

INTERNAL MEMORANDUM

Office of the City Administrator

Springdale, Ohio

July 11, 2014

To: Mr. Thomas Vanover
President
Springdale City Council

From: Derrick Parham
City Administrator

Re: Report on Pending and Future Legislation

Item I

An Ordinance Authorizing a Contract with Ford Development Company as the Best Bidder for the W. Kemper Road Rehabilitation Project and Declaring an Emergency

W. Kemper Road is in need of extensive repairs which are planned for a rehabilitation beginning this fall and running through spring 2015. These repairs will address sporadic potholes, alligator cracking, possible longitudinal joint issues, edge of pavement repairs, and a very inefficient drainage system supported by several very old catch basins. The limits of the project are from just east of Springfield Pike (SR 4) to the Lawnview Avenue intersection. Improvements will involve: total removal and replacement of pavement on W. Kemper Road just east of Walnut Street continuing roughly 950 linear feet; repair and resurfacing of the balance of W. Kemper Road; full curb replacement in limited areas; sidewalk replacement on the south side of the road between Walnut Street and Hickory Street; and a major upgrade of the existing storm sewer system including the replacement of the old catch basins.

Bids were opened on Thursday, July 10 with five companies submitting bids. The lowest bid was submitted by Ford Development Company in the amount of \$1,074,085.94. Eerily, their bid was only \$0.06 below one of the City Engineer's early estimates. The engineer is reviewing the bids to check for any potential discrepancies. As of the printing of this report, no errors have been found in the Ford bid. The most recent construction cost estimate for the project is \$1,170,000. Included in that estimate is \$371,961 for the major storm system upgrade. The City has been awarded State Capital Improvements Program (SCIP) funding in the amount of \$515,561 (48% of Ford's construction bid cost) and another \$225,558 (21% of Ford's construction bid amount) in Municipal Road Funds (MRF) funding. Based upon Ford's bid, the City's share would be the remaining \$332,966.94 or 31% of the construction cost.

An ordinance, with an emergency clause, authorizing a contract with Ford Development as the best bidder for the W. Kemper Road Rehabilitation Project will be before Council for consideration at the **07/16/2014** meeting.

Item II

An Ordinance Assessing Property Owners for Improvements Made Related to Their Drive Aprons under the 2012 and 2013 Street Improvement Programs and Declaring an Emergency

As the City has been getting back into the neighborhoods making improvements by upgrading our streets, curbs, catch basins, and other infrastructure features, the City has adopted a policy of requiring residents to repair/replace their drive aprons. Not all drive aprons are automatically included in this requirement. Only those drive aprons meeting the following criteria are required to make the improvements: *1) if more than 1 inch of vertical separation exists between the apron and any adjoining concrete (apron, curb, or sidewalk); 2) if there is deterioration of more than 50% of the apron's surface; or 3) if there is a crack or cracks greater than ½ inch in width in the surface of the apron.*

Under the 2012 and 2013 Annual Street Improvement Programs, 22 and 34 property owners were required to make improvements under the policy. Today, all but 14 owners have made total payments for their financial obligation. Of that total, 3 are from the 2012 program, and the remaining 11 are from the 2013 program. Last month, a letter was sent to each of the remaining property owners notifying them of the upcoming legislation and their ability to avoid the assessment.

An ordinance, with an emergency clause, assessing property owners for improvements made to their drive aprons under the 2012 and 2013 Annual Street Improvement Programs is scheduled before City Council at the **07/16/2014** meeting.

Item III

An Ordinance Authorizing the Ohio Department of Transportation (ODOT) to Provide Bridge Inspection Services for the City of Springdale and Declaring an Emergency

Each year, all bridges in the City of Springdale are required to be inspected. Overall, Springdale has a total of twelve bridges identified by the State of Ohio. Eight of those bridges are the responsibility of the City of Springdale to inspect, one is the responsibility of Hamilton County, and the remaining three bridges are the responsibility of the State of Ohio.

