

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL

Held on Monday, January 24, 2011

6:30 P.M.

CALL TO ORDER

The regular meeting of Sidney City Council was called to order at 6:30 P.M. Monday, January 24, 2011, with Mayor Barhorst presiding. Mayor Barhorst opened the meeting with a moment of prayer, followed by the Pledge of Allegiance.

ROLL CALL

The following Council members were present and answered roll call: Mike Barhorst, Mike Burns, Frank Mariano, Katie McMillan, Tom Miller, and Terry Pellman.

Also attending was: City Manager Steve Stilwell, Law Director Mike Smith, Assistant City Manager Tom Judy, Police Chief Kevin Gessler, Fire Chief Brad Jones, Parks Director Duane Gaier, Public Works Director Chris Clark, Community Services Director Barbara Dulworth, and Finance Officer Ginger Adams. Chamber Leadership Intern Carol Johnston was present. Other guests included: Mike Dodds, Executive Director of West Ohio Development Council, Lester McFarland of Energizer/Playtex and Tom Pleiman of Clinton Realty XIII Ltd. Six members of Boy Scout Troop #97 were in attendance to work on their Citizenship and Community merit badges; they were accompanied by Advancement Chairman Charles Craynon.

APPROVAL OF MINUTES

Minutes of the January 10, 2011 Regular Meeting of Sidney City Council were presented for approval.

Councilman Burns moved, with Councilman Miller seconding, a motion to accept the minutes as presented. The voice vote was taken and the minutes were approved as presented.

PRESENTATION

A Proclamation of Appreciation was scheduled to be presented to Earl Reives of Dayton Power & Light Company as a surprise. City Council and staff were the ones surprised; unfortunately, Mr. Reives was not in attendance. City Manager Stilwell will contact Mr. Reives and reschedule the presentation for February if possible.

ADOPTION OF ORDINANCES

A-2665 AN ORDINANCE TO LEVY A SPECIAL ASSESSMENT FOR THE CONSTRUCTION OF WATER MAIN EXTENSION UPON THE ABUTTING LANDOWNERS AT 505 DOORLEY ROAD, SIDNEY, OHIO

PWD C. Clark reviewed Ordinance A-2665 regarding a special assessment to be levied upon 505 Doorley Road, Sidney for the construction of water main extension. Using funds from the American Reinvestment and Recovery Act, the City extended a water main on Doorley Road from the north property line of 505 Doorley Rd and heading south to the City's corporate limits. Reimbursement to the City is the pro-rata share of the water main extension less the 40% grant funding. The reimbursement is \$190.21 per frontal foot. Due to the large front footage (300 ft), the property owner's share is \$5,763. The owners, Brian and Sharon McDermitt, requested a payment plan as follows: \$5,763 @ 2.5% interest rate for 5 years plus 5% Auditor's Administration Fee (one time only). The annual payment equates to \$1,302.49.

The Shelby County Auditor required that the Ordinance provide the terms of the assessment and it has been amended to reflect those terms. Council member McMillan moved to amend Ordinance A-2665 as required, Councilman Mariano seconded the motion. Motion passed upon voice vote.

Councilman Mariano then moved, with Councilman Pellman seconding, to adopt Ordinance A-2665 as amended. Ordinance A-2665 was adopted by voice vote of members present.

A-2666 AN ORDINANCE AMENDING THE NUMBER AND COMPOSITION OF THE CITIZEN PEER REVIEW COMMITTEE AS SET FORTH IN SECTION 1313.063(d) AND (e) OF THE CODIFIED ORDINANCES

Acting City Clerk J. Goubeaux presented Ordinance A-2666 for Council's review. The proposal is to restructure the zones to align with the four wards of City Council. Committee roster would be comprised of seven members; one from each of the four wards plus three at-large members, with members serving a three year term.

Mayor Barhorst expressed thanks to Acting Clerk Goubeaux for her work on the restructuring of the CPR Committee.

Councilman Miller moved, and Councilman Burns seconded, to adopt Ordinance A-2666 as presented. Motion passed upon voice vote.

A-2667 AN ORDINANCE AMENDING SECTION 131.031 OF THE CODIFIED ORDINANCES REGARDING THE ORGANIZATION CHART

CM S. Stilwell reviewed the proposed Organization Chart with Council members. The Administration has revised the Organization Chart to reflect the organization changes made during 2010. Changes

include the return of the Utilities Division as a subset of the Public Works Department; recognition of a Reception Division under the City Clerk; placing the Health Department building maintenance as a function of the Building Inspection Division, and the recognition of the Park Ranger's function in the Parks & Recreation Department.

Councilman Mariano moved, and Council member McMillan seconded, to adopt Ordinance A-2667 as presented. Upon voice vote, motion passed.

