

Wilmington City Council met in regular session on Thursday, July 17, 2014, at 7:30 p.m. with President Cindy Peterson presiding.

Call to Order

Roll Call: Jaehnig, present; Spicer, present; Stuckert, present; Mead, present; Miller, present; Milburn, absent; McKay, present.

Chief Weyand was also present.

A motion was made by Miller and seconded by Mead to excuse the absent member (Milburn).

Motion passed. All yeas.

Absent member excused.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

Moment of Silence

President of Council

A motion was made by Jaehnig and seconded by Stuckert to approve the minutes of the last regular meeting, July 3, as presented.

Motion passed. All yeas.

Minutes approved as presented.

Mayor - Mayor Riley introduced Nicole Friend from Arcadia Learning Commons.

Nicole Friend – Arcadia Learning Commons – We are a non-profit organization that serves mostly kids and families. We would like to grow into a YMCA for learning rather than fitness. We want to offer learning opportunities that meet the needs of our community. Right now, we have a preschool enrichment program. We do things like Spanish and yoga with preschoolers. We also emphasize play as an avenue for learning. We have tutoring and private lessons. We have a music studio. We have an afterschool enrichment program. We have free family programs. We also have adult “Make It and Take It” programs. We will be offering support to students who are homeschooled or who are taking on-line curriculum through public school to offer more hands-on projects. We are also welcoming Main Street Yoga into our space starting in August. They will be offering 9-10 hours a week of yoga classes. There is always room for new people. We will have an open house coming up on August 2, from 1-4, which is our first year anniversary celebration and Main Street Yoga’s 5th year anniversary celebration.

Councilman Jaehnig – Are you equipped to handle English as a second language or anything like that?

Nicole Friend – Not yet. Part of our mission is to seek out what is needed in the community and couple people who want to learn with people who want to teach. I have a meeting with a woman this week who is a specialist in second languages. We also want to partner with Treehouse.

Paul Hunter – Where does the funding come from?

Nicole Friend – It comes from program fees and donations. This past year we did not have the money to pay staff, but the programs are paying the rent and utilities. Some of the activities have a small fee but the family programs are free.

Mayor Riley – I compliment Chief Weyand and his crew on the 72 indictments on drug charges recently. This has not gone unnoticed at the State House of Representatives. I found out this morning that the House of Representatives is looking at having a special hearing in Wilmington looking at law enforcement issues involving the drug problem.

Chief Weyand – What brought the issue to light to the House of Representatives were the arrests that we couldn't make because of some legislative issues that need to be fixed. This spurred a conversation with the Attorney General, Cliff Rosenberger, and Director of Public Safety, John Born. They put together a summer session that we are going to have here over some legislative changes.

Mayor Riley – There were some jurisdictional issues that became more than just a bump in the road. It just so happened that the Director of Public Safety, John Born, was here last week and I introduced him to Chief Weyand. We were kind of bragging on what happened. It caught their interest and they decided they would try to do something about it.

Mayor Riley – I want to point out the Southern State Community College on August 9 from 8 a.m. to 5 p.m. and August 10 from 8 a.m. to 3 p.m., is hosting a very important service called GuardCare. The Ohio National Guard will be on Davids Drive providing free health care services. This has been put together by the Clinton County Health Department.

Mayor Riley – Clinton County Head Start is providing a free pre-school for children ages 3-5. They are taking applications now or you can contact them at 382-5634.

Auditor - Auditor David Hollingsworth had no report.

Asset, Acquisition and Use. - Chairperson Mead had no report.

Water Committee - Chairperson McKay – We have two items of legislation dealing with Ohio Public Works Grants. The first one is installing water tower aerators and mixers. This will help us get rid of stale water and get rid of trihalomethanes. The legislation needs three readings because of deadlines.

