

**MINUTES OF MEETING
INDIAN HILL VILLAGE COUNCIL
September 27, 2010**

A meeting of the Indian Hill Village Council was held on September 27, 2010 at 7:00 p.m. The meeting was held in the Council Chamber of the Village Administration building.

Officials present:

Mr.	David T. Ottenjohn, Mayor
Mr.	Joseph Beech, III, Vice Mayor
Mr.	Daniel J. Feigelson, Council member
Mrs.	Lindsay B. McLean, Council member
Mr.	Keith M. Rabenold, Council member
Mrs.	Laura S. Raines, Council member
Mr.	Mark E. Tullis, Council member
Mr.	Michael W. Burns, City Manager
Mr.	Donald L. Crain, City Solicitor
Mr.	Paul C. Riordan, Clerk/Comptroller

Visitors present: Mr. Rob Dowdy, Community Press

PLEDGE OF ALLEGIANCE: Council opened the meeting with the Pledge of Allegiance.

MINUTES: The Minutes of the regular meeting of June 21, 2010 had previously been distributed to each Council member. Mayor Ottenjohn declared the minutes accepted as corrected.

FINANCE COMMITTEE REPORT: Council member Tullis directed Council's attention to a memo titled "Finance Committee Meeting" dated September 23, 2010. He reported that the Finance Committee met on September 23 to discuss a number of topics in advance of the Council meeting.

Council member Tullis reported that Mayor Ottenjohn introduced Mr. Michael Sewell to the Finance Committee members. He noted that Mayor Ottenjohn will be appointing Mr. Sewell to the Village Audit Committee and he thought it would be appropriate to invite him to the meeting. At the meeting, Mr. Sewell highlighted his extensive auditing experience during his 25 years with Deloitte, including significant time spent on public sector audits. He has also been a resident of the Village for about ten years.

Mayor Ottenjohn explained to Council that he will be sending a formal invitation to Mr. Sewell to join the Audit Committee. He said that Mr. Sewell has already agreed verbally to join the committee.

Council member Tullis directed Council's attention to the Financial Statements which were included in the Council packet. He highlighted that the Income Tax receipts for the month totaled only \$42,806. He said that this is concerning, in that last year in August the receipts totaled \$164,000. The expected income tax receipts for the year are forecasted to be approximately 18% to 20% below collections for Income Tax receipts for 2009. The budget for 2010 originally forecasted a reduction of 15% from 2009. Council member Tullis also reported that Estate Taxes of \$200,000

were received in the month of August and he noted that the total known Estate Tax receipts will total \$1.3 million year to date.

Council member Tullis reported that the total disbursements exceeded receipts by \$449,942 for the month which is not out of the ordinary for this time of the year.

He also commented on the continuing decline in interest income which can be tracked to a combination of lower rates and fund balances. On the positive side, he advised that the Village received \$16,000 from the sale of an excess vehicle and he said that City Manager Burns reported to the Finance Committee that overall sales of excess vehicles and equipment brought in about \$40,000 more than anticipated.

Council member Tullis reported that water revenues are increasing due to the dry weather conditions. He said that the Water Works receipts were under disbursements by \$163,000 for the month. He said that the shortfall is to be expected with the large payment of \$460,000 for the sewer reimbursement which is made in the month of August. Council member Tullis reported that the total Cash and Investment Fund balances totaled \$16,606,000 which is down approximately \$900,000 from the July 30 balance. He highlighted that \$280,000 of the reduction is a result of the disbursement in the Water Works Bond Fund.

Council member Tullis reported that the Green Areas and Recreational Fund and the Rowe Arboretum Fund investment statements reflected a decline in value due to a downward trend in the stock market. It is expected this trend will reverse in September. He also reported that the investment income from dividends continues to be on track in the Rowe Arboretum fund.

The Financial statement for August 2010 had previously been distributed to each Council member. There being no exceptions noted the Financial statement was accepted as issued.

