

TIPP CITY WORK SESSION

TIPP CITY, MIAMI COUNTY, OHIO

February 3, 2014

Executive Session

President Gibson informed everyone Council will be entering Executive Session to consider the appointment of a public official and personnel matters to include members of Council and City Manager Jon Crusey. Ms. Gillis moved to enter Executive Session. Ms. Berbach seconded. Motion carried. Council entered Executive Session at 6:31 pm.

Mr. Kessler moved to return from Executive Session. Ms. Berbach seconded. Motion carried.

Work Session

The Work Session began at 6:45pm. The following Council members were present: President Joseph Gibson, Mayor Pat Hale, Katelyn Berbach, Dee Gillis, John Kessler, Mike McDermott and Matt Owen. Also attending was: City Manager Jon Crusey, Assistant City Manager Brad Vath, Finance Director John Green, City Engineer Scott Vagedes, Law Director David Caldwell, Police Chief Eric Burris, Utility Director Christy Butera and Clerk of Council Janice Bates. Reporter Nancy Bowman was also in attendance.

Others in attendance include Walt Minch, Ron Coffman, Rick Mosier and Bryan Budding.

Centerville Development Group/Fieldstone Place Senior Living Campus, Phase II – Tax Increment Financing

City Manager Crusey stated during Council's October 21, 2013 and January 21, 2014 study sessions staff discussed with Council a request from the Centerville Development Group for Tax Increment Financing (TIF) funding for \$1,415,622 in public infrastructure improvements for Phases 2 and 3 of the Fieldstone Place Senior Living Campus. The proposal was to construct 18 quad style buildings on a single lot with private interior roads and water and sewer lines located in public easements. Mr. Crusey continued, at that time, Council agreed that it was not in the best interest of the City to support the requested project with TIF financing. The owners of Centerville Development Group were not present for the October 21, 2013 study session discussion but were in attendance at the January 21st study session. Council resolved to table discussion on this matter for the February 3rd study session to include President Gibson's comments.

Ron Coffman of Centerville Development Group stated his company is seeking Tax Increment Financing from the City. Mr. Coffman added this project is needed within Tipp City and it is the opinion of Centerville Development Group they will be unable to develop the property without a TIF. Mr. Coffman stated he understands the previous TIF wasn't executed well. Mr. Coffman stated if Centerville Development Company receive the TIF, the development will not be able to move forward. Mr. Coffman added CDG is doing a similar project in Centerville. Mr. Coffman added the City will not assume any financial responsibility for this project.

Walt Minch of Centerville Development Group stated from his understanding the TIF with the Granger Group didn't go well. Mr. Minch added he didn't want to speak ill of another developer, "We operate on a different level and honor the details of the first pass". President Gibson inquired if staff were concerned of any risks. Mr. Crusey stated the only downside is the appearance that the City is providing TIF financing for a

residential development, when in fact this proposed development is classified as commercial.. President Gibson inquired of Mr. Minch the length of time his company has been in business. Mr. Minch replied three years. President Gibson stated his concern is working capital. Mr. Minch replied he is very conservative and wouldn't take such risks. President Gibson stated minutes from the previous meeting questioned the funding of this project if it is not financially stable. Mayor Hale asked what happens when a TIF goes bad. Mr. Crusey replied a TIF will not be profitable if the project doesn't produce sufficient revenue to pay the debt. The Developer is issuing the bonds, not the City. It is the responsibility of the Developer to make up the difference between debt revenue and the TIF revenue.

President Gibson inquired of Mr. Mosier how often he receives calls interested in this project. Mr. Mosier replied the market study indicates 60 initially, and Randall Residence has a waitlist of 18 names already. Mr. Minch added this will be an independent living experience for the aging generation. Filling the niche of independent living and an assisted living campus. President Gibson questioned if there were such a need, then why request a TIF. Mr. Coffman replied CDG still needs to put a sizeable amount down on the project and the TIF needs to be made available to make the project nicer. CDG is not interested in developing lower income housing. This project is marketable and profitable. President Gibson asked if the City were liable if the developer filed bankruptcy. Mr. Crusey replied the City has no liability. President Gibson stated he has heard from several residents requesting Council move forward with this project.

Mr. McDermott stated his previous concerns were that Tipp City will become the place for developers to seek a TIF. Mr. McDermott added he feels more comfortable with this request and understands future requests will be evaluated on a case-by-case situation.