A motion was made by McKay and seconded by Stuckert to give the first reading only on a resolution Authorizing the Mayor to Apply to the Ohio Public Works Commission Funding for \$132,120.00 for the Airpark and Fairground Water tower Aerator and Mixer Installation Project and Declaring an Emergency.

President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by McKay and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Jaehnig, yes; Spicer, yes; Stuckert, yes; Mead, yes; Miller, yes; McKay, yes.

Director of Law read the resolution by title only.

A motion was made by McKay and seconded by Stuckert to pass the resolution as read.

Roll call: Jaehnig, yes; Spicer, yes; Stuckert, yes; Mead, yes; Miller yes; McKay, yes.

Motion passed.

President of Council declared Res. No. 2365 passed as read.

Councilman McKay introduced legislation applying or funds from OPWC to replace an old cast iron water line in the Fife Avenue area. It leaks and has to be repaired often. The first project has a \$60,000 match and this one has a \$40,000 match. Those funds are in place.

A motion was made by McKay and seconded by Miller to give the first reading only on a resolution Authorizing the Mayor to Apply to the Ohio Public Works Commission Funding for \$399,910.00 for the Fife Avenue Water Main Replacement Project and Declaring an Emergency.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by McKay and seconded by Miller to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Stuckert, yes; Mead, yes; Miller, yes; McKay, yes; Jaehnig, yes; Spicer, yes.

Director of Law read the resolution by title only.

A motion was made by McKay and seconded by Miller to pass the resolution as read.
Roll call: Mead, yes; Miller yes; McKay, yes; Jaehnig, yes; Spicer, yes; Stuckert, yes.
Motion passed.
President of Council declared Res. No. 2366 passed as read.

Councilman Mead asked about the construction activity out by the hospital. Service Director Reinsmith explained they are replacing a storm line where it floods.

Councilman McKay – At our Water Committee meeting, we had a gentleman speak to us about a water rate study. We will be reviewing the information in future water committee meetings.

Streets Committee - Chairperson McKay introduced legislation to authorize advertisement for bids for paving of the worst streets in Wilmington. These streets in disrepair have been identified by the Service Director.

A motion was made by McKay and seconded by Mead to give the first reading only on a resolution Authorizing the Director of Public Service to Advertise for Bids and Enter into a Contract for the Repaving of Several Streets in the City of Wilmington and Declaring an Emergency.

President called for vote.

Motion passed. All yeas.

Director of Law read resolution by title only.

A motion was made by McKay and seconded by Mead to suspend the rules and give the second and third reading on the resolution by title only.

Roll call: Miller, yes; McKay, yes; Jaehnig, yes; Spicer, yes; Stuckert, yes; Mead, yes.

Director of Law read the resolution by title only.

A motion was made by McKay and seconded by Mead to pass the resolution as read.

Roll call: McKay, yes; Jaehnig, yes; Spicer, yes; Stuckert, yes; Mead, yes; Miller yes.

Motion passed.

President of Council declared Res. No. 2367 passed as read.

Councilman Stuckert expressed his approval of the street paving projects. We are limited going forward with our desire to keep our 25% carryover, which is prudent and wise. We are going to have to find new and innovative ways to find money. I compliment the mayor and administration for taking this action this year. The citizens should be very happy about it.

Solid Waste/Recycling - Chairperson Jaehnig – We will have our monthly Solid Waste Committee meeting on July 28 at 6:30 p.m. We will be discussing some of the unanswered questions from the last public hearing.

Wastewater/Sewer Committee – In the absence of Chairperson Milburn, Councilman Stuckert had no report.

Judiciary Committee - Chairperson Jaehnig had no report.

Safety Committee - Chairperson Spicer had no report.

Finance Committee – Chairperson Miller asked Joe Allen from the Clinton County Municipal Court to explain the Supplemental Appropriations and Miscellaneous Transfer legislation.

Joe Allen explained that they required additional money to start to scan and microfilm old case files. The project will allow for further storage. Also requested was a transfer of \$4000.00 to Appointed Counsel because of a large number of conflict with clients that require court to appoint counsel.

