AGENDA
PIQUA CITY COMMISSION
MONDAY, JUNE 15, 2009
7:30 P.M.
201 WEST WATER STREET
PIQUA, OHIO 45356

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

REGULAR CITY COMMISSION MEETING

1.	**APPROVAL OF MINUTES**	Approval of the minutes from the June 1, 2009 Regular City Commission Meeting and the June 3, 2009 Piqua City Commission Work Session
2.	**ORD. NO. 6-09**	An Ordinance amending Section 33.15 (B) relating to Police and Fire Supervisors
3.	**ORD. NO. 7-09**	An Ordinance levying a five-dollar municipal tax on motor vehicle licenses
4.	**RES. NO. R-49-09**	A Resolution of Appreciation for the Public Service of James M. Burton as a City Employee
5.	**RES. NO. R-50-09**	A Resolution fixing the time and place for a Public Hearing on the proposed City Tax budget for Miami County for the calendar year 2010 and draft Appropriation Ordinance
6.	**RES. NO. R-51-09**	A Resolution authorizing the City Manager to execute a Memorandum of Understanding with Local Union 252, International Association of Firefighters, AFL-CIO-CLC (Fire Officers)
7.	**RES. NO. R-52-09**	A Resolution of Necessity to make a public improvement by special assessments for the Riverside Drive – Phase I reconstruction project
8.	**RES. NO. R-53-09**	A Resolution authorizing and directing the City Manager to execute a lease operating agreement with Hartzell Propeller, Inc. for the operation of Hartzell Field Airport

OTHER:

- Memorandum to City Commission – Community Diversity Committee
- Memorandum to City Commission – City of Troy, Water Purchase

ADJOURN

MINUTES
PIQUA CITY COMMISSION
JUNE 1, 2009
7:30 P.M.

Piqua City Commission met at 7:30 P.M. in the Municipal Government Complex Commission Chambers located at 201 W. Water Street. Mayor Hudson called the meeting to order. Also present were Commissioners Martin, Vogt, Fess, and Terry. Absent: None.

PROCLAMATION - Recognition of the Birthday of the U.S. Army – Army Representative

Staff Sergeant Joshua Tucker, local Army Recruiter accepted the Proclamation.

REGULAR CITY COMMISSION MEETING

APPROVAL OF MINUTES

Moved by Commissioner Terry, seconded by Commissioner Fess, that the minutes of the May 18, 2009 Regular City Commission Meeting be approved. Voice vote, Aye: Terry, Vogt, Martin, Hudson, and Fess. Nay: None. Motion carried unanimously.

RES. NO. R-44-09

A Resolution awarding a contract for the purchase of a Mini-Digger Derrick for the Power System

Ed Krieger, Power Plant Director presented a five-minute video illustrating the use and versatility of the Mini-Digger Derrick. The Mini-Digger Derrick was shown in an area off State Route 66 being utilized bringing a new pole into an area and setting it, moving and hanging a transformer on a pole, and the use of the bucket attachment that allows workers to work on transformers on the poles. The Mini-Digger Derrick will make it much easier to get into some of the smaller backyards and areas that are not accessible with the bucket trucks now. This piece of equipment is capable of getting through a thirty-six inch gate and into any backyard in Piqua, said Mr. Krieger.

There was discussion on various aspects of the uses of the Mini-Digger Derrick, the number of bids that were received, and the cost of the Mini-Digger Derrick versus the cost of rental of a similar machine over the years. City Manager Enderle stated this expense was part of the ten-year capital plan, and was a planned expenditure in the budget.

Public Comment

No one came forward to speak for or against Resolution No. 44-09.

Moved by Commissioner Fess, seconded by Commissioner Vogt, that Resolution No. R-44-09 be adopted. Roll call, Aye: Hudson, Fess, Vogt, Martin, and Terry. Nay: None. Motion carried unanimously. Mayor Hudson then declared Resolution No. R-44-09 adopted.

RES. NO. 45-09

A Resolution approving the fiscal year 2009 Formula Allocation program application

Bill Lutz, Community Development Director gave a brief overview of the program and what the funds were to be used for. The grant money will be used to rehabilitate the Mote Park facilities, which include boiler system replacement, kitchen and restroom improvements, window and door replacements, and city administrative reimbursement, and the Fair Housing Program. By utilizing these funds for the improvements at Mote Park, it will free up money to work on some of the other parks, said Mr. Enderle. Mr. Lutz further stated the funds applied for are over and above the annual allocation the city normally receives, and explained why the funds were applied for at this time.

Public Comment

No one came forward to speak for or against Resolution No. R-45-09.

Moved by Commissioner Vogt, seconded by Commissioner Terry, that Resolution No. R-45-09 be adopted. Voice vote, Aye: Fess, Martin, Terry, Vogt and Hudson. Nay: None. Motion carried unanimously. Mayor Hudson then declared Resolution No. R-45-09 adopted.

RES. No. R-46-09

A Resolution authorizing the City Manager to enter into a Lease Agreement to permit the usage of a portion of Fountain Park, Hardman Field and Hance Pavilion to the Piqua Fourth of July Association

Public Comment

No one came forward to speak for or against Resolution No. R-46-09.

Moved by Commissioner Terry, seconded by Commissioner Martin, that Resolution No. R-46-09 be adopted. Voice vote, Aye: Hudson, Vogt, Martin, Fess, and Terry. Nay. None. Motion carried unanimously. Mayor Hudson declared Resolution No. R-46-09 adopted.

RES. NO. R-47-09

A Resolution awarding a contract for the Riverside Drive – Phase 1 Reconstruction Project to Star-Ex, Inc.

City Manager Enderle stated this contract was awarded to Star Ex, Inc. after receiving ten bids. City Engineer Amy Havenar gave a brief overview of the application for the $400,000 Issue 2 funds requested from the Ohio Public Works Commission for this project. The project will include the installation of new storm sewer, sanitary sewer, fire hydrants, curb and gutter, sidewalk, and new asphalt roadway surface. The project is scheduled to begin June 15, 2009 and should be completed by the end of December 2009, said Ms. Havenar.

Public Comment

No one came forward to speak for or against Resolution No. R-47-09.

Moved by Commissioner Fess, seconded by Commissioner Vogt, that Resolution No. R-47-09 be adopted. Roll call, Aye: Vogt, Martin, Terry, Hudson, and Fess. Nay, None. Motion carried unanimously. Mayor Hudson then declared Resolution No. R-47-09 adopted.

RES. NO. R-48-09

A Resolution authorizing the City Manager to enter into an agreement with the Miami County Board of Commissioners for the bidding and construction phase of the Fletcher Sanitary Sewer Project

Amy Havenar, City Engineer stated the agreement includes specific details regarding the size of the gravity sewer main, the length of the gravity sewer construction, reimbursement requirements, and further explained how the contract will be divided and bid out.

There was discussion of the funding, who will be biding out the contract and when, the location of the sewer main, problems that may arise when digging, the up sizing of the sewer main, and the cost for upsizing of the mains.

Public Comment

No one came forward to speak for or against Resolution No. R-48-09.

Moved by Commissioner Terry, seconded by Commissioner Vogt, that Resolution No. 48-09 be adopted. Roll call, Aye: Hudson, Terry, Martin, Fess, Vogt, and Hudson. Nay: None. Motion carried unanimously. Mayor Hudson then declared Resolution No. R-48-09 adopted.

Other

Monthly Reports – April 2009

Monthly Reports for April 2009 were accepted.

Public Comment

Luke Bolin, Ann Street, stated the alley behind the old Smith Greenhouse on Broadway is almost completely blocked with brush, and asked if someone would look into it. City Manager Enderle stated he is working on an alley plan at this time, and will check on the alley in question.

Roy Howard, Spiker Road, stated there is a large hole at the south entrance to East Street off of South Main Street, and asked if someone would look into it. City Manager Enderle stated he would look into it.

Commissioner Vogt stated the Memorial Day Parade and the dedication of the Memorial Highway section in honor of Samuel Pearson were both very nice and well attended. The properties along the parade route seemed to be very well maintained, better then they have looked in the last few years, said Commissioner Vogt.

Commissioner Vogt congratulated the Power Plant, MainStreet Piqua, Lorna Swisher, Cindy Holtzapple, and the Finance Department on their recent awards. We certainly have a lot of award wining positive things happening in Piqua, said Commissioner Vogt.

Commissioner Vogt stated he feels there is too much negativity in the City of Piqua and wants citizens to recognize all the good things that happen in the city, such as the recent awards received. Commissioner Vogt would like citizens to promote the positive happenings, and not focus on the negative things, stating there are a lot more positive than negative things happening in Piqua, they just don't get as much attention.

Commissioner Martin mentioned he has received several emails concerning lawns in need of mowing, and stated citizens should if possible get on line to the City Web page on the E-Gov section of the City page and leave the information, or contact the Health Department or the City Manager's office.

Commissioner Fess asked that citizens be more positive about things happening in Piqua, and to promote Piqua in a more positive way. Piqua has a lot of positive things to offer, said Commissioner Fess.

Commissioner Fess stated she received a telephone call from Mrs. Smith on Washington Pike concerning the weeds behind her home not being completely mowed, and asked what the status is on getting the weeds taken care of properly.

Commissioner Fess asked if someone could explain the on Demand Electric Charges on Commercial customers. Ed Krieger, Power Plant Superintendent gave a brief explanation on the Electric Demand Charges to the Commercial customers.

Commissioner Fess stated she received several complaints about the Ohio Action Committee group that is going door to door. City Manager Enderle gave a brief overview of what the Ohio Action Committee is asking for, and what citizens should do when contacted by the group.

Commissioner Terry announced the next Northparks Neighborhood Association meeting is scheduled for June 11 at 7:00 P.M. at Das Park and invited all to attend.

Commissioner Terry also wished the Army a Happy Birthday, stating she feels we the have the best Army in the world, and we are very fortunate it is an all-volunteer Army.

Commissioner Terry thanked Bruce Hogston and the Memorial Day Association committee for a wonderful Memorial Day Parade this year.

City Manager Enderle stated there are still several Board seats available, two openings on the Golf Board, and one opening on the Energy Board. Citizens can apply for these openings either on the web page or at the City Manager's office.

City Manager Enderle announced the Piqua City Commission will hold a City Commission Work Session on June 3rd, 2009 at 4:00 P.M. in the Commission Chambers concerning the Ash Street Reconstruction Project, and the Raw Water Study, the public is invited. Also there will be a Public Meeting held on June 11, 2009 at 5:00 P.M. in the Commission Chambers to discuss the Raw Water Engineering Study.

Mayor Hudson inquired as to the status of the homes purchased by the city on Ash Street that are scheduled to be razed sometime in the future. City Manger Enderle gave a brief overview of the process for the demolition of the houses in question. Mayor Hudson also inquired as to the status of the old hospital property on Park Avenue. City Manager Enderle gave a brief rundown on the progress that has been made so far, and stated they are moving along as the plan states.

Mayor Hudson stated he attended a very nice wedding reception at the Piqua Plaza Ballroom with Toon P. Wiggins catering the event. Mayor Hudson stated he was told the facility has been booked every weekend for the rest of the year.

