

**MINUTES OF MEETING
INDIAN HILL VILLAGE COUNCIL
February 28, 2011**

A meeting of the Indian Hill Village Council was held on February 28, 2011 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.	Mark E. Tullis, Vice Mayor
Mr.	Joseph Beech, III, Council member
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.	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 January 31, 2011 had previously been distributed to each Council member. Council member Feigelson made a motion to accept the minutes which was seconded by Council member Rabenold and was approved by unanimous voice vote.

FINANCE COMMITTEE REPORT: Council member Tullis directed Council's attention to a memo titled, "*Finance Committee Meeting*" dated February 18, 2011. He reported that the Finance committee met on February 17, 2011 to discuss several items in advance of the Council meeting.

Council member Tullis reported that the Finance committee discussed the funding of the bridle trail maintenance and whether it would be more appropriate to use Green Areas funds for this purpose. He said that after a discussion the committee agreed to take a closer look at this possible funding scenario for 2012.

Council member Tullis directed Council's attention to the Statement of Receipts and Disbursements for January 2011. He explained that the Finance committee has been working with the village staff to simplify the statements and he believes that progress has been made. Council member Tullis explained that the statement now has an entry that is titled, "*less prepayments for the next year*". The prepayments for 2012 are deducted in this statement so that the receipts accurately reflect only the receipts received applicable to 2011.

Council member Tullis reported that income tax receipts of \$199,217 were received in January. He also pointed out that no estate tax receipts were received during the month, although it is known that the village will receive \$800,000 against final returns filed for 2010.

Council member Tullis reported that real estate taxes of \$216,000 were received in January 2011 versus \$46,000 received in January 2010. He explained the large variance is a timing difference.

Council member Tullis explained that the financial statement now includes the disbursements from the CIRF instead of the transfer to the CIRF. The statement shows the total funds disbursed by the village on a monthly and year-to-date basis.

Council member Tullis reported that the total shortfall for the month was \$580,239 including the CIRF disbursements. He also explained that the statement includes a budget entry titled, "*Water 1984 Tap Fees CIRF Repayment*" in the amount of \$726,000. He said that this amount will be transferred into the general fund after the third reading of the applicable ordinance.

Council member Tullis reported the Water Works receipts continue to be strong and that \$289,575 for the sale of water was received in January versus \$148,000 received in January 2010. He said that Water Works disbursements were normal for the month leaving an excess of receipts over disbursements of \$257,406.

Council member Tullis reported that the total cash and investments at the end of January was \$15,802,511 which is down approximately \$240,000 from the beginning of the month. This reduction is expected during this time of year with very limited income being received.

Council member Tullis reported that the financial statement packet includes a new statement titled, "*Number of all Payments Received*". He explained that this statement shows the number of receipts during the month for the Water Works. This statement helps explain the variances in Water Works cash receipts.

An additional statement is also included in the packet titled, *Water Usage/billings (100 cuft)*. This statement shows the total cubic feet of water and the dollar value of the water billed during each month of the year. This statement also helps explain variances in Water Works receipts.

Council member Tullis reported that the market value of the Rowe Arboretum Funds is \$2,066,579 as of January 31, 2011. The market value is down approximately \$5,000 from the prior month.

Council member Tullis reported that the market value of the Vanguard investments in the Green Areas and Recreational Fund increased approximately \$24,000 to \$1,099,760 at the end of January. He explained that there were no unusual transactions in either the Green Areas or Rowe Arboretum funds.

The financial statement for January 2011 had previously been distributed to each Council member. There being no exceptions noted, the financial statement was accepted as issued.

Council member Tullis reported that the Finance committee also discussed the potential elimination of the estate tax being considered at the state level. He said that City Manager Burns attended a meeting on February 19 to obtain an update of the estate tax situation and also the State budget woes.

City Manager Burns reported to Council that he did attend the meeting on February 19 and it looks like they are intending to move the date back to January 1, 2013. He explained the Speaker of the House put the estate tax bill on the back burner until the Governor's budget comes in which is scheduled for March 15.

