

BLUE ASH CITY COUNCIL

July 12, 2018

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1. MEETING CALLED TO ORDER

A regular meeting of the Council of the City of Blue Ash, Ohio, was held on July 12, 2018. Mayor Thomas C. Adamec called the meeting to order in Council Chambers at 7:00 PM.

2. OPENING CEREMONIES

Mayor Adamec led those assembled in the Pledge of Allegiance.

3. ROLL CALL

MEMBERS PRESENT: Vice Mayor Marc Sirkin, Councilwoman Linda Bauer, Councilman Joe Leet, Councilman Pramod Jhaveri, Councilman Jeff Capell, Councilman Lee Czerwonka, and Mayor Tom Adamec

ALSO PRESENT: City Manager David Waltz, Solicitor Bryan Pacheco, Clerk of Council Jamie Eifert, Assistant City Manager Kelly Harrington, Treasurer Sherry Poppe, Parks & Recreation Director Chuck Funk, Public Works Director Gordon Perry, Assistant Fire Chief Chris Theders, Police Chief Scott Noel, Administrative Assistant Karla Plank, and interested citizens

4. ACCEPTANCE OF REVISED AGENDA

Vice Mayor Sirkin moved, Councilman Jhaveri seconded to accept the revised agenda. A voice vote was taken. All members present voted yes. Motion carried.

1. MEETING CALLED TO ORDER
2. OPENING CEREMONIES
3. ROLL CALL – Clerk of Council Jamie K. Eifert
4. ACCEPTANCE OF REVISED AGENDA
5. PUBLIC HEARING - Consideration of the 2019 Tax Budget
6. APPROVAL OF MINUTES
 - a. Regular Meeting of June 14, 2018
7. COMMUNICATIONS
 - a. Communications to Council – Clerk of Council Jamie K. Eifert
 - b. Reports From Outside Agencies
 - c. Mayor's Report – June 2018
 - d. Financial Report – Motion to accept the report for June 2018
8. HEARINGS FROM CITIZENS
9. COMMITTEE REPORTS
 - a. Finance & Administration Committee, Lee Czerwonka, Chairperson
 1. Resolution No. 2018-34, adopting the 2019 Tax Budget
 2. Ordinance No. 2018-7, amending and enacting certain sections of Part 9 Streets and Public Services Code of the Codified Ordinances
 3. Motion authorizing the sale of property at 11511 Reed Hartman Highway with no further requirement to solicit additional bids
 4. Ordinance No. 2018-8, authorization to acquire and re-convey property located at 11511 Reed Hartman Highway
10. MISCELLANEOUS BUSINESS
11. EXECUTIVE SESSION
 - a. Property Acquisition – to consider the purchase of property for public purposes, or for the sale of property at competitive bidding, if premature disclosure of information would give an unfair competitive or bargaining advantage to a person whose personal, private interest is adverse to the general public interest.
 - b. Personnel Matters – to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official.
12. ADJOURNMENT

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5. PUBLIC HEARING – Consideration of the 2019 Tax Budget

Mayor Adamec explained that the 2019 tax budget is part of a preliminary process required annually by the Hamilton County Auditor’s office. The numbers reflect preliminary forecasted amounts. The full detailed budget will be presented in the Fall.

The hearing was opened to the public for comment. Peter Nord, Kenridge Lake, stated that he believes the City’s income will decrease in 2019 with Procter & Gamble leaving Blue Ash. He recommended Council to decrease expenditures in 2019.

There being no further questions or comments, the public hearing was declared closed at 7:03 P.M.

6. APPROVAL OF MINUTES

Councilman Czerwonka moved, Councilman Jhaveri seconded to approve the minutes of the regular meeting of June 14, 2018. A voice vote was taken. All members present voted yes. Motion carried.

7. COMMUNICATIONS

a. Communications to Council

The Clerk noted the City received a notice from the Ohio Division of Liquor Control for a request of a Liquor License Transfer (Permit No. 1880664) to DVA Hospitality LLC, d/b/a Quality Inn, 5901 Pfeiffer Road, from Trivedi & Sons LLC, d/b/a Quality Hotel Cincinnati Blue Ash. The Police Department has reviewed the requests and had no objections. There were no objections expressed by Council.