Mr. Owen stated he understands the demographics and the need for this project. Mr. Owen added, he has concern with Mr. Coffman and his history of failed projects. Mr. Owen stated that Mr. Coffman has left several different developments in bankruptcy. Mr. Coffman replied he did not file bankruptcy adding he is the Manager of the Centerville Development Group and Walt Minch and Candy Pease are the owners. The City of Springboro turned down the Zoning request for the shops and businesses to be located within Settlers Walk and thus created a domino effect. Mr. Coffman stated he is paying his creditors. Mr. Minch commented that he and Ms. Pease are principles of the company and Mr. Coffman works for them.

A majority of Council were in favor of staff moving forward to negotiate an agreement regarding a TIF for Centerville Development Group. Mr. Owen stated this project is right for the area and appreciates Mr. Coffman and Mr. Minch answering his questions.

Water/Electric Meter
Replacement Update

Ms. Butera provided Council with an update regarding water and electric meter replacements. There are 6 electric meters that need changing. Three are on Township Building property, 1 homeowner has built a deluxe outdoor kitchen and the meter cannot be removed and 2 are old bolt meters. There are also 10 water meters that will be replaced in the spring. We have one meter reader who will still manually read those meters. It takes her

approximately 3 hours per month to read the meters. She also works part time in the Income Tax Department.

Deduct Water Meters for Irrigation

Ms. Butera stated through the years the City has received several comments/concerns about the lack of fairness of our current summer sewer rate regulations. Our current ordinance allows residential customers who use over 17,000 gallons per month of water a credit on the sewer component of the bill. Currently this benefits a very small percentage of our residential water customer's benefit. Ms. Butera continued "About 1/2 of our customers use 4,000 gallons or less". Options to consider the fairness issue include installing a separate irrigation meter. Mr. Green added the billing software the City currently uses cannot handle multiple meters for the same account. An additional account would need to be created and billed separately for an irrigation meter. Ms. Butera stated another option would be to provide a discount based on winter consumption. Mayor Hale stated he had no interest in separate residential meters. Mr. McDermott asked Ms. Butera to explore winter rate averages. Mr. Crusey said Mr. Green can provide a financially analysis at an upcoming study session.

Adjournment

Meeting adjourned at 7:41 pm.

Joseph Gibson, President of Council

Attest: _____
Janice Bates, Clerk of Council

TIPP CITY COUNCIL MEETING

Council Meeting

TIPP CITY, MIAMI COUNTY, OHIO

February 3, 2014

City Staff in attendance include: City Manager Jon Crusey, Law Director David Caldwell, Assistant City Manager Brad Vath, Finance Director John Green, City Engineer Scott Vagedes, Utilities Director Christy Butera, Police Chief Eric Burris, Fire Chief Steve Kessler, EMS Chief Mark Senseman and Clerk of Council Janice Bates.

Guests signing the register include: Bryan Budding, Thomas Chaney, JJ Slanker, Father Marc Sherlock and Jen Allen. Reporters Nancy Bowman and Cecilia Fox were also in attendance.

Invocation and Pledge of Allegiance

Father Marc Sherlock of St. John the Baptist Church gave the Prayer for Guidance. President Gibson led the Pledge of Allegiance.

Amendment/Approval of Agenda

Mr. McDermott moved to amend the agenda to remove item C under Motions, A Motion to make an appointment to the Tree Board. Ms. Berbach seconded. Motion carried. Mayor Hale moved to approve the amended agenda. Mr. Owen seconded. Motion Carried.

Minutes

1/21/14 Pre-Meeting Study Session

Ms. Berbach moved to approve the minutes of the January 21, 2014 Pre-Meeting Study Session. Mr. Kessler seconded. Vote was 6-0-1. President Gibson abstained.

1/21/14 Council Meeting

Mr. Kessler moved to approve the minutes of the January 21, 2014 City Council Meeting. Mr. Owen seconded. Vote was 6-0-1. President Gibson abstained.

Presentations, Proclamations, & Awards

There were none.

Ordinances (2nd Reading)

There were none.

Resolutions
John Poe Architects

A resolution authorizing the City Manager to enter into a professional services contract with John Poe Architects for professional design services for the Electric Utility Center Renovation Project at a cost not to exceed \$166,500.

City Manager Comments: In June 2013, the City acquired the property at 301 N. Sixth Street for its future use as an Electric Utility Center. The purpose of this project is to completely rehabilitate the existing structure and make necessary site improvements for the efficient and effective operation of the City's electric distribution and maintenance activities.