City Manager Burns also reported that it appears that some adjustments have been made to Senate Bill 5. This bill greatly impacts collective bargaining in Ohio. He said that the key item for local governments is the elimination of binding arbitration, which the village would support very strongly. The bill would also eliminate some bargaining benefits. He said that these are the two key issues.

Mr. Crain explained that some changes have been made to the bill and it could come up to a vote very soon. He said that employer associations have been trying to get these changes for the last 16 years but it has taken a major recession to get to this point. He said that the AFLCIO has referred to this bill through-out the nation as the "model act".

Council member Tullis said that the Senate Bill 5 also includes a provision that requires a minimum of 20% employee contribution's to health insurance premiums. City Manager Burns said that this provision is still in the bill. Council member Tullis reported the village is facing a substantial increase in their health insurance premiums. He explained that claims are outpacing premiums for the insurance pool, which includes the village. There will be significant changes made to the plan to reduce the cost. The reductions will probably not be enough; therefore, it will be necessary to determine how much the employees will have to contribute.

City Manager Burns explained to Council that last year changes were made to the amounts funded by the village to the HSA accounts and the employees are currently not making a contribution to premiums, however, this will most likely change this year.

Council member Tullis explained that the village has been in the insurance pool with 17 members for a number of years and it has worked to the Village's advantage.

Council member Tullis also reported that the Finance committee reviewed historical information on shooting club fees and expenses. He said that after a discussion, the committee believed it was not appropriate to increase the fees for 2011. However, the committee will revisit the fees in 2012. Essentially the shooting club is funding itself, except for capital expenditures which come out of the CIRF.

LAW COMMITTEE REPORT: Council member Rabenold directed Council's attention to a memo titled, "*Law Committee Meeting*" dated February 18, 2011. He explained that the Law committee met on that date to review several items in advance of the Council meeting.

Council member Rabenold reported that the committee had planned to talk with Mr. Robert Malloy about the Martin Marietta case but he was not able to attend the meeting. An attempt will be made to reschedule with Mr. Malloy for another date.

Council member Rabenold reported that the Law committee reviewed a memo from City Manager Burns summarizing the discussions which took place at a February 2, 2011 meeting involving representatives of the Village of Indian Hill, Terrace Park, and Hamilton County Health District. He said that the Law committee discussed how to best keep up to date on the statewide advisory committee's progress. It was determined that the members will monitor the committee meetings and address the topics in monthly committee meetings. The committee will respond to any issues of concern through input to the Health Commissioner, the Advisory committee, and/or the Ohio Department of Health, as may be deemed necessary and appropriate.

Council member Rabenold said that Mr. Burns was asked to forward a copy of the memo to Mr. William Sloneker.

Mayor Ottenjohn drew Council's attention to the last two paragraphs of the memo which was included with the minutes of the Law committee. He explained that Mr. Ingram stated that it was not likely he would advocate that Hamilton County adopt rules (septic system) which are more onerous or restrictive than the State rules subject to his departments review. He said this is very important if the Village's requirements were the same as the State, which would help residents from a cost standpoint.

Council member Rabenold reported that a lawsuit has been filed against the village in connection with the Schlotman arrest. He explained that the committee reviewed a copy of the lawsuit.

Council member Rabenold reported that the Law committee reviewed a confidential legal opinion in executive session.

Council member Rabenold reported that subsequent to the Law committee meeting, Mr. Burns received an agricultural district application for the Turner Farm property at 7550 Given Road. The application involves a total of 230 acres with 123.41 acres being a renewal application and the remainder representing property which was approved for district designation in 2009, but the owner never completed the filing process with the County. The timing on agricultural district designations is such that action on the request can not be postponed until the March meeting.

