

**MINUTES OF THE REGULAR
MEETING OF LOVELAND CITY COUNCIL
Tuesday, March 11, 2008**

Mayor Weisgerber called the meeting of the Loveland City Council to order at 8:05 p.m. The Pledge of Allegiance was recited.

Members Present: Vice Mayor Bednar, Mr. Daly, Mr. Elliott, Mr. Fitzgerald, Mr. Osborne, Mr. Schickel, Mayor Weisgerber

Also Present: Mr. Carroll, City Manager; Mr. Wright, Assistant City Manager; Mr. Klaine, Solicitor; Mrs. Cox, Clerk of Council; Mr. Taphorn, Finance Director; Chief Rees; Deputy Chief Sabransky, Police Specialist Shockey

Mayor Weisgerber recognized Boy Scout Troop 888, who was present to observe tonight's meeting.

Vice Mayor Bednar moved to approve the minutes of the February 26, 2008 Council meeting; seconded by Mr. Daly. The motion was approved by unanimous consent.

PERSONS APPEARING BEFORE COUNCIL

Mayor Weisgerber explained that Council annually recognizes an individual who has invested much time and effort in this community with the presentation of the Louis Rockwood Award and this year they selected Mrs. Kathryn Sidney. Mrs. Sidney was born in Milford, Ohio and attended Ohio State University until she married Mr. Dennis Sidney. While he was serving in the military during World War II, Mrs. Sidney moved to Loveland where she and Mr. Sidney later established their home and raised their son, Tom. Throughout her life, she served many Loveland residents in positions she held with the Community Chest and the Loveland branch of the Clermont National Bank. After her retirement, she was elected as a Loveland City Council Member, where she served until her husband's health began declining. She also served as the 1993 Valentine Lady. Mrs. Sidney's passing on August 16, 2003 was a loss for her many friends and peers in Loveland, but her legacy of hard work and community service lives on. The Mayor read a resolution posthumously recognizing Mrs. Sidney as the recipient of the 2008 Louis Rockwood Award and honoring her many contributions to the community of Loveland. The resolution was accepted by Mrs. Sidney's son, Mr. Tom Sidney. A perpetual plaque displaying names of all Rockwood Award recipients has Mrs. Sidney's name added and is displayed at City Hall.

Mr. Sidney stated he's here today to accept this award on behalf of his late Mother, Mrs. Kathryn Sidney. She knew Mr. Rockwood and his family and they epitomized what is good about Loveland. He explained his Mother served as Chair of the Civil Service Commission and a member of the City Commission for Urban Development. She was also the 1993 Valentine Lady, but she's best known for being Loveland's first black Council Member in 1985. She was encouraged to run for Council by Loveland's first female Mayor, Viola Phillips, and her husband, Dennis. Council Member Helen Norris, the 1985 ballot leader and his Mother's best friend, topped Mrs. Sidney by 120 votes with 1,162 votes. Of the 10,000 residents in Loveland at that time, there were 25 black families, which he felt spoke volumes for his Mother and for the City. If she was asked what's most important to her, Mrs. Sidney would answer that her character, honesty, integrity and most of all, being a good wife and mother. She was very proud of her heritage: her maternal great-grandparents were North Carolina slaves and her grandmother moved to Milford when she was two years old. Mrs. Sidney moved to Loveland in 1944 when she married his father, Dennis Sidney, a Loveland native who was raised by his uncle, William Cobb, a local businessman and grocer. Mrs. Sidney always had great hope for Loveland and her ambitions never dimmed; she always wanted what was best for Loveland and never had a hidden agenda. She worked with a cohesive Council and did a great job for the City because she was about loving and helping others. Mr. Sidney thanked Council, particularly Mr. Schickel, who kept close tabs on his mother in her late years. He also expressed appreciation to Mr. Fitzgerald for nominating his Mother for the Rockwood Award, as she knew him very well and knew him to have traits she valued most, namely, character, honesty, and integrity, and she would be very proud to see him serving on Council. Mr. Sidney quoted his Mother's favorite saying she used in Council Chamber, which he likes to use when necessary, and that was "God don't like ugly."