There were no further communications presented to Council.

b. Reports From Outside Agencies

There were no representatives from outside agencies present at the meeting.

c. Mayor's Report – June 2018

TOTAL RECEIPTS:.....	\$17,405.30
DISBURSEMENTS:	
To Blue Ash	
Fines/costs/Expungements/forfeitures/NSF check charges, vendor permits)	\$12,447.00
To the State of OH:.....	\$4,788.00
Victims of Crime	\$978.00
General Rev Fund.....	now included in 2a below
Expungements.....	\$0.00
Indigent Defense Support Fund 2a (Includes STG and bond surcharge)	\$2,830.00
Drug Law Enforcement Fund 2b.....	\$350.00
Justice Program Service Fund	
Seat Belts	\$630.00
Indigent Driver’s Alcohol Trtm’t Fund.....	\$150.00
Refund of Appealed Fines and Costs	\$0.00
Refund of overpaid fines.....	\$0.00
Bond Money applied.....	\$0.00
Bond Money returned	\$0.00
Restitution payment	\$20.30
TOTAL DISBURSEMENTS.....	\$17,405.30
BALANCE IN BONDS: 06/30/2018	\$200.00
Mayor’s Court traffic citations	105
Mayor’s Court criminal citations	8
Total Mayor’s Court cases	113
Blue Ash rev. from Mayor’s Ct. Cases:.....	\$12,447.00

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d. Financial Report – June 2018

Councilman Czerwonka moved Councilwoman Bauer seconded to accept the Financial Report for June 2018 as submitted. A voice vote was taken. All members present voted yes. Motion carried.

CITY OF BLUE ASH FINANCIAL POSITION STATEMENT- MONTH ENDING June 30, 2018

MONTH TO DATE	2017	2018
START OF MONTH FUND BALANCE:	\$58,553,061.11	\$49,968,799.15
Revenues:		
Earnings Tax Collections:	\$3,181,359.40	\$3,487,112.44
Debt Financing (long term)	-	-
Debt Financing (short term)	-	-
Other Revenue Received:	1,149,239.45	1,006,670.52
= Total Monthly Receipts	\$4,330,598.85	\$4,493,782.96
Expenditures:		
Long term Debt Payments	360,771.67	360,771.67
Short term Debt Payments	-	-
Other Expenditures:	\$5,753,483.20	\$4,883,934.43
= Total Monthly Expenditures:	\$(6,114,254.87)	\$(5,244,706.10)
END OF MONTH FUND BALANCE:	\$56,769,405.09	\$49,217,876.01

YEAR TO DATE	2017	2018
START OF YEAR FUND BALANCE:	58,212,800.00	49,409,485.46
Revenues:		
Earnings Tax Collections:	\$19,413,446.96	\$19,085,383.82
Debt Financing (long term)	-	-
Debt Financing (short term)	-	-
Other Revenue Received:	\$7,438,804.73	\$8,374,115.73
= Total YTD Receipts	\$26,852,251.69	\$27,459,499.55
Expenditures:		
Long term Debt Payments	\$2,461,209.21	\$2,424,377.96
Short term Debt Payments	63,939.74	63,939.74
Other Expenditures:	\$25,770,497.65	\$25,162,791.30
= Total YTD Expenditures:	\$(28,295,646.60)	\$(27,651,109.00)
YEAR TO DATE FUND BALANCE:	\$56,769,405.09	\$49,217,876.01

100% of the fund balance was invested as of 6/30/18 Interest paid to date on matured investments: \$230,510.75 Receipt and expenditure figures do not include interfund transfers or advances. All debt includes principal and interest.

BLUE ASH INCOME TAX DIV. INCOME TAX RECEIPT SUMMARY - MONTH ENDING June, 2018

MONTH TO DATE STATUS:	2017	2018
Business Net Profit	\$1,011,653.52	\$1,188,336.10
Resident Net Profit	139,047.06	128,979.35
Non-Resident Net Profit	55,182.35	42,509.80
Subcontractor Net Profit	21,902.93	9,078.96
Net Profit Total	\$1,227,785.86	\$1,368,904.21
Withholding	\$1,917,783.41	\$2,085,232.89
Subcontractor Withholding	35,790.13	32,975.34
Withholding Total	\$1,953,573.54	\$2,118,208.23
Monthly Collection Totals	\$3,181,359.40	\$3,487,112.44
		9.61%

