

# INTERNAL MEMORANDUM

Office of the City Administrator

Springdale, Ohio

April 1, 2016

To: Mr. Thomas Vanover  
President  
Springdale City Council

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From: Derrick Parham  
City Administrator

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Re: Report on Pending and Future Legislation

## Item I

### **An Ordinance Accepting a Proposal Under the State of Ohio Cooperative Purchasing Program and Authorizing the Mayor and Clerk of Council/Finance Director to Enter Into a Contract for the Purchase and Installation of Forty-nine 800 MHz Radios and Declaring an Emergency**

For well over thirty years, the City of Springdale has been fortunate to have a local City-band radio system. This radio system provides the City departments (Police, Fire, Public Works, Parks & Recreation, and Administration) the ability to communicate on a day-to-day basis when necessary. More importantly, this system has served as the primary local communication network for the City's Police Department.

Due to the age of the system, it no longer works as effectively as it did in earlier years. The system often fails when officers are attempting to contact each other or reach headquarters. Most of the other departments have simply abandoned the use of the system due to its ineffectiveness. They have instead elected to use cellular phones, or the County radio system in the case of the Fire Department, to contact one another or other departments. Due to the need of having an effective communication device, especially during emergency situations, the time to upgrade the system has arrived.

Because the cost of the upgrade is expected to far exceed \$50,000, a public bid process would be required. Fortunately for the City, the State of Ohio Cooperative Purchasing Program has received bids on these particular radios from vendors (Motorola and Kenwood). The Administration will provide a recommendation as to which radios to purchase. It is believed the cost will be substantially less than the amount in the 2016 Budget. The 2016 Budget has \$170,000 appropriated to upgrade the current radio system.

An ordinance, with an emergency clause, accepting a proposal under the State of Ohio Cooperative Purchasing Program and authorizing the Mayor and Clerk of Council/Finance Director to enter into a contract for the purchase and installation of forty-nine 800 MHz radios is scheduled for the **04/06/2016** meeting.

## **Item II**

### **An Ordinance Authorizing the Mayor and Clerk of Council/Finance Director to Enter Into an Agreement with Ultimus Fund Solutions, LLC Related to Job Retention and Creation Incentives and Declaring an Emergency**

Ultimus Fund Solutions, LLC is one of the largest independent companies in the country providing mutual fund services to their clients. Their operations have resided in Springdale since 2000, originally occupying space on Merchant Street. Ultimus later relocated their operations to the Pictoria Tower in 2006. The Springdale location presently serves as the company's headquarters, with satellite operations in Indiana.

Currently, Ultimus has an experienced team of approximately 140 accountants, attorneys, and other professionals. Due to a demand for their services, it is necessary for Ultimus to expand their team/operations. With this growth, they are considering one of two options: 1) expand their current footprint by at least an additional 14,300 square feet; or 2) expand one of their existing satellite offices in Indiana.

It is Ultimus' intention to invest \$200,000 in capital improvements to accommodate the potential expansion at the Springdale location. In an effort to offset the proposed project expenses, Ultimus is requesting the City provide financial incentives. With this project, it is anticipated that their staff will increase by an additional one hundred employees thus generating new payroll in the amount of \$6,000,000. Ultimus' current payroll is slightly above \$7,000,000. Their total payroll with this new project will be in the neighborhood of \$13,000,000.

To demonstrate a commitment to one of the City's existing businesses, it is the Administration's recommendation to provide Ultimus with financial incentives under the City's "Forgivable Line-of-Credit Draw program." Hopefully, this gesture will go a long way in retaining the current jobs, including the company's headquarters, as well as add another one hundred jobs.

An ordinance, with an emergency clause, authorizing an agreement related to job retention and creation incentives with Ultimus Fund Solutions, LLC is scheduled for the **04/06/2016** meeting.

## **Item III**

### **An Ordinance Authorizing the Mayor and Clerk of Council/Finance Director to Enter Into an Agreement with the Council on Aging of Southwest Ohio (COA) Related to Job Retention and Creation Incentives and Declaring an Emergency**

The Council on Aging of Southwest Ohio (COA) has been a member of the Springdale business community for roughly ten years. During that period, their headquarters have resided at 175 Tri-County Parkway. Over the past eight years, the COA operations have doubled in size. Today, they are projecting their operations and personnel will continue to grow and therefore space is quickly becoming an issue for them. According to the COA representative, they are considering one of two options: 1) reconfiguring their existing space in Springdale; or 2) relocating their operations to another jurisdiction. If they remain in Springdale, they will not add any additional square footage. Instead, their plan would be to completely remodel the existing space (18,000 square feet) to use it more efficiently. The other two communities under consideration by the COA are Forest Park and Sharonville.

