

**TIPP CITY COUNCIL MEETING**

**TIPP CITY, MIAMI COUNTY, OHIO**

**August 4, 2014**

**Executive Session**

President Gibson informed everyone Council will be entering Executive Session to discuss Personnel and Pending Litigation. To include members of Council, Acting City Manager Brad Vath, Law Director David Caldwell and Utilities Director Christy Butera. Mr. Kessler moved to enter Executive Session. Mr. McDermott seconded. Motion carried. Council entered Executive Session at 6:31 pm.

Council returned from Executive Session at 7:16 pm.

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

**TIPP CITY WORK SESSION**

**TIPP CITY, MIAMI COUNTY, OHIO**

**August 4, 2014**

**Work Session**

The Work Session began at 7:20 pm. 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: Acting City Manager Brad Vath, Finance Director John Green, Utilities Director Christy Butera, Law Director David Caldwell, Police Chief Eric Burris, Fire Chief Steve Kessler, Facilities/IT Supervisor Doug Arnold and Clerk of Council Janice Bates. Reporters Nancy Bowman and Cecilia Fox were also in attendance.

Others in attendance included Mike Jackson, Karen Jackson, Anne Johnson-Oliss, Pat Langley, Mark Locke and Mike McFarland.

**Electric Service Building**

Utilities Director Butera reviewed the attached PowerPoint with Council regarding the Electric Utility Center. In 2013, \$2,625,000 was budgeted for purchase of building and construction. Property was purchased for \$600,000. In 2014 the preliminary estimates from John Poe Architects is \$2,631,776 + and additional \$177,481 for a culvert for access to the Service Center for a grand total of \$2,809,257.

Ms. Butera added there are cost cutting options, but very few are cost effective or practical. Ms. Butera continued there is currently an \$800,000 shortfall and staff is seeking Council direction. Mr. Vath added, November will be the perfect time to bid this project and if we wait until next spring, we lose prime bidding. Mr. Vath stated much of the \$177,481 is the cost of the culvert, which is an Electric Fund expense. President Gibson inquired if additional costs are associated with moving the existing loading dock from the front to the rear of the building. Ms. Butera replied, "Costs are predominately site work and paving". Mr. McDermott inquired the status of the existing concrete in the building. Ms. Butera replied the concrete in the office area is cracked, but it is ok in the warehouse. Ms. Berbach suggested Council retain the existing dock and eliminate the build-out of the women's locker room at this time since there currently is not a female working in the Electric Department. President Gibson stated this project will be \$1 million dollars over budget when all is said and done. Ms. Butera replied all

specialized fields such as HVAC and plumbing are now included in this estimate. Mr. McDermott inquired the number of employees in the Electric Department. Ms. Butera replied there are 12 employees plus storage of equipment. Mr. McDermott inquired if there is currently a locker room for the employees. Mr. Vath replied there is. Mr. Owen added "It is horrible". Mr. Vath added, staff can hold the architectural firm accountable since they are so far from the original estimate. Mr. Kessler added the original estimate didn't include the culvert and asphalt. Mr. Vath added staff wanted to maintain the integrity of the neighborhood by reducing the number of large vehicles travelling through each day thus the need for the culvert. Mr. Mike McFarland inquired why the outer shell of the building needs to be removed and replaced. Mr. Vath replied there is rust and damage. President Gibson inquired if staff needed an answer by Council this evening. Ms. Butera replied it is not necessary and could wait until the budget meeting. Mayor Hale stated he would prefer waiting on the addition of the culvert. Ms. Butera replied the culvert could be a bid alternate. Mr. Vath stated staff will share the financial aspects (10 year projections) at the next Work Session in 2 weeks.

**Adjournment**

Meeting adjourned at 7:45 pm.

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Joseph Gibson, President of Council

Attest: \_\_\_\_\_  
Janice Bates, Clerk of Council

**TIPP CITY COUNCIL MEETING**

**TIPP CITY, MIAMI COUNTY, OHIO**

**August 4, 2014**

**Council Meeting**

City Staff in attendance include: Acting City Manager Brad Vath, Law Director David Caldwell, Finance Director John Green, Utilities Director Christy Butera, Police Chief Eric Burris, Fire Chief Steve Kessler, Facilities/IT Supervisor Doug Arnold and Clerk of Council Janice Bates.