Council member Tullis directed Council's attention to a statement titled 2011 Budget, "Summary of Total Expenditures by Fund." He reported that the budget for 2011 reflects a 4.33% reduction from the 2010 budget amount. The budget contains a 2% across the board pay increase. He also highlighted that the Capital Improvement Reserve Fund disbursements are budgeted to be down 39.6% from the prior year budget primarily due to the completion of the Ranger/Administration building project in 2010. He said that the Village staff continues to review the budgeted expenditures; however, this is a good representation of the budget at this point in the process.

Council member Tullis also reported that the Finance Committee reviewed the Administration budgets. He said the Council budget is anticipated to be down approximately 16.76% due mostly to a continued reduction in the level of the July 4th fireworks display. He said the Clerk/Comptroller budget is proposed to be down 5.28% compared to 2010 budget, and the City Manager's Office budget is anticipated to be down over 8%. The Information Technology budget is projected to be relatively flat. It is anticipated that the Solicitor budget will decrease by nearly 15% for 2011 as a result of the completion of most of the work related to the Martin-Marietta case.

Council member Tullis also highlighted that the 2011 Planning Commission budget reflects a decrease of 6.74% compared to the 2010 budget. The 2011 Health Department budget reflects a near 24% reduction due mostly to the elimination of the part-time inspector position. He said the preliminary 2011 Income Tax department budget remains flat with the 2010 budget.

Council member Tullis also directed Council's attention to a spreadsheet detailing the changes in Full Time Equivalents (FTE) employees, between 2007 and projected 2011. The spreadsheet indicates a projected reduction of just over 6 FTE at the end of 2011. The reduction in Full Time Equivalents was a result of attrition except for an employee who was laid off.

Council member Tullis also directed Council's attention to a statement titled "Residents of Other States Who Have Residences in Indian Hill." The statement shows that there is currently estimated to be 60 residents who maintain a residency other than Ohio but 24 of these residents file an Ohio return and continue to pay the Village Income Tax based on their income.

Council member Tullis directed Council's attention to a statement titled "Estimated Per Capita and Per Household Expenditures for the Period of 1990 to 2010." This statement answers the question raised by Mr. Sloneker on how much is spent per household and per resident in the Village. He said that he didn't know if much could be read into this statement because there is no adjustment for inflation; but it is a good historical perspective and gives everyone an idea of the expenditures.

Mayor Ottenjohn said that he thought it was key that the expense per capita in 1990 was \$745 and \$1,603 in 2010 which is a doubling of the expenditures over a 20 year period.

LAW COMMITTEE REPORT: Council member Rabenold directed Council's attention to a memo titled "Law Committee Meeting Report", dated September 16, 2010. He reported that the Law Committee met on September 15, 2010 to review several issues in advance of the Council meeting.

Council member Rabenold reported that City Manager Burns provided the Law Committee with a verbal recap on the status of discussions with Hamilton County General Health District officials regarding the replacement of the Sloneker's failed septic system with a new system. He said that the County now seems willing to support a variance of the current rules to allow for a gravity leach bed component rather than a pressurized leach field. This is estimated to save approximately \$7,000 on the cost of the replacement. The County remains convinced that an aerobic pre-treatment component must be part of the system replacement. Due to soil and seasonal ground water issues they feel that the pre-treatment component must include telemetry and UV disinfection as approved in the plan submitted by Mr. Sloneker's system designer in May. He said they agreed to keep the dialogue open on any other equally effective options which might be suggested by Mr. Sloneker's representatives.

Council member Rabenold said that City Manager Burns felt that this was a major concession on the part of the County, and a precedent which can be used by other residents.

Council member Rabenold also said that the Law Committee reviewed a draft article presented by City Manager Burns on the potential septic system rules changes mandated by Senate Bill 110 for review and comments prior to finalizing for inclusion in the October Bulletin.

Mayor Ottenjohn requested the Council members to provide any changes to City Manager Burns so that he can place the article in the Bulletin.