Commissioner Vogt stated he has been getting very positive comments on the Piqua Plaza.

Mayor Hudson stated the dedication for the newest segment of the Great Miami River Recreational Trail will be dedicated on Friday, June 5, 2009 at 10:00 A.M. at Lock Nine Park and invited citizens to attend.

Mayor Hudson mentioned the absence of the trees in the boulevard along Nicklin Avenue and asked when the new plantings will begin. City Manager Enderle gave a brief overview of the timetable for the tree plantings.

Mayor Hudson thanked Bruce Hogston and all the volunteers for another wonderful Memorial Day Parade in the City of Piqua.

Moved by Commissioner Vogt, seconded by Commissioner Martin, to adjourn from the Piqua City Commission at 8:45 P.M. Voice vote, Aye: Vogt, Martin, Hudson, Terry, and Fess. Nay: None. Motion carried unanimously.

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THOMAS D. HUDSON, MAYOR

PASSED: ________________________

ATTEST: ________________________
REBECCA J. COOL
CLERK OF COMMISSION

MINUTES
PIQUA CITY COMMISSION WORK SESSION
June 3, 2009
4:00 P.M.
201 WEST WATER STREET
PIQUA, OHIO 45356

Piqua City Commission met in a Special Work Session in the Commission Chambers in the Municipal Government Complex, 201 W. Water Street for a work session. Mayor Hudson called the meeting to order at 4:00 P.M. Also present were Commissioners Martin, Terry, Fess, and Vogt. Absent: None. Also in attendance: City Manager Fred Enderle, City Engineer Amy Havenar, Finance Director Cynthia Holtzapple, Water Plant Superintendent Ron Klima, and Assistant Water Plant Superintendent Todd Brandenburg. Also present were Kara Allison and Hugh Crowell of Hull & Associates.

Purpose of the Special Meeting is to discuss The East Ash Street Reconstruction Project and the Raw Water Engineering Study – Hugh Crowell of Hull & Associates Inc, Amy Havenar and Todd Brandenburg.

East Ash Street Reconstruction

City Manager Fred Enderle gave a brief explanation of the Ash Street Reconstruction Project.

There was discussion of a boulevard being in the design of the Ash Street reconstruction, with several of the Commissioners receiving telephone calls and emails from citizens that are not in favor of the boulevard. It was also stated the boulevard could possibly restrict business traffic on Ash Street. There was concern over emergency vehicles getting through and around the reconstruction area, the placement of third lane and where it would begin, and the number of houses that are scheduled to taken down for the project.

Ed Watkins, Ash Street, voiced his concern over the state of some of the properties along Ash Street. He feels with the addition of the new street they need to enforce the property maintenance codes a little better.

City Engineer Amy Havenar answered questions, and stated the reconstruction project is slated to begin late summer or early fall of 2011.

Chuck Starrett, Demming Road, asked if this was the final phase of the project? City Manager Enderle stated yes, this is the final phase of the project.

Commissioner Vogt stated the Commission appreciates the resident's input on the proposed project, and thanked the residents for attending the meeting.

Raw Water Engineering Study

Senior Project Manager Hugh Crowell of Hull & Associates presented a brief power point presentation on the results of the Raw Water Study. The presentation included: Aesthetics, Waterweed Growth, Lake Shallowing, and Raw Water Quality. Mr. Crowell explained each of the various areas and how they are affected. (See copy of power point enclosed)

There was discussion of the short-term and long-term options available, and several questions were asked regarding the various options. Commissioner Fess asked if someone could explain what a "watershed" is, how the Community Advisory Board members would be chosen, and would it be a city board. Mr. Crowell explained what a watershed is, and how it relates to the process.

Kara Allison of Hull and Associates explained the need for a Community Advisory Board, and who should sit on the board. The Community Advisory Board would not be a city board, it would be a volunteer board with a member of the Soil Conservation District also setting on the board as an advisor, said Ms. Allison. Discussion took place regarding the need for a coordinator, and if grants were available to help defray some of the costs.

There was discussion on the use of milfoil weevil's to help control aquatic vegetation. Mr. Crowell explained how the weevils would be introduced into the water, and what part they would play in helping to control the aquatic vegetation in the ponds. Sediment was also discussed as being a real problem in the waterways, and what can be done to control it.

Finance Director Cindy Holtzapple explained the next step in the process of reviewing the Raw Water Study, and stated a "Public Meeting" is set for June 11, 2009 at 5:00 P.M. to be held in the Piqua City Commission Chambers.

Mrs. Havenar introduced Linda Raterman, Information/Public Relations Specialist, and Aaron Heilers, Drainage Tech from the Miami Soil & Water Conservation District. Ms. Raterman explained some of the low cost alternatives available. Mr. Heilers explained several programs that are available to the City of Piqua including stabilization.

Mayor Hudson thanked everyone for attending and encourage citizens to attend the next Public Meeting on June 11, 2009 in the Commission Chambers at 5:00 P.M.

Finance Director Holtzapple stated letters will be sent out to all who attended the last two public meetings on the Raw Water Study, and information will be available on the website.

Commissioner Fess thanked Hull and Associates for all the information they provided, stating it was very informative and very much appreciated.

Mayor Hudson stated this is a very exciting project for Piqua, and will make our town much better place to live.

Mayor Hudson thanked everyone for attending the meeting.

Moved by Commissioner Vogt, seconded by Commissioner Martin, to adjourn from the Piqua City Commission Work Session at 5:20 P.M. Voice vote, Aye: Martin, Fess, Terry, Hudson and Vogt. Motion carried unanimously.

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THOMAS D. HUDSON, MAYOR

PASSED: ________________________

ATTEST: ________________________
REBECCA J. COOL
CLERK OF COMMISSION

ORDINANCE NO. 6-09

AN ORDINANCE AMENDING SECTION 33.15(B) RELATING TO POLICE AND FIRE SUPERVISORS

WHEREAS, the City Manager and Local Union 252, International Association of Firefighters, AFL-CIO-CLC (Fire Officers) have discussed the reorganization of the rank structure in the Fire Department; and

WHEREAS, the Fire Officers understand the need for and have agreed to this reorganization with regard to restructuring and benefits; and

WHEREAS, for consistency of restructuring and benefits within the ranks, the City Manager does not object to the inclusion of the Sr. Most Assistant Fire Chief (who is currently excluded from the bargaining unit) in the bargaining unit

NOW, THEREFORE, BE IT ORDAINED by the Commission of the City of Piqua, Miami County, Ohio, the majority of all members elected thereto concurring, that:

SECTION 1. Section 33.15(B) of the Piqua City Code is hereby amended to read as follows (with deletions lined out and additions underlined):

§ 33.15 POLICE AND FIRE SUPERVISORS.

(A) The Chief of Police, Deputy Police Chiefs, and Police Lieutenants are supervisory and management employees covered by Schedule A. Police Lieutenants shall have the benefits provided by the Police Lieutenants "Letter of Understanding" as approved by the City Manager. Deputy Police Chiefs and the Chief of Police shall have the benefits provided by the Deputy Police Chiefs "Letter of Understanding" as approved by the City Manager. Deputy Police Chiefs and the Chief of Police shall not be paid overtime.

(B) The Fire Chief ~~and Most Senior Assistant Fire Chief are~~ **is a** supervisory and management employees covered by Schedule A, Assistant Fire Chiefs and the Fire Chief shall not be paid overtime **except has approved in a memorandum of understanding or collective bargaining agreement**.

(C) Due to the unique operations of the Police and Fire Departments, the Chief of Police and Fire Chief, with the prior approval of the City Manager, are authorized and directed to formulate and adopt such personnel regulations and procedures as each Chief deems appropriate in the exercise of sound discretion to control the detailed term's and conditions of employment of employees in the Police and Fire Departments. The policies and procedures adopted pursuant to this section shall not be inconsistent with the terms and conditions of employment of such employees established by the Charter, the ordinances of the city, applicable collective bargaining agreements and other applicable law.

SECTION 2. All remaining sections of the Piqua Code Section 33.15 not amended herein shall remain in full force and effect.

SECTION 3. This ordinance shall take effect and be in force from and after the earliest period allowed by law.

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LUCINDA L. FESS, MAYOR

PASSED: ______________________________

ATTEST: ______________________________
REBECCA J. COOL
CLERK OF COMMISSION

ORDINANCE NO. 7-09

AN ORDINANCE LEVYING A FIVE DOLLAR MUNICIPAL TAX ON MOTOR VEHICLE LICENSES

WHEREAS, Amended Substitute House Bill No. 419, which became effective on July 1, 1987, permits municipalities and other local governments to levy a five dollar tax on motor vehicles registered by citizens of such municipalities; and

WHEREAS, said tax would be used solely for street purposes as defined in Ohio Revised Code Section 4504.06; and

WHEREAS, public comments and work sessions were held throughout the Long Range Financial planning process on such dates as September 8, 2008, October 6, 2008, October 20, 2008, October 28, 2008 and November 3, 2008; and

WHEREAS, the motor vehicle license tax was included in the Long Range Financial Plan as adopted by Resolution No. R-115-08 on November 3, 2008; and

NOW, THEREFORE, BE IT ORDAINED by the Commission of the City of Piqua, Miami County, Ohio, the majority of all members elected thereto concurring, that:

SEC. 1: There is hereby levied an annual license tax upon the operation of motor vehicles on the public roads or highways pursuant to Section 4504.171, Ohio Revised Code, for the purposes of paying the costs and expenses of enforcing and administering the tax provided for in this section; and to provide additional revenue for the purposes set forth in Section 4504.06, Ohio Revised Code; and to supplement revenue already available for such purposes;

SEC. 2: Such tax shall be at the rate of Five Dollars ($5.00) per motor vehicle on each and every motor vehicle the district of registration of which, as defined in Section 4503.10 of the Ohio Revised Code, is in the City of Piqua, Ohio;

SEC. 3: As used in this Ordinance, the term "motor vehicle" means any and all vehicles included within the definition of motor vehicle in Section 4501.01 and 4505.01 of the Ohio Revised Code;

SEC. 4: The tax imposed by this Ordinance shall apply to and be in effect for the registration year commencing January 1, 2010, and shall continue in effect and application during each registration year thereafter;

SEC. 5: The tax imposed by this Ordinance shall be paid to the Registrar of Motor Vehicles of the State of Ohio or to a Deputy Registrar at the time application for registration of a motor vehicle is made as provided in Section 4503.10 of the Ohio Revised Code;

SEC. 6: All monies derived from the tax hereinbefore levied shall be used by the City of Piqua solely for the purposes specified in this Ordinance;

SEC. 7: This Ordinance shall take effect and be in force from and after the earliest period allowed by law.