City Manager Burns distributed to Council members a map showing the subject property which is property from the LeBlond estate. He explained that part of the application is for renewal on property and part is for property that had been approved, but paperwork had not been filed. Mr. Burns said that all of the property is under continuous agricultural use at the present time. The benefit of being declared an agricultural district is; the property is not subject to assessments, and there are included certain legal defenses against claims such as the property being noxious. He said there is no effect on the expenses of the village and the real estate taxes remain the same. The application has to be renewed every five years so if a problem arises it can be taken care of at that time. Mr. Burns said that the filing has to be done in early March; before the next Council meeting, therefore, action needs to be taken tonight.

Council member Rabenold moved that Council approve the Application for Placement of Farmland in an Agricultural District for the 124.1 acres. Council member McLean seconded the motion and it was carried by unanimous voice vote.

GROUND'S COMMITTEE REPORT: Council member McLean directed Council's attention to a memo titled, "*Grounds Committee Meeting*" dated February 22, 2011. She explained that the Grounds committee met on February 18, 2011 to discuss several items in advance of the Council meeting.

She reported that Mr. McQueen provided the committee with a Grand Valley report and reported on recent water and ice rescue training which was conducted with the Madeira & Indian Hill Joint Fire District and the Loveland-Symmes Fire Department.

Council member McLean reported that Mr. Kipp provided the Grounds committee with a Project Management Report, and he presented three 2011 projects for inclusion in the 2011 Project Resolution. The projects included the Grand Valley road repair, the Veterans Memorial project, and Public Works building roof repairs. The resolution will be presented under the Public Works report by Mayor Ottenjohn.

Council member McLean reported that Mr. Adkins provided the committee with a Departmental Activity Report, a copy of which is attached to the Grounds committee meeting minutes. She explained that these were typical seasonal projects for this time of year.

Council member McLean reported that Messrs. Kipp and Couch provided the committee with a recap of the January 18, 2011 Planning Commission discussion regarding the Administration/Ranger building parking lot lights. She said that there appear to be three main lights that are bothersome to the neighbors, all on the west side of the parking lot adjacent to the Ranger side of the building. The Planning Commission did not adopt a final recommendation, but rather, the Commission felt that staff should first try installing fabricated shields on the back side of the three most bothersome fixtures, and then the interested parties can comment on whether this improves the conditions.

City Manager Burns explained to Council that he received a call from one of the affected neighbors and the neighbor was delighted with the result of the shields placed on the lights.

City Manager Burns said that the cost of the lighting corrections would be approximately \$5,000, which is significantly less than the \$14,000 originally budgeted.

Council member McLean reported that the Grounds committee reviewed the Veterans Memorial project. She explained that \$90,000 has been received toward the estimated cost of \$120,000. The Veterans committee will continue the fundraising efforts to achieve the additional funds. She explained that staff has mailed general solicitation letters to the residents and hopefully the fundraising effort will allow the project to be dedicated on July 4.

Mayor Ottenjohn suggested that the project could be started in two different phases. City Manager Burns explained that the lead time on obtaining the granite is eight weeks, therefore, allowing two months to raise the required money.

Mayor Ottenjohn said that the project is very close to being funded and he asked Council members to encourage residents to make a contribution if they have not done so already. He said it would be nice to have the dedication on July 4, 2011.

WATER WORKS REPORT: Council member Feigelson directed Council's attention to a memo titled, "*Water Works Committee Meeting*" dated February 23, 2011. He reported that the committee met on February 23, 2011 to review several items in advance of the Council meeting.

He said the first item they reviewed was the Water Works items covered under the 2011 project resolution. The resolution provides for the bidding of the replacement tower liner and repairs to the underground storage facilities located adjacent to the tower. The Public Works committee will present the resolution later in the Council meeting.

Council member Feigelson reported that Mr. Adkins provided a Departmental Activity report, a copy of which is attached to the committee meeting minutes. He said that nothing unusual occurred during the month.