Mr. Schickel commented he had the privilege of knowing Kathryn and it really gives him much pleasure to see her receive the Rockwood Award. She was an outstanding member of the Loveland community and a true leader who was loved and respected by all. If one grew up in Loveland, as he did, they would know she was one of the reasons Loveland was a great town to live in. She loved her family and neighbors dearly and she loved Loveland. He can't forget her close friendship with Helen Norris and how they lead Council. Kathryn set a very high standard of public service while she was on Council and it's a standard that all of them can now look to and try to emulate, and probably should a little more often.

CITY MANAGER'S REPORTS

Memorandum No. 21 informed Council of the status of the Downtown Job Creation and Revitalization project and the qualifications of **The Loveland Development Team**, the development team that recently submitted its qualifications to be the City's development partner for this project.

Information on the most consistent theme heard at neighborhood meetings, the need for a comprehensive speed reduction strategy, was included in Memorandum No. 22.

Memorandum No. 23 explains a resolution is before Council tonight which shows their support of a Community Reinvestment Area (CRA) with SuperNet of Ohio, Inc., doing business as London Computer Systems. Vice Mayor Bednar felt a deep debt of gratitude should go to Mr. Wright for his hours of service and ability to maintain this business in the City. However, since his wife's employer does business with this company, he will be recusing himself from voting on this resolution. Mr. Daly requested a quick overview. Mr. Wright explained SuperNet is located on Cottonwood Drive and they've been a corporate client of the City for five and one-half years. They are an information technology and software development and service company that has 40 existing employees. Their facility was built by a former tenant and they need to add about 10,000 square feet of space. While they are a fast growing company, this is quite a capital expense so the City has worked with the Ohio Department of Development to secure a job creation tax credit that will give a reimbursement to this company for a portion of the state income tax paid on new hires, which they estimate will be approximately 50 within the next three years. One of the state requirements for the CRA is that the local community, in this case the City of Loveland, has to show financial support to the company; the City's way of doing that is the CRA. The CRA abatement the City can give to the business will abate the new property taxes on any new construction that takes place providing they add new employees to their payroll, which will afford them with as much as a 15 year tax abatement on future property taxes. There is a provision that the City will share with Loveland City Schools 50% of the new income tax collected, which he feels is a win-win situation. Mr. Wright stated the City is very proud this excellent company will be expanding and that they feel the City is where they want to continue to do business, as they were courted by other communities in different states. Mr. Carroll complimented Mr. Wright for his efforts and pointed out the City has an emphasis on job creation, which is important since the income tax is how the City provides general services to residents. The City recognizes the need to recruit, retain and expand existing jobs to provide places for residents to work and for businesses to locate. He emphasized the City's job creation efforts also have a direct benefit to the Loveland City School District, as these efforts will generate in future years between \$13,000 - \$18,000 a year for the School District; while this in itself would not be enough to avoid a future levy, it is an important investment the City makes. Mayor Weisgerber commented for Mr. Fitzgerald's benefit that he served on the Planning and Zoning Commission when this structure was built. There were a number of issues surrounding the hillside and he feels they should be presented when P&Z addresses this issue.

Memorandum No. 24 requests Council's concurrence with the expenditure of funds for various items such as food and drink for municipal offices, retirement gifts, employee morale events, and the like. Mr. Osborne pointed out that several years ago Council approved an ordinance that increased the spending maximum cap to \$15,000 for the City Manager to expend without Council approval; he questioned how this differs from the previously approved ordinance. Mr. Carroll stated the amount of funds spent on the reference items is far below \$15,000. The State Auditor and the auditor doing the City's financial audit for 2006-2007 have determined when a public entity, such as the City, provides items such as coffee for employees and visitors, that it is a benefit. While the City Solicitor has not seen a resolution like this in many years, the new State Auditor's office is examining these types of items very hard. A relatively minimal amount is spent on items such as food for employees, retirement gifts, flowers for a birth or death within an employee's family, etc. In his opinion, this is not so much a monetary issue so much as this is deemed by the State Auditor as a benefit which Council should set,