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LUCINDA L. FESS, VICE MAYOR

PASSED: ________________________

ATTEST: ________________________
REBECCA J. COOL
CLERK OF COMMISSION

CITY OF PIQUA

ENGINEERING DEPARTMENT

Amy L. Havenar, P.E. – City Engineer
201 West Water Street • Piqua, Ohio 45356
(937) 778-2044 • FAX (937) 778-5165
E-Mail: ahavenar@piquaoh.org

June 8, 2009

MEMORANDUM

TO: Frederick E. Enderle, City Manager

RE: **REQUEST FOR CITY COMMISSION AUTHORIZATION TO APPROVE THE LEVYING OF A SUPPLEMENTAL MUNICIPAL LICENSE TAX FEE IN THE AMOUNT OF FIVE DOLLARS**

In 1987, City Commission passed Ordinance 46-87 permitting the City of Piqua to levy a five dollar tax on motor vehicles registered within the City of Piqua. Over the years, these funds have been used exclusively for the constructing, improving, maintaining, and repairing the public roads located within the City of Piqua.

As you are aware, the costs to maintain the roadway infrastructure have been rising uncontrollably leaving the City with fewer funds for the maintenance and up-keep on the streets. Therefore, we are requesting that pursuant to Section 4504.171 of the Ohio Revised Code, a supplemental license tax of five dollars for each motor vehicle registered in the City. This would generate an estimated $97,000 annually.

This item was included as a part of the Long Range Financial Plan that was approved by the City Commission on November 3, 2008. Due to the extensive public input during the Long Range Financial Plan process, we request that the Commission waive the three reading rule for this item as the deadline for submission to the State is July 1, 2009 for collection to begin in 2010.

If approved, this money will be used exclusively for the construction, maintenance and repair of city streets as defined in the Ohio Revised Code Section 4504.06.

Please let me know if you have any questions pertaining to this matter.

Respectfully submitted,

Amy L Havenar

Amy L. Havenar

c: Cynthia Holtzapple, Finance Director
Stacy Wall, Law Director

RESOLUTION NO. R-49-09

A RESOLUTION OF APPRECIATION FOR THE PUBLIC SERVICE OF JAMES M. BURTON AS A CITY EMPLOYEE

WHEREAS, James M. Burton has retired as Police Officer in the Police Department; and

WHEREAS, his retirement follows over 25 years of faithful and dedicated service to the City and its citizens;

NOW, THEREFORE, BE IT RESOLVED by the Commission of the City of Piqua, Miami County, Ohio, all members elected thereto concurring, that:

SEC. 1: In recognition and appreciation of the service of James M. Burton as Police Officer, this Commission tenders its unanimous and respectful tribute by this Resolution, which shall be a matter of public and permanent record;

SEC. 2: This Resolution shall take effect and be in force from and after the earliest period allowed by law.

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THOMAS D. HUDSON, MAYOR

PASSED: ________________________

ATTEST: ________________________
REBECCA J. COOL
CLERK OF COMMISSION

RESOLUTION NO. R-50-09

A RESOLUTION FIXING THE TIME AND PLACE FOR A PUBLIC HEARING ON THE PROPOSED CITY TAX BUDGET FOR MIAMI COUNTY FOR THE CALENDAR YEAR 2010 AND DRAFT APPROPRIATION ORDINANCE

WHEREAS, Sections 5705.28 of the Revised Code requires that this Commission adopt a tax budget for the next succeeding year on or before July 15th; and

WHEREAS, Charter Section 49 requires the submission of the draft of an appropriation ordinance based upon said budget;

NOW, THEREFORE, BE IT RESOLVED by the Commission of the City of Piqua, Miami County, Ohio, the majority of all members elected thereto concurring, that:

SEC. 1: A public hearing on the proposed city tax budget for Miami County for the year 2010 and draft appropriation ordinance shall be held at the next regular meeting of this Commission on July 6, 2009 at 7:30 P.M.; and

SEC. 2: The Commission Clerk is hereby directed to cause the publication of notice of said public hearing in the Piqua Daily Call;

SEC. 3: This Resolution shall take effect and be in force from and after the earliest period allowed by law.

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LUCINDA L. FESS, MAYOR

PASSED: ________________________

ATTEST: ________________________
REBECCA J. COOL
CLERK OF COMMISSION

RESOLUTION NO. R- 51-09

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH LOCAL UNION 252, INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, AFL-CIO-CLC (FIRE OFFICERS)

WHEREAS, the City Manager and Local Union 252, International Association of Firefighters, AFL-CIO-CLC (Fire Officers) have discussed the reorganization of the rank structure in the Fire Department; and

WHEREAS, the proposed reorganization of the fire and police command staffs is an effort to save general fund monies which are being depleted along with the current fund balance; and

WHEREAS, the Fire Officers understand the need to preserve the general fund and in response have agreed to this reorganization with regard to restructuring and benefits;

NOW, THEREFORE, BE IT RESOLVED by the Commission of the City of Piqua, Miami County, Ohio, the majority of all members elected thereto concurring, that:

SEC. 1: The memorandum of understanding (Exhibit A) between the City and Local Union 252, International Association of Firefighters, AFL-CIO-CLC (Fire Officers), to be in effect through 8/31/2010 inclusive, is hereby approved, and the City Manager is hereby authorized to execute said memorandum of understanding on behalf of this Commission;

SEC. 2: This resolution and the wages included will replace the wages of the bargaining unit employees listed in Schedule C (Fire Officers), Chapter 33 of the Piqua Code;

SEC. 3: This Resolution shall take effect and be in force from and after the earliest period allowed by law.

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LUCINDA L. FESS, VICE MAYOR

PASSED: ________________________

ATTEST: ________________________
REBECCA J. COOL
CLERK OF COMMISSION

Exhibit "A"

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING is entered into this ____ day of _________, 2009 between the City of Piqua and the International Association of Firefighters, Local 252 (Fire Officers), for this collective bargaining agreement for Fire Officers.

WHEREAS, the general fund of the City of Piqua is not sustaining any growth and all fund balance is being depleted; and

WHEREAS, in an effort to save the general fund and ensure a fund balance, the Management has proposed a reorganization of the police and fire command staffs; and

WHEREAS, the Fire Officers understand the need to preserve the general fund and in response has offered and agreed to the terms herein regarding restructuring and benefits.

NOW THEREFORE, the City of Piqua and the International Association of Firefighters, Local 252 (Fire Officers) agree to the following:

I. Article 14 – Wages

The wage rates for Assistant Chiefs and Captains promoted after this Memorandum of Understanding is executed shall be as follows:

Position	Step A	Step B	Step C	Step D	Step E	Step F
Asst. Chief	1386.55	1401.53	1415.31	1427.89	1443.47	1457.85
Captain	22.99	23.21	23.45	23.68	23.92	24.16

Those holding the rank of Assistant Chief at the time this Memorandum is executed will maintain their current wage rates as follows:

Position	Step A	Step B	Step C	Step D	Step E	Step F
Asst. Chief	1653.29	1669.84	1686.52	1703.39	1720.42	1737.62

Those holding the rank of Captain at the time this Memorandum is executed will maintain their current wage rates as follows:

Position	Step A	Step B	Step C	Step D	Step E	Step F
Captain	23.14	23.39	23.62	23.83	24.09	24.33

Those holding the rank of Captain at the time this Memorandum is executed and who are promoted to Assistant Chief thereafter will be placed in the step that they are currently in. (i.e., Captain in Step F if promoted will be placed in Asst. Chief Step F). Assistant Chiefs promoted after the signing of this MOU will be overtime and FLSA eligible.

II. Sr. Most Assistant Fire Chief

While there remains a position designated as the Sr. Most Assistant Fire Chief, the City does not object to the inclusion of that position within this bargaining unit (Fire Officers). Said position shall receive all of the benefits as an assistant chief as outlined in the CBA, effective upon date of execution of this Memorandum.

III. Other

All other articles, terms and conditions of the CBA not discussed herein shall remain the same as if fully restated herein. The parties agree that all remaining articles, terms and conditions not mentioned herein shall remain as is through the CBA expiration on August 31, 2010.

IV. Signatures

This Memorandum of Understanding is executed this ______ day of __________, 2009 between the City of Piqua and the International Association of Firefighters, Local 252 (Fire Officers) and has been duly adopted by the attached Resolution by the City Commission.

City of Piqua:

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City Manager Frederick E. Enderle

____
Human Resources Director
Elaine Barton

International Association of Firefighters, Local 252 (Fire Officers):

____
Assistant Chief Mike Rindler

____
Assistant Chief Mike Peltier

____
Assistant Chief Rick Maggert

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Captain Vince Ashcraft

____
Captain Jon Stevens

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Captain Brent Pohlschneider

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Union President William Hogston

RESOLUTION NO. R-52-09

A RESOLUTION OF NECESSITY TO MAKE A PUBLIC IMPROVEMENT BY SPECIAL ASSESSMENTS FOR THE RIVERSIDE DRIVE – PHASE I RECONSTRUCTION PROJECT

BE IT RESOLVED by the Commission of the City of Piqua, Miami County, Ohio, the majority of all members elected thereto concurring, that:

SEC. 1: The Commission hereby deems it necessary to make the following described improvements on the Riverside Drive – Phase I Reconstruction Project:

> Installation of new sidewalk, combination curb and gutter, drive approaches, new storm sewer, sanitary sewer, water main removal and new water service installations, new fire hydrants, roadway excavation, curb ramp installation, installation of aggregate base and asphaltic concrete, pavement signing and striping, and tree removals.

SEC. 2: The improvements which are to be paid by special assessment shall consist generally of concrete sidewalk replacement, concrete curb and gutter replacement and concrete drive approach replacement;

SEC. 3: The plans, profiles and specifications and the estimate of costs for said improvement heretofore prepared and placed on file with the City Purchasing Agent and City Engineer, are hereby approved;

SEC. 4: The lots or parcels of land subject to said special assessment are all those lots or parcels of land identified in Exhibit “A” attached hereto;

SEC. 5: The entire cost of the improvements described in Section 1 above shall be paid by the City except for the cost of the improvements described in Section 2 above which shall be paid by special assessment upon the lots or parcels of land described in Section 4 above;

SEC. 6: The method of assessment shall be in proportion to the benefits which may result from the improvement to the property described in Section 4 above, as authorized by Charter Section 70 (B);

SEC. 7: Unless paid in full within 30 days of completion of the improvements, the mode of payment of said special assessments shall be by annual installments, payable semi-annually;

SEC. 8: The number of annual installments in payment of said special assessments shall be five or ten (at the option of each property owner);

SEC. 9: The Clerk of Commission shall certify this Resolution to the Director of Finance who shall proceed to make an assessment report in accordance with the provisions of Charter Section 71 and this Resolution, to be filed with this Commission upon its completion;

SEC. 10: Upon filing of said report, the Director of Finance shall cause written notice to be served upon the owner of each lot or parcel of land to be assessed or upon the persons in whose names the same may be assessed for taxation upon the tax duplicate. Such notice shall be served as is provided for service of summons in civil actions; and as to all non-residents and persons who cannot be found, publication of such notice shall be made at least once in a newspaper of general circulation in the city. The notice shall contain a statement of the character of the proposed improvement, the fact that the assessment report has been filed with the Commission, the rate of such assessment, the number of installments, and shall state a time and place when complaints and claims will be heard before the Board of Revision of Assessments;

SEC. 11: This Resolution shall take effect and be in force from and after the earliest period allowed by law.