As a part of the evaluation process and while exploring their possible future home, the COA has also requested the communities to consider providing financial incentives. Presently, the COA employs approximately 150 people at their location here in Springdale. With this project, it is anticipated that the staff will increase by an additional thirty employees over the next six years. The additional employees are expected to increase the COA payroll in Springdale from \$7.65 million to \$10 million.

In an effort to retain the current jobs, including the COA headquarters, as well as gain approximately thirty new jobs, the Administration is recommending the City provide the COA with financial incentives under the City's "Forgivable Line-of-Credit Draw program."

An ordinance, with an emergency clause, authorizing an agreement related to job retention and creation incentives with the Council on Aging of Southwest Ohio is scheduled for the **04/06/2016** meeting.

#### **Item IV**

#### **An Ordinance Amending Ordinance No. 3-2016 to Change Optional Redemption Provisions and Declaring an Emergency**

At the January 6, 2016 City Council meeting, Council passed Ordinance No. 2-2016 which authorized the purchase of the property located at 11911 Sheraton Lane (the old Sheraton Hotel). At the February 3, 2016 City Council meeting, Council passed Ordinance 3-2016 which provided for the issuance of not to exceed \$3,000,000 real estate acquisition bond anticipation notes for the acquisition of the old Sheraton Hotel property and subsequent demolition of the hotel structure. Ordinance 3-2016 had specific language requiring a closing date of February 16, 2016. The closing on the bond anticipation notes was not able to be completed by this originally scheduled date. Therefore, it is necessary that Ordinance 3-2016 be amended to address the new closing on the notes as well as change the optional redemption provisions.

An ordinance, with an emergency clause, to amend Ordinance No. 3-2016 to change the optional redemption provisions is anticipated to be before Council for consideration at the **04/20/2016** meeting.

#### **Item V**

#### **Authorizing a Final Ordinance with the State of Ohio Department of Transportation (ODOT) for the State Route 4 Southbound Lane Addition Project and Declaring an Emergency**

Last September (2015), the City of Springdale was awarded Surface Transportation Program (STP) Funding for the State Route 4 Southbound Lane Addition Project to add an additional southbound lane onto Interstate 275. The project is intended to provide a designated lane for southbound State Route 4 traffic traveling onto both westbound and eastbound Interstate 275.

At the **10/21/2015** meeting, Springdale City Council adopted ODOT's preliminary ordinance (Ordinance 23-2015) to accept the STP funding and commit to cover the City's share of the construction (20% of the construction cost and other amounts in excess of the STP funding amount), any right-of-way costs, and all professional engineering for the project. In exchange for the City's commitments, Springdale is scheduled to receive 80% of the construction and construction engineering costs. At the time the City adopted the preliminary ordinance, the estimated construction and construction engineering cost totaled \$603,475. Of that amount, the City was scheduled to receive approximately \$482,780 and be responsible for the remaining 20% or \$120,695.

Last year, the City Administration pointed out that the City would need to adopt ODOT's final ordinance as well as deposit its share of the costs with ODOT. Earlier this week, the City received ODOT's final ordinance along with an invoice to deposit \$99,220 with ODOT. This amount is \$21,475 less than what was originally anticipated to be the City's share. Of course, even this amount is an estimate. Once the bids have been received, ODOT has contracted with the contractor to perform the work, and the work has been completed, the City's actual cost will be determined. Any adjustments to the City's share are generally made at that time. As a reminder, the City has also filed a Municipal Road Fund (MRF) application to help cover 50% (\$60,347) of the City's share.

An ordinance, with an emergency clause, authorizing a final ordinance with the State of Ohio Department of Transportation (ODOT) for the State Route 4 Southbound Lane Addition Project is scheduled to be before Council for consideration at the **04/20/2016** meeting.

## **Item VI**

### **Other Items of Interest**

1. Proclamation Declaring the Month of May as Building Safety Month – **05/04/2016**;
2. Proclamation Declaring the Week of May 15 – May 21, 2016 as Police Week – **05/04/2016**;
3. Proclamation Declaring the Week of May 15 – May 21, 2016 as National Public Works Week – **05/04/2016**;
4. Council's Summer Schedule (July and August)?

Mayor  
Clerk of Council/Finance Director  
City Council  
Assistant City Administrator  
Law Director  
City Engineer  
Department Directors  
Recording Secretary  
Reading File