City Manager Burns informed Council that the County has agreed to remove the telemetry item which will reduce cost approximately \$1,000. In return, the Village has agreed to inspect Mr. Sloneker's system on a monthly basis for approximately the next year and a half. He said he believes

the system will work fine without telemetry. He said there are only possibly two other systems in the Village that have telemetry, all the rest work fine.

Council member Rabenold reported that the Law Committee discussed Mr. Sloneker's recent request for the Village to compile a mailing list of all residents on septic systems. He said that staff provided Mr. Sloneker the individual system records and a resident mailing list including approximately 1,400 residents served by septic systems and 700 residents who are served by sewers, but the Village does not maintain a list in the septic system format only. The Law Committee members felt that it might be helpful to add a column related to whether a resident has septic system or not to the resident mailing list, and then be able to sort out a mailing list to such residents for future direct mailings. The members were of the opinion that this task could be accomplished over the next several months and be available by the end of the year. This task will be assigned to one of the Village clerical staff members.

Council member Rabenold reported that the Law Committee discussed Mr. Sloneker's proposal that the Village create a septic system rules study committee to provide feedback and recommendations on the new statewide septic system rules which are mandated under Senate Bill 110. After discussion, the committee felt that, while it might be advantageous to consider establishing such a study committee in the future, the Law committee and staff will monitor the development of new rules, and provide guidance to Council on when and if a study committee is warranted later.

Council member Rabenold also reported that the Law Committee reviewed a draft Hamilton County General Health District agreement for 2011, a copy of which is included in the packet which has been amended to include a clarifying sentence related to septic system rules violations in Section (three) 3. He said that there is no Council action required on the renewal contract until later this year.

Council member Rabenold also reported that the Law Committee discussed, in executive session, the filing of a notice by the American Federation of State, County, and Municipal Employees for representation of the Public Works employees.

Council member Rabenold also reported that the Law Committee reviewed a copy of Mayor Ottenjohn's recent letter to Mr. Robert McDonald asking him to be the honorary chair of the Veterans Memorial committee. Mr. McDonald has responded that he will serve in this capacity.

GROUNDS & PUBLIC WORKS COMMITTEES REPORT: Council member McLean directed Council's attention to a memo titled "Grounds and Public Works Joint Committee meeting" dated September 14, 2010. She explained that the Grounds and Public Works Committees met jointly on September 14 to discuss several items in advance of the Council meeting.

Council member McLean reported that the committee addressed two non agenda additions proposed by Council member Rabenold before reviewing the proposed 2011 budgets. The first item was a proposal from the Recreation Commission to either remove and replace the grass infield at the large ball diamond at Stephan field, or simply remove the grass infield and not replace it. She said that City Manager Burns indicated that he agreed the field conditions were not good, and a leveling project was necessary. The Recreation Commission has some funds which they would be willing to commit to the project. She said that the Grounds Committee expressed no objection to the Recreation Commission funding the renovation where it's necessary to either redo the grass and field or level it and leave it as a dirt infield. She reported that the committees also reviewed a request from the

Recreation Commission for permission to operate a snack bar out of the Camp Dennison concession building. The Grounds Committee expressed no objection to the use of the building for a snack bar as long as any permit issues are worked out.

Council member McLean also reported that the committees also reviewed the proposed 2011 budgets for Public Works and Grand Valley and also the Shooting Club, Rowe Arboretum, and several other special funds. She said that the 2011 Grounds related general fund budget requests reflect a 5.83% decrease compared to the 2010 Budget. In addition the 2011 budget comparison to 2010 estimated actual expenses reflects a 13.43% increase mainly due to the restoration of several manpower and equipment freezes affecting the 2010 expenses. She explained that several line items were cut from the budget and it is anticipated that there will be savings related to the geothermal system in the Administration Building and rate savings under the Dominion energy purchase program. She said that \$58,000 in public Works building roof repairs, which were deferred from the 2010 budget were restored in the proposed 2011 budget. She explained that savings associated with utility and supplies and material and line items were largely offset by the restoration of two part time summer help positions and the purchase of a chemical sprayer which will be used for in-house applications rather than contracting this service out to an outside vendor. She also reported that the 2011 Grand Valley budget which is projected to be nearly 10% lower than the original 2010 budget as a result of manpower reductions from 30 hour work weeks down to 20, and a mower purchase planned for 2010 has now been deferred to a later year. She reported that the 2011 Bridle Trail budget remained largely unchanged from 2010. The Green Areas fund is now proposed to include an additional \$10,000 in salaries reallocated from the General Fund.