____
LUCINDA L. FESS, VICE MAYOR

PASSED: ________________________

ATTEST: ________________________
REBECCA J. COOL
CLERK OF COMMISSION

CITY OF PIQUA

ENGINEERING DEPARTMENT

Amy L. Havenar, P.E. – City Engineer
201 West Water Street • Piqua, Ohio 45356
(937) 778-2044 • FAX (937) 778-5165
E-Mail: ahavenar@piquaoh.org

June 5, 2009

MEMORANDUM

TO: Frederick E. Enderle

RE: **REQUEST FOR LEGISLATION DECLARING A NECESSITY TO MAKE A PUBLIC IMPROVEMENT BY SPECIAL ASSESSMENTS - RIVERSIDE DRIVE – PHASE I RECONSTRUCTION PROJECT**

As per Section 71 of the City Charter, we request a Resolution of Necessity for assessments to be paid in five, or ten, annual installments. The method of assessment is as per Charter Section 70, Paragraph (B), "In proportion to the benefits which may result from the improvement."

We have prepared an estimated assessment cost sheet, based upon the bid prices for sidewalk and curb-and-gutter, for the above referenced project. The concrete prices are as follows:

ITEM	UNIT COST
Curb-and-Gutter	$ 8.95/L.F.
4" Walk	$ 3.60/S.F.
6" Walk/Drive approach	$ 50.80/S.Y.

The total estimated cost for assessments is $121,755.65. Property owners have already been invited to a public meeting where this issue was discussed.

As per City Charter, the Finance Department will send certified letters to property owners, advising them of a meeting of the Board of Revision of Assessments, after this legislation is approved.

Please let me know if you have any questions pertaining to this matter.

Respectfully submitted,

Amy L Havenar

Amy L. Havenar, P.E.

Attachment

c: Cynthia Holtzapple, Finance Director

RESOLUTION NO. R-53-09

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE A LEASE OPERATING AGREEMENT WITH HARTZELL PROPELLER, INC. FOR THE OPERATION OF HARTZELL FIELD AIRPORT

WHEREAS, the City of Piqua is the owner of the Hartzell Field airport; and

WHEREAS, it is in the best interest of the City of Piqua to lease said airport under adequate safeguard conditions for operation;

NOW THEREFORE, BE IT RESOLVED by the Commission of the City of Piqua, Miami County, Ohio, the majority of all members elected thereto concurring, that:

SEC. 1: The City Manager is hereby authorized and directed to execute for and in behalf of the City of Piqua a lease operating agreement with Hartzell Propeller, Inc. for the operation of Hartzell Field airport in accordance with the terms and conditions of said lease agreement hereto attached and marked as Exhibit "A" the same as though copied herein in full.

SEC. 2: This Resolution shall take effect and be in force from and after the earliest period allowed by law.

____
LUCINDA L. FESS, VICE MAYOR

PASSED: ________________________

ATTEST: ________________________
REBECCA J. COOL
CLERK OF COMMISSION

LEASE AGREEMENT FOR OPERATION OF AIRPORT

Know all men by these presents, that the City of Piqua, Ohio (hereinafter called the Owner), and Hartzell Propeller, Inc. (hereinafter called the Operator), in consideration of the mutual covenants hereinafter contained, do hereby covenant and agree as follows:

The City of Piqua, being the owner and holder of a certain tract of land in Washington Township, Miami County, Ohio, (description of which is attached hereto and made a part hereof as Schedule A) upon which there is located an improved airport with a paved runway (same being officially designated as Hartzell Field), does hereby grant unto the Operator, for the term of 5 years and from and after the date hereof, the exclusive right to sell airplanes, airplane parts, and airplane, aviation, aeronautical supplies and equipment, of every kind and character. It is the intent of the Owner and Operator that the Operator shall enjoy the exclusive right to conduct all operations and engage in every activity in connection with the airport insofar as such exclusive rights and privileges may be granted consistent with the provisions of law as the same now exist and as the same may hereafter from time to time be amended. As to those operations and activities which may not be granted exclusively to the Operator, it is the intention of the parties hereto that the Operator shall enjoy these privileges in common with others. The Operator shall have the exclusive right to engage in any and all of its appropriate non-aeronautical activity in connection with the operation of said airport and the right to erect buildings and hangar facilities and to rent space therein; to engage in the renting of aircraft and charter service of aircraft for passengers and cargo and the Operator shall have the right to make reasonable charges for the services and facilities of said airport, other than the landing and take off areas. The grant of the authority hereinabove set forth shall be on the following terms and conditions:

1. Operator agrees to provide hangar space, gasoline facilities and other accommodations suitable and necessary for airports of similar size and activity; provided, however, that the general plan and specifications of any building or buildings erected by the Operator shall be subject to the approval of the Owner.

2. Operator agrees to maintain the above described airport (except for the paved runway) in good state of repair and to improve and beautify in a manner consistent with past practice the same at all times during the life of this lease, excepting only damage resulting from disaster or acts of providence beyond the control of the Operator. Said maintenance and repair is at Operator's expense. Upon Operator

becoming aware of the runway and/or taxiway needing repair or maintenance, Operator shall notify Owner of the condition of the runway. Owner shall be responsible for repairs and maintenance to the runway and taxiways.

3. Operator agrees to pay for all public utilities service used or provided in connection with the operation of the airport including the electric power for the illumination of said field and the operation of the beacon at said field.

4. Operator further agrees that it will conduct its operations in and upon the above-described airport in compliance with state and federal law and the charter and ordinances of the City of Piqua.

5. It is further mutually understood that in the event of default by either of the parties hereto during the term of this lease, the other party shall have the right forthwith to give notice thereof to the party in default, such notice to be given in writing, and if such condition of default is not removed and restored within sixty (60) days after the receipt of such notice, then the other party shall forthwith have the option of declaring this lease in default and may proceed to enforce their rights in accordance with law.

6. Operator agrees to operate the airport for the use and benefit of the public; to make available all airport facilities and services to the public, without unjust discrimination; and to refrain from imposing or levying excessive, discriminatory, or otherwise unreasonable charges or fees for any use of the airport or its facilities or for any airport service.

7. It is further mutually understood and agreed that title to all buildings and structures and all other improvements of a permanent character which are constructed, built, or caused to be placed upon the airport by the Operator during the term of this lease shall remain property of the Operator and it shall have the right to remove the same at the termination of this lease and any renewals thereof.

8. It is expressly understood and agreed that the use of all landing area or other navigation facilities shall be open at all times to all persons, firms, and corporations desiring to use the same, provided, only, that they be required to use the same in

accordance with the rules and regulations of the Federal Aviation Agency and in compliance with the laws of the State of Ohio and the City of Piqua, Ohio.

9. This lease will renew itself for three (3) successive five (5) year terms unless one party shall notify the other party with six (6) months written notice before the expiration of the then current term. At the expiration of this lease, the Operator shall have the first refusal of a renewal thereof.

10. Notwithstanding any other provision herein contained to the contrary, this lease is subject to all the terms and conditions of the agreement entered into between the City of Piqua and the State of Ohio dated April 5, 1967.

11. Operator shall not at any time assign this lease without the consent in writing of the Owner; provided that the foregoing shall not prevent the assignment of this agreement to any corporation to which the Operator may merge or consolidate, or which may succeed to the business of the Operator, nor will it prevent the Operator from sub-leasing space in any premises now or hereafter leased exclusively to the Operator hereunder, or in/on the airport to any person, firm or corporation performing services auxiliary to the business of the Operator or to the users of said airport.

12. In the event any covenant, condition or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, condition or provision shall in no way affect any other covenant, condition or provision herein contained.

13. Should Owner be made a party to a civil cause of action which relates to the obligations of Operator under the terms of this Agreement, Operator shall hold harmless and indemnify the Owner for Operator's negligence, and/or willful or wanton conduct as relates to the activities of Operator as contemplated under the terms of this Agreement.

Executed this _________ day of ___________, 2009.

IN THE PRESENCE OF:

CITY OF PIQUA, OHIO

____

________________________________ ________________________________

CITY MANAGER

HARTZELL PROPELLER INC.

____

________________________________ ________________________________

CHAIRPERSON

STATE OF OHIO, COUNTY OF MIAMI: SS

Before me, a notary public, in and for said County, personally appeared the above named City of Piqua, Ohio by Frederick E. Enderle, its City Manager, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said Corporation, and the free act and deed of him personally and as such officer.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Piqua, Ohio this _______ day of ____________________________, 2009.

____

Notary Public – State of Ohio

STATE OF OHIO, COUNTY OF MIAMI: SS

Before me, a notary public, in and for said County, personally appeared the above named Hartzell Propeller, Inc. by James Brown, Jr. its Chairman, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said Corporation and the free act and deed of him personally and as such officer.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal, at Piqua, Ohio this __________ day of ________________________ 2009.

____

Notary Public – State of Ohio

CITY MANAGER'S OFFICE

Frederick E. Enderle – City Manager
201 West Water Street • Piqua, Ohio 45356
(937) 778-2051 • FAX (937) 778-2048
E-Mail: fenderle@piquaoh.org

MEMORANDUM

TO: Piqua City Commission

FROM: Frederick E. Enderle, City Manager

DATE: Tuesday, June 09, 2009

RE: Community Diversity Committee Information

Attached, please find Resolution No. R-110-07, (A Resolution recognizing Diversity in the City of Piqua). The attached piece of legislation was approved by City Commission on October 1, 2007.

At the Tuesday, May 5, 2009 meeting of Committee on Community Diversity, the Committee by a unanimous vote, requested that Piqua City Commission, (through the City Manager) send an official letter informing City Boards and Commissions, School Districts and other public and private institutions of Resolution No. R-110-07. By doing so, these organizations will be informed of the policies adopted by Piqua City Commission on October 1, 2007.

RESOLUTION NO. R-110-07

A RESOLUTION RECOGNIZING DIVERISTY IN THE CITY OF PIQUA

WHEREAS, the residents of Piqua, Ohio have long recognized the vital importance of diversity in the historical character of this community and having developed a long-standing tradition in caring and compassion since the arrival of the Randolph freedmen; and

WHEREAS, the city of Piqua, acknowledges the need to take a leadership role in eliminating historical patterns of bias and discrimination and expand the future growth of our community in offering everyone the right to live in dignity, respect and honor; and

WHEREAS, the city of Piqua desires to work with individuals and community organizations seeking the empowerment of all communities and encouraging their greater municipal participation in the decision making process; and

WHEREAS, the city of Piqua will seek to expand ownership identity of municipal properties in the future to those individuals belonging to groups that have traditionally been denied consideration; and

WHEREAS, the City of Piqua will embrace the philosophy of recognizing individual greatness through promoting equality of opportunity and encourage other public as well as private institutions to follow the principle.