Guests signing the register include: Joe Bagi, Anne Johnson-Oliss, Pat Langley, Karen Jackson, Mike Jackson, Mark Locke, Mike McFarland, Joey Flora, Mitchell Poynter, Heather Dorsten and Simon Patry. Reporters Nancy Bowman and Cecilia Fox were also in attendance.

**Invocation and Pledge of Allegiance**

Mayor Hale gave the Prayer for Guidance. President Gibson led the Pledge of Allegiance.

**Minutes**  
7/21/14 Council Meeting

Ms. Berbach moved to approve the minutes of the July 21, 2014 Council Meeting. Mr. McDermott seconded. Motion passed 7-0.

**Presentations, Proclamations, & Awards**

Ms. Heather Dorsten provided Council with a quarterly update from the Downtown Tipp City Partnership.

**Ordinances**  
**(2<sup>nd</sup> Reading)**

Approving the final plan/plat for the Cedar Grove Subdivision

An ordinance approving the final plan/plat for Cedar Grove PR Subdivision, Section 1.

City Manager Comments: This ordinance would approve the +/- 15.731 acre, 44 lot, residential subdivision for Cedar Grove. This property is zoned Planned Residential (PR) and was recommended for approval by the Planning Board back in August of 2013. The Construction Agreement for the off-site extensions/added depth of the sanitary sewer were approved previously by motion at the April 21<sup>st</sup>, 2014 meeting. There is also "oversizing" granted in this agreement to add additional depth to allow for sanitary sewer service to properties south of the Eidemiller property.

President Gibson inquired the number of new houses that this ultimately results in. Mr. Vath replied the project itself encompassing several different phases would be 117 single family lots/units and 68 quad style units. Mr. Kessler sponsored the ordinance and moved for its adoption. President Gibson called for a second. There was no response. President Gibson once again called for a second. Again, there was no response. President Gibson stated "Seeing there is no second that would appear that the proposed ordinance dies for lack of a second". Law Director Caldwell replied, "That is the proper procedure, yes". Motion died for a lack of second.

**Ordinances**  
**(1<sup>st</sup> Reading)**

Modifying Code Section §52.02(F) – Sewer Rates and Charges

An ordinance modifying Code Section §52.02(F) of the Tipp City, Ohio Code of Ordinances regarding Sewer Rates and Charges. Item was tabled from the July 21, 2014 City Council Meeting.

City Manager Comments: During the July 21<sup>st</sup> meeting Council tabled the amendment, and subsequently the ordinance was redrafted per Council's direction to maintain the current 17,000 summer sewer credit program

(residential only) and add the provision for the 2<sup>nd</sup> meter option (residents & businesses). The ordinance's effective date was modified to tie to the billing date of January 10, 2015, and a clarification was made so that deduct (residential) lawn watering meters would NOT be charged a "minimum bill" which is currently 3,000 gallons/month. Since these are substantial changes, the ordinance is back before Council as a first reading.

Mr. Kessler sponsored the ordinance.

Amending 2014  
Appropriations -  
Emergency

An ordinance amending 2014 appropriations, authorizing an advance of funds from the General Fund to the Capital Improvement Fund, modifying the Annual Operating Budget as a result of this action, and declaring an Emergency.

City Manager Comments: This ordinance would appropriate monies to address two storm related issues being: 1) the North Fourth Street Culvert replacement, and 2) replacing hail damaged air conditioning units on the Police Department and Government Center roofs. As part of that, the General Fund is increased by \$100,000. Capital Improvement reserve fund by \$160,000 and an OPWC grant in the amount of \$271,800 for a total of \$531,800. This Ordinance is being declared an emergency so the City can immediately sign a contract for the repair of North 4<sup>th</sup> Street culvert replacement, and commence with the air conditioning unit replacement project. Being and emergency ordinance five affirmative votes is required for passage.

Mayor Hale sponsored the ordinance and moved for its adoption. Ms. Berbach seconded. Motion passed 7-0. Ordinance 16-14 was declared adopted and President Gibson affixed his signature in witness thereto.

Amending 2014  
Appropriations

An ordinance amending 2014 appropriations and modifying the Annual Operating Budget as a result of this action.