Council member McLean reported that the 2011 Public Works budgets for Snow Removal, Street Maintenance and Repair and Recycling were also reviewed by the Committees. She said that these budgets reflect an overall reduction in comparison with the 2010 budget. The snow removal expenses are projected to be the same as the 2010 budget, Street and Maintenance is projected to decrease by 6.89% and Recycling is projected to decrease by 6.88%. A 3.36% budget to budget increase is projected for the Waste Collection Division, all which can be attributed to the purchase of two new dump trucks and dump beds. She said the 2011 Street Maintenance and Repair budget proposal projects a nearly 7% decrease compared to the 2010 budget. Salary expenditures are predicted to be lower due to a reallocation of the Public Works/Water Works superintendent's salary and a reduction in overtime.

She explained that the 2011 CIRF budget is projected to be nearly 40% lower than the 2010 CIRF budget. Most of the reductions are associated with the completion of the Admin/Ranger building project. By way of an addition, staff is recommending \$215,000 in paving projects for 2011. This is still significantly lower than the average \$530,000 paving program. She explained that these budgets will all be reviewed again in October and November.

Mayor Ottenjohn requested that the minutes reflect that the road re-paving projects will include all Graves Road, portions of Drake Road, The intersections of Shawnee and Drake Roads, Shawnee and Given Roads and Indian Hill and Drake Roads.

“AN ORDINANCE AUTHORIZING THE MANAGER TO CONVEY AN EASEMENT TO DUKE ENERGY FOR THE INSTALLATION OF A NATURAL GAS DISTRIBUTION FACILITY ADJACENT TO AN EXISTING DUKE FACILITY ON VILLAGE OWNED PROPERTY AT THE CORNER OF SR 126 AND ZUMSTEIN AVENUE IN SYMMES

TOWNSHIP AND DECLARING AN EMERGENCY. was presented and read”

Upon motion by Council member McLean, seconded by Council member Tullis, the rules were suspended by unanimous roll call vote. Upon motion by Council member McLean, seconded by Council member Raines, the ordinance was passed by unanimous roll call vote. Mayor Ottenjohn declared Ordinance 04-10 enacted.

Council member McLean directed Council’s attention to memo titled Grounds Committee meeting dated September 22, 2010. She reported that the Grounds committee met with the Green Areas Bridle Trail sub-committee at 8:00 a.m. on September 22. She said all members were present. Mr. Bill Chatfield and Mrs. Natalie Nesbitt were the Bridle Trails committee members present. The focus of the meeting was a general discussion on Village support for bridle trail activities and Camargo Hunt activities. She explained that one of Council’s secondary priorities which were identified in the goal setting process in early 2010 was to identify how the Village can better support bridle trail activities and Camargo Hunt activities in the Village. She reported that there might be some opportunities to eliminate “redundant” or “parallel” trails in some areas in order to concentrate on maintaining main trails. However, it was noted that this may be possible in some areas but Camargo Hunt uses many of the parallel trails during their hunts, so it would be helpful to keep these trails open in the hunting areas.

Council member McLean reported that the Public Works Department is still getting caught up on trail maintenance from the “Ike” storm two years ago. This is an ongoing concern, however, there have been manpower shortages and budget constraints. It is projected that it will take 1-2 years to complete the clean-up from the “Ike” related trees falling on the trails.