NOW THEREFORE, BE IT RESOLVED by the City of Piqua Commission, Miami County, Ohio the majority of all members elected thereto concurring that:

SEC 1: The City shall adopt the following recommendations of the Ad Hoc Committee on Community Diversity:

A. A standing Committee on Community Diversity, of seven to nine members, representing the diversity of the Piqua Community, shall be appointed to monitor and advise the City Commission of the status of attainment of goals related to recognizing diversity in the community, and to assist the City, citizens and other interested parties of potential policies, programs and /or actions for recognizing and promoting diversity in the community. The committee shall issue periodic reports to the City Commission, making recommendations as appropriate.

B. The City Commission shall implement a policy for the naming of public streets and facilities that will encompass the following principles:
    a. Streets or municipal facilities, or any portion thereof, may be named without regard to residency requirements or other such artificial barriers.

b. Streets, or any portion thereof, may be dedicated in the honor of, or recognizing individuals by placement of signage or plaques in appropriate locations along the designated street.
c. That in the sale of municipal property with facilities naming possibility, the purchaser shall be informed of City policy and naming alternatives as they relate to the recognition of diversity in the community.
d. That in the annexation of land with development naming possibilities the petitioner shall be informed of City policy and naming alternatives as they relate to the recognition of diversity in the community.

C. The City of Piqua will lead an effort with local education institutions, local business and industry and other interested parties to develop mentoring and skill development programs aimed at reinforcing employability and financial literacy skills for success as outlined in the attached Exhibit A.

D. In order to measure the impact of programs to promote diversity in Piqua, the City will lead an effort in cooperation with Grow Piqua Now, the Chamber of Commerce and other interested parties to:
   a. Establish a baseline of data about employers in the following areas:
      i. Percentage of African American employees
      ii. Percentage of Hispanic American employees
      iii. Percentage of Asian American employees
      iv. Percentage of women employees
      v. Percentage of women and minorities in management positions
   b. Establish a five-year target for diversity in the workforce to meet or exceed current Census data;
   c. Establish an Action Plan for achieving targets; and
   d. Monitor and report progress toward target achievement.

SEC 2. This Resolution shall take effect and be in force from and after passage.

Tom H

THOMAS D. HUDSON, MAYOR

PASSED: October 1, 2007

ATTEST: Rebecca J. Cool
BECKY COOL
CLERK OF COMMISSION

Attachment A

Developing Employability and Financial Literacy Skills For Success

- Through a program of mentoring and education, citizens will develop employability and financial literacy skills that follow them all through their lives.
- The skills necessary for employment, at basic, should include the development of strong speaking, listening and written communications, reading and basic math skills
- The program should also stress problem solving, appropriate learning strategies, and decision-making skills.
- The characteristics of dependability and responsibility, along with a positive attitude toward employment will be stressed in this program.
- The appropriateness of dress to the occupation should be stressed.
- The program shall also stress skills necessary to the successful entrepreneur, such as; goal setting, discipline and time management and the development of a strong self-image.
- Mentoring by successful business persons and community leaders and job shadowing of business owners are among the strategies that will be used to promote entrepreneurial skills.

CITY MANAGER

Memo

To: City Commission

From: Fred Enderle

Date: May 15, 2009

Re: Troy City Council Water Proposal

Attached please find the Troy City Council Resolution of Support Re Water Service to Piqua, adopted by the Troy City Council on May 4, 2009. The "principles of the agreement" are substantially the same as those previously discussed between Patrick Titterington, Director of Public Service & Safety, and myself, and reported to you, except for the following now proposed by Troy:

1. A long-term fifty (50) year agreement;
2. The ability of either Troy or Piqua to terminate the agreement with thirty-six (36) months notice, thereby providing ample time for either party to fully evaluate all options;
3. A wholesale rate that is twenty-five percent (25%) less than the lowest Troy City Rate, which translates into a sixty-one percent (61%) discount over what an average residential user would pay, based on current 2009 rates. Note: the requirement that Piqua has to charge at least the same rates as those charged to Troy users;
4. While Troy City Council would retain the sole authority to change rates, Piqua would be assured that Troy could not change the number of discount tiers, any rate changes must affect all tiers equally, and the City of Piqua's rates would not change any differently than any other Troy Water System users; and,
5. At a time in the future when the Troy Water Plant is projected to exceed it's sixteen (16) MGD production capacity and it becomes necessary for a replacement (note: the current plant cannot be expanded beyond its current capacity), Troy and Piqua would pursue a joint plant with equal ownership responsibilities.

Also attached for your information are three new Pro-formas illustrating:

1. Purchasing water at a 25% discount and no well field development.
2. Purchasing water at a 25% discount, with well field development.
3. Building our own Membrane Softening Plant.

Both the purchase alternatives will require the interconnect expenses identified on Table 1.1 of the February 2009 Piqua Municipal Water System Feasibility Study prepared by Todd Brandenburg, Asst. Water Superintendent. Those costs were $9,873,500 without well field development and $12,573,185 with well field development. These costs are compared to $27,432,688 for a new Membrane Softening Treatment Plant.

We developed these pro-formas to illustrate the optimal rate structure needed to fund the improvements and support future capital improvements of the particular system (either distribution only or treatment & distribution). Our goal, however, was to achieve as close to a $5 mil. fund balance in the Water Fund, which we ideally would like to see maintained by 2020. The analysis shows that we would need at a minimum the identical rate structure for all alternatives; however, with the two purchase options we reach the $5 mil. fund balance goal by 2020 or a little earlier if we chose the purchase without well field development. With the build new option we do not reach the $5 mil. fund balance goal by 2020. We would, however, be in an acceptable range of $2.0 mil. by 2018.

To summarize:

Water purchase would:

1. Lower initial capital expense by approximately $14.9 mil - $17.6 mil
2. Lower operating costs by approximately $200,000 annually
3. Require rate increase of 10%, 20%, 11.5%, 6% and 2% in the next five years; and require an average of 2% per year thereafter to meet capital costs and fund balance target.
4. Achieve $5.0 mil. fund balance target by 2018 (non well field development) or 2020 (with well field development).
5. Reduce City's ability to influence customer rates (must negotiated with Troy).
6. Leave Piqua dependent upon Troy for all its water supply.
7. Result in Piqua water plant employee layoffs.

New Plant would:

1. Cost $14.9 - $17.6 mil. more initially.
2. Keep Piqua in control of its water rates (to the extent of deciding when capital and other improvements are scheduled, personnel/staffing decisions, how large of fund balance to retain, etc.)
3. Require rate increase of 10%, 20%, 11.5%, 6% and 2% in the next five years; and require an average of 2% per year thereafter to meet capital costs and a minimum fund balance target.
4. Not achieve fund balance target by 2020. Reaches $2.18 fund balance in 2018.
5. Provide Piqua with its own source of water and supply would be limited only by the amount to which we choose to develop plant capacity.
6. While requiring less water treatment plant personnel to operate; there will fewer excess staff, thus better able to absorb into other City positions over time.

7. Invests the approximately $1.5 mil cost to purchase water (2012 dollars) in capital improvements (new plant, well fields and future improvements) – City of Piqua assets vs. a purchase expense with no return on investment.

ALTERNATIVES

1. Accept the City of Troy's offer and proceed with final negotiations of a water purchase agreement, with or without developing our own well field.

2. Acknowledge the Troy proposal and indicate we desire to complete well field exploration before deciding a final course of action.

3. Decline the Troy offer and continue well field exploration and development of a new membrane softening treatment plant.

4. Advise the City of Troy we do not have an interest in purchasing water at this time. However, we would be willing to continue discussions if we were to receive an equity interest in their facility, leading up to a 50-50 share at the time Piqua's utilization equals 50%, or if the Troy plant exceeds 16mgd and/or plant replacement would be required.

The City of Troy has made a very attractive water purchase offer. However, in analyzing the offer both financially and based on direction received at the April 6, 2009 City Commission meeting (to proceed with the implementation of "the a new membrane plant" while holding open the option to entertain the idea of partnering with the City of Troy and/or others in a co-owned or regional facility), staff sees no reason for the City of Piqua to alter it's present course unless the Commission wishes to alter the present course or the City of Troy would consider selling an equity interest in their water treatment facility.

Staff has not analyzed the costs or benefits of joint water utility with the City of Troy, because it would require additional discussions and refinement of details. However, before we move on with the development of our own water facility I would recommend that we advise the City of Troy we do not have an interested in purchasing water at this time. However, we would be willing to discuss an equity interest in their facility as outline in Alternative 4.

CITY OF TROY, OHIO

RESOLUTION No. R-23-2009

Dayton Legal Blank, Inc.

A RESOLUTION OF SUPPORT FOR THE PRINCIPLES OF A WATER AGREEMENT BY THE CITY OF TROY, OHIO TO PROVIDE WATER SERVICE TO THE CITY OF PIQUA, OHIO AND DECLARING AN EMERGENCY

WHEREAS, the Council of the City of Troy, Ohio strongly believes that water is one of the region's most precious natural resource, which should be preserved and protected at all costs; and

WHEREAS, the Council of the City of Troy, Ohio is interested in protecting the vitality of this resource by promoting its efficient use and avoiding duplication, redundancy, and oversaturation of demands on the aquifers from which we draw our groundwater; and

WHEREAS, the Council of the City of Troy, Ohio believes that protection of this resource and the promotion of its efficient use is critical to the sustainability and growth of not only the Troy community but all of Miami County, its residents, commercial interests, and visitors; and

WHEREAS, the City of Piqua, Ohio has been mandated by the Ohio Environmental Protection Agency to upgrade its treated water system or risk financial and other sanctions; and

WHEREAS, the City of Troy, Ohio possesses high quality treated water facilities to provide adequate supply to other communities, including the City of Piqua, Ohio in a manner that minimizes the impact on the regional aquifers, is cost effective, and protects the financial sustainability of the City of Troy's water system; and

WHEREAS, the provision of water service to the City of Piqua, Ohio could create operational efficiencies for both the City of Troy, Ohio and the City of Piqua, Ohio; and

WHEREAS, the Council of the City of Troy, Ohio believes that providing treated water to the City of Piqua, Ohio is the most cost effective alternative, which will provide rate stability and consistency between and among users of the City of Troy's water system and the City of Piqua rate payers, at a minimum and, at best, allow for lower rates or rate increases within the City of Piqua, Ohio.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Troy, Ohio, as follows:

SECTION I: That the Director of Public Service and Safety of the City of Troy, Ohio is hereby authorized to transmit the "Principles of Water Agreement Among Troy, Miami County, and Piqua," attached hereto as Exhibit A and, by reference, made a part hereof, to the appropriate City of Piqua, Ohio officials with the request that due consideration be given to the City of Troy's proposal and an answer to same be provided expeditiously.

SECTION II: That this Resolution is an emergency measure necessary for the immediate preservation of the public peace, health, and safety of the City of Troy, Ohio, and for the further reason that there is no reason to delay such proposal, **NOW, WHEREFORE**, this Resolution shall be effective immediately upon its adoption and approval by the Mayor.

