

**LOVELAND CITY COUNCIL
REGULAR MEETING MINUTES
Tuesday, June 8, 2010**

**Call to Order &
Pledge of Allegiance**

Mayor Weisgerber called the meeting of the Loveland City Council to order at 8:01 p.m. The Pledge of Allegiance was recited.

Roll Call

Council Members Present: Mayor Robert Weisgerber, Vice Mayor David Bednar, Linda Cox, Mark Fitzgerald, Todd Osborne and Brenton Zuch.

**Motion to Excuse a
Council Member**

Mr. Zuch moved to excuse Councilman Paul Elliott from the meeting, seconded by Mr. Fitzgerald. Roll Call: Cox, Yes; Fitzgerald, Yes; Osborne, Yes; Weisgerber, Yes; Zuch, Yes; Bednar, Yes. The motion unanimously carried.

**Recognition of Members
of the Audience**

Also Present: Loveland School Board President Dr. Kathryn Lorenz, City Manager Thomas Carroll, Acting Solicitor Joseph Braun, Clerk of Council Misty Cheshire, Police Chief Tim Sabransky, Acting Deputy Chief Sgt. Sean Rahe and Police Specialist Ray Shockey.

Persons Appearing

No one was scheduled to speak to City Council.

**Before Council
Open Forum
Reserves of Loveland**

Brett Griffith, 1813 Tangelwood Drive, expressed his opposition to establishing a Tax Increment Finance (TIF) District within the Reserves of Loveland subdivision. He believed that the cost to complete the improvements should be the responsibility of Fifth Third Bank, owners of the vacant lots. Mr. Griffith then referred to the proposed settlement agreement with Fifth Third Bank. He stated that using the settlement for anything other than improvements to the subdivision would be a conflict of interest for the City.

Approval of Minutes

Mr. Fitzgerald moved to approve the minutes of the May 25, 2010, City Council Meeting, seconded by Mr. Osborne. Roll Call: Fitzgerald, Yes; Osborne, Yes; Weisgerber, Yes; Zuch, Yes; Bednar, Yes; Cox, Yes. The motion unanimously carried.

**City Manager's Reports
& Memorandums
Memorandum 37
Road Salt Bids**

This report described the bid prices for purchasing road salt for the upcoming snow season. Mr. Carroll noted that Cargill Deicing Technology provided the lowest bid in the amount of \$67.48/ton dumped or \$70.98/ton piled.

Mayor Weisgerber asked why the City elected to solicit bids for salt this year as opposed to participating in a consortium as the City did last year. Mr. Carroll stated that a contract provides the City with more accountability and control over salt delivery as well as the relationship with the vendor. He noted that the price is about \$2.28/ton more than last year's prices.

**Memorandum 38
Civil Service Ordinance
Changes**

This memorandum accompanied draft changes to the Civil Service Ordinance.

Mrs. Cox stated that she had a problem with taking rules and regulations established in the Code of Ordinances and putting them into a non-codified form. If the rules are codified it would prevent changes from being made on a whim.

Mr. Osborne stated that he didn't have a problem with the proposed changes. Any amendment to the rules and procedures fall under the City Manger's realm of oversight and Council would be notified of any changes.

Mayor Weisgerber asked if rules adopted by the Civil Service Commission would be more or less binding if the rules and regulations are codified. Mr. Braun stated

that the enforceability of the rules and regulations would not change. The difference would be how the rules and regulations can be modified. Codified rules and regulations must be amended by a vote of City Council.

Mr. Zuch noted that Council had previously received a memorandum regarding the Civil Service Commission's review of the proposed amendments and asked the City Manger to expound upon the memorandum. Mr. Carroll noted that the Civil Service Commission reviewed the amendments and consented to the proposed changes.

Mrs. Cox stated that she would like to receive more input from the Civil Service Commission before Council takes action on the ordinance. Vice Mayor Bednar requested that any comments made by the Civil Service Commission be provided to Council in a red-lined version of the document. Mr. Carroll requested that Council make a motion to refer the draft amendments to the Civil Service Commission for review.