not Administration. The Mayor felt the ordinance referenced by Mr. Osborne also refers to contractual commitments. Mr. Schickel stated that City employees work very hard and to provide them with coffee, a jacket with the City logo, and a gift at appropriate times is certainly a good thing for Council to do. He is grateful for their hard work, particularly during the latest snow fall, as he's heard many good comments on snow removal. Mr. Elliott stated everyone knows the cost of coffee or flowers and asked what are some of the larger expenditures being considered, e.g., going to a Cincinnati Reds ball game. Mr. Carroll stated for the last two years, as a morale team building effort, there has been a Loveland night at the Reds. The expenditure has been around \$1,500 and the outing was offered in lieu of a company picnic or some other activity. About 50% of the employees attended these games and this has probably been the most expensive expenditure. However, he believes the point has been these are public funds and this is a policy decision of Council. He reiterated these expenditures are fairly conservative and he realizes this is the public's money; however, as with most businesses, they know that humans are the most important resources they have. One thing they are attempting to accomplish is break down barriers and that can be done by getting employees together in a social setting, such as a Reds game, employees' luncheons, etc. Increasingly government is being asked to operate like a business and City staff tries to be as efficient as a business and respond like a grandparent when it comes to customer service. At the same time, when they asked much of employees, they want to give recognition with items such as logo apparel or some other benefit. Mr. Fitzgerald pointed out this is a home rule issue, not a State issue, and Mr. Osborne is correct about the ordinance that establishes the maximum amount the City Manager can spend as long as it is appropriated and budgeted; however, there's no reason to pick a fight with the Auditor and this is a rather modest request on their part. Mayor Weisgerber stated he has had several discussions with Mr. Carroll on how to recognize staff and provide the right work environment because that is the right thing to do. He concurred with Mr. Fitzgerald about selecting your fights.

COMMITTEE REPORTS

Mr. Fitzgerald commended the Finance Committee for their ongoing good works on the many items they are presented. In particular, he's glad to see their diligent review of and comments on the loss of revenue from water entry fees, a longstanding expectation of a revenue stream which isn't going to be there in the future due to a decrease in the growth of housing and changes in utility arrangements. He would hope to hear their observations and recommendations on any actions that might need to be taken to effectively deal with this. One other thing he's anxious to hear about is the investment policy. A number of states and communities within those states have run into problems with investment instruments they've participated in. Loveland has never been so **adventuress** to get themselves into some of the high risk matters, but whenever there are problems in the various financial markets, as seen currently with problems with bond insurers and the effect that's having on municipal securities, continued diligence is needed and he believes the recommendation the Finance Committee has made is very sound.

COMMUNICATIONS

Mr. Daly pointed out Hamilton County Environmental Services has sent notification they will continue their hazardous waste collection program at two locations. He believes this is an important program and suggested information on the program and its locations and times be posted on the City web site or perhaps in the City newsletter. Mr. Carroll stated the information is on the City web site. One issue staff is attempting to verify is their understanding that any City of Loveland resident, regardless of what county they live in, can utilize Hamilton County's environmental services; however, it has been brought to their attention that some residents in Clermont and Warren Counties have been turned away when they attempt to recycle at these sites. When that information is verified, it will be posted on the City web site as well. He suggested residents take a utility bill or other proof of address, as Hamilton County Environmental Services wants to see proof of City residency.

Mr. Osborne pointed out the request for Friendly Tavern to extend their hours to 2:30 a.m. (Communications No. 6 and 7) and asked if this is the maximum licenses available for the City. Mr. Carroll was unsure if the City is aware of that number. He pointed out the City receives notice of any change in liquor licensure and it is reviewed individually on its own merit so he'll have to get back to Council with an answer. He believes the City is at or close to the maximum liquor licenses. The last time he reported to Council on this was approximately 18 months ago, at which time there was one available license. Mr. Osborne wondered if a review should be undertaken now, versus extending it to November or next year, as far as looking at the upcoming needs for liquor licenses if there is expansion with the Downtown, such as an entertainment district.

