

**MINUTES OF MEETING
INDIAN HILL VILLAGE COUNCIL
DECEMBER 15, 2008**

A meeting of the Indian Hill Village Council was held on December 15, 2008 at 7:30 p.m. The meeting was held in the Village Fire Department Training Room.

Officials present:

Mr.	Eppa Rixey IV, Mayor	
Mr.	David T. Ottenjohn, Vice 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.	Donald L. Crain, Solicitor	

Visitors present:

Mr.	Paul Krehbiel	7709 Chumani
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MINUTES: The Minutes of the regular meeting of November 17, 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 the November Financial statements. He noted that for the most part, the November statement was unremarkable. Inheritance tax receipts of \$22,500 were received in November bringing the total to \$1,126,000 for the year. The November inheritance tax receipts will most likely be the last receipt of the year. He also pointed out that General Fund expenditures exceeded receipts by \$519,000. He also highlighted that the Capital Improvement and Replacement Fund included an expenditure for the principal and interest on the bonds in the amount of \$462,000. He reported that the receipts and disbursements for the Water Works were basically normal for this time of year resulting in an excess of disbursements over receipts of \$118,000.

Council member Tullis reported that the total cash and investments for all funds at the end of November is \$17,628,000. He reported that both the financial statements for the Green Areas fund and the Rowe Arboretum fund show that the market value at November 30 was down considerably from the balances at December 31, 2007. This is a result of the current state of the economy.

Council member Tullis reported that the Finance committee asked Mrs. Weber to request an explanation for the large number of trades made in November for the Rowe Arboretum fund. Mr. John Schmitz, investment manager for the funds, responded that his goal is to preserve the income stream of the fund by limiting exposure to companies that have dividend payment risk, and adding those with less dividend paying risk and also diversifying the income stream.

The Financial statement for November 2008 had previously been distributed to each council member. There being no exceptions noted, the Financial statement was accepted as issued.

Council member Tullis directed Council's attention to a financial statement entitled "Capital Improvement Reserve Fund" which included an attached analysis. He explained that the original forecast projected a shortfall of approximately \$1,000,000 in the CIRF fund for 2009 resulting from the planned construction of the Ranger/Administration building. He explained that the bids have been received for the project and they came in approximately \$700,000 less than the forecasted cost. In addition, the cost covers \$137,000 for the basement and upgrades of \$21,000. The net result in the CIRF balance would only be approximately \$300,000 short of the planned goal of \$2,000,000.

Council member Tullis also said that after the majority of the income tax receipts are received, in April 2009, the necessary financing for the short fall will be determined.

Council member Ottenjohn explained that the CIRF fund is projected to have a balance of \$1,701,000 at the end of 2009. In addition, the income tax fund would have a balance of \$550,000, for a total of \$2,152,000 in both funds.

"AN ORDINANCE AMENDING CHAPTER 93 OF THE CODE OF ORDINANCES BY ADOPTING THE CURRENT DEFINITION OF ADJUSTED GROSS INCOME IN SECTION 5747.01 OF THE OHIO REVISED CODE, AND BY SETTING THE RATE OF 0.4% PROVIDED IN SECTION 93-03A FOR THE TAX YEARS 2008 AND 2009 AND DECLARING AN EMERGENCY" was presented and read.

Upon motion by Mayor Rixey, seconded by Council member Tullis, the rules were suspended by unanimous roll call vote. Upon motion by Council member Tullis, seconded by Council member Holzapfel the ordinance was passed by unanimous roll call vote. Mayor Rixey declared Ordinance No. 16-08 enacted.

"AN ORDINANCE FIXING THE COMPENSATION OF THE POLICE DEPARTMENT OF THE VILLAGE OF INDIAN HILL, REPEALING ORDINANCE NO. 18-07, AND DECLARING AN EMERGENCY"

"AN ORDINANCE FIXING THE COMPENSATION OF EMPLOYEES OF THE PUBLIC WORKS AND WATER WORKS DEPARTMENTS OF THE VILLAGE OF INDIAN HILL, REPEALING ORDINANCE NO 19-07 AND DECLARING AN EMERGENCY".

“AN ORDINANCE FIXING THE COMPENSATION OF PERMANENT EMPLOYEES OF THE VILLAGE OF INDIAN HILL, NOT COVERED BY ORDINANCES, 17-08 AND 18-08, REPEALING ORDINANCE NO. 20-07, AND DECLARING AN EMERGENCY” were read consecutively.

City Manager Burns directed Council’s attention to the bolded sentences in the ordinances and explained the reasons for the changes.