City Manager Comments: This ordinance would appropriate monies for several unanticipated expenses. In the contractor's maintenance fund would appropriate \$1.25 million dollars relating to the Cedar Grove subdivision cash surety that was posted for the City to reimburse the surety this appropriation is necessary since they did provide cash and it was not included within the original appropriations. Also within the General Fund, unanticipated electric & natural gas costs for the city's buildings were higher than anticipated requiring an additional \$27,500 and \$18,000 in the Water Fund. The City's cost to purchase power was higher also due to the unusually cold winter at a cost of \$580,000. The grand total for this ordinance is \$1,650,500.

Mr. Kessler sponsored the ordinance.

**Resolutions**  
Tom's Construction – 4<sup>th</sup>  
Street Culvert Repairs

A resolution authorizing the City Manager to enter into a contract with Tom's Construction Inc. of St. Henry, Ohio for the Fourth Street Culvert Replacement project at a cost of \$318,749.

City Manager Comments: This emergency reconstruction project is proposed to be awarded to Tom's Construction of St. Henry, Ohio for the installation of a 9' by 7' concrete box culvert, headwalls and roadway repairs. The design engineer, Choice One Engineering, on behalf of the City solicited

proposals for this project. Six contractors were contacted and three proposals were submitted. Tom's was the lowest and best proposal provided. In accordance with Ohio Revised Code 735.051, the competitive bidding process was not used to solicit proposals. Due to the long lead time of the manufacture of the concrete box culvert, construction is anticipated to start until mid-October and should be completed by the end of November. Using the EMERGENCY provisions of the Ohio Revised Code, the City was able to save literally months of time that would have otherwise been required to retain a design firm and competitively bid the project. As previously noted, the City has received a \$271,800 Ohio Public Works Commission EMERGENCY infrastructure grant to help with the costs of this project.

Mr. McDermott sponsored the resolution and moved for its adoption. Ms. Berbach seconded. Mr. McDermott thanked Mr. Vath in working with the contractor. Mr. Vath stated he appreciated the comments, adding Choice One Engineering did all of the "leg work" on this. Mr. Vath stated he will certainly pass along the appreciation. Mr. Kessler inquired if there could be a temporary pedestrian crossing especially with the Mum Festival next month. Mr. Vath stated staff would look into that possibility as well as any liability issues that might be presented. Motion passed 7-0. Resolution 39-14 was declared adopted and President Gibson affixed his signature in witness thereto.

**Motions**

There were none.

**Miscellaneous**

There were none.

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

Karen Jackson of 720 Columbine Court approached the podium. Ms. Jackson read a prepared statement to Council. Ms. Jackson also provided a copy of her statement to all members of Council as well as the City Manager, Law Director and Clerk. Ms. Jackson stated her objections continue to be finding a fair solution to an unfair fee structure for sewer usage. A solution which will be equitable for all residents of Tipp City. Ms. Jackson continued, "I do not think the ordinance currently before Council meets that goal. I found the City's policy regarding municipal utilities in the introduction states the following. This is 50.01 – City policy regarding municipal utilities. *It is hereby declared to be the policy of the City to make available the products and services of its municipal utilities to all residents and tax payers of the City in accordance of such rates, rules, regulations and other terms and conditions of service as are now or may hereafter be adopted by the City at reasonable rates and without undue discrimination taking into account customer situation, classification, usage and other appropriate factors.* The current rate structure is not reasonable and does not take into consideration customer usage. I have tried to determine reason why any Council member would be determined to keep the 17,000 gallon limit on sewer fees during the summer. When that number has no known reason for existing and no one has been able to verify that number for me. In your own staff's survey of summer sewer credit in other cities, found that no other governmental jurisdiction in Ohio uses anything but an average usage number in some way as the basis for summer sewer credit. The only reason I can imagine is the fear of being criticized by voters for having to raise sewer rates, if that should become necessary." Ms. Jackson encouraged Council to take a closer look at staff's figures.