Council member McLean explained that the Camargo Hunt stages out of three main areas: Clippinger Field; the Red Schoolhouse; and Camp Livingston. She said that the Hunt generally has 3 fixtures per month in Indian Hill during the 8 month season. They would like to open up other areas for hunting. She said that two other Hunt locations are being considered which are the lower Kugler Mill Fields and the Boulder Field off Cunningham in Camp Dennison. Staff will work with the Hunt on using these locations for future fixtures. She said that it appears the trail maps provided to riders are out of date; staff will examine some alternative GPS systems for updating the maps in a cost effective manner. She said that Council member Rabenold suggested to the committees that a small license fee increase might support the purchase of a GPS unit and an overall map update.

Council member McLean also reported that there was a general discussion about ridership and whether the numbers have dropped over recent years. She said that Mrs. Nesbitt will remind Camargo Hunt riders that licenses are reasonably priced and help insure the continued maintenance of the trails. Mr. Chatfield, she said, also suggested that a survey of the stables and riders might be helpful in determining the level of ridership and encouraging barn owners to consider boarding horses. She also reported that there was a discussion on trail closings as a result of property owners becoming concerned about legal liabilities, and others are tied to concerns about security. She said it is difficult to get permanent easements for trails located on private property.

Mayor Ottenjohn questioned if there could be an insurance policy purchased by the Village that would cover an injury to a person using the trail system. City Manager Burns explained that there are a lot of immunities for the use of Bridle Trails which the residents enjoy. He said that he would talk to the insurance carriers concerning this issue.

Council member McLean also said the committees discussed whether the Rangers provide support for riding events in the form of traffic control. She said that the Rangers will receive copies of fixture calendars and encourage them to help with traffic control when staffing levels permit the assignment of an officer for this purpose.

She said there is very good communication between these committees and Village staff and these committees will meet again in the spring.

Council member Feigelson requested City Manager Burns to provide the amount the Village is subsidizing the Bridle Trails.

WATER WORKS REPORT Council member Feigelson directed Council's attention to a memo titled "Water Works Committee meeting" dated September 16, 2010. He reported that the Water Works committee met on that date to review several issues in advance of the Council meeting.

Council member Feigelson reported that the committee focused on the 2011 Water Works budget. He said that on the operating side of the Water Works budget a .57% reduction in the 2011 budget compared to 2010 is projected. This can be primarily tracked to a reduction in the salary accounts which reflect the fact that the compensation for Superintendent's position is split with Public Works and the position of Assistant Superintendent is being held open due to the hiring freeze. The 2011 budget to 2010 estimated actual reflects an increase of 7.1% because some of the 2010 budget freeze items are proposed to be restored in the 2011 budget. He also reported that Contractual Services line item increases include professional services, to complete geographic information system improvements which have been deferred over the past two years. Plant Equipment, Wells, and Lab Contract costs are also increasing to deal with several improvements which have been deferred since 2008. The uniform and Shoes line item reflects a \$2,500 decrease associated with a reduction in uniform rental costs. The department has shifted to an increased use of high intensity green T-shirts as opposed to embroidered shirts rented from Cintas. Supplies and Materials purchases are anticipated to be lower than budgeted in 2010 mainly due to the elimination of take home vehicles and a reduction in the cost of chemicals. In particular, the cost of zinc orthophosphate has returned to a more reasonable level after a strike in 2009.

Council member Feigelson also reported that the sewer fees collected by Water Works on behalf of MSD are presented as \$1.8 million for both the 2010 and 2011 budgets even though an 11% rate increase is expected to be effective for next year. The final appropriation will indicate this increase, but since this is a pass-thru line item, staff felt that including the rate increase in the preliminary budget would tend to skew the overall percentage increase. The committee was acceptable to not including the increase at this stage in the budget review process.

Council member Feigelson reported that on the capital side, the 2011 budget is proposed at \$594,531, which is about a 1% decrease from the 2010 budget, or an 8% increase over estimated actual 2010 expenditures. The major differences in the budgets are a \$30,000 decrease in planned expenditures for meter changeover, recognizing the near completion of that program; and the 2011 purchase of a replacement valve truck at a cost of \$75,000. The purchase of this vehicle has been deferred in the prior two budget years.

The Water Works committee will continue to review the proposed 2011 budget in October and November.