Upon motion by Council member Ottenjohn, seconded by Council member Tullis the rules were suspended by unanimous roll call vote for the three pay ordinances. Upon motion by Council member Tullis, seconded by Council member Beech the ordinances were passed by unanimous roll call vote. Mayor Rixey declared Ordinance No. 17-08, Police Department, Ordinance No. 18-08, Public Works and Water Works Depts., and Ordinance No. 19-08, Permanent Employees enacted.

“AN ORDINANCE AMENDING SECTION 35.43 OF THE INDIAN HILL CODE OF ORDINANCES ESTABLISHING “PICK-UP” PLANS FOR EMPLOYEES OF THE VILLAGE OF INDIAN HILL WHO ARE MEMBERS OF THE OHIO POLICE AND FIREMEN’S DISABILITY AND PENSION FUND OR THE OHIO PUBLIC EMPLOYER’S RETIREMENT SYSTEM OF THE STATE OF OHIO, DELETING SECTION 35.44 PROVIDING FOR THE REIMBURSEMENT OF OUT-OF-POCKET EXPENSES FOR HEALTH CARE INSURANCE COSTS, AND DECLARING AN EMERGENCY” was presented and read.

City Manager Burns explained that Section 35.43 (A) of the Indian Hill Code of Ordinances was established by Ordinance No. 10-84 which established “Pick-Up” plans for full time employees of the Village of Indian Hill who are members of the Ohio Police and Firemen’s Disability and Pension Fund or the Ohio Public Employer’s Retirement System of the State of Ohio. He said that the Ohio Revised Code was amended on June 30, 1991 and part time employees of the Village of Indian Hill, who were not previously mandated to become members of said state retirement systems, were mandated to become members, and the “Pick-Up” provisions were subsequently applied to all employees. He said that Council has determined that it is necessary to amend Section 35.43 (A) of the Indian Hill Code of Ordinances retroactively to also recognize the participation in said “Pick-Up” plans by part time employees of the Village of Indian Hill who are members of the Ohio Police and Firemen’s Disability and Pension Fund or the Ohio Public Employer’s Retirement System.

City Manager Burns also explained that Section 35.44 of the Indian Hill Code of Ordinances provided for the reimbursement of out-of-pocket health care insurance costs in excess of \$1,000 when the Village changed health insurance plans in 2003, and this employee benefit plan was subsequently replaced with other health care insurance plan options which have eliminated the need for such a reimbursement provision. Therefore, it is determined that it is appropriate and necessary to delete Section 35.44 of the Indian Hill Code of Ordinances. In

addition, Section 35.44 reimbursement of out of pocket expenses in the Indian Hill Code of Ordinances is deleted in its entirety.

Upon motion by Council member Tullis, seconded by Council member Holzapfel the rules were suspended by unanimous roll call vote. Upon motion by Council member Tullis, seconded by Council member Beech the ordinance was passed by unanimous roll call vote. Mayor Rixey declared Ordinance No. 20-08 enacted.

“AN ORDINANCE MAKING APPROPRIATIONS FOR THE EXPENSES OF THE VILAGE OF INDIAN HILL FOR THE FISCAL YEAR 2009, AND DECLARING AN EMERGENCY” was presented and read.

Council member Tullis directed Council’s attention to the enclosed Summary of Total Expenditures by Fund Statement, which reflects a 3.09% increase in the 2009 budget over the 2008 budget. This is a slight change from the 3.1% which was indicated at the previous Council meeting.

Upon motion by Council member Tullis, seconded by Council member Holzapfel, the rules were suspended by unanimous roll call vote. Upon motion by Council member Tullis, seconded by Council member Holzapfel the ordinance was passed by unanimous roll call vote. Mayor Rixey declared Ordinance No. 01-09 enacted.

“A RESOLUTION REQUESTING THE COUNTY AUDITOR TO MAKE ADVANCE PAYMENTS OF TAXES” was presented and read.

Council member Tullis explained that the Ohio Revised Code, allows a taxing authority to request payments from the County Auditor funds derived from taxes or other sources to the County Treasurer, which may be held on account of a local subdivision.

Upon motion by Council member Tullis, seconded by Council member Holzapfel, the resolution was passed by unanimous voice vote. Mayor Rixey declared Resolution 19-08 adopted.

LAW COMMITTEE REPORT: Council member Rabenold directed Council’s attention to a memo entitled “Law Committee Meeting Report” dated December 10, 2008. He reported that the Law committee met on December 5, 2008 to review and discuss several topics in advance of the Council meeting.

Council member Rabenold explained that City Manager Burns provided the committee with an update on the Martin Marietta hearing process in Anderson Township. The November 19 and December 4, 2008 hearings ran a total of about 8 hours, and the applicant’s presentation of expert witnesses was still not completed when the ATBZA continued the case until December 17, 2008. Additional hearing dates were set for January 8 & 21, 2009, and he said that City Manager Burns anticipates that opponent testimony will not be heard until the second January date.