INTRODUCTION OF ORDINANCES

A-2668 AN ORDINANCE MAKING SUPPLEMENTAL APPROPRIATIONS FOR THE YEAR 2011

Finance Officer Ginger Adams reviewed with Council the proposed supplemental appropriations for various funds for the 2011 budget year. The net effect of these changes would be to increase 2011 appropriations by \$2,492,659. Funds affected by these changes include the Water Reserve Fund, ARRA - Water Projects Fund, Neighborhood Stabilization Fund, CDBG Fund, Capital Improvement Fund, Stormwater Improvement Fund, Fire Loss Security Fund, CRA Fund and Street Fund. Also included in the supplemental is the City contribution to the ICMA retirement account for the City Manager.

There being no questions raised by Council, Ordinance A-2668 will return to Council for further deliberation on February 14, 2011.

A-2669 AN ORDINANCE AUTHORIZING AND DIRECTING THE LAW DIRECTOR TO FILE AN ANNEXATION PETITION WITH THE SHELBY COUNTY COMMISSIONERS FOR A 12.528 ACRE TRACT OF REAL ESTATE LOCATED IN FRACTIONAL SECTION 11, TOWN 7 NORTH, RANGE 6 EAST, CLINTON TOWNSHIP, SHELBY COUNTY, OHIO, AND CURRENTLY OWNED BY THE CITY OF SIDNEY, OHIO (Canal Land)

CSD Dulworth presented Ordinance A-2669 regarding the annexation of 12.528 acres of land located at the south end of the Canal Feeder Trail, south of Vandemark Road. The territory to be annexed was previously owned by the State of Ohio, Department of Natural Resources (ODNR). ODNR granted the property to the City in October 2010. The present use of the land is recreational. Annexation is necessary in order for the City's Police and Fire Dept to enforce City regulations and provide City services along the Canal Feeder Path, as well as to ensure management of City improvements on the property.

CM Stilwell encouraged the Boy Scouts in attendance to feel welcome to consider this property in their future scout projects. Advancement Chair Craynon commented that the Troop works very well with Parks Director D. Gaier, completing two to three projects per year.

Ordinance A-2669 will return to Council at the February 14, 2011 meeting for second reading and adoption.

RESOLUTIONS

05-11 RESOLUTION AUTHORIZING AN APPLICATION FOR A NATURE WORKS AND CLEAN OHIO CONSERVATION FUND GRANT

Parks Director D. Gaier gave a brief history of the subject property. Lot No. 5199 is located on S. Brooklyn Avenue and was last used as a core sand dumping site by Eagle-Picher. The 11.79 acre parcel would be used to develop a neighborhood park and to preserve and provide access to the natural resources and views along the Great Miami River. Due to flood plane and environmental issues, the City staff is working to verify the acceptable uses for this site.

If the City obtains the grant, the funds would be used towards the purchase of the property; no City dollars would be used for the purchase. Staff would pursue other grant sources for the purchase of equipment and capital improvements in the future. The staff is confident that the remediation done in 2008 was in accordance with all regulations. Parks Director D. Gaier noted that the natural vegetation will reduce and control erosion in the area.

Boy Scout Jamie Wallis, 930 Chestnut Avenue, inquired about the drainage issue around the proposed basketball court. Parks Director D. Gaier responded that the designated area for the basketball court was on the higher elevation and that if flooded, the City would have bigger problems to handle in that instance. Mayor Barhorst commended Boy Scout Wallis for his input and interest.

Councilman Mariano moved, and Councilman Pellman seconded, to adopt Resolution 05-11 as presented. Upon voice vote, motion passed.

06-11 A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN ENTERPRISE ZONE AGREEMENT WITH CLINTON REALTY XIII LTD AND ENERGIZER PERSONAL CARE, LLC

CSD Dulworth presented Resolution 06-11 involving an Enterprise Zone Agreement between the City of Sidney and Clinton Realty XIII Ltd and Energizer Personal Care, LLC for tax abatements for a 17,600 square foot addition to an existing facility. The proposed investments, including real property and machinery and equipment total approximately \$5.4 Million. The Tax Incentive Negotiating Committee recommended a ten year, 75% abatement on the real property improvements based on the amount of investment, the number of jobs being created and retained, and the payroll of the new and retained jobs.

Councilman Miller expressed his appreciation to Energizer for making the investments in our community, noting that it has been far too long since granting any EZ agreements. This type of economic activity is encouraging.

CM Stilwell commented that Lester McFarland of Energizer/Playtex and Tom Pleiman of Clinton Realty XIII are to be congratulated for their hard work in retaining the company in Sidney, as well as the hard efforts of City Staff and Mike Dodds, Executive Director of West Ohio Development Council. It is anticipated that an announcement will be made by the State on Monday, January 31, 2011, approving the State funding for this project.