Council member Feigelson reported that City Manager Burns and Mr. Adkins had a preliminary discussion with Madeira City Manager, Tom Moeller, regarding the Madeira water contract, which expires the end of 2010. The discussion was mainly around how to address needed main replacements in the Madeira system. The current contract only provides for the supply of water, and Madeira is responsible for any significant system repairs involving main, valve, or hydrant replacements. Both parties would like to structure a new contract wherein Water Works would assume the maintenance responsibilities and ownership of the Madeira system with provisions for the Madeira customers contributing some level of capital service fees to build up the necessary capital to complete the improvements. Staff is working on several payment scenarios directed at funding the long term needs of the system, and these will be the focus of discussion in October and November.

SAFETY COMMITTEE REPORT: Council member Beech directed Council's attention to a memo titled "Safety Committee Meeting" dated September 17, 2010. He reported that the Safety committee met on this date to review several issues in advance of the Council meeting. He explained that the focus of the meeting was to review the budgets for 2011.

Council member Beech said that Colonel Schlie provided an activity report for the time period since the last Safety committee meeting. He noted that the report format has changed, which should provide a little more information on the case status. He also said that Chief Ashbrock did not have a normal report finished, however, he reported that there was very little activity other than a garage fire.

Council member Beech reported that Colonel Schlie presented the proposed 2011 budget for the Rangers. The proposed budget represents a 1.6% decrease compared to the 2010 budget, and 1% increase compared to the estimated actual 2010 expenditures. Salaries are expected to be lower in 2011 because of the anticipated retirement of the Captain of Detectives. This savings is offset by a one time termination payment due the retiring officer. The department is planning to promote a current lieutenant to captain and a current patrol officer to lieutenant after the retirement, but the patrol officer position will not be filled during the current hiring freeze. Effectively, there will be one less member of the Police department in 2011. The budget for Contractual Services has been reduced significantly being down 23.75% when compared to the 2010 budget.

Council member Beech also reported that Utilities and Sundry expenditure accounts reflect a decrease of 7.66% in electric and telephone expenditures. He said that Personnel Costs/Fringe Benefits line items reflect an overall 6% increase for 2011 with most of this increase attributed to the termination pay for the Captain who will retire mid-year 2011. The 2011 Equipment budget is projected to be 64% down compared to 2010 because there is no replacement vehicles programmed in the 2011 budget.

Council member Beech reported that Chief Ashbrock presented his proposed 2011 budget which is essentially flat compared to the 2010 budget and 2010 estimated actual expenditures. The salary numbers in the budget are based on 0% increase for all personnel in 2011.

Council member Beech directed Council's attention to the Public Safety budget included in the packet. The statement shows that the 2011 budget is a 1.59% increase in budget to actual and a

1.2% decrease in comparison to the 2010 budget. He said it is a flat line budget for Public Safety for 2011.

PLANNING COMMISSION REPORT: Council member Raines directed Council's attention to a memo titled "Planning Commission Report" dated September 21, 2010. She reported that the Planning Commission met on that day to consider one item.

Council member Raines said that Mr. & Mrs. Dwayne Harrison at 7700 Ahwenasa Lane, requested a variance approval to construct a second story addition and a garage addition to the existing non-conforming residence. She explained that the Commission approved the variance request to the front yard setback requirements. She said the Commission found that the non-conforming location of the dwelling was due to an earlier interpretation of the Zoning Ordinance. The house was constructed in 1952 and the earlier interpretation permitted property owners of corner lots to pick their front and rear lot lines regardless of the front door orientation.

CITY MANAGER'S REPORT:

City Manager Burns said that they had nothing to report but he would be glad to update Council on a personnel issue in executive session.

Mayor Ottenjohn moved that Council move to executive session to consider a personnel issue. The motion was seconded by Council member Beech and was carried by unanimous roll call vote. Council moved to executive session.

Council returned from executive session, there being no further business to come before Council, Mayor Ottenjohn declared the meeting adjourned.

Respectfully submitted,

David T. Ottenjohn, Mayor

ATTEST:

Paul C. Riordan, Clerk