A motion was made by Miller and seconded by McKay to give the first reading only on the ordinance Making Supplemental Appropriations.

President called for vote.

Motion passed. All yeas.

Director of Law read ordinance by title only.

A motion was made by Miller and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: McKay, yes; Jaehnig, yes; Spicer, yes; Stuckert, yes; Mead, yes; Miller, yes.

Director of Law read the ordinance by title only.

A motion was made by Miller and seconded by McKay to pass the ordinance as read.

Roll call: Jaehnig, yes; Spicer, yes; Stuckert, yes; Mead, yes; Miller, yes; McKay, yes.

Motion passed.

President of Council declared Ord. No. 5171 passed as read.

A motion was made by Miller and seconded by McKay to give the first reading only on the ordinance Making Miscellaneous Transfers.

President called for vote.

Motion passed

Director of Law read ordinance by title only.

A motion was made by Miller and seconded by McKay to suspend the rules and give the second and third reading on the ordinance by title only.

Roll call: Spicer, yes; Stuckert, yes; Mead, yes; Miller, yes; McKay, yes; Jaehnig, yes.

Director of Law read the ordinance by title only.

A motion was made by Miller and seconded by McKay to pass the ordinance as read.

Roll call: Stuckert, yes; Mead, yes; Miller, yes; McKay, yes; Jaehnig, yes; Spicer, yes.

Motion passed.

President of Council declared Ord. No. 5172 passed as read.

Chairperson Miller introduced the discussion of the LEAP Audit recommendations for the Income Tax Department.

Mayor Riley – One of the recommendations of the LEAP report was that we outsource all or a part of our income tax operation. We have looked at this in the past. We could outsource many things in the city, but where does that leave customer service? They say we could save \$121,000. I question that. They talk about contracting out the services and being charged 3% or \$121,000.

Tax Commissioner Marque Jones – Just like every other supervisor who has talked to council, the LEAP auditors spent maybe 5-10 minutes in our office. The only thing they really grabbed was our yearly report that I give to you. That is what they based our recommendations on, other than knowing that CCA/RITA help us with our collections. They talk about comparing our expenditures to our revenues. When they did that, they didn't take the time to find out that the tax rate of most of these cities is a lot higher than Wilmington. That puts us at an unfair advantage. If we were a 2% city like Franklin, that would be \$8 million dollars, and those numbers would not look as bad. Our job is enforcement of the tax code. People do not want to pay their taxes.

Mayor Riley – I think you do a great job. I may be one of the odd people who feel it is a privilege to pay taxes. It really is a privilege to pay taxes when you get the results like we get in the city of Wilmington for a 1% earnings tax. We get a lot done with the 1%. You're paying for your police department, your fire department and all of those things. What Marque and his staff have been able to do is remarkable. Marque is good at what he does and there is something to be said for that hometown touch. People come into the city building all of the time looking for the tax office. They have an issue and they want to talk and we direct them to the office. I think that's a value-added service.

Marque Jones – It's a compliment to council also that we have stayed at one percent. Most of you know we have been through the worst time in my 30 years here as far as income tax collection and the city budget, and now we're on the upswing. We didn't have to go to the citizens to increase the tax rate, whereas a lot of other cities, especially in Columbus, are at 2.75%. That's a big jump from one percent.

Councilman McKay – We moved into Wilmington from the country 30-some years ago. That first year, I didn't really realize I was supposed to pay the city income tax. When we finally got around to it, I called Marque. He was very kind and understanding and we worked it out.

Marque Jones – When I was first hired, I was told that they wanted me to collect the tax, but they wanted me to be fair to the citizens. That is what I've always tried to do, but there are times that we have to go to legal counsel. They have done an outstanding job. We used to contract out our criminal cases, but now we go directly to the Law Director. They have done a great job.