The eight bridges the City is responsible for inspecting are as follows: 1) on Glensprings Drive west of Route 4 near Beef O'Brady's; 2) on Northland Boulevard near the City's Public Works entrance; 3) at the entrance of Chamberlain Park on Marwood Lane; 4) on Glensprings Drive east of State Route 4; 5) on Chesterdale Road over I-275; 6) on Neuss Avenue between Silverwood and Ruskin; 7) at the Ross Park entrance; and finally 8) on Kemper Road west of State Route 4. Each of the eight locations resides above a culvert at least ten feet in diameter, thereby qualifying them as a bridge. The one bridge Hamilton County is responsible for inspecting is located on E. Kemper Road between Sears and Sam's. The three bridges the State of Ohio is responsible for inspecting all cross Interstate 275 and are located over Kenn Road, State Route 4, and State Route 747.

The City has always met their responsibility of having the bridges inspected. Unfortunately, other jurisdictions have not and that concerns both the State of Ohio and the Federal Government. As a result, ODOT has been able to secure a grant from the Federal Government to perform bridge inspections for communities throughout Ohio. As long as the community is in agreement, ODOT will pay for the inspections.

An ordinance, with an emergency clause, authorizing ODOT to provide bridge inspection services for the City of Springdale will be presented to Council at the **07/16/2014** meeting.

Item IV

An Ordinance Accepting a Bid and Authorizing the Mayor and Clerk of Council/Finance Director to Enter into a Contract with Lykins Oil Company to provide Gasoline and Diesel Fuel for the City and Declaring an Emergency

Bids were opened on Friday, June 27 for gasoline and diesel fuel. As in previous years, the Public Works Department made contact with several vendors advising them of the bid prior to the submittal date. Unfortunately, only one provider, Lykins Oil Company, submitted a bid. The Lykins bid came in at the same rate currently being paid by the City for both gasoline and diesel fuel. The bid was comprised of two (2) different grades of unleaded gasoline (89 Octane and 93 Octane) as well as diesel fuel. The fuel rates consist of the Oil Price Index Service (OPIS) plus the delivery charge. The OPIS price is the average weekly cost of fuel delivered to all fuel terminals for the Cincinnati region. This charge is the same charge given to all of their customers within our region. The delivery charge is the amount which may differ from one customer to another. The delivery charge rate submitted by Lykins for the unleaded gasoline was 0.1713 per gallon. The diesel delivery charge submitted by Lykins was 0.1998 per gallon.

The contract covers the next two-year period and has an option for the City to pay the same rates for a third year. This is also how the current contract was structured.

An ordinance, with an emergency clause, accepting the 2014 fuel bid and authorizing a contract with Lykins Oil Company is scheduled to be before Council at the **07/16/2014** meeting.

Item V

An Ordinance Declaring Certain City Property as Surplus Property and Authorizing the City Administrator to Dispose of Said Property Through an Electrical Recycling Facility and Declaring an Emergency

This year, the Public Works Department purchased a new Ricoh copier in the amount of \$4,525, almost \$500 less than the 2014 budgeted amount of \$5,000. This new copier replaces the old Canon Imagerunner Model 2200. The department has made several contacts with vendors to see if they have an interest in purchasing the Canon copier. Each vendor has indicated the Canon has no commercial value and thus they have no interest in receiving the copier. As a result, the Administration is requesting that Council declare the Canon Copier to no longer be needed for municipal purposes and authorize its disposal through an electrical recycling facility or through an auction process.

In addition to the copier, the City also has sixteen used traffic controllers in need of disposal. During the City's most recent traffic signal system upgrade project, many of the traffic controllers were replaced. As a part of the project, many of the old controllers were returned to the City. The City's Traffic Engineer (TEC) and traffic signal maintenance contractor (Capital Line Builders) have both indicated these controllers are believed to have no commercial value. The department has retained a couple of the controllers to provide future parts for the new units. In the case of the controllers, because the units contain certain hazardous materials (Mercury), the City will most likely have to pay for someone to take and dispose of the material. Like the copier, the Administration is requesting that Council declare the old traffic controllers to no longer be needed for municipal purposes and authorize their disposal through an electrical recycling facility or through an auction process.