This resolution authorizes the City Manager to enter into a professional services contract with John Poe Architects for professional design services for the Electric Utility Renovation Project. Nine statements of qualifications were received from professional design firms interested in

Purchase Two
Ambulances – Burgess
Ambulance

providing the requested services. Following a review and evaluation of those statements of qualifications the interview team short listed four firms to be interviewed. Following those interviews, a follow-up interview was held with the two highest rated firms. It was ultimately determined that John Poe Architects was the most qualified professional design firm for this project.

Mr. Kessler sponsored the resolution and moved for its adoption. Ms. Berbach seconded. Motion passed 7-0. Resolution 4-14 was declared adopted and President Gibson affixed his signature in witness thereto.

A resolution authorizing the City Manager to purchase two Road Rescue, Type III ambulances on 2014 Ford chassis from Burgess Ambulance of Loudonville, Ohio, at a cost not to exceed \$308,736 through the State of Ohio Cooperative Purchasing Plan and declaring personal property owned by the City of Tipp City to be surplus property and no longer useful in the general operation of the City.

City Manager Comments: The 2012 budget appropriated \$150,000 while \$170,000 was budgeted in 2014, for a total of \$320,000, for the purchase of two new medics. The EMS Medic Committee has received and evaluated quotes through the State of Ohio Cooperative Purchasing Program from four vendors and has recommended the purchase of two medics from Road Rescue on Ford E-450 V-10 Gasoline chassis. The net cost of the medics is as follows: The quote from Road Rescue is \$165,868. Each would also receive a \$4,500 rebate from Ford. We are proposing to trade in two medics. The 2004 medic has a trade in value of \$6,500 and the 2006 medic has a trade in value of \$7,500. Medic #1 would be \$154,868 and medic #2 would be \$153,868.

The total net cost of for the purchase of both medics is \$308,736. An additional \$5,000 per medic is estimated for accessories and striping once the medic is received from the dealer. Council reviewed this information at your January 21st study session and determined to proceed with the purchase of two medics, in the traditional yellow color.

Ms. Gillis sponsored the resolution and moved for its adoption. Mr. Owen seconded. Mr. Kessler stated he will be voting no. "The new City and County magazine shows a white medic. They are white for other cities, I am not convinced the added \$2,700 per unit is worth the color. If other reflective items are being added...in the interest of saving nearly \$3,000 per unit. I will be voting no". Mr. McDermott wished to extend his appreciation to the EMS Committee who reviewed the options. The vehicles that were chosen were substantially different than the ones that were presented to Council in prior years. In not only fitness, but also in cost. I appreciate their diligence and work that has been done by this Committee as well as the Chief to ensure we got the best vehicles. President Gibson inquired if the gasoline model was preferred over diesel. Chief Senseman replied gasoline is better for cost. We expect this model will be more efficient. President Gibson stated this was in the 2012 budget and inquired of the delay in the purchase. Mr. Crusey replied generally the City buys a medic every other year. We discussed in 2012 the Committee's recommendation, the Chief had a different recommendation and Council sent it back to the EMS Committee for their further evaluation. During that time, there have been new regulations

on chassis requirements and emissions requirements that have delayed our moving forward with the purchase of the medics. Chief Senseman replied we are confident in this model of medic. President Gibson inquired if the additional cost for the color of the medic were necessary. Chief Senseman replied if the medic were any color other than white, there is an additional charge. Chief Senseman added it is an added value for the cost for the increased safety. Mr. Kessler stated the addition of the reflective material increases safety, not the color of the medic. Mr. Crusey stated the color of the medic is more beneficial during daylight hours and the reflective material is beneficial in evening hours. Motion passed 5-2. Mr. Kessler and President Gibson voted nay. Resolution 5-14 was declared adopted and President Gibson affixed his signature in witness thereto.

Tumbusch Construction

A resolution authorizing the City Manager to enter into a contract with Tumbusch Construction, Inc. of St. Henry, Ohio for the construction of the West Dow Street Reconstruction Project, Phase 2, from South Hyatt Street to Rohrer Avenue at a cost of \$327,624.19.

City Manager Comments: Seven bids were received on Friday, January 24th for Phase 2 of the Dow Street Reconstruction Project. Bids ranged from \$327,624 to \$385,344. The budget for this project is \$397,000, with \$250,000 from the Capital Improvement Reserve Fund, \$80,000 from the Water Fund, and \$67,000 from the Sewer Fund. This project involves the reconstruction of Dow Street, between Hyatt Street and Rohrer Avenue. This resolution authorizes the City Manager to enter into a contract with Tumbusch Construction, the low bidder for the project.