YEAR TO DATE STATUS:	2017	2018
Business Net Profit	\$3,468,463.87	\$3,424,827.06
Resident Net Profit	942,798.33	885,731.59
Non-Resident Net Profit	318,842.02	259,085.33
Subcontractor Net Profit	129,222.27	100,413.30
Net Profit Total	\$4,859,326.49	\$4,670,057.28
Withholding	\$14,262,347.17	\$14,141,290.52
Subcontractor Withholding	291,773.30	274,036.02
Withholding Total	14,554,120.47	14,415,326.54
YTD Collection Totals	19,413,446.96	19,085,383.82
		-1.69%
YTD Refund Totals	\$1,362,822.01	\$358,507.26

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8. HEARINGS FROM CITIZENS

There were no citizens to be heard and Hearings from Citizens was declared closed at 7:05 PM.

9. COMMITTEE REPORTS

Prior to the Council meeting, Council members received the following report describing agenda items:

This memo offers a brief description of the topics included on the July 12th Council agenda.

5. Public Hearing for the consideration of the 2019 Tax Budget

As is customary this time of year, a public hearing for the 2019 Tax Budget will be held July 12, 2018, at 7:05 PM. It is necessary to hold a public hearing and to thereafter present Council with a resolution for the Budget's acceptance, as has been the practice in the past. A copy of the Tax Budget is available for review by the public. Please direct any questions regarding this motion or the tax budget process to the Treasurer.

9.a.1. Resolution No. 2018-34 adopting the 2019 Tax Budget

The Ohio Revised Code requires governmental entities throughout Ohio to prepare an annual tax budget, present the budget in a public hearing, and to secure the governing body's acceptance of the tax budget. Annual tax budgets must be received by the applicable county auditor's office no later than July 20th of any given year in order for the county to set property tax rates and allocate local government funding. In accordance with the necessary notification, a copy of the City's 2019 Tax Budget was made available for public review in advance of the public hearing.

Although the tax budget process does not compare in detail or complexity to the fall proposed budget, it does provide a glance at the upcoming year. The standard format of the tax budget requires two years of completed financial operations, estimates for the current year, as well as predictions for 2019 for both the General Fund and the Debt Service Fund. Other City funds are presented; however, the tax budget process does not require detailed information for funds not receiving property tax revenue.

The information presented for 2018 is based upon the existing budget for this year including an estimate for income tax collections at -1.85% below 2017 collections. Income tax collections for 2019 will largely depend on the timing of P&G's departure. For tax budget purposes, 2019 income tax collections were reduced by \$2.2M with the assumption that the transition will begin in the spring of next year. Income tax amounts used in the preparation of the tax budget are as follows:

	<u>Withholding</u>		<u>Net Profit</u>		<u>Total Income Tax</u>	
2017 Actual	\$28,595,262	0.8%	\$7,471,688	-0.5%	\$36,066,950	0.56%
2018 Estimates	\$28,400,000	-0.7%	\$7,000,000	-6.3%	\$35,400,000	-1.85%
2019 Projection	\$26,700,000	-6.0%	\$6,500,000	-7.1%	\$33,200,000	-6.21%

Although income tax collections represent approximately 85% of the City's General Fund operating revenues, it is important that we continue to monitor the other General Fund revenue sources as they continue to level off or decrease. State shared revenues alone (including local government funds and estate tax) negatively impact our operating revenue by \$1M - \$1.3M annually as compared to amounts collected in 2007. The remaining \$275,000 that the City receives is also in jeopardy if further state reductions are made to local government funding.

Routine operating expenditures for 2019 are essentially in-line with 2018 budget levels with the exception of an estimated 1-2% increase in salaries and benefits. A total of \$2,460,000 is included for capital and construction related items, of which, \$1,100,000 is allocated towards our annual paving and sidewalk programs and \$1,360,000 for basic replacement equipment purchased on an annual basis throughout City departments. In addition to capital expenditures, the City will continue to invest in economic development opportunities consistent with past levels.

