

**MINUTES OF MEETING  
INDIAN HILL VILLAGE COUNCIL  
October 20, 2008**

A meeting of the Indian Hill Village Council was held on October 20, 2008 at 7:30 p.m. The meeting was held in the Council Chamber of the Village Administration Building.

Officials present:

Mr.	Eppa Rixey IV, Mayor
Mr.	Joseph Beech, III, Council member
Mrs.	Susan K. Holzapfel, Council member
Mrs.	Lindsay B. McLean, Council member
Mr.	Keith M. Rabenold, Council member
Mr.	Mark E. Tullis, Council member
Mr.	Michael W. Burns, City Manager
Mr.	Paul C. Riordan, Clerk/Comptroller
Mr.	Joe Scholler, Frost Brown Todd

Officials absent: Mr. David T. Ottenjohn, Vice Mayor

**MINUTES:** The Minutes of the regular meeting of September 29, 2008 had previously been distributed to each Council member. Mayor Rixey declared the minutes approved as corrected.

**FINANCE COMMITTEE REPORT:** Council member Tullis directed Council's attention to a memo entitled "Finance Committee Meeting Report" dated October 16, 2008. He reported that the Finance committee met on that date to review and discuss several matters in advance of the Council meeting.

Council member Tullis directed Council's attention to the statement of Receipts and Disbursements. He explained that an additional \$68,000 in inheritance tax receipts was received in October; however, it was also necessary to refund \$80,000. This brings the total known receipts year to date to \$850,000 which is \$1,150,000 short of the \$2,000,000 budget. He explained that the rest of the receipts and disbursements were basically normal for the year resulting in an excess of disbursements over receipts of \$565,000.

Council member Tullis also reviewed the Water Works Statement of Receipts and Disbursements pointing out that contractual services expenditures, in September 2007, were much higher than this September because of an expenditure of \$100,000 for Cincinnati water purchased due to the drought conditions last year.

Council member Tullis also reviewed the Financial Statements for the Rowe Arboretum and the Green Area Funds. He pointed out that the investments are lower due to the general decline in stock values; however, he pointed out that the dividends earned in the Rowe Arboretum are in line with original projections.

The Financial statements for September 2008 had previously been distributed to each Council member. There being no exception noted, the financial statement was accepted as issued.

Council member Tullis also reported that the Finance Committee met on October 1<sup>st</sup> to review the finances available for the construction of the Ranger/Administration building. He directed Council's attention to a statement in the packet entitled "Reconciliation of Fund Balances for 2008 Estimate and 2009 Forecast." He highlighted, on the second page of the report, that there would be a shortfall of \$1,000,000 at the end of 2009 for the construction project. He explained that the income tax receipts are budgeted at a 10% reduction from the estimated actual receipts for 2008. This results in a reduction in income tax receipts of approximately \$800,000. He also explained that the disbursements planned for 2009 total \$10,762,000 which is a 3.25% budget increase compared to the budget for 2008. The CIRF at the end of 2009 is forecasted to have a balance of \$2,000,000. He said the shortfall of \$1,000,000 in funds, available for the Ranger/Administration building, would possibly have to be funded through borrowing. However, a decision is not necessary until after May 2009, when the majority of the income tax receipts are received. He also said that the last thing they want to do is raise the income tax rate.

Council member Beech said there is still the issue of whether the Village should spend the cash or fund at least some part of the construction with a bond issue. The bond issue would spread the cost into future years. This would allow the Village to retain a reasonable cash reserve, and also mean that current residents would not be paying 100% of the construction cost of a project with an estimated life of forty to fifty years.

Council member Tullis said that this matter would be addressed after May of 2009.

Council member Tullis reported that the Finance committee also considered Council member Beech's question on whether the budget for 2009 should be compared to actual expenses for 2008 vs. budget expenditures for 2008. He said that it is necessary in government accounting that funds be appropriated each year. If the Village developed a budget that provided for the same overall percentage increase on a budget to actual basis, Council would be burdened with more emergency appropriation ordinances throughout the year. Council member Tullis also said the Village staff believes that a budget to budget comparison is a more accurate reflection of the anticipated spending increase, and it allows for a contingency cushion in the annual appropriation.

Council member Tullis also explained that the estimated actual expenses for 2008 total \$10,000,000 vs. the budget of \$10,423,000. This reduction of \$419,000 from budget is made up primarily of the following:

1. Audit fees are \$60,000 under budget; these fees are based on a percentage of inheritance taxes which are considerably below budget.
2. Street subsidy is under budget by \$110,000 because gasoline taxes are higher due to higher fuel costs.