Adopted: May 4, 2009

Martha A. Baker
President of Council

Approved: May 4, 2009

Attest: Sue G. Knight
Clerk of Council

Michael L Beamish
Mayor

EXHIBIT A

need growth factor if 50 years

Attachment I:
Principles of Water Agreement Among Troy, Miami County & Piqua

******Disclaimer: All principles reflected below are for discussion only, subject to the approval of Troy City Council.*

1. A written agreement shall be with an initial term of fifty (50) years, allowing for automatic additional 10-year extensions unless either party seeks amendments;
2. Either party may terminate, without penalty, with thirty-six (36) month written notice to the other of such termination. Said termination shall not become effective any sooner than thirty-six (36) months to allow both separating parties sufficient time to implement an alternative solution;
3. Troy shall guarantee the supply of up to 5 million gallons of treated water per day to Piqua within 12 months of a signed agreement, with the option of additional treated water upon mutual agreement;
4. Piqua shall pay according to the water rates as reflected in Section 913.01 of the "Codified Ordinances of the City of Troy, Ohio," which consist of five tiers and which rates may be amended by Troy City Council from time to time, under the following conditions:
   a) Troy shall have sole authority to adjust rates from time to time. However, any adjustments shall apply to all tiers and all customers equally and, further, Troy shall not adjust the number of tiers or the monthly use range within each tier without the express written consent of Piqua;
   b) Piqua shall pay for water use at the 'City Rates' for the first four tiers and shall realize a twenty-five percent (25%) discount off of the tier five (i.e., the lowest) rate then in effect ;
   * c) Piqua shall not charge its customers a rate that is less than the rate charged to Troy customers;
   d) Piqua shall remit water service payment per the same schedule and rules as apply to all customers;
5. Miami County and Troy will construct all improvements necessary to connect the Troy water system to the master meter connecting to the Piqua water distribution system to specifications agreed upon by Miami County, Troy and Piqua;
6. Piqua will pay for all initial connection improvements that benefit only Piqua and will pay a proportional share of other connection costs to extent the improvements, which benefit Piqua;
7. Troy shall reimburse Piqua for any initial connection improvements in proportion to Piqua's contribution in the event that others connect to the transmission line and reimburse Troy for the capital costs related thereto;

Interest determined & Ownerships set

8. At such time as the Troy Water Treatment Plant (WTP) is projected to exceed its average daily 16 MGD capacity, Troy and Piqua shall jointly explore alternatives to expand said capacity and shall share the capital costs in proportion to each community's then current and projected needs. Such participation shall provide Troy and Piqua with capital interests in the Water System in proportion to the value of the improvement to the overall value of the system. Said interest may take a variety of forms, including but not limited to the creation of a joint water authority similar to the Northern Area Water Authority (NAWA);
9. Troy and Miami County shall recognize the Piqua service area as the incorporated limits of the City of Piqua and all unincorporated areas of Spring Creek and Washington Townships in Miami County, excluding the anticipated boundaries of any Joint Economic Development District that is created between Troy and Piqua, which boundaries shall be set by separate agreement;
10. Troy and/or Miami County will not allow any connections to the water system in the Piqua service area without the prior written approval of Piqua. Conversely, Piqua shall not allow any connections to the water system in the Troy/Miami County service area without prior written approval of Troy/Miami County. None of the parties shall unreasonably withhold approval; and,
11. Troy/Miami County will be responsible for the ownership, maintenance and upkeep of the water transmission/distribution line up to and including the Master Meter that connects with the Piqua water distribution system. Conversely, Piqua will be responsible of the maintenance and upkeep of the transmission/ distribution line beyond the Master Meter; and,
12. Troy shall be responsible for ownership, maintenance and upkeep of all well fields and raw water mains that feed the Troy Water Treatment Plant, as well as elevated and clearwell storage within Troy's corporate limits.

* No.

CERTIFICATE

I, Sue G. Knight, Clerk of Council of the City of Troy, Ohio, do hereby certify that the foregoing is a true and correct copy of Resolution No. R-23-2009, passed by the Council of said City on the 4th day of May, 2009.

WITNESS my hand at Troy, Ohio, this 4th day of May, 2009.

Sue G. Knight

Sue G. Knight, Clerk

PIQUA MUNICIPAL WATER SYSTEM

ESTIMATED TEN YEAR CASH FORECAST (with wellfield development)

Bulk Water Purchase Option w/ water cost at 25% discount ($10.17 per 1000 cubic feet)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
CASH RESERVE	$ 1,100,657	$ 890,954	$ 1,081,112	$ 1,435,233	$ 1,577,115	$ 1,834,696	$ 2,154,358	$ 2,708,784	$ 3,221,681	$ 3,678,997	$ 4,250,510	$ 4,882,614
CAPITAL EXPENSES	$ 228,912	$ 276,000	$ 25,000	$ 525,000	$ 580,000	$ 305,000	$ 330,000	$ 300,000	$ 350,000	$ 225,000	$ 155,000	$ 250,000
CAPITALIZED LABOR	$ 16,388	$ -										
SHERRY DRIVE WATER MAIN EXTENSION		$ 500,000										
LARGE CAPITAL PROJECTS	$ 226,800	$ 1,474,700	$ 10,592,450		$ -	$ 200,000	$ 1,400,000					
TOTAL CAPITAL EXPENSES	$ 472,100	$ 2,249,700	$ 10,617,450	$ 625,000	$ 680,000	$ 505,000	$ 1,730,000	$ 300,000	$ 350,000	$ 225,000	$ 165,000	$ 250,000
OPERATION & MAINTENANCE EXPENSES	$ 773,034	$ 811,686	$ 852,270	$ 289,803	$ 314,793	$ 330,533	$ 347,059	$ 364,412	$ 382,633	$ 401,765	$ 421,853	$ 442,946
ELECTRIC POWER	$ 180,500	$ 193,135	$ 206,654	$ 136,920	$ 146,505	$ 156,760	$ 167,733	$ 179,475	$ 192,038	$ 205,480	$ 219,864	$ 235,255
BULK WATER PURCHASE			$ 251,401	$ 1,608,406	$ 1,553,658	$ 1,600,268	$ 1,648,276	$ 1,697,724	$ 1,748,656	$ 1,801,116	$ 1,855,149	$ 1,910,804
TREATMENT CHEMICALS	$ 214,000	$ 224,700	$ 235,935	$ 10,800	$ 11,340	$ 11,907	$ 12,502	$ 13,127	$ 13,784	$ 14,473	$ 15,197	$ 15,957
CHARGES INFORM TECH	$ 25,472	$ 26,364	$ 27,286	$ 28,241	$ 29,230	$ 30,253	$ 31,312	$ 32,407	$ 33,542	$ 34,716	$ 35,931	$ 37,188
BAD DEBT EXPENSE	$ 19,000	$ 13,886	$ 16,663	$ 18,579	$ 19,694	$ 20,088	$ 20,490	$ 20,899	$ 21,317	$ 21,744	$ 22,179	$ 22,622
CUSTOMER EXPENSES	$ 289,225	$ 301,372	$ 314,030	$ 327,219	$ 340,963	$ 356,283	$ 370,205	$ 385,753	$ 401,955	$ 418,837	$ 436,428	$ 454,758
ADMINISTRATIVE SUPPORT	$ 185,989	$ 192,499	$ 199,236	$ 206,209	$ 213,427	$ 220,897	$ 228,628	$ 236,630	$ 244,912	$ 253,484	$ 262,356	$ 271,538
LABOR EXPENSES	$ 872,927	$ 899,115	$ 926,088	$ 465,293	$ 479,252	$ 493,629	$ 508,438	$ 523,691	$ 539,402	$ 555,584	$ 572,252	$ 589,419
BENEFITS	$ 332,856	$ 344,508	$ 356,564	$ 204,760	$ 211,947	$ 219,365	$ 227,043	$ 234,990	$ 243,214	$ 251,727	$ 260,537	$ 269,656
DEBT EXPENSES	$ 142,529	$ 146,836	$ 146,836	$ 146,836	$ 146,836	$ 146,836	$ 72,872	$ -	$ -	$ -	$ -	$ -
DEBT EXPENSES 09 ISSUE & 13 ISSUE		$ 239,235	$ 395,130	$ 790,260	$ 790,260	$ 790,260	$ 790,260	$ 976,660	$ 976,660	$ 976,660	$ 976,660	$ 976,660
TOTAL BUDGET	$ 3,035,532	$ 3,393,333	$ 3,928,094	$ 4,143,347	$ 4,257,904	$ 4,376,079	$ 4,424,819	$ 4,665,770	$ 4,798,113	$ 4,935,588	$ 5,078,406	$ 5,226,803
REVENUE WITHOUT RATE INCREASE	$ 2,949,416	$ 3,155,875	$ 3,471,463	$ 4,165,755	$ 4,644,817	$ 4,823,506	$ 5,021,976	$ 5,122,416	$ 5,224,864	$ 5,329,361	$ 5,435,948	$ 5,544,667
RATE INCREASE REVENUE	$ 206,459	$ 315,588	$ 694,293	$ 479,062	$ 278,689	$ 98,470	$ 100,440	$ 102,448	$ 104,497	$ 106,587	$ 108,719	$ 110,893
%REVENUE RATE INCREASE	7.00%	10.00%	20.00%	11.50%	6.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
REVENUE	$ 3,155,875	$ 3,471,463	$ 4,165,755	$ 4,644,817	$ 4,923,506	$ 5,021,976	$ 5,122,416	$ 5,224,864	$ 5,329,361	$ 5,435,948	$ 5,544,667	$ 5,655,561
UTILITY PENALTIES	$ 36,924	$ 40,616	$ 48,739	$ 54,344	$ 57,605	$ 58,757	$ 59,932	$ 61,131	$ 62,354	$ 63,601	$ 64,873	$ 66,170
TAP FEES	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
RECONNECTION FEES/OTHER UTILITY	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,476	$ 24,475	$ 24,475	$ 24,475
FIRE MAINTENANCE	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245
CELL TOWER RENTS	$ 14,273	$ 14,701	$ 15,142	$ 15,596	$ 16,064	$ 16,546	$ 17,043	$ 17,554	$ 18,081	$ 18,623	$ 19,182	$ 19,757
CAPITAL DONATIONS	$ -	$ 250,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NON RECURRINGMISCELL REV	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047
INTEREST REVENUE	$ 24,000	$ 8,910	$ 10,811	$ 28,705	$ 31,542	$ 36,694	$ 43,087	$ 108,351	$ 128,867	$ 147,160	$ 170,020	$ 195,305
NEW DEBT		$ 1,980,735	$ 10,592,450				$ 1,400,000					
TOTAL REVENUE	$ 3,297,929	$ 6,833,191	$ 14,899,665	$ 4,810,230	$ 5,095,465	$ 5,200,740	$ 6,709,245	$ 5,478,667	$ 5,605,430	$ 5,732,099	$ 5,865,509	$ 6,003,660
BETTER/WORSE	$ (209,703)	$ 190,159	$ 354,121	$ 141,882	$ 257,581	$ 319,662	$ 554,426	$ 512,897	$ 457,316	$ 571,513	$ 632,104	$ 526,757
ENDING CASH BALANCE	$ 890,954	$ 1,081,112	$ 1,435,233	$ 1,577,115	$ 1,834,696	$ 2,154,358	$ 2,708,784	$ 3,221,681	$ 3,678,997	$ 4,250,510	$ 4,882,614	$ 5,409,371
Residential Customer 1" Metr 5,000Gals	$ 25.98	$ 28.58	$ 34.29	$ 38.24	$ 40.53	$ 41.34	$ 42.17	$ 43.01	$ 43.87	$ 44.75	$ 45.65	$ 46.56
Commercial Customer 2" Metr 10,000 Gals	$ 100.92	$ 111.01	$ 133.21	$ 148.53	$ 157.45	$ 160.60	$ 163.81	$ 167.08	$ 170.42	$ 173.83	$ 177.31	$ 180.86

