

**CITY OF BLUE ASH**  
**Interoffice Memo - City Manager's Office**

**TO:** City Council  
**FROM:** City Manager and Department Directors  
**SUBJECT:** Agenda Items for the May 12 Council Meeting  
**DATE:** May 10, 2011  
**COPIES:** Department Directors, Press, Clerk of Council, Solicitor

---

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

**9.a.1. Ordinance No. 2011-32 - Amending Ordinance No. 2010-18 regarding the Duke Energy Retail Sales program**

In April 2010, City Council passed Ordinance No. 2010-18 which allowed the City's participation in the Duke Energy Retail Sales (DERS) guaranteed discount program through the December 2011 billing period (representing significant savings of \$56,000 to date to the City in electricity expenses associated with City facilities and properties). Since that time, the Administration has continued to investigate methods which could result in even more savings to the City, and recent discussions with DERS have resulted in a limited-time offer to the City which would offer participation in a fixed pricing program. A summary of DERS's current offer to amend the existing contract is below:

- Beginning with the next available meter reading through the December 2013 meter read for traffic signal and street lighting accounts.
- Beginning with the December 2011 meter reading through the December 2013 meter read for all other accounts.

The offer for generation from DERS is a price of 5.49 cents per kWh on City facilities and a price of 3.99 cents per kWh for traffic and street lights. Under today's discounted pricing, the City is paying 7.6 cents per kWh on average. The savings estimated for this change for street lighting and traffic signals alone is about \$3,200 per month, or an estimated savings of \$22,400 in 2011. Total estimated savings once all accounts are in effect at the lower rates (beginning in 2012) is approximately \$127,266 per year (representing estimated savings from the current discounted pricing), for a total savings of \$276,532 over the life of the contract.

Prices were informally solicited from other electric suppliers, and this offer by DERS represents the best offer available on the market today for an entity of our size. The general consensus is that it is best to lock in rates now while prices are down (as rates for electricity always increase in the summer). Another advantage with participation in this fixed pricing program is that we are also getting a "peace of mind" guarantee as we would be allowed to switch back to the utility's pricing if it goes below DERS (without being penalized). This offer is being extended to the City of Blue Ash based upon our usage and positive relationship with Duke – it is not being offered to all Duke customers. In the event that even lower prices in this competitive marketplace may be offered through this fixed price program at some point in the future, the ordinance purposely is not limiting the unit pricing to these initial amounts to provide flexibility for even more potential savings to the City.

Please direct questions regarding this ordinance to Deputy Solicitor Bryan Pacheco (as the Assistant to the City Manager will be unable to attend this Thursday's meeting).

**9.a.2. Ordinance No. 2011-33 - Authorizing agreements for the City's active and interim deposits and authorizing payments associated with the City's purchasing card system**

The Ohio Revised Code requires Council to designate a depository for the City's active deposits (general checking, payroll, Mayor's Court, etc.) every five years. At such time, applications are also accepted from all banks with a local branch for the possible investment of the City's interim funds (amounts which can be invested for a period of time).

As was previously explained to Council in a memo provided at an April Council meeting, the Deputy Treasurer and Treasurer are recommending to Council that the City of Blue Ash continue its existing and favorable relationship with Fifth Third Bank for the upcoming five-year period (June 1, 2011 through May 31, 2016) as the designated depository for the City's active funds. This recommendation is incorporated within Section I of Ordinance No. 2011-33. They are also recommending that investments with the State of Ohio's investment fund (STAR Ohio) be continued for interim balances (as incorporated within Section III of the ordinance). This pathway has been fully reviewed with the City Solicitor's Office, and maintaining our existing relationship with Fifth Third, and accepting other applications for investments with other banks, is appropriate and in conformance with the Charter and the Ohio Revised Code.

The Deputy Treasurer prepared a packet of information regarding a bidding opportunity for the City's interim funds, and asked the Public Information Officer to advertise this bidding opportunity in the April 13, 2011 local paper. The period to be covered is June 1, 2011 through May 31, 2016. Bidders were required to submit bids by April 29. The City received only one bid – from PNC Bank. Section II of the ordinance grants authorization for the City to enter into that agreement.

Section V of the ordinance addresses the City's purchasing card program. Council first authorized the City's participation (and related payments) with the City's purchasing card program in December 2007. The program has now been in place for over three years, and has proved very beneficial as it has simplified operations not only for our Finance Office, but has improved efficiency and accountability for all City departments and divisions. In addition, the City receives a rebate from Fifth Third Bank based upon the aggregate sum of purchases made on the cards throughout the contract. Since the aggregate payment to Fifth Third Bank towards payment on the cards City-wide will exceed the ordinance threshold of \$25,000, Council approval via ordinance would be appropriate and in compliance with audit guidelines. Ordinance No. 2011-33 authorizes the Finance Office to remit monthly payment to The Fifth Third Bank to cover payment for purchases made by the multiple City divisions and departments for the period June 1, 2011 through May 31, 2016.

Please direct questions regarding this ordinance to the Treasurer.

**9.a.3. Motion setting 7PM, Thursday, July 14, 2011 as public hearing for consideration of the 2012 Tax Budget**

As is customary this time of year, this motion sets the public hearing date for the 2012 Tax Budget for July 14, 2011 at 7:00 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 will be available for review by the public, and Council's copy will be delivered in early July.

Please direct any questions regarding this motion or the tax budget process to the Treasurer.

**9.b.1. Resolution No. 2011-3 - Amending Recreation Center membership regulations**

The proposed changes to the Recreation Center fees resolution are summarized below (to be effective July 1, 2011):

- A new category of membership is being added to allow full-time students at Raymond Walters College (RWC) to purchase individual memberships (family memberships are not allowed under this category). To purchase this membership, which would include the "basic" and fitness center memberships, a student must show verification of current full-time status at RWC, and the cost will be the same levels as business memberships. The cost of this annual membership would be \$130 per individual (comparable to our business rates).

- “Household” memberships will be considered and approved by the Parks & Recreation Director. Persons applying under this category of membership must provide one of the following verifications:
  - Property Deed showing both adult members listed as owners.
  - Adoption certificate showing both adult members as legal parents.
  - Health care policy showing both adults as covered members under that policy.

The final adjustment to the resolution includes the incorporation of the policy regarding establishment of Cooper Creek Event Center fees. In summary, it allows the Parks & Recreation Director to establish the rates based upon current market rates of other comparable rental facilities.

Please direct questions regarding this resolution to the Parks & Recreation Director.

**9.b.2. Ordinance No. 2011-34 - Authorizing payment for professional irrigation consultant services**

As Council is aware, the City has been working towards replacement of the original irrigation system at the Blue Ash Golf Course. Planning for this project began in 2009, and has included working closely with a consultant, Michael Kuhn & Associates, to assure a quality project. The City has been very pleased with the services from this consultant, and looks forward to completion of a quality project sometime this summer.

Because the aggregate multi-year expenditures with this vendor will exceed the ordinance threshold, it would be appropriate and in compliance with audit guidelines to receive Council approval.

Ordinance No. 2011-34 authorizes payment to Michael Kuhn & Associates for professional consulting services associated with the golf course irrigation system replacement project for an aggregate amount not to exceed \$75,000 for 2009, 2010, and 2011.

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

**9.b.3. Ordinance No. 2011-35 - Authorizing payment for professional promotional and public relations services associated with the Cooper Creek Event Center**

With construction beginning on the new Cooper Creek Event Center in November 2010, the project team has been working diligently with Shape Environmentals towards the marketing efforts associated with the new center. Shape has provided services for the new center such as branding and identity development; general public relations; creation of renderings and a professional video; design and printing of preliminary collateral (a bridal marketing piece for a February event in Cincinnati); hosting package, domain name, and basic design of the Cooper Creek website ([www.CooperCreekBlueAsh.com](http://www.CooperCreekBlueAsh.com)), including training of staff to update the website; and overall menu design. Team members have been very satisfied with the services provided by Shape.

Since aggregate expenditures for this vendor throughout 2011 are expected to exceed the ordinance threshold of \$25,000, it would be appropriate to obtain Council approval via ordinance. Ordinance No. 2011-35 authorizes payment to this vendor for an amount not to exceed \$40,000 in 2011.

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

**9.c.1. Ordinance No. 2011-20 - Awarding bid for the 2011 sidewalk program**

The 2011 Sidewalk Program continues the City's emphasis on providing connectivity throughout the City for pedestrians and recreational bicyclists. The program proposes to construct an eight-foot wide concrete path on the west side of Reed Hartman Highway between Cooper and Malsbary Roads and from Glendale-Milford Road south to the Airport property line. Some minor storm sewer pipe will also be installed. At this time, Belcan has denied the City's request for a sidewalk easement along their property to Anderson Way. The sidewalk portion along the Belcan property was included as an alternate during bidding in case Belcan reconsiders approving the easement. Belcan has recently agreed to a meeting to discuss the sidewalk and future Airport Park plans.

Bids for this project were advertised on March 23 and were publicly opened on April 6. The City received six bids, as is shown on the bid summary which is attached to the ordinance. At this time we will only contract for the base bid, which excludes the Belcan section. The successful bid received from Ford Development is \$137,541.75 and is below the Engineer's estimate of \$153,100.00, a difference of \$15,558.25. This pricing is for the base bid only. The City budgeted \$250,000 for the project, which included the entire proposed alignment. The contractor anticipates it will take approximately 45 days to complete the sidewalk, weather permitting. There have been delays in receipt of the sidewalk easements which will likely push the sidewalk completion date to mid July.

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