Paul Fear – When they talk about comparables, it's hard to compare expense to income of 1% revenues when all the rest of the four or five on there are 1.5, 1.7 or 2.3. Their revenues are going to be a lot higher even if their expenses are the same. We can give you all that stuff if you want and talk about whether they are statutory or legislative. Also Marque acts as the Deputy Treasurer also.

Mayor Riley – The LEAP Auditors did take into account that we are one percent. On Table 7 they did try to qualify that. They say Wilmington's actual expenditure ratio was 6% in 2012. In order to compare to peer cities, however, Wilmington's gross collection was adjusted to reflect the peer average tax rate of 1.55%. When they did that, it was 0.1 difference. I don't think that difference warrants doing everything differently. I applaud Marque and his staff. I don't understand changing things that work well.

Marque Jones – A year ago, you authorized us to go with CCA collection agency. The only thing that CCA or RITA had on us was they had access to the IRS records. So, if a person wouldn't file, we would send CCA a list and they would look on their IRS records to see if they filed a federal return and based on that they would send a letter. Based on that, they have collected and sent to us about \$10,500. So, it was effective. It wasn't a lot because we're only 1%. They only charged us 5% of what they collect and other agencies have much higher fees.

Paul Fear – What that tells us, since we have mandatory filing, Marque and his staff have the ability to contact everybody.

Marque Jones – You may not know this, but we bid our funds, checking accounts to all the banks every five years. In 2010, we got our bids back and of course all of our funds are at National Bank & Trust. The compensating balance was \$1.7 million that we had to leave in the bank. Before 2010, it was zero, but in recent years, they had to go to that format for us. Geoff asked if there was any way we can reduce that \$1.7 million. They said yes. I don't know if you've ever heard of remote deposit. In other words, if you go to National Bank and the girl at the desk is feeding the check through. We can do that ourselves. Since the utility department processes the most checks of anyone in the city, we recommended they go with remote deposit. When we did that, it saved us \$500,000. So, it went from \$1.7 to \$1.2 in our compensating balance. We had \$500,000 to invest on a daily basis. The Auditor's didn't really delve into anything because all the work was put on the back of the girls in the utility department – that was one more job that they had to do that they hadn't done in the past. To look at it, it saved \$500,000 that we could invest elsewhere. I spend a lot of time doing Treasurer's work as well. Twenty percent of my time is focused on that area. During the conversation, I told them that, but they didn't put it in their report.

Councilman Jaehnig – The original discussion was this was going to be a deep dive into each one of the departments and a hard look at not only numbers, but processes and things of that nature. Even if it was a half hour, it's not a deep dive. A deep dive is a day or two really figuring out what everyone does – what are all the different functions in the departments. If it is not being measured properly, it skews all of the information. Paul, our supposed peer cities that they are using for the Tax Department, are those the same peer cities for other departments?

Paul Fear – No.

Councilman Jaehnig – Are there other cities in the State of Ohio that have a one percent tax?

Paul Fear – There are other cities with the same tax rate, but they didn't use them. They would also have the other structure.

Councilman Jaehnig – I don't understand why they didn't find peer cities with the same tax rate and department structure to do the comparison to.

Paul Fear – I looked at the previous LEAP studies and their recommendations. It would assume to me that when they look at peer, they would look at whether they have a mayor or a city manager. These peers don't match up at all. They have different tax rates. Half of them are statutory; half are charter.

[Discussion of the differences between Wilmington and the peer cities]

Councilwoman Miller – The mayor had said that he did not really want to pay the bill for this. We haven't been billed yet, right?

Mayor Riley – We have been billed.

Councilwoman Miller – Have we countered yet?

Mayor Riley – I've been waiting.

Councilwoman Miller – Can we send an issuance of nonpayment since this is why?

Mayor Riley – They weren't supposed to bill us for a year.