Assumptions:

CAPITAL EXPENSES	0.00%
OPERATION & MAINTENANCE EXPENSES	5.00%
ELECTRIC POWER	7.00%
BULK WATER PURCHASE	3.00%
CUSTOMER EXPENSES	4.20%
ADMINISTRATIVE SUPPORT	3.50%
LABOR EXPENSES	3.00%
BENEFITS	3.50%
REVENUE VOLUME	0.00%
CELL TOWER RENTS	3.00%
INTEREST REVENUE	variable

Large Capital Projects

2009	High Serv Inverter $70,000; Riverside $91,500; Grant St $50,000; Gravel Pit Upgrade $50,000; SCADA $8,800
	Distribution Model 25,000; Well Field ACQ/Test $176,800
2010	Ash Str Main $150,000; New Tower Study $25,000; Water System Interconn Engineer $1,474,700
	Sherry Drive Main $500,000; GIS $100,000
2011	Broadway I $25,000; Water System Interconnect $8,398,800;Well Field Construction 2,193,650
2012	Broadway Phase II $25,000; New Backhoe $100,000; Ext. E. Ash Paint Tank $200,000;AMR 200,000
2013	Mower $30,000; New Tower Land $100,000; Mainier Ave Reconstruction $150,000;AMR 300,000
2014	New Dump Truck $125,000; New Water Tower Engineering $80,000; AMR $300,000
2015	Pickup Truck $30,000; New Water Tower $1,400,000; AMR $300,000
2016	AMR Phase III $300,000
2017	Water Distribution Line Improvements $250,000; AMR 100,000
2018	New Service Truck $190,000; Pickup Truck $35,000
2019	New Dump Truck $155,000
2020	Water Distribution Line Improvements $250,000

2010 Borrow 12,,573,185 30 Years @ 4.5%

2015 Borrow 1,400,000 10 Years @ 3.5%

2012 Loss of 7 Lab and Plant Workers

PIQUA MUNICIPAL WATER SYSTEM
ESTIMATED TEN YEAR CASH FORECAST
Bulk Water Purchase Option w/ water cost at 25% discount ($10.17 per 1000 cubic feet) and no well field development

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
CASH RESERVE	$ 1,100,657	$ 1,067,754	$ 1,301,420	$ 1,726,682	$ 2,012,270	$ 2,416,431	$ 2,885,604	$ 3,592,533	$ 4,278,657	$ 4,916,129	$ 5,675,004	$ 6,501,965
CAPITAL EXPENSES	$ 228,912	$ 275,000	$ 25,000	$ 525,000	$ 580,000	$ 305,000	$ 330,000	$ 300,000	$ 350,000	$ 225,000	$ 155,000	$ 250,000
CAPITALIZED LABOR	$ 16,388	$ -										
SHERRY DRIVE WATER MAIN EXTENSION		$ 500,000										
LARGE CAPITAL PROJECTS	$ 50,000	$ 1,474,700	$ 8,398,800		$ -	$ 200,000	$ 1,400,000					
TOTAL CAPITAL EXPENSES	$ 295,300	$ 2,249,700	$ 8,423,800	$ 525,000	$ 580,000	$ 505,000	$ 1,730,000	$ 300,000	$ 350,000	$ 225,000	$ 155,000	$ 250,000
OPERATION & MAINTENANCE EXPENSES	$ 773,034	$ 811,686	$ 852,270	$ 299,803	$ 314,793	$ 330,533	$ 347,059	$ 364,412	$ 382,633	$ 401,765	$ 421,853	$ 442,946
ELECTRIC POWER	$ 180,500	$ 193,135	$ 206,654	$ 136,920	$ 146,505	$ 156,760	$ 167,733	$ 179,475	$ 192,038	$ 205,480	$ 219,864	$ 235,255
BULK WATER PURCHASE			$ 251,401	$ 1,508,406	$ 1,553,658	$ 1,600,268	$ 1,648,276	$ 1,697,724	$ 1,748,656	$ 1,801,116	$ 1,855,149	$ 1,910,804
TREATMENT CHEMICALS	$ 214,000	$ 224,700	$ 235,935	$ 10,800	$ 11,340	$ 11,907	$ 12,502	$ 13,127	$ 13,784	$ 14,473	$ 15,197	$ 15,957
CHARGES INFORM TECH	$ 25,472	$ 26,364	$ 27,286	$ 28,241	$ 29,230	$ 30,253	$ 31,312	$ 32,407	$ 33,542	$ 34,716	$ 35,931	$ 37,188
BAD DEBT EXPENSE	$ 19,000	$ 13,886	$ 16,663	$ 18,579	$ 19,694	$ 20,088	$ 20,490	$ 20,899	$ 21,317	$ 21,744	$ 22,179	$ 22,622
CUSTOMER EXPENSES	$ 289,225	$ 301,372	$ 314,030	$ 327,219	$ 340,963	$ 355,283	$ 370,205	$ 385,753	$ 401,955	$ 418,837	$ 436,428	$ 454,758
ADMINISTRATIVE SUPPORT	$ 185,989	$ 192,499	$ 199,236	$ 206,209	$ 213,427	$ 220,897	$ 228,628	$ 236,630	$ 244,912	$ 253,484	$ 262,356	$ 271,538
LABOR EXPENSES	$ 872,927	$ 899,115	$ 926,088	$ 465,293	$ 479,252	$ 493,629	$ 508,438	$ 523,691	$ 539,402	$ 555,584	$ 572,252	$ 589,419
BENEFITS	$ 332,856	$ 344,506	$ 358,564	$ 204,780	$ 211,947	$ 219,365	$ 227,043	$ 234,990	$ 243,214	$ 251,727	$ 260,537	$ 269,656
DEBT EXPENSES	$ 142,529	$ 146,836	$ 146,836	$ 146,836	$ 146,836	$ 146,836	$ 72,872	$ -	$ -	$ -	$ -	$ -
DEBT EXPENSES 09 ISSUE & 13 ISSUE		$ 197,495	$ 326,192	$ 652,383	$ 652,383	$ 652,383	$ 652,383	$ 838,783	$ 838,783	$ 838,783	$ 838,783	$ 838,783
TOTAL BUDGET	$ 3,035,632	$ 3,351,593	$ 3,859,156	$ 4,005,470	$ 4,120,027	$ 4,238,202	$ 4,286,942	$ 4,527,893	$ 4,600,236	$ 4,797,709	$ 4,940,529	$ 5,088,926
REVENUE WITHOUT RATE INCREASE	$ 2,949,416	$ 3,155,875	$ 3,471,463	$ 4,165,755	$ 4,644,817	$ 4,923,506	$ 5,021,976	$ 5,122,416	$ 5,224,864	$ 5,329,361	$ 5,435,948	$ 5,544,667
RATE INCREASE REVENUE	$ 206,459	$ 315,588	$ 694,293	$ 479,062	$ 278,689	$ 98,470	$ 100,440	$ 102,448	$ 104,497	$ 106,587	$ 108,719	$ 110,893
%REVENUE RATE INCREASE	7.00%	10.00%	20.00%	11.50%	6.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
REVENUE	$ 3,155,875	$ 3,471,463	$ 4,165,755	$ 4,644,817	$ 4,923,506	$ 5,021,976	$ 5,122,416	$ 5,224,864	$ 5,329,361	$ 5,435,948	$ 5,544,667	$ 5,655,561
UTILITY PENALTIES	$ 36,924	$ 40,616	$ 48,739	$ 54,344	$ 57,605	$ 58,757	$ 59,932	$ 61,131	$ 62,354	$ 63,601	$ 64,873	$ 66,170
TAP FEES	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
RECONNECTION FEES/OTHER UTILITY	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475
FIRE MAINTENANCE	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245
CELL TOWER RENTS	$ 14,273	$ 14,701	$ 15,142	$ 15,596	$ 16,064	$ 16,546	$ 17,043	$ 17,554	$ 18,081	$ 18,623	$ 19,182	$ 19,757
CAPITAL DONATIONS	$ -	$ 250,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NON RECURRINGMISCELL REV	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047
INTEREST REVENUE	$ 24,090	$ 10,678	$ 13,014	$ 34,534	$ 40,245	$ 48,329	$ 57,712	$ 143,701	$ 171,146	$ 196,645	$ 227,000	$ 280,079
NEW DEBT		$ 1,980,735	$ 8,398,800				$ 1,400,000					
TOTAL REVENUE	$ 3,297,929	$ 5,834,959	$ 12,708,218	$ 4,816,058	$ 5,104,188	$ 5,212,375	$ 6,723,870	$ 5,614,017	$ 5,647,709	$ 5,781,584	$ 5,922,489	$ 6,068,334
BETTER/WORSE	$ (32,903)	$ 233,667	$ 425,262	$ 285,588	$ 404,161	$ 469,173	$ 706,928	$ 686,124	$ 637,472	$ 758,876	$ 826,960	$ 729,408
ENDING CASH BALANCE	$ 1,067,754	$ 1,301,420	$ 1,726,682	$ 2,012,270	$ 2,416,431	$ 2,885,604	$ 3,592,533	$ 4,278,657	$ 4,916,129	$ 5,675,004	$ 6,501,965	$ 7,231,373
Residential Customer 1" Metr 5,000Gals	$ 25.98	$ 28.58	$ 34.29	$ 38.24	$ 40.53	$ 41.34	$ 42.17	$ 43.01	$ 43.87	$ 44.75	$ 45.65	$ 46.56
Commercial Customer 2" Metr 10,000 Gals	$ 100.92	$ 111.01	$ 133.21	$ 148.53	$ 157.45	$ 160.60	$ 163.81	$ 167.08	$ 170.42	$ 173.83	$ 177.31	$ 180.86

Assumptions:

CAPITAL EXPENSES	0.00%
OPERATION & MAINTENANCE EXPENSES	5.00%
ELECTRIC POWER	7.00%
BULK WATER PURCHASE	3.00%
CUSTOMER EXPENSES	4.20%
ADMINISTRATIVE SUPPORT	3.50%
LABOR EXPENSES	3.00%
BENEFITS	3.50%
REVENUE VOLUME	0.00%
CELL TOWER RENTS	3.00%
INTEREST REVENUE	variable