For purposes of preparing the tax budget, no major capital improvements or borrowing arrangements are included for 2019. As the City continues to plan and evaluate its capital needs, the annual fall budget process will likely include recommended funding for specific major capital improvements such as the Ham-Plainfield Road Roundabout Project and Summit Park area road improvements associated with the Neyer development.

Please direct any questions regarding this resolution to the Treasurer or City Manager.

9.a.2. Ordinance No. 2018-7 Amending and Enacting certain sections of Part 9 Streets and Public Services Code of the Codified Ordinances

In May, Governor Kasich signed HB 478 in to law. This legislation regulates the deployment of small cell wireless infrastructure throughout municipal rights of way. While the bill largely favors wireless providers, it does allow municipalities the authority to regulate some aspects of these installations such as placement and design. The legislation is written as an emergency because HB 478 becomes effective on August 1, 2018 and it would be in the City's best interests to revise the right-of-way codified ordinances in advance of that date. Once approved, the Public Works Department, in coordination with Administration, will create a permit process and location and design guidelines for micro wireless and small cell facilities.

Please direct any questions regarding this resolution to the Assistant City Manager.

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9.a.3. Motion authorizing the sale of property at 11511 Reed Hartman Highway with no further requirement to solicit additional bids

In order to assist with the redevelopment of the Proctor and Gamble West Campus through a "41 TIF", the City must take title to the property for a brief period of time in advance of the passage of TIF legislation. This ordinance allows for the City Manager to execute the necessary documents related to the property transfer both from and back to the current owner. Any costs associated with the transfers will be recouped through the project. Please direct questions regarding this motion to the Assistant City Manager.

9.a.3. Ordinance No. 2018-8 authorization to acquire and re convey property located at 11511 Reed Hartman Highway

See Item 9.a.3. above.

Please direct any questions regarding this Ordinance to the Assistant City Manager.

a. Finance & Administration Committee, Lee Czerwonka, Chairperson

Councilman Czerwonka asked the Clerk to read Resolution No. 2018-34 by title only.

THEN WAS PRESENTED AND READ BY TITLE ONLY:

RESOLUTION NO. 2018-34

A RESOLUTION ADOPTING A 2019 TAX BUDGET

Councilman Czerwonka moved, Vice Mayor Sirkin seconded to adopt Resolution No. 2018-34.

There being no discussion, the Clerk called the roll. Councilpersons Bauer, Leet, Jhaveri, Capell, Czerwonka, Sirkin, and Mayor Adamec voted yes. Seven yeases. Resolution No. 2018-34 passed.

Councilman Czerwonka asked the Clerk to read Ordinance No. 2018-7 by title only.

THEN WAS PRESENTED AND READ BY TITLE ONLY:

ORDINANCE NO. 2018-7

AMENDING AND ENACTING CERTAIN SECTIONS OF PART
9 STREETS AND PUBLIC SERVICES CODE OF THE
CODIFIED ORDINANCES; AND DECLARING AN
EMERGENCY

Councilman Czerwonka moved, Vice Mayor Sirkin seconded to suspend the rules of Council requiring a second reading of the ordinance. The Clerk called the roll. Councilpersons Leet, Jhaveri, Capell, Czerwonka, Sirkin, Bauer, and Mayor Adamec voted yes. Seven yeases. Motion carried.

Councilman Czerwonka moved, Councilman Leet seconded to adopt Ordinance No. 2018-7.

There being no discussion, the Clerk called the roll. Councilpersons Jhaveri, Capell, Czerwonka, Sirkin, Bauer, Leet, and Mayor Adamec voted yes. Seven yeases. Ordinance No. 2018-7 passed.

Councilman Czerwonka moved, Councilwoman Bauer seconded to authorize the sale of property at 11511 Reed Hartman Highway with no further requirement to solicit additional bids. A voice vote was taken. All members present voted yes. Motion carried.

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Councilman Czerwonka asked the Clerk to read Ordinance No. 2018-8 by title only.