3. Ranger expenditures are \$140,000 under budget principally because the Village police department operated with one patrolman less than budget. These three expenditures make up \$300,000 of the \$400,000 variance.

City Manager Burns explained that if he tells the department heads that they will lose their budget if they don't spend it, they will find a way to spend it. He said this is a common phenomenon in government budgeting.

Council member Beech said that he would like to see the budget prepared based on a comparison to actual and have the department heads explain the increases vs. actual. The percentage increase could then be compared budget against budget so long as the actual numbers were included to allow reference to them when necessary.

City Manager Burns said that staff definitely compares budget to actual during the budgeting process, and that the department heads do have to explain all of their increases.

Council member Tullis also reported that Chief Ashbrock presented the Fire Department budget reflecting an increase of 4.85%.

**LAW COMMITTEE REPORT:** Council member Rabenold directed Council's attention to a memo entitled "Law Committee Meeting Report" dated October 16, 2008. He reported that the Law committee met on October 8, 2008 to review and discuss several topics in advance of the Council meeting.

Council member Rabenold reported that Messrs Burns and Phillips provided an update on the Martin Marietta hearing process in Anderson Township. The October 2, 2008 hearing lasted approximately 5 hours, and the applicant's presentation of expert witnesses was only about half completed when the ATBZA recessed for the night. Another hearing was set for October 15, 2008. He explained that City Manager Burns has provided an update on the web page, the September Bulletin, and via direct mail to south Indian Hill residents.

City Manager Burns reported to Council that he attended the meeting on October 15, 2008 which lasted approximately six (6) hours, and it will take at least one more meeting for the applicants to present their case.

Council member Rabenold also reported that City Manager Burns provided the Law committee with a summary of a proposed development in Montgomery on the old Ford and Chevrolet dealership properties. The Village received notice on this proposal because a Green Areas parcel is adjacent to the development site. City Manager Burns attended an October 6, 2008 Montgomery Planning Commission public hearing on the proposal and expressed concerns about the intensity of the development, the height of the proposed buildings, potential light pollution, and storm water control.

Council member Rabenold said that this is a very high density property. He also explained that the Commission continued the case for at least two weeks. City Manager Burns

will monitor the hearing process and provide testimony and written comments as necessary to protect the interests of nearby residents, the Green Areas parcel, and Sycamore Creek.

Council member Rabenold also reported that the Law committee reviewed a current litigation matter in executive session.

Council member Rabenold reported that City Manager Burns distributed a Ranger suggested amendment to the soliciting penalty section of the Code of Ordinances to the Law committee. City Manager Burns also distributed an explanatory memo from Captain Oliverio to the committee. City Manager Burns advised the committee that he would like to have the committee review this suggestion and discuss it more fully at the November committee meeting. The committee members agreed to the proposed change, and that it should be discussed in November.

Council member Rabenold reported that City Manager Burns advised the Law committee that American Legal Publishing is in the process of updating the Code of Ordinances. This should be completed by the end of the year. He also reported that subsequent to the meeting, City Manager Burns received a draft Identity Theft Policy which is required to be adopted by November 1, 2008. City Manager Burns said it is now called "Identity Theft Program"

**"A RESOLUTION ADOPTING AN IDENTITY THEFT RED FLAG PROGRAM"** was presented and read.

Council member Rabenold explained that it applies to the Village because it is a creditor, and we have covered accounts. He explained that it is not just because the Village is a municipality that it has to abide by these rules. He said that November 1, 2008 is the deadline for adopting these rules.

Upon motion by Council member Rabenold, seconded by Council member Holzapfel, the resolution was passed by unanimous voice vote. Mayor Rixey declared Resolution No 18-08 adopted.

**GROUNDS COMMITTEE REPORT:** Council member McLean directed Council's attention to a memorandum entitled "Grounds Committee Meeting Report", dated October 13, 2008. She explained that the Grounds committee met on that day to review and discuss several topics in advance of the Council meeting.

Council member McLean reported that Mr. McQueen provided the committee with a Grand Valley activity report, a copy of which is attached to the minutes. She highlighted that attendance at the Grand Valley Preserve has been exceptional, and that staff is in the process of developing a Grand Valley bird checklist that visitors can use to document their observations and turn the list in to the Grand Valley personnel.

Council member McLean also reported that Mr. Kipp provided the committee with a project status report, a copy of which is attached to the minutes.

