

Wilmington City Council met on Thursday, December 5, 2013, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

Chief Weyand was also present.

Pledge of Allegiance

Council gave the Pledge of Allegiance to the flag.

President of Council asked cell phones to be set to silent mode.

President of Council - President Kirchner:

A motion was made by Stuckert and seconded by Mead to approve the minutes of the last regular meeting, November 21, as presented.

Motion passed.

Minutes approved as presented.

Mayor - Mayor Riley announced that the winner of the Wilmington Tree Commission/City of Wilmington Fall Foliage Photography Contest was Brett Rudduck. He presented a certificate to Brett Rudduck and stated that the picture would be published in the Wilmington News Journal and will be displayed in the lobby at the City Building.

[Applause]

Mayor Riley went on to say they would like to do additional tree photography contests in the future.

Marque Jones explained that letters had gone out from CCA (Central Collection Agency) in Cleveland, Ohio. Letters were only supposed to go to those individuals not on file that live in Wilmington. There were 344 letters sent out. Income Tax Department has been getting a lot of calls. People want to know if it is legitimate. The city found out that the way they match their records with the IRS is by a Social Security number, not name and address. The biggest problem occurs with individuals that have a business who file under their business. Those people were also sent letters even though they had filed their taxes. Those individuals have been able resolve the issue by calling the CCA company. CCA then verifies that we have a tax return on file. Other problems have included social security numbers being entered incorrectly or spousal issues. Each case is being looked at on a case-by-case basis.

Councilman Jaehnig asked how we interact with businesses located within the city limits so they know they have to withhold city income tax on their employees. What is the trigger that causes the discussion?

Marque Jones – A lot of it comes from Mr. Reinsmith's office. When they come in for building permits or occupancy permits, the Building and Zoning Department sends us a copy to let us know that they are in the city. We also get information from the water department. If we do not have them on file, then we send them a letter.

Councilman Jaehnig asked if the letters were being sent to people that were not working or working outside the community. Marque Jones says the CCA does not tell them anything. We get the money that they collect but not the tax returns. Councilman McKay asked if they take a percentage. Marque Jones said that they take around 3% for collection.

[Discussion of income tax collection process]

Councilman Stuckert asked if they could refer people to the Income Tax Department to answer questions. Marque Jones said that was fine.

Marque Jones said that the CCA said that we had done a great job of collection, but there were a few that were still out there. He hoped to get to 100% collection.

Mayor Riley asked that everyone be prepared and ready for upcoming snow and ice events. Stay at home if you can and take care of your neighbors.

Councilman McKay asked if the new snow trucks are in. Denny Gherman answered that they are not, but they are working on it. We should have the first one prior to Christmas.

Mayor Riley announced that Glenn Beck's production team had been back in town in the last week or two. Allen Willoughby and Robyn Morris are traveling to Texas next week to be on his radio/internet show.

Mayor Riley expressed appreciation to Trevor Shoemaker, Steve Brown and Rob Jaehnig for putting together a great HoliDazzle event.

Paul Hunter asked the mayor's opinion on Nelson Mandela's passing. Mayor Riley said that Nelson Mandela was a personal hero of his and he mourns his loss. He is to the world what Jefferson, Adams and Franklin were to the United States. Nelson Mandela went to jail for 27 years. The most amazing thing is he came out determined to make that country better. He didn't come out bitter and angry, he came out with resolve to solve the problems of South Africa.

Auditor – In the absence of Auditor David Hollingsworth, there was no report.

Asset, Acquisition and Use. - Chairperson Bob Mead presented the second and third readings on legislation authorizing a purchase and sale agreement of the Dupree property on Sugartree Street.

A motion was made by Mead and seconded by Stuckert to suspend the rules and give the second and third reading on the resolution Authorizing the Mayor to Enter into a Purchase and Sale Agreement for Real Property Owned by Glenn F. and Ruth Lee Dupree (.741 Acres More or Less) and Declaring an Emergency.