Council member Feigelson reported that the Water Works committee reviewed the ordinance which expresses the village's official intent to reimburse the Capital Improvement Reserve Fund, (CIRF), \$726,000 in Water Works funds to transfer the liability for water system improvements paid from the CIRF in 1984. It also provides that any future payments for tap-in fees will be credited to the Water Works Capital Replacement Fund rather than the CIRF. The 2011 appropriation ordinance provides for this reimbursement, but the declaration of intent is technically necessary for auditing purposes.

AN ORDINANCE DECLARING THE OFFICIAL INTENT OF THE CITY OF THE VILLAGE OF INDIAN HILL FOR THE WATER WORKS OPERATING AND MAINTENANCE FUND TO REIMBURSE THE CAPITAL IMPROVEMENT RESERVE FUND MONIES USED TO IMPROVE THE WATER SUPPLY TO THE NORTHERN AREA OF THE VILLAGE OF INDIAN HILL was presented and read for the second reading.

Council member Feigelson reported that the Water Works committee reviewed the tap-in fee schedule for the benefitting parcels in northern Indian Hill affected by 1984 improvements. He stated that Council typically passes an ordinance setting the fee schedule annually based on the current interest rate the village is earning on certificates of deposits which has determined to be .2%. He said that the committee supports this ordinance. It is anticipated that the ordinances related to the Water Works will take their regular course and become effective on June 1, 2011.

AN ORDINANCE AMENDING SECTION 51.26 OF THE CODE OF ORDINANCES BY DELETING ATTACHEMENT "A" THERETO AND SUBSTITUTING A NEW ATTACHMENT "A" was presented and read for the second reading.

PUBLIC WORKS COMMITTEE REPORT: Mayor Ottenjohn directed Council's attention to a memo titled, "*Public Works Committee Meeting*" dated February 22, 2011. He explained that the Public Works committee met on that date to discuss several items in advance of the Council meeting.

He reported that Mr. Kipp provided a Project Management Report and outlined Public Works related projects included in the 2011 project resolution. He said the Remington Road project is outside the Village of Indian Hill's corporation limits and is under major construction. He further explained that village residents and employees (police and Public Works) will be impacted due to the potential delays. The project is expected to be completed in the middle of November.

Mayor Ottenjohn reported that City Manager Burns will be working on a report for Hamilton County Storm Water District (HCSWD). They will be discussing inventory of flooding, erosion, and infrastructure integrity issues, along with a description of the capital, operational, and maintenance activities conducted to address these issues.

A RESOLUTION AUTHORIZING THE MANAGER TO EMPLOY AN ENGINEER TO PREPARE PLANS AND SPECIFICATIONS FOR STREET REHABILITATION, WATER WORKS IMPROVEMENT PROJECTS AND OTHER SPECIAL CAPITAL IMPROVEMENT PROJECTS, ADVERTISE FOR BIDS AND AWARD CONTRACTS FOR THE CONSTRUCTION OF SAID WORK was presented and read.

Upon motion by Mayor Ottenjohn, seconded by Council member Tullis, the resolution was passed by unanimous voice vote. Mayor Ottenjohn declared resolution number **03-11** adopted.

Mayor Ottenjohn said that if income tax receipts come in over budget in April, additional road projects will be considered. City Manager Burns stated that the plan would be to pave the entire Drake Road.

Mayor Ottenjohn explained that the roads in the resolution comprised approximately \$215,000 and to pave Drake Road to the south terminus of Drake Road cost approximately an equal amount.

Mayor Ottenjohn reported that Mr. Adkins provided a Departmental Activity Report. He reported that 2010 – 2011 snow season has used up 2,410 tons of salt and required 2,127 regular hours in addition to 1,088 overtime hours. He said that it will be necessary to replenish the salt supply in 2011 and he has requested City Manager Burns to summarize the cost for discussion at the next meeting. It could require an additional appropriation of approximately \$120,000 for snow removal for 2011.