Mr. Fitzgerald moved to refer the draft Civil Service Rules and Regulations changes to the Civil Service Commission for review and recommendation to City Council, seconded by Mrs. Cox. Roll Call: Osborne, No; Weisgerber, No; Zuch, No; Bednar, No; Cox, Yes; Fitzgerald, Yes. The motion failed 2-4.

Mr. Fitzgerald asked if there was a sense of urgency in concluding the legislation. Mr. Carroll replied that there was no sense of urgency. He stated that the proposed amendments were well drafted and very similar to the codified version. The amendments improved the existing rules and regulation and the Civil Service Commission would allow the Commission to adopt or amend the rules as they see fit.

Memorandum 39
Ordinance on Reserves of
Loveland TIF

This memorandum provided information regarding the process which must be followed if it is City Council's intent to establish a Tax Increment Financing (TIF) district for the Reserve of Loveland.

Mr. Zuch asked if the City was required to dissolve the TIF when sufficient funds have been raised for the intended purpose or was the decision left up to the governing entity. Mr. Carroll stated that Council may terminate the TIF at anytime. A future Council may allow the TIF to continue and accrue funds in excess of the necessary public improvements. As explained at the last meeting, the statue would require the additional revenue to be redistributed back to the taxing entities that did not receive the taxes during the TIF.

Mayor Weisgerber highlighted a section of the memorandum describing the TIF process:

1. City Council must set a public hearing at least 30 days out to receive public comment on the proposed creation of a TIF. The earliest regularly scheduled Council meeting which meets this requirement is July 13, 2010. Staff has recommended that Council set a public hearing for 8:30 p.m. on July 13th to receive public input on the TIF.
2. Notice must be sent 30 days prior to the passage of legislation to the impacted school district and vocational education institution. No Council action is required and staff will provide the notice to Loveland City Schools and Great Oaks once a public hearing is set.

3. Once the public hearing is closed, the City must wait 30 days before it can pass legislation to establish a TIF. The earliest regularly scheduled Council meeting which meets this requirement is August 24, 2010. If Council completes the first reading of the ordinance tonight, June 8th, it is possible Council may pass the ordinance on August 24th without suspending rules.
4. Unless adopted by an emergency, the ordinance to establish the TIF will not be effective until 30 days after passage. Assuming Council adopts the ordinance on August 24th and there is no referendum, the ordinance establishing the TIF will be in effect on September 23rd.

Mr. Zuch clarified a remark he made at the last meeting. When he said that \$50,000 was a pittance he was responding to a comment made by Mr. Elliott which eluded that if \$50,000 was not available to governmental entities, everyone would suffer from higher taxes. Mr. Zuch stated that the taxes are shared by multiple governmental entities, including the City of Loveland, and the money generated by the TIF would only come from realized appreciation of values. The TIF would not directly take money that is already going to the entities. He thanked Mr. Griffith for expressing his concerns but disagreed with a few of his comments. Mr. Zuch stated that the road would not get built if the City didn't take action and suing Fifth Third Bank would create legal fees for the City that could potentially exceed the needed revenue or eradicate Fifth Third's responsibility completely.

Mrs. Cox thanked Mr. Griffith for his comments. She agreed that if the City creates a TIF the funds should be applied to the project not park improvements.

Memorandum 40
Interim Human Resources
Manager

This report recommends City Council pass an emergency ordinance to authorize the hiring of an interim Human Resources Manager for the balance of 2010 to assist the City with union negotiations, health insurance analysis, grievance resolution, wellness, hiring, civil service rule promulgation, and various other personnel related matters. There was no further discussion on this matter.

Memorandum 41
Settlement Agreement
with Fifth Third Bank

This report accompanied a resolution which will authorize a settlement agreement with Fifth Third Bank regarding the lapsed irrevocable letter of credit issued by Fifth Third for the Reserves of Loveland.

Mr. Carroll thanked Solicitor Frank Klaine and his colleagues for putting the City in a position to receive more money from Fifth Third Bank that was listed in irrevocable letter of credit and avoiding the need for litigation.