Council member McLean highlighted that ODOT is close to completing the drainage project on Green Area property just northwest of Newtown Road on U.S. 50 (Wooster Pike). She said that ODOT has completed the lining of an existing 10' diameter storm pipe under SR 126 just south of the Indian Hill Water Works/Public Works facility. She also reported that the enlargement and remodeling of the existing metal building on the Grand Valley property is currently out for bids. The building will take about 4 weeks to complete and is estimated to cost \$50,000 also; the pedestrian bridge and site grading along the lake and west side of the preserve is going out for bids this week. The bridge is estimated to cost \$90,000 while the grading/seeding is estimated to cost \$225,000.

Council member McLean also reported that the shooting range Control Shed is currently out for bids. The building will take about 4 weeks to complete, and is estimated to cost \$55,000.

Council member McLean reported that Mr. Davis provided the committee with a departmental activity report. She repeated his words which are "the common theme in all areas is storm cleanup."

Council member McLean also reported that Mr. Couch provided a GAAC recommendation regarding a request by Mr. Ken Grob to mow the Green Area fields located behind Bill Grob's property on Given Road. The GAAC recommended that permission not be granted to Mr. Ken Grob for this purpose. The recommendation was based on a concern for the tax status of the property. Mr. Ken Grob does not have tax exempt status. The Grounds committee concurred with this recommendation. Council member McLean recommended to Council the Grounds committee concur with this recommendation. There was no objection from Council.

Council member McLean also reported that City Manager Burns and Mr. Kipp provided a status report on the Ranger/Administration building. She reported that City Manager Burns especially noted that the locations for the emergency generator and the electric transformer have changed because the size of each was too large to put them in the location which was originally selected by staff. The generator is now shown in a location in the rear of the Ranger addition, and it will be screened with landscaping. The transformer will be located adjacent to the northwest corner of the new garage, and it will also be screened with landscaping.

Council member Mclean said that the rest of the update is included in the report attached to the minutes. She explained that the Village is going ahead with the geothermal system for the HVAC. Test wells have been completed. It is estimated that there will be approximately 30 wells. The project will be awarded for each of the various construction packages in December, 2008 and construction is scheduled to begin January 5, 2009.

Council member Mclean also said that the Building Design Team has been working on a location and time schedule for the moving of equipment and/or personnel during the construction for Phase 1 (Police) and Phase 2 (Administration/Council Chamber).

City Manager Burns explained that there was a mistake in the Indian Hill Bulletin which said that Council and the Planning Commission would be meeting in the Fire House in November. He said that this is not the case.

**WATER WORKS REPORT:** Council member Holzapfel directed Council's attention to a memo entitled "Water Works Committee Meeting Report" dated October 16, 2008. She reported that the Water Works committee met on October 13, 2008 to review and discuss several matters in advance of the Council meeting. She reported that Mr. Davis provided the committee with an activity report for the Water Works department, a copy of which is attached to the minutes.

Council member Holzapfel reviewed the report highlighting that the Water Works has contracted with Carter Construction for the replacement of two 16" valves on Miami Road at a cost of \$22,000. This is the second part of a five-year replacement plan originally budgeted at \$25,000 per year. She also reported that the bids for the new Chemical Feed building were opened and the lowest combined bid amounted to \$491,478 which is below the total budgeted project including engineering cost of \$625,000.

Council member Holzapfel also reported that City Manager Burns and Messrs Atkins, and Davis, provided an update on the system improvements recommendations. She explained that staff has discussed with Burgess and Niple the concept of completing the recommended Scenario 1, distribution and pressure zone modifications, but delaying any action on the tower replacement until sometime in the future. They have advised that following this scenario makes sense. It is advocated that the distribution improvements include the installation of a valve near the potential Camargo Club tower site because it would be much less disruptive to system operations and much more economical (\$7,000-\$10,000) to complete the valve work at the same time as the main improvements. City Manager Burns has advised the committee that he is still waiting for feedback from Greater Cincinnati Water Works (GCWW) before locking into this revised improvement scenario. He hopes to have his final recommendations worked out during the next week.

Council member Holzapfel also reported that City Manager Burns reported that the chemical feed building bid came in approximately 10% under the \$625,000 budgeted amount. He will delay an award on the project until after the discussion with GCWW.

Council member Tullis asked why the Village is looking at using Cincinnati Water Works. City Manager Burns said that it is incumbent on the Village to view this possibility before they spend \$5,000,000 to \$7,000,000 on the Village water system improvements.