Roll call: Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Director of Law read the resolution by title only.

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

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Motion passed.

President of Council declared Res. No. 2340 passed as read.

Finance Committee - Chairperson Mead introduced an ordinance making supplemental appropriations:

From UDAG to Adam Bede Expenses for \$65,000.00. Paul Hunter asked what the Adam Bede project was. Councilman Siebenaller explained that they were renovating apartments in the downtown area.

General Fund to Income Tax Refunds for \$100,000. Marque Jones explained that a company located in Wilmington was owed a large refund of around \$300,000 last year has agreed to take smaller payments of \$100,000. A change in the tax code has created a situation where they are able show a loss. President Kirchner asked whether or not we expected them to show a loss in the upcoming year. Marque Jones said he did not have that information.

[Discussion]

General Fund to Administration Salaries for \$4000: This is for employees selling their vacation back to the city.

Community Corrections Fund to Program Expenses for \$5,000.00, which is a standard movement of funds.

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

President asked for discussion.

Seeing none, President called for vote.

Motion passed

Director of Law read ordinance by title only.

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

Roll call: Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes.

Director of Law read the ordinance by title only.

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

Roll call: Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes.

Motion passed.

President of Council declared Ord. No. 5125 passed as read.

Councilman Mead said they hoped the Auditor and the city's insurance broker could share some information with council on the 2014 budget, but that was not going to happen this evening. The President of Council has scheduled two special meetings, December 10 and December 11 at 6 p.m., for individual departments to discuss the budget. We really don't have the information needed to get into a full discussion at this time. Unless the president has something he wants to add, I do not have anything further at this time.

President Kirchner verified that all the council members received their copy of the initial submitted budget. He encouraged them to have their questions ready. There is also the prospective schedule for the special council meetings in their packets. If council needs additional meetings, we will schedule additional meetings.

Water Committee - Chairperson Wallace had no report.

Streets Committee - Chairperson McKay said that a public hearing was needed regarding the vacating of alleys at Wilmington College.

President Kirchner opened the public hearing on vacating two alleys.

Councilman McKay introduced attorney for Wilmington College, Karen Buckley.

Karen Buckley – The College is undertaking a \$19 million project to renovate and expand Kettering Hall, the sciences building, and adjoining Robinson Hall. This vacation is one of the early steps. We are financing the project through the United States Department of Agriculture, so there are lots of steps that they have to go through. These alleys cross the campus; all land around them is owned by the college. They have not been opened and used as traffic alleys for many years, so it will not affect any traffic patterns at the college. One is currently a sidewalk. The other is in grass across the campus. Are there any questions? You have pictures in your packet.

President Kirchner asked if it had been verified that there are no utilities in these areas.

Karen Buckley said that had been verified. Councilman Jaehnig stated that this is housekeeping that should have been done years ago.

Councilman McKay stated that they are asking for three readings and an emergency.

Karen Buckley added that many other steps that depend upon this, including re-platting

the area, and getting a description so they can pledge that to the United States government in security.

President Kirchner asked for any other questions or comments.

Seeing none, President Kirchner closed the public hearing on vacating two alleys at Wilmington College.

A motion was made by McKay and seconded by Wallace to give the first reading only on An Ordinance to Vacate Two Alleys at Wilmington College, and Declaring an Emergency.

President asked for discussion.

Seeing none, President called for vote.

Motion passed. All yeas.

Director of Law read ordinance 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 ordinance by title only.

Roll call: Mead, yes; Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes; Wallace, yes.

Director of Law read the ordinance by title only.

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

Roll call: Siebenaller, yes; McKay, yes; Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes.

Motion passed.

President of Council declared Ord. No. 5126 passed as read.

Solid Waste/Recycling – In the absence of Chairperson Wells, Councilman Jaehnig had no report.

President Kirchner said they recently had heard the city new rates are low. He would be interested in the budget discussion to have Donnie speak about the rate performance.