Mayor Weisgerber asked the City Manager or Solicitor to define a PW Fund, which was cited in the settlement agreement. Mr. Braun noted that PW stands for Performance Work.

Mrs. Cox asked how the City would draw from the PW Fund. Mr. Carroll replied that the City would have to demonstrate that the funds were either being used for improvements to the Reserves of Loveland subdivision or for the construction of a shelter in Nisbet Park.

Committee Reports

Mr. Fitzgerald referenced the May 10, 2010 minutes of the Recreation Board's park tour. He noted that the improvements made to Lever Park were very nice and thanked the team responsible for completing the project. Mayor Weisgerber added that he has received positive comments from non-residents that use Loveland parks and trails. Mr. Carroll stated that the City has received many compliments about the restroom improvements in Nisbet Park.

Review of Councilmanic Worksheet

Mrs. Cox noted that the Planning and Zoning Commission scheduled a public hearing on June 21st at 7:30 p.m. to consider the request for a conditional use for Century Volkswagen on Loveland-Madeira Road.

The scheduled update on income tax contractual services (RITA) was postponed to the July 13th meeting.

Old Business
City Hall HVAC

Mr. Zuch stated that Council received a letter questioning if RITA's site was secure. Mr. Carroll replied that RITA has gone to great lengths to ensure their site is secure. Security is taken very seriously by RITA as well as the City.

Mr. Osborne asked the City Manager to provide a status update on the City Hall air conditioning system. Mr. Carroll reported that the geothermal system will exceed the budget by over \$56,000. Therefore, the City is searching for a conventional high-efficiency system which could be installed by the end of July. Discussion ensued about raising additional funds for a geothermal system and potential energy savings. Mr. Carroll stated that the City would investigate the possibility of obtaining additional revenues from Duke Energy and Hamilton County.

Mrs. Cox asked if the City would bid the conventional system project. Mr. Carroll stated that contractors are available through state bids, which would reduce design fees and would expedite the project.

Mr. Zuch stated that he would be happy to sweat it out this summer if the City could find a way to make the geothermal system possible.

New Business
Resolution 2010-35
Award of Road Salt Bid

Mr. Osborne introduced a resolution authorizing the City Manager to enter into a contract with Cargill Deicing Technology for the purchase of road salt for the 2010-2011 winter.

Vice Mayor Bednar asked if the City had to commit to purchase a specific amount of salt. Mr. Carroll noted that the City would be agreeing to purchase 1,000 tons of salt and could purchase more if necessary. He reported that the City currently has 900 tons of salt in storage.

Mrs. Cox noted that Cargill has been a supplier for the City in the past and they are a reputable company.

A roll call was taken on the resolution: Weisgerber, Yes; Zuch, Yes; Bednar, Yes; Cox, Yes; Fitzgerald, Yes; Osborne, Yes. The motion carried adopting Resolution 2010-35.

Resolution 2010-36
Reserves of Loveland
Settlement Agreement
with Fifth Third Bank

Mr. Osborne introduced a resolution authorizing the City Manager of the City of Loveland to execute a settlement agreement with Fifth Third Bank regarding the irrevocable letter of credit for the Reserves of Loveland Subdivision.

Mr. Fitzgerald moved to amend page 2, section 2 of the settlement agreement to remove the phrase "or for a Nisbet Park shelter to be constructed in Loveland and bearing a plaque noting the shelter was constructed using funds from the Bank. Loveland and the Bank would work cooperatively in the design of the plaque and each agree that said plaque will be consistent in terms of size, shape and description as used for similar purposes by the Bank and Loveland," seconded by Mrs. Cox.

Mr. Zuch asked for an explanation of the motion. Mr. Fitzgerald replied that the motion would eliminate the option of using funds for a Nisbet Park shelter or

anything other than the completion of the infrastructure improvements in the Reserves of Loveland.

Mr. Osborne compared this situation to the \$25,000 settlement received from the school district that was later granted to the Loveland Stage Company.

Mr. Carroll suggested Council leave the settlement agreement intact and amend the legislation accordingly. Mr. Braun recommended that the agreement and the legislation be consistent.