Large Capital Projects

2009	High Serv Inverter $70,000; Riverside $91,500; Grant St $50,000; Gravel Pit Upgrade $50,000; SCADA $8,800
	Distribution Model 25,000
2010	Ash Str Main $150,000; New Tower Study $25,000; Water System Interconn Engineer $1,474,700
	Sherry Drive Main $500,000; GIS $100,000
2011	Broadway I $25,000; Water System Interconnect $8,398,800
2012	Broadway Phase II $25,000; New Backhoe $100,000; Ext. E. Ash Paint Tank $200,000;AMR 200,000
2013	Mower $30,000; New Tower Land $100,000; Mainler Ave Reconstruction $150,000;AMR 300,000
2014	New Dump Truck $125,000; New Water Tower Engineering $80,000; AMR $300,000
2015	Pickup Truck $30,000; New Water Tower $1,400,000; AMR $300,000
2016	AMR Phase III $300,000
2017	Water Distribution Line Improvements $250,000; AMR 100,000
2018	New Service Truck $190,000; Pickup Truck $35,000
2019	New Dump Truck $155,000
2020	Water Distribution Line Improvements $250,000

2010 Borrow 10,379,535 30 Years @ 4.5%
2015 Borrow 1,400,000 10 Years @ 3.5%
2012 Loss of 7 Lab and Plant Workers

EXHIBIT IV

PIQUA MUNICIPAL WATER SYSTEM
ESTIMATED TEN YEAR CASH FORECAST
NEW MEMBRANE Plant OPTION

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
CASH RESERVE	$ 1,100,656	$ 1,067,752	$ 782,119	$ 988,162	$ 885,490	$ 929,100	$ 1,035,658	$ 1,404,520	$ 1,685,791	$ 1,884,300	$ 2,184,508	$ 2,564,348
CAPITAL EXPENSES	$ 228,912	$ 275,000	$ 25,000	$ 525,000	$ 580,000	$ 305,000	$ 330,000	$ 300,000	$ 350,000	$ 225,000	$ 155,000	$ 250,000
CAPITALIZED LABOR	$ 16,388	$ -										
SHERRY DRIVE WATER MAIN EXTENSION		$ 500,000										
LARGE CAPITAL PROJECTS	$ 2,247,150	$ 1,451,000	$ 21,284,538	$ 2,500,000	$ -	$ 200,000	$ 1,400,000					
TOTAL CAPITAL EXPENSES	$ 2,492,450	$ 2,226,000	$ 21,309,538	$ 3,025,000	$ 580,000	$ 505,000	$ 1,730,000	$ 300,000	$ 350,000	$ 225,000	$ 155,000	$ 250,000
OPERATION & MAINTENANCE EXPENSES	$ 773,034	$ 587,071	$ 616,424	$ 352,134	$ 369,741	$ 388,228	$ 407,639	$ 428,021	$ 449,422	$ 471,893	$ 495,488	$ 520,262
WELL & PUMP REHABILITATION									$ 70,355	$ 73,873	$ 77,566	$ 95,445
SAND FILTER RECHARGE								$ 19,700				$ 23,950
MEMBRANE CLEANING/REPLACEMENT					$ 70,000	$ 83,400	$ 70,000	$ 84,775	$ 70,000	$ 86,290	$ 70,000	$ 87,960
ELECTRIC POWER	$ 180,500	$ 193,135	$ 206,654	$ 291,000	$ 311,370	$ 333,166	$ 356,488	$ 381,442	$ 408,143	$ 436,713	$ 467,282	$ 499,992
TREATMENT CHEMICALS	$ 214,000	$ 224,700	$ 235,935	$ 176,946	$ 185,793	$ 195,083	$ 204,837	$ 215,079	$ 225,833	$ 237,125	$ 248,981	$ 261,430
CHARGES INFORM TECH	$ 25,472	$ 26,364	$ 27,286	$ 28,241	$ 29,230	$ 30,253	$ 31,312	$ 32,407	$ 33,542	$ 34,716	$ 35,931	$ 37,188
BAD DEBT EXPENSE	$ 19,000	$ 13,886	$ 16,663	$ 18,579	$ 19,694	$ 20,088	$ 20,490	$ 20,899	$ 21,317	$ 21,744	$ 22,179	$ 22,622
CUSTOMER EXPENSES	$ 289,225	$ 301,372	$ 314,030	$ 327,219	$ 340,963	$ 355,283	$ 370,205	$ 385,753	$ 401,955	$ 418,837	$ 436,428	$ 454,758
ADMINISTRATIVE SUPPORT	$ 185,989	$ 192,499	$ 199,236	$ 206,209	$ 213,427	$ 220,897	$ 228,628	$ 236,630	$ 244,912	$ 253,484	$ 262,356	$ 271,538
LABOR EXPENSES	$ 872,927	$ 899,115	$ 926,088	$ 627,842	$ 584,867	$ 602,413	$ 620,486	$ 639,100	$ 658,273	$ 678,021	$ 698,362	$ 719,313
BENEFITS	$ 332,856	$ 409,531	$ 423,865	$ 283,625	$ 265,794	$ 275,097	$ 284,725	$ 294,690	$ 305,005	$ 315,680	$ 326,729	$ 338,164
DEBT EXPENSES	$ 142,529	$ 146,836	$ 146,836	$ 146,836	$ 146,836	$ 146,836	$ 72,872	$ -	$ -	$ -	$ -	$ -
DEBT EXPENSES 09 ISSUE & 13 ISSUE		$ 370,350	$ 960,164	$ 1,920,328	$ 1,920,328	$ 1,920,328	$ 1,920,328	$ 2,106,728	$ 2,106,728	$ 2,106,728	$ 2,106,728	$ 2,106,728
TOTAL BUDGET	$ 3,035,532	$ 3,364,858	$ 4,073,182	$ 4,378,960	$ 4,458,042	$ 4,571,071	$ 4,588,009	$ 4,845,226	$ 4,995,485	$ 5,135,103	$ 5,248,030	$ 5,439,351
REVENUE WITHOUT RATE INCREASE	$ 2,949,416	$ 3,155,875	$ 3,471,463	$ 4,165,755	$ 4,644,817	$ 4,923,506	$ 5,021,976	$ 5,122,416	$ 5,224,864	$ 5,329,361	$ 5,435,948	$ 5,544,667
RATE INCREASE REVENUE	$ 206,459	$ 315,588	$ 694,293	$ 479,062	$ 278,689	$ 98,470	$ 100,440	$ 102,448	$ 104,497	$ 106,587	$ 108,719	$ 110,893
%REVENUE RATE INCREASE	7.00%	10.00%	20.00%	11.50%	6.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
REVENUE	$ 3,155,875	$ 3,471,463	$ 4,165,755	$ 4,644,817	$ 4,923,506	$ 5,021,976	$ 5,122,416	$ 5,224,864	$ 5,329,361	$ 5,435,948	$ 5,544,667	$ 5,655,561
UTILITY PENALTIES	$ 36,924	$ 40,616	$ 48,739	$ 54,344	$ 57,605	$ 58,757	$ 59,932	$ 61,131	$ 62,354	$ 63,601	$ 64,873	$ 66,170
TAP FEES	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
RECONNECTION FEES/OTHER UTILITY	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475	$ 24,475
FIRE MAINTENANCE	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245	$ 40,245
CELL TOWER RENTS	$ 14,273	$ 14,701	$ 15,142	$ 15,596	$ 16,064	$ 16,546	$ 17,043	$ 17,554	$ 18,081	$ 18,623	$ 19,182	$ 19,757
CAPITAL DONATIONS	$ -	$ 260,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NON RECURRING MISCELL REV	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047	$ 1,047
INTEREST REVENUE	$ 24,090	$ 10,678	$ 7,821	$ 19,763	$ 17,710	$ 18,582	$ 20,713	$ 56,181	$ 67,432	$ 75,372	$ 87,380	$ 102,574
NEW DEBT	$ 2,197,150	$ 1,451,000	$ 21,284,538	$ 2,500,000			$ 1,400,000					
TOTAL REVENUE	$ 5,495,079	$ 5,305,224	$ 25,588,763	$ 7,301,288	$ 5,081,652	$ 5,182,629	$ 6,686,871	$ 5,426,497	$ 5,543,994	$ 5,660,311	$ 5,782,869	$ 5,910,829
BETTER/WORSE	$ (32,903)	$ (285,634)	$ 206,043	$ (102,672)	$ 43,610	$ 106,558	$ 368,862	$ 281,271	$ 198,509	$ 300,208	$ 379,839	$ 221,478
ENDING CASH BALANCE	$ 1,067,752	$ 782,119	$ 988,162	$ 885,490	$ 929,100	$ 1,035,658	$ 1,404,520	$ 1,685,791	$ 1,884,300	$ 2,184,508	$ 2,564,348	$ 2,785,825
Residential Customer 1" Metr 5,000Gals	$ 25.98	$ 28.58	$ 34.29	$ 38.24	$ 40.53	$ 41.34	$ 42.17	$ 43.01	$ 43.87	$ 44.75	$ 45.65	$ 46.56
Commercial Customer 2" Metr 10,000 Gals	$ 100.92	$ 111.01	$ 133.21	$ 148.53	$ 157.45	$ 160.60	$ 163.81	$ 167.08	$ 170.42	$ 173.83	$ 177.31	$ 180.86

Assumptions:

CAPITAL EXPENSES	0.00%
OPERATION & MAINTENANCE EXPENSES	5.00%
ELECTRIC POWER	7.00%
CUSTOMER EXPENSES	4.20%
ADMINISTRATIVE SUPPORT	3.50%
LABOR EXPENSES	3.00%
BENEFITS	3.50%
DEBT EXPENSES	0.00%
REVENUE VOLUME	0.00%
CELL TOWER RENTS	3.00%
INTEREST REVENUE	VARIABLE

Rate increases are used to maintain a cash balance above $200,000

09-12 Borrow $27,432,688 30 Years @ 5.0%
2015 Borrow $1,400,000 10 Years @ 3.5%
2012 Four Plant workers dropped
2013 Asst Super dropped

Large Capital Projects

2009	High Service Inverter $70,000; Riverside $91,500; Grant St $50,000; Gravel Pit Upgrade $50,000; SCADA $8,800; Well field Const 1,180,350
	Distribution Model 25,000; Well Field ACQ/Test $266,800; Pre-plant design $750,000
2010	Ash Str Main $150,000; New Tower Study $25,000;GIS 100,000;Plant Final Engineer $750,000; Test pilot plant 80,000;Sherry Dr Main 500,000
	Well field/ raw water main 621,000
2011	Broadway I $25,000; Water Treat Plant $19,929,538; Dist Main 1,355,000
2012	Broadway Phase II $25,000;AMR $200,000; Ext. E. Ash Paint Tank $200,000; New Backhoe $100,000; Decomm Plant 2,500,000
2013	AMR $300,000; Mower $30,000; New Tower Land $100,000; Mainier Ave Reconstruction $150,000
2014	New Dump Truck $125,000; New Water Tower Engineering $80,000; AMR Phase I $300,000
2015	Pickup Truck $30,000; New Water Tower $1,400,000; AMR Phase II $300,000
2016	AMR $300,000;
2017	Water Distribution Line Improvements $250,000: AMR 100,000
2018	New Service Truck $190,000; Pickup Truck $35,000
2019	New Dump Truck $155,000
2020	Water Distribution Line Improvements $250,000