Council member Rabenold also reported that the committee was advised by City Manager Burns that he will be attending a Montgomery City Council meeting to express concerns over the proposed development of the old Williams and Schott car lot sites into a mixed used development. City Manager Burns said that the concern of the Village is the density of the project, the height of the buildings, the landscaping, the lighting, and the drainage.

Council member Rabenold also said that the committee reviewed an update on the litigation involving the water tower liner problems.

Council member Rabenold reported that City Manager Burns distributed to the committee copies of his current employment contract and noted that it expires at the end of 2008 unless mutually extended for an additional two years. City Manager Burns proposed mutually agreeing to extend the contract thru December 2010. Mr. Crain commented to the committee that the life insurance provision of \$50,000 is a little low considering today's comparables. He advised that most communities have increased these levels to 1 times the annual salary. He also noted that increasing to this level is relatively cheap. City Manager Burns agreed that this is a more prevalent practice, but two factors cause him to respond that it is not necessary to incorporate a change in the contract at this time. First, he recently purchased additional life insurance, and he has adequate coverage personally. Second, this would be a benefit increase that could be examined for all employees when the health and life insurance policies are reviewed in July of 2009.

Council decided to delay a motion to approve the contract until later in the meeting when City Manager Burns' evaluation is reviewed.

GROUNDS COMMITTEE REPORT: Council member McLean directed Council's attention to a memorandum entitled "Grounds Committee Meeting Report", dated December 11, 2008. She reported that the Grounds committee met on December 10, to review and discuss several topics in advance of the Council meeting.

Council member McLean reported that Mr. McQueen provided a report on Grand Valley activities, a copy of which is included with the minutes for Council's review.

Council member Mclean also reported that Mr. Kipp provided a report on the status of the various building and grounds related projects, a copy of which is also included with the minutes for Council's review.

Council member McLean highlighted that the Grand Valley Boat Storage Additions and Alterations Project cost is approximately \$5,000 under budget. The Shooting Range Control Shed Project was awarded to Graybach, LLC in the amount of \$38,500 which is approximately \$20,000 under the engineer's estimate.

Council member McLean also reported that the bids were received for each of the 14 construction packages for the Indian Hill Ranger/Administration building improvements. The lowest bid totaled \$3,310,000 for the 14 projects, \$554,000 for the special/HVAC and \$190,000

for other costs, including permits, testing inspections, and contingencies, etc. The project will be awarded for each of the various construction packages in December and construction is scheduled to start January 5, 2009. Drilling of the new geothermal system (HVAC) started November 10, 2008. Twenty nine wells have been drilled.

Council member McLean also reported that Mr. Davis presented a report on November departmental activities, a copy of which is enclosed with the minutes.

Council member McLean reported that City Manager Burns advised the committee that he had been approached by Helen Verkamp with a suggestion that the Village consider acquiring 1 or 2 paddle tennis courts, which will be available following a 2009 tournament in the Cincinnati area. Mrs. Verkamp suggested that the courts could be acquired at a reasonable price, and placed at Stephan Field as an additional recreation amenity. City Manager Burns said that it was the feeling of the Grounds committee, that because of the tight budget, they do not want to fund the expenses associated with heating and lighting the courts and they are not needed at Stephan Field. There was a consensus of Council that the Village not accommodate the suggestion of acquiring the paddle tennis courts because of the tight budget.

WATER WORKS REPORT: Council member Holzapfel directed Council's attention to a memo entitled "Water Works Committee Meeting Report" dated December 11, 2008. She reported that the Water Works committee met on December 10, 2008 to review and discuss several topics in advance of the Council meeting.

Council member Holzapfel reported that Mr. Davis presented a report on November departmental activities. She highlighted that the Water Works personnel completed the demolition of the old garage in preparation for beginning construction on the new Chemical Feed building which is scheduled for completion in July of 2009.

Council member Holzapfel also reported that Mr. Adkins had distributed to the Water Works committee members copies of two reports, prepared by Burgess and Niple in connection with the Water Works master plan update and water model. The phase 1 report is attached to the minutes.

Council member Holzapfel explained that City Manager Burns advised the committee that staff met last week with Burgess & Niple to discuss concerns about the accuracy of the cost estimates, and this meeting resulted in various revisions to the final reports which incorporated increases in the earlier cost estimates. City Manager Burns also noted that the new cost estimate for Phase 1 of the improvements is \$5.2 million. The second phase, which may not be necessary for at least 10-20 years, involves the construction of a new water tower at an additional cost of \$3 million.