Mr. Carroll pointed out Communication No. 9 is a memorandum from Mr. Taphorn regarding recycling success and its impact on the City's Sanitation Fund. He stated that staff has repeatedly heard from residents, particularly those who are retired, concern about utilities rates and property taxes. City residents were able to increase in the last half of 2007 their rate at which they recycle, which is an example of the way residents can affect their own rates. The City will receive additional grant funds, equal to about 3.5% of the City's Rumpke contract, from Hamilton County as a result of going past the 15% threshold. Staff's review of next year's rates indicates the Sanitation Fund is right on the cusp of requiring a rate increase; however, if Loveland residents maintain at least a 15% recycling rate of their total volume, staff believes they probably won't need to recommend a rate increase for 2009. If the rate surpasses 20%, it's almost guaranteed a rate increase won't be needed. He encouraged residents who are concerned about sanitation rates to recycle more because it has a direct impact on City sanitation rates; delivery will take anywhere from one to four weeks. If a new or additional recycling bin is needed, call City Hall (683-0150) or go to the City web site. However, a bin is not necessary, as recycled items can be placed at curb side in a paper bag. Mr. Osborne questioned if Council should consider a resolution to encourage recycling to minimize their sanitation rates, though he's feels a mandate should not be given, as some area communities have done. The Mayor suggested placing information in the newspaper, the City newsletter, and on the City web site, utilizing a marketing process rather than legislation. Vice Mayor Bednar requested data on how the City ranks compared to area municipalities. Mr. Carroll stated for the second half of 2007, Loveland was 10th out of 48 jurisdictions, moving up from 11th in the first half of 2007. He feels this is due to a small amount of recycling publicity in the City newsletter and residents desire to do something environmentally beneficial. The gap between Loveland and Madeira, the leading Hamilton County city in terms of recycling rates, goes from 15.5% to 25.5% of the amount of their solid waste that's recycled. However, Madeira utilizes a volume base trash pickup system; Loveland has unlimited trash pickup, which gives their residents a financial incentive to recycle. A majority of Loveland residents have responded that they prefer unlimited trash collection. Rumpke's rate is currently scheduled to increase 4% next year, but staff feels if the City receives more recycling grant monies, a rate increase may be deferred until 2010.

COUNCILMANIC WORKSHEET

Approval of the Quarterly Financial Report was delayed until April 22. The next Park Avenue Storm Water Update was set for June 24.

OTHER OLD BUSINESS

Vice Mayor Bednar moved to appoint Pastor Ken Soderlund to the Senior Citizens Committee; seconded by Mr. Daly. ROLL CALL; Elliott, yes; Fitzgerald, yes; Osborne, yes; Schickel, yes; Weisgerber, yes; Bednar, yes; Daly, yes. Motion carried.

NEW BUSINESS – ORDINANCES AND RESOLUTIONS

Mr. Osborne introduced A RESOLUTION DESIGNATING THE CLERK OF COUNCIL AS LOVELAND CITY COUNCIL'S DESIGNEE IN COMPLIANCE WITH EDUCATION REQUIREMENTS OF HOUSE BILL 9. ROLL CALL: Fitzgerald, yes; Osborne, yes; Schickel, yes; Weisgerber, yes; Bednar, yes; Daly, yes; Elliott, yes. Resolution was approved and assigned the number 2008-18.

Mr. Osborne introduced A RESOLUTION AUTHORIZING EXPENDITURES OF PUBLIC FUNDS FOR PROPER PUBLIC PURPOSES. Mr. Elliott stated he's comfortable with small expenditures for City employees and volunteers, but not with any sort of large expenditure, which may be a fine line that Mr. Carroll will be drawing. While it's been stated the City should be run like a business, he's not sure exactly what that means. He questioned if the City is like a business since its public funding comes from taxpayers, which makes it more complicated. He believes public service is a person's job and they should perform it well because it is there job and they may or may not want, need or deserve extra perks. Mayor Weisgerber asked Mr. Elliott what he believes is a large expenditure. Mr. Elliott responded it's difficult to come up with a number, though he tends to look at how any extra funds, such as the recycling grant funds discussed tonight, are spent and if spending can be postponed, those savings can be passed to taxpayers and rates won't have to be raised. The Mayor stated Mr. Elliott's point is good and he understands it, but it doesn't really help give the City Manager much guidance. He believes Council is not giving a blank check and this has been managed successfully in the past, but he believes doing these types of things is extremely important for employee morale and to express appreciation. Mr. Elliott is correct that there needs to be caution on how and what is spent, which is