Mr. Owen sponsored the resolution and moved for its adoption. Mr. Kessler seconded. Motion passed 7-0. Resolution 6-14 was declared adopted and President Gibson affixed his signature in witness thereto.

**Ordinances
(1st Reading)**

There were none.

Motions

Board and Commission
Appointments –
Board of Tax Appeals

A motion to make one appointment to the Board of Tax Appeals for one year terms ending December 31, 2014. Mr. Owen moved to open nominations. Mayor Hale seconded. Vote passed 7-0. Ms. Berbach nominated Carrie Arblaster. Ms. Berbach moved to close nominations. Mr. McDermott seconded. Motion carried. A vote was taken on Ms. Arblaster's nomination. Her appointment was unanimous.

Planning Board

A motion to make one appointment to the Planning Board for an unexpired term ending December 31, 2014. Mayor Hale moved to open nominations. Ms. Berbach seconded. Vote passed 7-0. Mayor Hale nominated Samuel Patry. Ms. Berbach moved to close nominations. Mr. McDermott seconded. Motion carried. A vote was taken on Mr. Patry's nomination. His appointment was unanimous.

Canal Music Fest –
Festival Agreement

A motion authorizing the Police Chief and City Manager to sign the temporary alcohol permit application for the Canal Music Festival and authorizing the City Manager to enter into an agreement with the Downtown Tipp City Partnership. Mayor Hale moved to approve. Mr. McDermott seconded. Motion carried.

Miscellaneous

There were none.

**Citizen Comments on Items
not on the Agenda**

There were none.

**Councilmember
Comments**

Mr. Kessler had nothing additional.

Ms. Gillis had nothing additional.

Mr. McDermott said he would have presented the Downtown Tipp City Partnership notes, but due to the snow events and temperatures, the meetings from the last two weeks have been cancelled. However, a meeting is scheduled for tomorrow at 9:00 am.

Mr. Owen reminded everyone that Tipp City has plenty of salt. Adding there was a report that Miami County was running low on salt, and that might be true; but Tipp City is not. Mr. Owen also thanked Ms. Slanker for her attendance stating Canal Music Fest is always a great time for Tipp City and hopes there are triple the amount of folks at this year's event.

Ms. Berbach had nothing additional.

Mayor Hale said he had the opportunity to attend the Business After Hours event for Mauck Cabinets and was also involved in a ribbon cutting at Lasting Impressions Flower Shop. This was a first anniversary ribbon cutting for them. With Valentine's Day coming up I would recommend you not only check out Tipp Florist, but Lasting Impressions as well. Mayor Hale also reminded everyone the Fire/EMS Station Dedication will be Saturday at 10:00 am. After the dedication, there will be an Open House until 2:00 pm.

President Gibson offered belated Congratulations to Mr. Hale on his swearing in and taking office. The Downtown Tipp City Partnership and Tipp Monroe Community Services will be hosting their annual appreciation dinners in the next several weeks. President Gibson also wished the best of luck to Canal Music Fest. President Gibson also reminded everyone pool passes to the Tippecanoe Family Aquatic Center are currently on sale and the discounted rate is available until April 30th. President Gibson concluded by reminding everyone these proceedings are being recorded and will be rebroadcast several times over the next two weeks on local cable access station which is KIT-TV. Video of the meeting can be accessed at www.kittv.org.

**City Manager
Comments**

Mr. Crusey informed Council the costs the City has incurred thus far with the Winter we have had. From the beginning of December to the end of January our employees worked over 400 hours salting streets and removing snow and ice at a cost of \$13,000. We have used approximately 775 tons of salt. Our five year average up to this point was 650 tons. Thus far this season we are above average. We have about 350 tons of salt in storage, plus we have additional salt on order. We do not anticipate having a salt issue this winter, however we might need to come back to Council for appropriations in the spring to purchase additional salt.

Adjournment

President Gibson informed everyone Council will not be adjourning at this time, but will be going into Executive Session to discuss Pending Litigation and Economic Development. To include members of Council, City Manager Jon Crusey, Assistant City Manager Brad Vath and Utilities Director Christy Butera.

Mr. Owen moved to enter Executive Session. Mayor Hale seconded. Motion carried.

Council entered Executive Session at 8:15 pm.

Council returned from Executive Session at 9:15 pm. Ms. Berbach moved to return from Executive Session. Mr. Owen seconded. Motion carried.

Mayor Hale moved to adjourn. Ms. Berbach seconded. Motion carried.

Meeting adjourned at 9:16 pm.

Joseph Gibson, President of Council

Attest: _____
Janice Bates, Clerk of Council