Service Director Reinsmith explained that Donnie Maher would not be able to attend and he would be discussing it instead. He added that the rates were competitive, but he did not believe that they were low. He said they lost about \$200,000 in revenue during the first few months when the rates were initially changed. We are now getting those private haulers back. He said that they had been doing research and it appears that we are losing about \$5000 a day by using the scales.

President Kirchner said that when the scale discussion began, it was the indication from Donnie Maher that they were not making enough money because they didn't have scales.

Service Director Reinsmith said that the thing council was looking for was accuracy when they bought the scales.

President Kirchner said it was estimate of what kind of weight tonnage you had per cubic yard. You are ultimately looking at a cost...right now, with the 22% increase that was put through, you put a lot of burden on the taxpayers, the individual households in this community to build this facility.

Service Director Reinsmith – We talked about that increase. The problem is, we did that increase so we would have money to pay for these future expansions. The problem is, the EPA and the Solid Waste District took about half that money, so that big increase didn't come to our landfill. They went to fees.

President Kirchner – I know our local Solid Waste Management District has one of the highest fees going. You sit on that board...what is the justification for that?

Paul Hunter – So they can keep their \$700,000 slush fund.

Service Director Reinsmith – Right now, we are rewriting an update in the plan. If you want to make some suggestions, you could do it now.

President Kirchner asked for a draft copy. Service Director Reinsmith said they are doing a chapter a month. It will take about a year.

[Discussion of Waste District Update]

President Kirchner said that council would like the opportunity to challenge the fees when the report is completed.

Wastewater/Sewer Committee - Chairperson Stuckert had no report.

Judiciary Committee - Chairperson Siebenaller presented the second and third readings on a UDAG loan to the Adam Bede Holding Company, which was discussed in previous meetings.

A motion was made by Siebenaller and seconded by Stuckert to suspend the rules and give the second and third reading on A Resolution Authorizing a UDAG Loan to Adam Bede Holding Company from the UDAG Project Income Revolving Loan Fund; and Declaring an Emergency.

Roll call: McKay, yes; Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes.

Director of Law read the resolution by title only.

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

Roll call: Jaehnig, yes; Stuckert, yes; Wallace, yes; Mead, yes; Siebenaller, yes; McKay, yes.

Motion passed.

President of Council declared Res. No. 2341 passed as read.

Safety Committee - In the absence of Chairperson Wells, Councilman Mead had no report.

Downtown Revitalization Committee - Chairperson McKay said the HoliDazzle was very successful.

Parks and Recreation Committee – Chairperson Jaehnig announced there is a Parks Board meeting at 6 p.m. on Monday.

Income and Levy Tax Committee – Chairperson Jaehnig had no report.

Service Director - Service Director Reinsmith said he called ODOT and got the bridge on South Street opened, although they do have a little more work to do. They also received a favorable bid on the lot at the corner of Prairie and Lowes drive, so they need to finish the sale of that piece of property.

Safety Director – In the absence of Safety Director Russ Burton, there was no report.

#### Reports

A motion was made by Stuckert and seconded by Jaehnig that the Income Tax Report – November 2013, be accepted as presented.

Motion passed.

Reports accepted as presented.

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

Paul Hunter asked President Kirchner if there was any concrete indication that there will be a pay raise for the city employees in next year's budget.

President Kirchner said they had not yet sat down and gone through the budget line items, but he would not anticipate such an increase.

Paul Hunter – What do the recent council election results tell us? In this single-party controlled city council, members cannot say in all honesty that the people have spoken or that they represent the majority of the residents. They can only say their party has spoken and even saying that is ambiguous when 82% of the registered voters stayed at home last fall. One incumbent member was reelected by winning less than 14% of his wards possible votes. That's hardly a mandate. This being the case, a special burden is placed on the elected members. In my opinion, they should reach beyond personal and political beliefs when considering legislation affecting all of the people. In any case, that is what it is.