Councilwoman Miller – On top of that, we have systematically, play by play, broken down how flawed the numbers were. Whether they gave us numbers or not, they gave us unusable numbers and we've proven that we can't use them.

Mayor Riley – We have one more session next month where we talk about health insurance. I have already talked to Brenda and Andrea. When I respond to that bill, I'm going to take the actual council minutes and what has been said in council and by council and by community members in to show our displeasure. I really don't think we owe them anything.

Councilwoman Miller – Is there a letter that we can all put our support behind?

Mayor Riley – There will be. That is part of my plan. I think the whole thing needs to be rescinded because I think it's a very bad audit. Paul notes that it is available online. Mentor-on-the-Lake up by Ashtabula called me last week. They pulled our audit out and they looked at it and they said, "You don't seem to be happy." I told them not by a long shot and I told them exactly why. Their city was thinking about doing the LEAP audit and my recommendation would be not to do it. If you get the type of auditors we had, I would recommend not to do it.

Paul Hunter – At the RITA presentation, some people keep their Tax Commissioner and just get rid of the others. That would save approximately half of what they claimed if we did RITA that way. You could keep part of the staff.

[Discussion of merits of partial staffing of Tax Office]

Downtown Revitalization Committee – Convener McKay – Next Thursday from 11:00 to 2:00 is the 96th Anniversary celebration of the Murphy Theatre. There is a Third Friday event tomorrow night.

Parks and Recreation Committee – Convener Stuckert had no report.

Cemetery Committee – Chairperson Bob Mead had no report.

Mayor Riley stated that the cemetery board is reconsidering the transfer of the cemetery. The process is now on hold.

Service Director - Service Director Reinsmith had no report.

Safety Director – Safety Director Russ Burton had no report.

Reports

A motion was made by Jaehnig and seconded by Miller that the Auditor-Treasurer Report – June 2014, and the Income Tax Report – June 2104, be accepted as presented.

Motion passed.

Reports accepted as presented.

President Peterson opened the meeting up to the general public and/or members of council to address council while in session.

Richard Caplinger – Property Owner of 63 Midway – I just recently moved from this address because of the issues of property maintenance in surrounding properties. They are rentals and the places are in very bad condition. The back yards of these residences are in very bad shape. We are trying to sell ours, but who would want to buy it?

Chief Duane Weyand – I'll meet with you tomorrow and you can show me the houses and I can get with Code Enforcement.

Mayor Riley explained that Chief Weyand works closely with the Code Enforcement.

[Discussion of code enforcement]

Paul Hunter – 200 Randolph Street – I have come to praise an employee in the Building and Zoning Office. The city has really cleaned up a lot of the signs and grass issues. These are being handled by a \$13/hour person who was replacing a \$40/hour person and doing a great job. I would hope that we could recognize her by paying her a little more.

Councilman Jaehnig – I agree with you wholeheartedly, Paul, that that young lady does an amazing job and deserves a raise.

Paul Hunter – We can praise her all we want, but that doesn't buy a raise.

Councilwoman Miller – Can we praise her by name?

Paul Hunter - Michelle Horner. You call her and it's done and you get feedback. Her job needs to be changed. She is not a secretary. She is a professional at what she does.

Councilman McKay – We will have our regular Water Committee meeting on July 30 at 6:00 p.m.

President Peterson asked if anyone else wished to address council while in session.

Seeing no one else who wished to speak, President Peterson asked for a motion to go into executive session per ORC 121.22(G)(4), Collective bargaining.

A motion was made by Jaehnig and seconded by Stuckert to go into executive session. Motion passed. All yeas.

Council entered executive session at 8:30 p.m.

A motion was made by Miller and seconded by McKay to return to regular session. Motion passed. All yeas.

Council returned to regular session at 9:01 p.m.

Seeing no one else who wished to speak, President Peterson asked for a motion to adjourn.

A motion was made by Miller and seconded by Spicer to adjourn.

President Peterson declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk