

CITY OF BLUE ASH

Interoffice Memo – City Manager's Office

TO: City Council
FROM: City Manager and Department Directors
SUBJECT: Agenda Items for the October 23rd Council Meeting
DATE: October 21, 2014
COPIES: Department Directors, Press, Clerk of Council, Solicitor

This memo offers a brief description of the topics included on the October 23rd Council agenda.

4. PUBLIC HEARING to consider a Special Use Permit approval for a townhouse development on approximately 5.975 acres in an R-3 Residential District and a multiple-family development on approximately 3 acres in an R-4 Residential District

The City approved a Special Use Permit for a townhouse development on a portion of this same property by Ord. 2014-24 for 17 units. The developer has since revised the plans to include approximately 3 additional acres and a total of 34-units.

Planning Commission unanimously recommended approval of the revised plan at its October 2 meeting.

Please direct questions regarding this ordinance to the Community Development Director, Dan Johnson.

10.a.1. Ordinance No. 2014-86 transferring funds

The attached transfer ordinance provides for the following current budget modifications:

Tax Incremental Financing - Funds 271, 272, 332, 333

The City's 2014 Final Budget included revenue and expenditure estimates for the City's TIF related funds. As actual TIF revenues are received from the County, adjustments are needed to increase and/or decrease revenue and expenditure appropriations to remit required payments, including debt, under the TIF agreements.

Flexible Spending Accounts – Fund 902 – Plan Year 2012-2013

The transfer ordinance approves “house cleaning” adjustments to close out the prior plan year's accounting fund. It provides for an advance repayment of \$66,350 back to the General Fund.

OVI Grant (Fund 281) and Law Enforcement Liaison Grant (Fund 294)

The City is the fiscal/administrating agency for these police related state grants which requires us to budget for the collection of grant revenues and the disbursement of grant-approved expenses. The new grant year, for both grants, began on Oct 1, 2014. Budget modifications provide for grant operations until the end of the year and any remaining amounts will be included in the 2015 budget process. The Police Department has been awarded \$224,910 for the 2014-2015 OVI grant and \$86,812 for the 2014-2015 Law Enforcement Liaison Grant.

Other Miscellaneous Adjustments Include:

- Transferring \$18,500 of available Police Capital budget to their maintenance of equipment account for repair costs associated with cruiser accident. We are requesting reimbursement of these costs from the other party's insurance company.
- Increasing the budget for both the collection of employee tips and the disbursement of tips to employees working at Cooper Creek Event Center and the Sandtrap restaurant.

- Additional expenditure appropriations of \$40,000 for early purchase of ice control supplies prior to the potential peak of the upcoming snow season.

Please direct any question regarding this Ordinance to the Treasurer.

10.a.2. Ordinance No. 2014-87 confirming continuing membership in the Miami Valley Risk Management Association (MVRMA) and accepting the year 2015 pool contribution

Even though our membership with MVRMA does not require an annual renewal, we believe it appropriate to approach Council each year with an ordinance affirming our continuing membership and also acknowledging the annual pool contribution or "premium." This ordinance seeks that ongoing approval, and outlines the 2015 pool contribution to MVRMA of an amount not to exceed \$280,000 for our basic coverage. In 2015, Blue Ash's coverage will represent approximately 5.85% of all pool costs.

The City's annual contribution is composed of our share of the pool's operating expenses, as well as payment relating to our "share" of expected reserves and losses for the upcoming year. The calculation as to what those losses are expected to be is based upon an annual statistical analysis done by an actuary. The total amount of the expected loss fund as determined by MVRMA's actuary for 2015 for all 20 members is \$2,550,000, and as losses, claims, and reserves are addressed over the next several years, those costs will be charged against that particular "2015" fund. Should total losses exceed that amount, then it is possible that an assessment will be charged against each of the cities using their original contribution percentage as a basis. If such an assessment were to be necessary, Blue Ash has a credit "on account" with MVRMA which could be utilized. As has been the case in most years since formation of the pool, the entirety of the loss fund does not get used, and after the loss fund is closed, any balances are refunded or credited to a city in proportion to their percentage of contribution.

Blue Ash's affiliation with the Miami Valley Risk Management Association has been a positive one, and we are very satisfied with the administration and structure of the program. MVRMA is audited and examined by the Ohio Department of Insurance on an annual basis, and they prepare a Comprehensive Annual Financial Report each year as well. No city has ever left the Association, and the group seems very content with the level of service provided by the pool.

Additionally, MVRMA offers a discount to members whose police department wishes to take advantage of a top-notch policy manual and training service called "Lexipol". The Blue Ash Police Department participates in Lexipol, which has been helpful in keeping our policy/procedures manual up-to-date. MVRMA also provides in-person and web-based training opportunities to our staff.

Please direct questions concerning this ordinance to the Treasurer/Administrative Services Director.

10.a.3. Ordinance No. 2014-88 authorizing contracts for employee benefit coverage

This ordinance authorizes the City Manager to enter into agreements and to make related payments associated with the City's group health insurance plan through UnitedHealthCare as well as dental and life insurance plans for eligible employees for plan year November 1, 2014, through October 31, 2015. Additionally, provisions exist in the ordinance for maintaining a low-cost/no-cost secondary "catastrophic" plan that carries a very high deductible as required by a few of the City's negotiated collective bargaining agreements.

Historically, the City of Blue Ash has provided its employees an excellent array of benefits including health, vision, dental, and life coverages. Several years ago, an analysis was performed which clearly indicated the need for cost containment in the benefit area, particularly as it related to medical or health insurance coverage. The City Manager requested the formation of an employee-based health insurance advisory committee to not only review the City's significant cost escalation in this area, but also to help with employee education and to examine alternatives which might provide for continuing excellent coverage at a lower cost.

Over the past few months, the City's health insurance broker, Horan Associates, sought out competitive proposals from a variety of providers in an effort to develop a strategy for the renewal on November 1, 2014. Given our claims experience, UnitedHealthCare was willing to offer the City a 0% increase in premiums for the 2014-2015 plan year. Given such, the City has decided to remain with UnitedHealthCare. Dental Care Plus agreed to a two-year agreement with a 0% increase and Standard Life agreed to reduce rates by 12.65% for the renewal period. With these favorable rates, the City has decided to remain with both of these carriers as well. Vision insurance was not up for renewal this year as the provider offered a two-year contract last year.

The City will continue to offer tax deferred savings vehicles, flexible spending accounts and/or portable health savings accounts, for medical, dental, vision and daycare expenses. Employees may earn additional City contributions through attendance at educational seminars and/or participation in wellness events during the plan year. The City does offer a \$2,000 payment to any eligible employee who chooses to secure their health insurance elsewhere (perhaps on a spouse's plan) and opt out of the City's health care plan.

On a related note, City administration continues to review and evaluate the implications of the ever-changing rules and regulations surrounding the Affordable Care Act (ACA), paying close attention to its impact on City employees as well as City operations. The Human Resources Officer has been working with Department and Division Heads to formulate policies and procedures for proper measurement to verify compliance with the provisions of the ACA.

Please direct questions regarding this ordinance to the Treasurer/Administrative Services Director.

Regarding the next four ordinances, even though they are of nominal amounts, due to the original contracts being fixed and not containing change order language, they require supplemental ordinances. Legislation regarding Phase 2 will contain authority for subsequent change orders.

10.b.1. Ordinance No. 2014-89 amending Ordinance No. 2014-78 regarding Phase 1 Group F 1-16 Playground & Restroom Electrical for Summit Park

Ordinance No. 2014-89 amends Ordinance No. 2014-78 related to the Phase 1 construction of the Summit Park Project, Group F 1-16 Playground & Restroom Electrical. The expenses are fully covered by remaining unencumbered funds in the Summit Park Fund account and do not require additional funds from the General Fund.

This change order provides for an additional scope of work to the existing contract for pole grounding and additional leads for lighting control associated with the Summit Park playground and restroom electrical. The AC Electrical Systems, Inc. was the successful bidder for the Phase I construction of the Summit Park Projects and the City has been pleased with the outcome of the project. Therefore, to maintain continuity with the existing work and with AC Electrical Systems, Inc. still being on-site, it would be more cost effective to add the electrical to the scope of work.

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

10.b.2. Ordinance No. 2014-90 amending Ordinance No. 2014-79 regarding Phase 1 Group B 1-03 Earthwork and Utilities for Summit Park

Ordinance No. 2014-90 amends Ordinance No. 2014-79 related to the Phase I construction of the Summit Park Project, Group B 1-03 Earthwork and Utilities. The expenses are fully covered by remaining unencumbered funds in the Summit Park Fund account and do not require additional funds from the General Fund.

This change order provides additional earthwork and utilities associated with a temporary access road, spreading topsoil, and repair of utilities at Summit Park. The Nelson Stark Company was the successful bidder for the Phase I construction of the Summit Park Projects and the City has been pleased with the outcome of the project. Therefore, to maintain continuity with the existing work and with The Nelson Stark Company still being on-site, it would be more cost effective to add the earthwork and utilities to the scope of work.

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

10.b.3. Ordinance No. 2014-91 amending Ordinance No. 2013-43 regarding Phase 1 Group C 1-05 Asphalt Paving for Summit Park

The basis for the following change order addressed in Ordinance No. 2014-91 is directly related to the Phase 1 construction of the Summit Park Project, Group C 1-05 Asphalt Paving. The expenses are fully covered by remaining unencumbered funds in the Summit Park Fund account and do not require additional funds from the General Fund.

Ordinance No. 2014-91 authorizes to include an additional scope of work to the existing contract for a curb at Lake Forest Drive at Summit Park as referred to in Ordinance No. 2013-43. John R. Jurgensen Co. was the successful bidder for the Phase 1 construction of the Summit Park Projects and the City has been pleased with the outcome of the project.

In order to maintain continuity with the existing asphalt paving; and with John R. Jurgensen Co. still being on site, it would be in the best interest of the project to add this scope to the existing contract via change orders.

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

10.b.4. Ordinance No. 2014-92 amending Ordinance No. 2014-71 regarding Phase 1 Group C 1-07 Landscaping & Irrigation for Summit Park

The basis for the following change order addressed in Ordinance No. 2014-92 is directly related to the Phase 1 construction of the Summit Park Project, Group C 1-07 Landscaping & Irrigation. The expenses are fully covered by remaining unencumbered funds in the Summit Park Fund account and do not require additional funds from the General Fund.

This change order provides additional topsoil at Summit Park as referred to in Ordinance No. 2014-71. Ohio Irrigation Lawn Sprinkler Systems, Inc., d/b/a Buckeye Lawn & Landscaping was the successful bidder for the Phase 1 construction of the Summit Park Projects and the City has been pleased with the outcome of the project.

In order to maintain continuity with the existing irrigation work; and with Ohio Irrigation Lawn Sprinkler Systems, Inc. still being on site, it would be in the best interest of the project to add this scope to the existing contract via change orders.

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

10.c.1. Ordinance No. 2014-93 approving a special use permit for a Townhouse Development

The City approved a Special Use Permit for a townhouse development on a portion of this same property by Ord. 2014-24 for 17 units. The developer has since revised the plans to include approximately 3 additional acres and a total of 34-units.

Planning Commission unanimously recommended approval of the revised plan at its October 2 meeting.

Please direct questions regarding this ordinance to the Community Development Director, Dan Johnson.