Mayor Ottenjohn reported that the Public Works committee also reviewed with Mr. Burns the summary of the Hamilton County Municipal League meeting on estate tax repeal which had previously been discussed in the Council meeting.

Mayor Ottenjohn reported that the union representing Public Works employees has made a records request, and a notice to negotiate has been filed. It is anticipated that negotiations will begin sometime in March.

City Manager Burns said that the information has been sent and he expects to hear back from them in mid-March.

SAFETY COMMITTEE REPORT: Council member Beech directed Council's attention to a memo titled, "*Safety Committee Meeting*" dated February 22, 2011. He reported that the committee met on that date to review several items in advance of the Council meeting.

Council member Beech reported that Chief Ashbrock provided a fire and EMS activity report for January. The EMS activity remains very busy. He also said they reviewed the statistics on 2010 fire losses and mutual aid assistance on several actual fires. The district routinely receives assistance from five other departments during any fires. The goal is to have between 25-30 firefighters on any fire scene, and this was accomplished with the assistance of neighboring communities for fires of any significances.

Council member Beech reviewed an enclosed statement titled, "*Fire Losses Greater Than or Equal to \$1,000*". He highlighted that there were three losses of significance; one for \$76,000, one

for \$30,000, and one for \$35,000. The report also showed that 24 to 31 firefighters fought these fires. This showed that mutual aid does mean a lot to all of the municipalities.

Council member Beech reported that the Madeira-Indian Hill Joint Fire Department annual meeting is scheduled at 8:00 p.m. on March 9, 2011. Residents can vote at this meeting. All village residents are invited to the meeting.

Council member Tullis thought that it would be beneficial to inform residents of the purpose of the \$20. Council member Beech said he agreed and he would carry this request to the fire board.

PLANNING COMMISSION REPORT: Council member Raines reported that the Planning Commission met on February 15, 2011 and she reported that the exterior parking lot lighting at the Ranger/Administration building issue has been resolved.

Mayor Ottenjohn requested that City Manager Burns have the future Planning Commission meeting minutes prepared in a more professional manner.

CITY MANAGER'S REPORT: City Manager Burns reported that he and Mayor Ottenjohn attended a meeting at Springfield Township concerning the estate tax. He said that he received an e-mail today from the organization called, "The Regional Council of Governments". They are requesting a contribution of \$5,000. He believes and is confident that Council also thinks that it is not something the village should contribute. He explained it is a state-wide organization headed up by Shaker Heights. He further said that in his perspective, because of the way the state bill is going at the present time, it is not necessary to join this organization. He explained that the plan is to use the \$5,000 to hire a lobbyist for the estate tax issue.

Mayor Ottenjohn stated that based on his attendance at the meeting, it is apparent that it is the member cities desire to keep the estate tax exactly as it is. From the Village's perspective it is nice to have the revenue from a capital standpoint. On the other hand, he would support the elimination of the estate tax for the resident's sake. Mayor Ottenjohn is ambivalent on the issue; therefore, he does not think it is proper to make a contribution.

City Manager Burns in an answer to a query said that the village would not have a seat at the coalition but they would have a seat with the Ohio Municipal League and other organizations.

City Manager Burns explained that if the estate tax continues then a number of residents will leave the village/state so they do not have to pay the tax. He said that the state is also considering raising the threshold on the estate tax computation, although this will not affect village residents in most instances.

Council member Rabenold said that if the estate tax is eliminated then residents in Indian Hill will be paying more income tax. Mayor Ottenjohn agreed with Council member Rabenold and he said if the estate tax is abolished, it may be necessary to raise the income tax rate. Mayor Ottenjohn asked Council members if a separate meeting would be necessary to discuss this issue. He asked Council to think about it and the meeting could be arranged.

City Manager Burns requested a meeting in executive session to discuss litigation and some personnel issues. Council member Beech moved that Council enter into an executive session

to consider litigation issue and several personnel issues. The motion was seconded by Council member Tullis and was carried by unanimous roll call vote. Council entered 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