Mr. Fitzgerald asked if Council should table the ordinance to allow staff the opportunity to craft the agreement and legislation more finely. Mr. Carroll stated that the settlement agreement didn't have anything to do with the TIF. He stated that the letter of credit expired on July 1, 2009 and it would be in the City's best interest to resolve this matter.

Mayor Weisgerber stated that he would not support the motion to amend. He wanted to leave options open for future Councils.

A roll call vote was taken on the motion to amend the settlement agreement: Zuch, No; Bednar, No; Cox, Yes; Fitzgerald, Yes; Osborne, No; Weisgerber, No. The motion failed by a vote of 2-4.

A roll call vote was taken on the resolution authorizing a settlement agreement with Fifth Third Bank: Bednar, Yes; Cox, No; Fitzgerald, No; Osborne, Yes; Weisgerber, Yes; Zuch, Yes. The motion carried 4-2 adopting Resolution 2010-36.

Establishment of Tax
Increment Financing
District

Mr. Osborne introduced for first reading an ordinance declaring improvements to the parcels of real property located in the City of Loveland, Ohio to be public purpose under Section 5709.40 of the Ohio Revised Code, exempting such improvements from real property taxation, authorizing the execution of a tax incentive agreement and such other documents as may be necessary, and establishing a tax increment equivalent fund. There was no further discussion.

Ordinance 2010-37
Amendment to Ordinance
2009-78 (Emergency)

Mr. Osborne introduced an ordinance amending Ordinance 2009-78 setting the salary ceiling and position classification for 2010 and declaring an emergency.

Mr. Carroll noted that the City has two vacancies. One position handled human resources for the City. To continue to meet employee needs and insure the City complies with all laws and requirements, Douglas Duckett would be hired as a temporary employee to help with union negotiations, grievance resolution, and healthcare. Mr. Carroll highlighted Mr. Duckett's qualifications and requested that Council adopt the resolution by emergency.

Mr. Zuch stated that he would be supporting the ordinance as an emergency measure.

There being no further discussion, a roll call vote was taken: Cox, Yes; Fitzgerald, Yes; Osborne, Yes; Weisgerber, Yes; Zuch, Yes; Bednar, Yes. The motion unanimously carried adopting Ordinance 2010-37.

Amendment to Chapter
123 of the Loveland Code
of Ordinances

Mr. Osborne introduced for first reading an ordinance amending Codified Ordinance Chapter 123 by adding Section 123.05 to reiterate the City Manager's authority to establish personnel policies which were formerly codified in codified Ordinance Chapter 153. There were no further comments.

Motion to Schedule a
Public Hearing

Mrs. Cox moved to schedule a public hearing for July 13, 2010 at 8:30 p.m. for the proposed Tax Increment Financing (TIF) District within the Reserves of Loveland subdivision, seconded by Mr. Osborne. Roll Call: Fitzgerald, Yes; Osborne, Yes; Weisgerber, Yes; Zuch, Yes; Bednar, Yes; Cox, Yes. The motion unanimously carried.

City Events

Mayor Weisgerber announced that the City's Fourth of July parade will begin at 7 p.m. on July 4th. Participants will lineup at Loveland Elementary School at 6 p.m. Participants should register online at www.lovelandoh.com or contact City Hall at 683-0150.


Mr. Zuch added that the Loveland Amazing Race will be held on Saturday, June 19th and Symmes Fest would be held July 17-19th. Mr. Zuch thanked everyone that organized and attended the Memorial Day parade and ceremony. Mrs. Cox thanked guest speaker John M. McCahan. She noted that pavers were presented to the Maupin and Mitchell family during the ceremony.

Mr. Fitzgerald announced that the next Concert in the Park will be held on June 13th at 6 p.m. in Nisbet Park. Second Wind will be performing.

Adjournment

There being no further business, Vice Mayor Bednar moved to adjourn the meeting, seconded by Mr. Osborne. The motion carried by unanimous consent. Mayor Weisgerber declared the meeting adjourned at 9:14 p.m.


Robert Weisgerber, Mayor


Misty Cheshire, Clerk of Council