Council member Holzapfel directed Council's attention to the system improvement process schedule which was attached to the minutes. She highlighted that additional water main improvements needed to increase fire flows in the south Drake Road, area amounted to \$644,000 and the repairs of an existing elevated tank is estimated at a cost of \$332,000. She said that staff believes that these costs may be high, and therefore the total for the project of \$5,058,000 could be considered high.

City Manager Burns explained to Council that this is not to say that this project is going to be moved ahead, he said there are many discussions to have on this project before any decisions are made.

**PUBLIC WORKS REPORT:** Mayor Rixey directed Council's attention to a memo entitled "Public Works Committee Meeting Report" dated October 16, 2008. He explained that the Public Works committee met on that date to review and discuss several topics in advance of the Council meeting. He reported that Mr. Davis provided the committee with a departmental activity report, a copy of which is attached to the minutes.

Mayor Rixey reviewed Mr. Davis' report and highlighted that the Public Works Department took delivery of a new 2008 International 7400 truck with a 25 cubic yard rear load packer body at a total cost of \$108,942 after trade in on an old truck of \$10,000.

Mayor Rixey also reported that since the September 14, 2008 wind storm, the Public Works department has almost exclusively focused its efforts on clearing debris from right of ways and residential properties. To date the department has invested 2,316 man hours, hauled over 3,500 cubic yards of brush, and provided assistance with debris removal to 415 property owners. He also said that Governor Ted Strickland has filed a formal request with the President for a federal disaster declaration however; there is no estimated time frame for a response. In Hamilton County alone, damage estimates for debris removal exceed \$11,200,000. The estimated cost to the Village to date is \$111,144

Mayor Rixey also reported that Mr. Davis provided the committee with a project status report, which is primarily the Blome Road Bridge project. He reported that this project is going well and should be completed soon.

Mayor Rixey said that the Public Works committee also reviewed the Ranger/Administration building plans which had been discussed earlier in the Council meeting.

**SAFETY COMMITTEE REPORT:** Council member Beech directed Council's attention to a memo entitled "Safety Committee Meeting Report" dated October 16, 2008. He reported that the committee met on October 14, 2008 to review and discuss several items in advance of the Council meeting. He said that Colonel Schlie provided the normal police activity report for the month of September, a copy of which is attached to the minutes.

Council member Beech said that Colonel Schlie also reported to the committee that a recent visit by Governor Palin went well. He also reported that he is very close to a selection in the hiring process related to a replacement Patrol Officer. City Manager Burns reported that this has not been accomplished yet because they are waiting on the psychological test results.

Council member Beech also reported that Chief Ashbrock provided the Safety committee with an EMS activity report for September, 2008 a copy of which is attached to the minutes. Chief Ashbrock also provided a series of graphs depicting the impact of the storm on countywide emergency calls, radio messages, and busy occurrences, a copy of which is also attached to the minutes.

Council member Beech also reported that Chief Ashbrock presented the proposed 2009 budget for the Fire District. Chief Ashbrock has subsequently revised the budget, a copy of which is enclosed with the minutes and it shows an increase of 4.85% for 2009 over the 2008 budget. He explained that most of this increase is due to a \$100,000 increase in Workers Compensation costs because of employees getting injured in fires.

Council member Beech said that the budget needs to be viewed in more detail and also discussed with the City of Madeira.

**PLANNING COMMISSION REPORT:** City Manager Burns reported that the Planning Commission did not meet in September due to the lack of an agenda and therefore, there is no report. The Planning Commission is scheduled to meet on October 21, 2008. There are two items on the agenda.

1. Request for a variance to the front yard setback requirements at 4745 Hilltop Lane
2. Request for the final plan approval for the Ranger/Administration building improvement project.

**CITY MANAGER'S REPORT:** City Manager Burns, in his Manager's report, said that he is still waiting for a response to his phone call to Duke Energy. He said that he also sent out an email to all the Council members with names of suggested members for a committee to study such topics as power outages, tree trimming, underground electric, and things of that nature. Council member Beech and Council member McLean have volunteered for this committee. He also said that Mr. Terry Bruck, Mr. Bill Bonekemper, and Mr. Bill Carroll have also volunteered for the committee. City Manager Burns said that he would like to have a conversation with Duke Energy before he pulls this committee together.

Mayor Rixey suggested Bill Carroll to be a member of this committee.

City Manager Burns also reminded Council that meetings will move to the Fire House in December.

There being no further business, to come before Council, Mayor Rixey declared the meeting adjourned.

Respectfully submitted,

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Eppa Rixey IV, Mayor

ATTEST:

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Paul C. Riordan, Clerk