

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 8th Council Meeting
DATE: November 6, 2018
COPIES: Department Directors, Press, Clerk of Council, Solicitor

This memo offers a brief description of the topics included on the November 8th Council agenda.

8.a.1. Resolution No. 2018-55 – Budget Amendments

Resolution No. 2018-55 provides for the following 2018 budget modifications:

Income Tax Refunds

Upon audit of recently filed income tax returns, additional budget is required to accommodate refunds associated with those filings. The majority of which relates to business net profit filings whose quarterly estimated payments exceeded their actual tax liability due to the City. Income tax refunds will fluctuate from year to year totaling anywhere from \$1.2M to \$1.9M. This budget amendment of \$430,000 is expected to cover income tax refunds for the remainder of this year.

Debt Service - 331

As mentioned in a previous council meeting, the City was fortunate enough to be awarded \$2,400,000 from the Hamilton County Transient Occupancy Tax Residual Fund allocated towards debt service of the 2010 bond issued for the construction of the Cooper Creek Event Center. The related budget adjustments recognize the first of four annual installments of \$600,000 as well as the reduction of General Fund transfers no longer required to service this debt.

Construction Fund 443– Urban Redevelopment No. 1

Council passed legislation in September authorizing economic development incentives associated with Project Angel/Ensemble Health Partners. A portion of the City's incentives relates to the construction of public infrastructure improvements. While the actual construction will occur in 2019, initial funding of \$180,000 is needed this year to begin the design and engineering process. This amendment provides that funding in Fund #443 specifically established for this construction project. The City will be reimbursed through TIF revenues for all costs associated with the public improvements.

Flexible Spending Accounts – Fund 902 & 903

Separate by benefit plan year, these funds are used to account for transaction related to the employee flexible spending accounts (FSA). The 2018-2019 plan year began on November 1st and routine budget adjustments are needed to establish a new FSA fund (902). Although the new FSA fund requires advanced funding from the General fund of \$19,200, it will be repaid over the plan year from employee payroll deductions. Budget amendments related to the close out of fund (903) resulted in a \$4,997.67 transfer back to the General Fund.

OVI Task Force Grant (Fund 281)

The City is the fiscal/administrating agency for this police related state grant that requires us to budget for the collection of grant revenues and the disbursement of grant-approved expenses. Budget modifications provide for grant operations until the end of the year and any remaining amounts will be included in the 2019 budget process. The Police Department has been awarded \$225,000 for the 2018-2019 OVI Task Force grant year.

Please direct any question regarding this resolution to the Treasurer/Administrative Services Director or the related Department Director.

8.b.1. Motion to proceed with the Oak Park Project to include the removal of the Hazelwood Community Center and install a Picnic Shelter, Outdoor Restroom, Children's Playground, and other miscellaneous improvements

In response to a Council retreat initiative, Oak Park's performance and condition were assessed. The Parks and Recreation Staff presented a conceptual plan, condition assessment as well as multiple performance statistics to Council on September 13. The presentation addressed the following:

- Usage history including attendance and rentals. Comparison of these numbers to other City park usage statistics, specifically the Nature Park Shelters.
- Facility conditions and estimated budget to renovate the Community Center.
- Conceptual Plan recommending the removal of the Center and replacement with a Picnic Shelter similar to the Nature Park's examples.
- Recommendations to replace the playground, add outdoor restrooms and improve additional amenities due to age and condition.

Upon completion of the September 13th Council session, it was Council's recommendation that staff host a public Open-House Presentation to share this information with the community in an open platform.

On October 3rd, the Open House was hosted in Council Chambers and led by Parks and Recreation Staff. The 25-30 community members in attendance had an opportunity to speak with City staff directly regarding the proposed plan. The overall feedback concluded that there was discomfort with removing the Community Center; however, the remaining elements of the plan were well received. Those concerned with the removal of the Community Center stated the following:

- It held a sense of historical value for the community;
- Usage was low because of its condition and reduced hour offerings; and
- Rental opportunities were limited.

During the October 11th Council Meeting, the item was further discussed by Council and additional inquiries were made to staff. In an effort to address the feedback accumulated from the October 11th meeting and other previous meetings, the following was addressed at the October 25th Council meeting:

- Staff was requested to gain further clarification on the Community Center's renovation costs. In response, Facilities Maintenance completed a deep assessment of the Community Center addressing every item needed to renovate the existing space. This estimate totaled \$216,672.

- Operational costs of expanding the Community Center's hours to reflect past practice would increase salaries and utilities from an estimated \$25-30,000 to \$40,000 annually.
- Additional structures were examined and found to be less cost effective than the state-bid shelter options. Staff received a proposal for the custom construction of an open shelter with attached kitchenette, outdoor-accessed restrooms of nearly \$400,000.

Parks and Recreation Staff left the Council Meeting with several notions to consider:

- Renovations to the existing facility would not enhance or improve its programming capability. The Community Center would be a cleaned up version of itself and would still function much like a drop-in center similar to today.
- With the City's current inventory and recent significant investment into the community recreation opportunities such as Summit Park and the Recreation Center, the Hazelwood Community Center's function becomes a duplication of services, which is a practice the City makes a strong effort to avoid. This was not the case when the Community Center was originally constructed, but it has since ceased to be as useful of an asset.
- 51% of Hazelwood community are Recreation Center members. This is the same percentage for the remainder of Blue Ash.
- What would define success if the Community Center was renovated? Assuming the renovation would double usage, this would only equate to 2.5 users per hour and approximately 30 rentals per year. Compare that to the successes the City sees in our other amenities, which are also open to the community and perform well beyond those possibilities. For instance, each of the shelters in the Nature Park average 115 rentals per season.

In closing, staff feels, given the provided information, that leveraging the renovation of the Community Center is a difficult task. The City has put forth an unrivaled effort into providing several remarkable recreation opportunities to the community while tying them together with an expansive connectivity program.

Renovating Oak Park and continuing that investment with the proposed plan continues in that progressive direction while providing an opportunity for much needed improvements. It also by utilizes popular amenities found in the City's other park settings that have proven successful and appreciated by the community.

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

8.c.1. Resolution No. 2018-56 authorizing purchase of bulk rock salt

Resolution No. 2018-56 authorizes a contract for the purchase of road salt for an amount not to exceed \$78.46 per ton. This purchase is a shared purchasing arrangement available to all local governments within Hamilton County. Hamilton County recently bid the purchase of salt, and the winning bidder was Cargill, Inc. The unit cost is \$78.46 per ton and the salt will be delivered to the Public Works salt barn. Blue Ash's intent is to purchase 2,500 tons through the Hamilton County contract.

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