Anne Oliss of 710 Columbine Court approached the podium. Ms. Oliss stated during the last Council meeting of July 21, 2014, President Gibson stated he was curious to learn the responses of the questions the residents had raised. Ms. Oliss stated she was curious as to whether those answers would be provided and if not, why not. "We had two pages of questions about rates and the charges around the second meter and we have not seen those answers yet". Ms. Oliss continued on the subject of the sewer rate, it bears repeating that citizens are being charged for services they are not receiving. If such a scenario were to occur in our professional lives, or personal lives, it would be completely unacceptable. Understanding that sewer infrastructure costs exists whether 5 gallons or 5 million gallons are used. Reasonable assumptions, predictions and calculations would inform our decisions and prevent overcharging. An accountant who overcharges clients can lose his or her license. Attorneys have parameters and guidelines for reasonable fees and in fact are prohibited from collecting clearly excessive fees. Businesses with excessive fees or pricing schedules do not survive the free market in which customers have choice." Ms. Oliss continued, "I stand here a little surprised that there isn't more righteous indignation that previously imposed charges and practices were unfair since about 1988. Now that we have increased understanding of the situation, our only recourse is to bring this issue to Council and in hopes that our representatives will seek data, use logic and develop an understanding of the issues and possible solutions".

Ms. Karen Jackson re-approached the podium. Ms. Jackson continued she understands the fear with voters. I'm thinking that fear was overwhelming and you (Council) didn't break it down. It is very little change if there is a change. We are not talking about doubling people's fees, but merely cents.

Mayor Hale stated he is not afraid of raising sewer rates. Originally the issue was to figure out the best way to give the people who irrigate their lawns a second meter which was what my impression was a lot of you wanted to have. This was a means to determine where your water was going and breaking down those fees more logically. If 17,000 gallons is an arbitrary figure, then we can take care of the second meter issue with this ordinance and then Council can have other discussions about lowering the gallon rate down to whatever figure we determine is the best and fairest. At the same point, when you lower that figure down, there will have to be an increase of some type of sewer rate fee to balance that out. Mr. Owen stated he agreed with Mayor Hale. Adding he too is not afraid to raise rates if it is going to be the right thing, especially if we are talking cents. Mr. Owen continued, "I think the extra meter option will not be utilized. I think it will be something that we can put on the table to see if people are going to actually access that. I think the cost is going to be high and I will not be surprised if we get half dozen to a dozen people to change over to the meter. The only way we will find out is if we implement this." Mr. Owen stated he would like to see some numbers "crunched" on bringing the usage numbers down to 10,000 plateau. President Gibson stated this is the first reading and the public hearing will be at the next meeting which will be the third Monday in August. At that public hearing, changes can be made to legislation that has been proposed in the first reading. President Gibson sought clarification from the Law Director, the type of change giving the people the choice of the meter and the number of 17,000 that was removed from the first legislation has been put back in so

the consumers have a choice. If Council were to change that number to 10,000 or 8,000 gallon figures that are being discussed, would that be enough to change the substance or merits of the legislation such that we would need to bring it back again? Mr. Caldwell replied that President Gibson was correct since the matter had been discussed at tonight's meeting. Mr. Caldwell continued it can come back "as amended" if necessary. We would not be changing the substance of the ordinance like we did last time. President Gibson stated he would propose this at the next meeting and barring something causing his absence he would seriously consider those two numbers.

Pat Langley of 735 Baneberry Court approached the podium. Mr. Langley stated another change to the current proposed ordinance includes businesses. Mr. Langley stated he had not heard rationale regarding the 17,000 gallons figure or why suddenly we are including businesses. Mr. Langley continued, "None of the figure we have seen or that the staff put together included businesses. The analysis thus far doesn't mean anything because the number wasn't included. So we have no rationale for 17,000 and we have no rationale for adding businesses. I would like to know why we are having an ordinance being proposed when nobody knows why the language is in the ordinance". Mr. Vath addressed the question posed by Mr. Langley. Businesses are currently allowed to have a second meter. That is the only means that they get a lawn watering system. The ordinance is merely clarifying the existing practices that have been in place over twenty years regarding business customers and residential customers. It is a clarification of an existing policy and practice that has been going on for many years. Mr. Langley inquired if businesses were also required for the 17,000 gallon limit. Mr. Vath replied they are. Finance Director John Green stated business customers will not receive the same benefit as residential customers. This ordinance clarifies how the second meter is handled for businesses. Mr. Langley asked for a copy of the revised ordinance.