City Manager Burns advised the committee that staff is working on several financing strategies, including the issuance of bonds and some allocation of existing Water Works Capital Reserve Fund, and considering funding needs for the Ranger Administration building project. The current goal is to keep the 2009 debt limit under \$5 million. It is anticipated that a full financing scheme will be finalized following the April 2009 tax results.

Council member Holzapfel explained that the Water Works committee will continue to review this item over the next several meetings and the Finance committee will be involved in the design in the overall Capital Financing plan. She explained that they are proposing distribution system improvements considered as Phase 1 projects:

- Transmission to Tower \$3,039,000
- Reduced Pressure Zone \$860,000
- Fire Flow to Drake South of Indian Hill \$1,061,000
- Elevated and Ground Storage Tank Rehab, \$263,000
- Phase 1 Construction Costs. \$5,224,000 Total

Council member Holzapfel said that it would also be necessary to fix the cracks in the underground tank.

City Manager Burns explained that the best place for a new water tower would be approximately in the middle of the system which would place it close to the Camargo Club. He said, on the other hand, the water tower could be placed anywhere but it would change the entire project.

PUBLIC WORKS REPORT: Mayor Rixey directed Council's attention to a memo entitled "Public Works Committee Meeting Report" dated December 11, 2008. He reported that the Public Works committee met on that day, to review and discuss several topics in advance of the Council meeting. He reported that Mr. Kipp presented a brief project status report, a copy of which is attached to the minutes. Mr. Kipp's report reflected that the final plat for Ambelside Estates Subdivision will go before Planning Commission on December 16. There are no new streets proposed. The existing property within the right-of-way of Keller and Blome Road will be dedicated to the Village of Indian Hill. The final plat dedication of roadways will be presented to Council in January for acceptance by ordinance.

Mayor Rixey reported that Mr. Davis presented to the committee a report on departmental activities. Mr. Davis noted that the department has filed for FEMA assistance related to the September storm clean-up. It is anticipated that the Village will receive approximately \$165,000 in reimbursements toward covering the \$220,000 expended in connection with the clean-up effort.

City Manager Burns explained to Council that FEMA has decided that regular time could be included in the cost reimbursement and therefore, the Village could receive as much as \$284,000 which would be received next year.

SAFETY COMMITTEE REPORT: Council member Beech directed Council's attention to a memo entitled "Safety Committee Meeting Report" dated December 11, 2008. He explained that the Safety committee met on December 9, to review and discuss several topics in advance of the Council meeting. He reported that Chief Ashbrock provided the Fire & EMS activity report for November. He advised that the EMS runs are still trending toward 2008 being one of the busiest years on record.

Council member Beech also reported that Colonel Schlie provided an activity report for the month of November. A copy of the report is attached to the minutes.

Council member Beech also reported that City Manager Burns provided the committee with an update on the Ranger/Administration building bids which have been discussed previously in the Council meeting. He also said that the committee did not discuss the particulars on a resolution approving the 2009 appropriations for Madeira & Indian Hill Joint Fire District, but it mirrors the approved budget, and this housekeeping matter should be completed at the Council meeting.

“A RESOLUTION ACCEPTING THE 2009 APPROPRIATIONS FOR THE MADEIRA & INDIAN HILL JOINT FIRE DISTRICT”
was presented and read.

Upon motion by Council member Beech, seconded by Council member Holzapfel the resolution passed by unanimous voice vote. Mayor Rixey declared Resolution No. 20-08 adopted.

PLANNING COMMISSION REPORT: Council member Ottenjohn reported that the Planning Commission did not meet in the month of November. However, it has a meeting, Tuesday December 16.

He said the agenda has two items.

1. HPA Development Group requests Final Record Plat approval for the Ambleside Estates Subdivision. Ambleside Estates is located at Blome and Keller Roads.
2. Mr. & Mrs. Sourushe Zandvakili would like to appeal an Administrative decision allowing the continuation of a dance studio located at 7956 Indian Hill Road

CTY MANAGER'S REPORT: City Manager Burns in his Manager's report asked Council what their preference would be for the strategic planning session. They decided on January 12 at 7:30 am. He also said that it has been suggested that the New Residents party not be held every year, he said he recommends that this not be started until next year. Council decided that the New Residents party would be held on Sunday, February 22, 2009 at the Red School House from 5:00 to 7:30 P.M.

Mayor Rixey moved that Council move to executive session for the purpose of discussing a personnel issue; motion was seconded by Council member Tullis, and was carried by unanimous roll call vote.

Council moved to executive session. Council returned from executive session, there being no further business, to come before Council, Mayor Rixey declared the meeting adjourned.

Respectfully submitted,

Eppa Rixey IV, Mayor

ATTEST:

Paul C. Riordan, Clerk