The second item I would like to cover, and there is a connection. Council members of the more conservative wing of the ruling party have often stated that the city has had a spending problem and not a revenue problem. I would posit that we had both back in 2010 but through much budget cutting and trimming, the spending part has been pretty much solved. That leaves the revenue problem that has been exacerbated by significant reductions in revenue sharing from the state, loss of estate tax, and stagnant income tax and property tax receipts. Another threat is looming in the state when they take over the income tax administration. Under the new rules, we're slated to lose money, are we not?

The problem with focusing only on the spending side is that we are forcing the city workforce to carry the majority of the burden of austerity that we have put on them while we residents, that's me included, get a free ride.

A couple of examples:

Who are the hardest working city employees that toil in the early hours of rainy, windy and wintery days? If you think it's our trash collectors, you are right. We set out trash, yard waste, tree limbs, recyclables and even bedding in the evening and voila, the next morning it's gone. Every week of the year. Tell the collector that was hired in 2008 for \$13.63 an hour and now makes an adjusted \$12 an hour that he is responsible for the city's budget woes.

Michelle Horner, who works in the Building and Zoning Department was hired as an assistant in 2009 for \$13.66 an hour. Since that time, she has taken over many of the duties of the former building official who was making almost \$40.00 an hour. Michelle is now making an adjusted \$12.30 an hour for her part in making a significant reduction in city spending.

As I have mentioned several times at this podium and with the cautionary lead to this presentation, the voters should be given a choice in the revenue issue. The best measure of the voters thinking, since the election doesn't appear to indicate that, is for council to offer a nonpartisan, non-council-supported property tax levy choice in next spring's primary.

I ask Councilman Stuckert, whom I perceive to be representative of the conservative wing of council, what possible objection he and his fellows have to letting the underrepresented residents make the decision to tax themselves a few dollars a month to prevent an exodus of experienced city workers as the economy recovers...and we're losing them. Thank you.

President Kirchner announced Special Council meetings are to be held on Tuesday, December 10, and Wednesday, December 11, at 6:00 p.m. to discuss the budget. Also, on Wednesday, December 11, there will be a the first public hearing for Natural Gas Aggregation. The second public hearing will be held at the regular council meeting on December 19. There is a list of Frequently Asked Questions and we will look into getting that on the city website. Also, Happy Birthday to the Law Director.

Councilman Jaehnig thanked Chief Duane Weyand and the rest of the officers, Denny Gherman and Streets Department, Phil Floyd and the Transit Department and the firefighters for all of their assistance at Holidazzle. Also would like to thank the

Wilmington FFA. For the 7<sup>th</sup> year in a row, they have provided the majority of labor in actually organizing the parade at the high school.

Mayor Riley said that when the city is in having fun mode, all of those workers are very busy making it happen.

Paul Hunter added that the County Commissioners had their update on aggregation. Between the city and the county this year, in a 12-month period, well over \$3,000,000 is going to be held in the greater community which can be spent here rather than being sent to Dayton or wherever else it was going to go. The City Council and County Commissioners should be given credit for passing the legislation and moving forward because it is working.

President Kirchner said the original estimate for annualized savings in electric alone inside the city was \$4,000,000 between all of the accounts that are eligible. Paul Hunter said it was closer to \$1,500,000 in actual savings. President Kirchner said he was encouraged that they are also moving gas aggregation forward. Paul Hunter mentioned that there was one city employee whose electric bill went up because of the aggregation.

Sam Ahrman explained that all of the other utilities in Ohio have 100% of their generation separate from the utility, which means that they are all at a market rate. They go out and auction their generation in public auctions once a year. We are doing it in a stepped program. We have to be 100% done by May 2017. Right now, when you switch to any of the retail providers, they are able to offer you market rates. That is what DP&L will be able to do too in the future.

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

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

A motion was made by Wallace and seconded by Jaehnig to adjourn. President of Council declared the meeting adjourned.

ATTEST:

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President of Council

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Clerk

