreation Director.

11.c.1. Ordinance No. 2011-73 - Awarding bid for the Ilmenau Way Roadway Improvement Project

The Ilmenau Way Roadway Improvement project includes construction of approximately 1,600 lineal feet of a new roadway for the Legacy Pointe development (including intelligence). The new roadway will be constructed east of Reed Hartman Highway and south of Osborne Boulevard. Associated improvements include the addition and modification of pavement markings, signage, water main, sanitary sewer and storm sewer. The current overhead utilities on Reed Hartman Highway will be relocated to an underground conduit system in the areas adjacent to the project site. Sidewalks will be installed along the east side of Reed Hartman Highway from Creek Road to Osborne Boulevard and on both sides of Ilmenau Way.

Bids for this project were advertised on October 12 and were publicly opened on November 3. The City received eight bids, as is shown on the bid summary which is attached to the ordinance. The successful bid received from Ford Development is \$2,133,904.78 and is below the Engineer’s estimate of \$2,200,000, a difference of \$66,095.22. The City budgeted \$3,125,000 for the construction project, which included the entire proposed alignment as well as the relocation of the overhead utilities by the utility companies (including the State of Ohio grant). The Ohio Department of Development is contributing a \$250,000 reimbursement grant to the project. The new roadway project is expected to be completed by June 2012.

Please direct questions regarding this ordinance to the Public Works Director.

11.d.1. Ordinance No. 2011-74 - Authorizing multi-year contract for professional plan review and inspection services

Just as the City's Community Development Group (Building Department) contracts for construction-related plan review and inspection, a similar approach is utilized for electrical inspections as well. As Council is aware, in past years, the City has utilized Inspection Bureau Incorporated (IBI) to provide for review of the electrical component of construction drawings, their approval and adjustment, permitting, and also for ongoing inspections and final acceptance of construction or remodeling work. Although the City's Community Development Group does contract for these electrical inspection services, the fees associated with services provided by IBI are charged to, and paid by, the contractors actually handling the electrical design, installation, and testing. On several occasions in recent years, there have been discussions relating to a shift to National Inspection Corporation (NIC) for the provision of these contractual services. NIC currently serves as the City's construction plan review, inspection, and permitting group with NIC serving as the City's designated Chief Building Official.

City Council was recently provided a memo regarding this matter. Attached to it was a communication from Assistant Community Development Director, Dan Johnson, regarding this issue. It was Mr. Johnson's recommendation that the City recognize the benefits available through a coordinated approach through NIC for not only construction related efforts – but for electrical components as well.

A copy of Mr. Johnson's memo has been included within the packet, and he provides a compelling array of information supporting his recommendation.

The City's current agreement with IBI is set to expire at the end of December 2011, and City Councils' favorable authorization of Ordinance 2011-74 will authorize a new contract for electrical inspection services with NIC so that the expiration of the new contract will occur at the same time the existing construction-related agreement expires (February 13, 2012). Thereafter, such efforts can be combined into one ordinance and contract.

Over the years, the Treasurer has been directly involved in a number of significant construction projects of city facilities, and would offer his full support to this change as summarized in Mr. Johnson's memo.

Please direct questions regarding this ordinance to the City Manager or Assistant Community Development Director.