the essence of running the City like a business because there's not an unlimited source of revenue. Council has to be very diligent with the tax funds that are received and what that money is spent on. He asked again what Mr. Elliott felt the annual budget should be. Mr. Elliott stated that perhaps it's more one of perception when taxpayers are asked to give more and Council needs to be careful how their money is spent. Referencing the Red's game, he indicated that's not really what he's talking about, but it is an example of a perception that Council needs to be very careful about. He feels Staff does an excellent job, as proven last weekend with Public Work's handling the snow. Mr. Fitzgerald pointed out this conversation is about the City picking up the cost of employee luncheons, recognition programs, etc., but asked if it does not also include costs of recognizing the passing of a community leader and the like. He doesn't see this as just an enhancement of the employee compensation or benefit program, but more as a common courtesy as would be extended to a person attending a meeting at City Hall. This is just recognition that dollars are spent for such items and while theoretically the City Manager could spend \$15,000 out of miscellaneous discretionary, he feels the City Manager, as well as other competent public administrators, has a greater degree of discretion than that. This is really extending a courtesy to the State Auditor and it is good the Auditor is doing this, but he doesn't feel too much should be made of this since this practice has gone on here and elsewhere for a long while. Mr. Carroll stated he appreciates and agrees with Mr. Elliott's comments. What is being done is not a significant employee benefit, but he's talking about items necessary for the normal course of doing business. He's received and understands the message as far as fiscal restraint. ROLL CALL: Osborne, yes; Schickel, yes; Weisgerber, yes; Bednar, yes; Daly, yes; Elliott, yes; Fitzgerald, yes. Resolution was approved and assigned the number 2008-19.

Mr. Osborne introduced A RESOLUTION SUPPORTING THE EXECUTION OF AN AGREEMENT BETWEEN THE CITY OF LOVELAND AND SUPERNET OF OHIO, INC., dba LONDON COMPUTER SYSTEMS, FOR A COMMUNITY REINVESTMENT AREA TAX ABATEMENT. ROLL CALL: Schickel, yes; Weisgerber, yes; Daly, yes; Elliott, yes; Fitzgerald, yes; Osborne, yes. Resolution was approved and assigned the number 2008-20. After a brief discussion, Vice Mayor Bednar noted, and Mrs. Cox concurred, that Mr. Bednar had recused himself from this vote earlier this evening.

OTHER NEW BUSINESS

Mayor Weisgerber distributed ballots to Council for their selection of the 2008 Business Enhancement Award recipient.

Mr. Osborne stated his belief the City should acknowledge and promote an urban legend that has never really been recognized, the Loveland Frog. He moved that City Administration look at somehow to recognize or memorialize the Loveland frog; seconded by Vice Mayor Bednar. Discussion ensued. Vice Mayor Bednar suggested this item be deferred until Student Government Night. Mr. Osborne suggested perhaps City Administration could present their findings that night. Mr. Daly moved to table this until April 22; seconded by Mr. Osborne. ROLL CALL: Bednar, yes; Daly, yes; Elliott, yes; Fitzgerald, yes; Osborne, yes; Schickel, yes; Weisgerber, yes. Motion carried.

The Mayor announced the State of the City address will be presented at the Loveland Area Chamber of Commerce breakfast on Wednesday, March 19, at 8:00 a.m. at City Hall. Reservations and payment for the breakfast can be made by calling the Chamber's office or on their web site event calendar. Mr. Carroll noted a major policy announcement will be made at the Chamber breakfast. He also announced AARP has extended their schedule and will be at Loveland City on Monday, April 15, to provide tax return assistance. An appointment can be made by calling City Hall.

Mayor Weisgerber entertained a motion to go into executive session under Ohio Revised Code Section 121.22(G)1, Personnel, specifically to consider the compensation of a public employee or official; so moved by Mr. Osborne and seconded by Mr. Fitzgerald. ROLL CALL: Daly, yes; Elliott, yes; Fitzgerald, yes; Osborne, yes; Schickel, yes; Weisgerber, yes; Bednar, yes. Motion was approved and Council went into executive session at 9:07 p.m. Due to a personal schedule conflict, Mr. Schickel excused himself from the remainder of the meeting.

The Mayor entertained a motion to reconvene the regular session; so moved by Vice Mayor Bednar and seconded by Mr. Daly. The motion was approved by unanimous consent and the meeting reconvened at 9:51 p.m.

The Mayor entertained a motion to adjourn; so moved by Mr. Osborne and seconded by Mr. Fitzgerald. The motion was approved by unanimous consent and the meeting adjourned at 9:51 p.m.

Mayor

Clerk of Council