Anne Oliss re-approached the podium. Ms. Oliss stated she was curious as to whether or not the residents would be receiving their questions answered from the last meeting and will there be access to those answers. President Gibson stated he will call on staff to do so.

Mayor Hale stated in order for alternate figures to be amended upon at the second reading, Council needs definitive numbers from staff concerning the specific rates of what they really will be based on different gallons. Mayor Hale continued he doesn't want to arbitrarily pick another number per gallon figure. "I want to have something firm that we can use to make a sound judgment out of". Mr. Vath stated once Council picks the figure, staff can provide the rates. Mayor Hale requested a chart depicting the information. Mr. Vath stated this information can be provided.

**Councilmember  
Comments**

Ms. Gillis had nothing additional.

Mr. Owen encouraged everyone to go to the pool before the end of the season. Mr. Owen inquired the last day the pool would be open for the 2014 season. Mr. Vath replied, the pool will close in approximately two weeks.

Ms. Berbach urged everyone to drive safely in Kyle Park with soccer season in full swing. The wee devils first game will be on August 11<sup>th</sup>.

Mr. Kessler had nothing additional.

Mr. McDermott gave accolades to Community Services for all of the camps and summer activities they do for the community. Mr. McDermott also thanked all of the volunteers who help make that program successful. Mr. McDermott also thanked Heather Dorsten from the Downtown Tipp City Partnership for her presentation.

Mayor Hale once again thanked Mr. Vath for his work on getting North 4<sup>th</sup> Street repaired. Mayor Hale also thanked Ohio Public Works for providing the City the emergency grant to assist in the majority of the costs of this repair. Mayor Hale also thanked the residents who continue to attend Council meetings and discuss their summer sewer rate concerns. Mayor Hale also updated everyone on his recent trip to Washington DC for the American Public Power Association policy makers' council.

President Gibson stated it is only a month away from the Mum Festival. This is Tipp City's opportunity to be showcased. It is not too late to provide sponsorship. The Boy Scouts will be out doing the painting of the mums in certain key areas. The festival is scheduled the last weekend in September. President Gibson encouraged interested parties to consult the official Tipp City Mum Festival website for additional information. Soon after the Mum Festival will be HarvestFest. Sponsorships and volunteers for this event is welcome as well. There is still plenty to do in Tipp City; including Community Nights and the pool is still open for a few more weeks. President Gibson encouraged everyone to take advantage of everything Tipp City has to offer. President Gibson thanked staff and everyone associated with the 4<sup>th</sup> Street project. President Gibson thanked Ms. Butera for all of her updates with regard to the facility. President Gibson added "It is a tough job being riddle with questions in the study session, but we appreciate all of the information you provide, so thank you for that." President Gibson reminded everyone these proceedings have been recorded and will be rebroadcast on the local cable access station. In this area it is Time Warner Cable Channel 5. You can also log onto [www.kittv.org](http://www.kittv.org) and download videos of this City Council meeting, Monroe Township Trustee, School Board and other local events at your computer any time of the day.

**City Manager  
Comments**

Mr. Vath announced the Miami County Engineer has closed CR25A just north of Shoop Road. They will be replacing a culvert. The road will be closed today – Wednesday of this week.

Mr. Vath also informed everyone Council will be holding their every two year goal setting session on August 7<sup>th</sup> at 8:00 am at Edison State Community College room 057. Clerk Janice will be sending out public meeting notices.

Mr. Vath also discussed the health insurance renewal. Mr. Vath thanked Finance Director Green and his team for doing an excellent job of informing our employees about the different options that are available as far as health insurance plans. This year, we had 15 additional employees switch from the traditional PPO plan to a HSA plan. This means the employees are

taking more of a “buy-in” regarding their health insurance and taking more ownership of their physical well-being. Mr. Vath also thanked Chief Burris for working with his officers on this as well. Mr. Vath added this is a very positive turn of events and is very cost effective for the employees and the City.

**Adjournment**

Mr. Kessler moved to adjourn. Ms. Berbach seconded. Motion carried.

Meeting adjourned at 8:51 pm.

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Joseph Gibson, President of Council

Attest: \_\_\_\_\_  
Janice Bates, Clerk of Council