THEN WAS PRESENTED AND READ BY TITLE ONLY:

ORDINANCE NO. 2018-8

AUTHORIZING THE CITY MANAGER TO ACQUIRE AND RE-CONVEY REAL PROPERTY PRESENTLY OWNED BY REED HARTMAN GROOMS DEVELOPMENT, OR ITS DESIGNEE, LOCATED AT 11511 REED HARTMAN HIGHWAY FOR THE PURPOSE OF ENTERING INTO THE CHAIN-OF-TITLE PRIOR TO THE ADOPTION OF TAX INCREMENT FINANCING LEGISLATION AUTHORIZED UNDER SECTION 5709.41 OF THE REVISED CODE, AND DECLARING AN EMERGENCY

Councilman Czerwonka moved, Vice Mayor Sirkin seconded to suspend the rules of Council requiring a second reading of the ordinance. The Clerk called the roll. Councilpersons Capell, Czerwonka, Sirkin, Bauer, Leet, Jhaveri, and Mayor Adamec voted yes. Seven yeses. Motion carried.

Councilman Czerwonka moved, Councilman Leet seconded to adopt Ordinance No. 2018-8.

There being no discussion, the Clerk called the roll. Councilpersons Czerwonka, Sirkin, Bauer, Leet, Jhaveri, Capell, and Mayor Adamec voted yes. Seven yeses. Ordinance No. 2018-8 passed.

10. MISCELLANEOUS BUSINESS

City Manager David Waltz stated the City has applied for Hamilton County Transient Occupancy Tax (TOT) Capital Grant Program to help pay for the last four years of debt service on the Cooper Creek Event Center. Administration is hopeful to receive a positive response from the County within the next few months. Also, the Nature Playscape at Summit Park is scheduled to be completed by the end of July. Mr. Waltz recommended to Council that there be a ribbon-cutting ceremony before the August 9th Council meeting at 6:00 p.m. The public will be notified.

Public Works Director Gordon Perry informed Council there will be a road closure from Glendale-Milford Road to Cooper Road, and only open to local traffic, for construction of the roundabout on Plainfield Road, next to the Daventry Subdivision. Once the construction schedule is received from the contractor, the public will be informed of the road closure. The construction project should take approximately ten weeks to complete.

Assistant City Manager Kelly Harrington updated Council on the Zagster Bike Share Program which was launched a month ago. In that time, there have been over 500 bike trips and over 330 active members. Approximately 60% of the activity is at Summit Park; the most popular trips are happening on the weekends – the best day was Sunday, July 8th. She thanked Council for their leadership and will continue to keep them update.

City Solicitor Bryan Pacheco provided Council with an update on the Duke/Power Siting Board process. There was a revised application submitted by Duke in April. At that time, Duke filed a motion to expedite the procedural hearing to have an Adjudicative Hearing to determine if the pipeline met the specific need required under State statute to approve it. After two months, the Power Siting Board issued a letter stating, "*there needs to be a procedural schedule that provides a sufficient time to complete a thorough review of the supplemental information.*" Accordingly, the process will not be an expedited process as Duke had requested. Mr. Pacheco also congratulated Council and Administration on its recent victory wherein the Hamilton County Court of Appeals reversed a decision of the Common Pleas Court in the Community Press case against the City. The Court of Appeals affirmed that the City did not violate any public record laws following an employee development exercise. The Community Press has 45 days to appeal the Court of Appeals decision.

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Council Members expressed their gratitude to all the City employees for another successful 4th of July celebration event. Parks and Recreation Director Chuck Funk estimated there were 100,000 people in attendance.

11. EXECUTIVE SESSION

After all items on the agenda were acted upon, Mayor Adamec moved, Vice Mayor Sirkin seconded to convene an Executive Session to discuss matters pertaining to Property Acquisition and Personnel Matters. The Clerk called the roll. Councilpersons Sirkin, Bauer, Leet, Jhaveri, Capell, Czerwonka, and Mayor Adamec voted yes. Seven yeses. Motion carried.

After matters pertaining to Property Acquisition and Personnel Matters were discussed, Councilman Czerwonka moved, Councilwoman Bauer seconded to convene to the regular meeting. A voice vote was taken. All Council members voted yes. Motion carried.

12. ADJOURNMENT

All items on the agenda having been acted upon, Vice Mayor Sirkin moved, Councilman Leet seconded to adjourn the meeting. A voice vote was taken. All members voted yes. The Council meeting was adjourned at approximately 8:15 PM.

Thomas C. Adamec, Mayor

Jamie K. Eifert, Clerk of Council

MINUTES RECORDED AND WRITTEN BY:

Karla Plank, Administrative Assistant

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