Councilman Pellman moved, and Councilman Mariano seconded, to adopt Resolution 06-11 as presented. Motion passed by voice vote.

07-11 A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INCOME TAX SHARING AGREEMENT WITH THE SIDNEY CITY BOARD OF EDUCATION REGARDING ENTERPRISE ZONE TAX ABATEMENT FOR CLINTON REALTY XIII, LTD AND ENERGIZER PERSONAL CARE, LLC.

Assistant City Manager T. Judy explained the process for tax sharing agreement with the Sidney City Schools relating to the enterprise zone tax abatement for Clinton Realty XIII, Ltd. And Energizer Personal Care.

The proposed income tax sharing agreement would compensate the School annually in an amount equal to the lesser of:

1. property tax forgone by the school as a result of the EZ abatement; or
2. 75% of the income tax received by the City of Sidney on the new jobs at the subject property.

Based upon the company's estimate of job creation and investment in real property, the project will generate sufficient income tax revenue for the City, pursuant to this agreement, to make the school whole for real property taxes foregone.

Mayor Barhorst thanked ACM T. Judy for attending the City School Board meeting and explaining the tax sharing process with their Board members.

Council member McMillan moved, and Councilman Mariano seconded, to adopt Resolution 07-11 as presented. Motion passed upon voice vote.

DISCUSSION – Industrial Extra Strength Surcharge Rates

PWD C. Clark led a discussion regarding the special charge to industries that discharge wastewater to the City's Wastewater Treatment Plant that have a waste strength greater than normal domestic waste. There are a total of 33 industries that are permitted under the City's Industrial Pretreatment Program. The purpose of the surcharges is to ensure that industries contributing to the special waste be charged a fair rate and that the residential customers do not subsidize these costs.

Chapter 913, Section 913.235(4) of the Codified Ordinances states that “these charges shall be reviewed every two years and revised if necessary”. These rates are not regulated by the Ohio EPA; they are under local control authorized by the community’s legislative body.

The estimated annual revenue change would increase from the current rate of \$301,973 to \$328,473. The City staff implemented cost saving measures at the Wastewater Treatment Plant, by way of budget cuts, energy cost reduction measures, increased chemical efficiency and operational efficiency. All of these measures have resulted in keeping the surcharges to a minimum level for the local industries.

Council member McMillan inquired as to any new regulations coming in the near future. PWD Clark responded affirmatively, the EPA will be implementing language changes, with no impact on user rates. More information will be brought to Council in the fall 2011. Industrial users are aware of the two year review conducted by the City.

CM Stilwell added that, while no one likes rate changes, our rates are among the five lowest in the area. These surcharge rates are specific only to those causing the usage.

An Ordinance will be presented to Council at the February 14, 2011 Council meeting for first reading and discussion. It is anticipated that Council will adopt the Ordinance and staff will notify the affected industries in March. New rate would be effective March 14, 2011.

MISCELLANEOUS – Adjustment of Port Jefferson Sewer Rates

PWD Clark presented a brief review of the Port Jefferson sewer rate adjustments per the agreement between the City and the Village of Port Jefferson as authorized by Resolution 35-98. Per the terms of the agreement, the City reviews the flows and expenses of the preceding year and adjusts the rates accordingly, effective March 1st of each year. For 2011, the overall rate decrease will be 21.5% (treatment charge -5.5% and management charge -35%). This calculation was based on lowered operating costs due to reduced staff and deferred maintenance with budget reductions.

COUNCIL COMMENTS

Councilman Mariano moved, seconded by Council member McMillan, to excuse Council member Milligan from the meeting due to illness. Motion passed by voice vote.

Councilman Mariano expressed his gratitude to Energizer/Playtex for bringing jobs and keeping jobs in the community. He also noted that Mayor Barhorst was featured on the local TV station in the “Where You Live” segment; Mayor did a fine job with the interview.

Mayor Barhorst added his appreciation to Mr. McFarland for his hard work in keeping Energizer operations in Sidney.

CITY MANAGER COMMENTS

CM Stilwell reminded Council of the upcoming Chamber Annual Dinner and Awards Banquet on February 22, 2011. Those interested should contact the Clerk's Office for reservation.

ADJOURNMENT

At 7:30 PM, with nothing further to come before Council, Councilman Miller moved to adjourn the meeting. Councilman Burns seconded the motion. The roll call vote was unanimous and the meeting was adjourned.

The meeting was held pursuant to Sidney City Council Rules.

Respectfully submitted,

Joyce L. Goubeaux
Acting City Clerk

Mayor