An ordinance, with an emergency clause, declaring the copier and traffic controllers as surplus property and authorizing the City Administrator to dispose of them through an electrical recycling facility or through an auction process will be before City Council at the **07/16/2014** meeting.

Item VI

An Ordinance Authorizing the City to Fund the Employees' Health Savings Accounts in 2014 and Declaring an Emergency

Since the City joined the Center for Local Government Benefits Pool (CLGBP) to provide medical insurance coverage for all full-time employees, the City has funded a portion of the employees' Health Savings Accounts (HSA). During the first year of the program, the City funded the accounts at 100%. Since that initial period, the City has contributed 50% of the employees' deductible for medical coverage. The medical deductibles for Springdale employees are \$2,000 for single coverage and \$4,000 for family coverage. The City's 50% contribution made to the employee's account was \$1,000 for single coverage and \$2,000 for family coverage.

The City Administration is recommending Council continue to fund each employee's HSA account at the 50% rate for 2014, not to exceed \$1,000 for singles and \$2,000 for families. Contributions made to the accounts of new full-time employees will continue to be prorated based upon the schedule found on Exhibit A attached to the ordinance.

An ordinance, with an emergency clause, authorizing the funding of HSA accounts for all full-time City employees on the City's Health Insurance Plan, will be before Council at the **07/16/2014** meeting.

Item VII

A Resolution Supporting a Property Assessed Clean Energy (PACE) Program in the City of Springdale and the Willingness to Establish an Energy Special Improvement District (ESID) to Assist Springdale Businesses in Their Energy Savings Investment Projects

In 2009, the State of Ohio adopted legislation creating Property Assessed Clean Energy (PACE) financing programs to assist property owners with making significant investments in renewable energy and energy efficiency projects. Often there are organizations in dire need of improving their HVAC systems; however, due to the cost of making such investments, these projects are delayed and many times not performed. The PACE program would provide the organization the opportunity to make the investment without paying the total capital costs all at once. With the establishment of an Energy Special Improvement District (ESID) by the City, the property owners would repay the cost of the investment through a property tax assessment over a maximum of thirty years.

The City Administration believes this tool could be extremely useful to assist many of the property owners in the Springdale Business Community. Owners looking to renovate their facilities would be able to focus their immediate capital costs on other improvements. At the same time, their existing facility would become more energy efficient, thereby reducing the property owner's energy costs. The goal is the dollars saved through the reduction of energy costs will off-set the assessment cost of the investment. Eventually, the cost of the investment will be paid, and the property owner will continue to save on their energy bills due to using less energy. The adoption of this resolution is intended to notify the Springdale Business Community that the City is willing to consider the implementation of a PACE program to help with their renewable energy investments.

A resolution supporting a Property Assessed Clean Energy (PACE) program in the City of Springdale is scheduled to be before Council for consideration at the **07/16/2014** meeting.

Item VIII

Introduction of City's New Economic Development Director

Last year, Economic Development Director Jeff Tulloch announced his pending retirement from the City of Springdale effective at the end of 2014. In reality, Mr. Tulloch extended his time from the original announcement of retiring in 2013. Jeff has been extremely flexible and very much a team player in remaining with the City until a replacement for his position could be located.

The new Economic Development Director is Mrs. Christine M. Russell. Christine will begin her employment with the City on Monday, July 14.

Item IX

An Ordinance Accepting Permanent and/or Temporary Easements from Property Owners Located at 11604 Lawnview Avenue and 140 W. Kemper Road as a Part of the W. Kemper Road Rehabilitation Project and Declaring An Emergency

As indicated above in the narrative for the W. Kemper Road Rehabilitation Project, a major storm sewer upgrade will take place as a part of the improvement. The storm sewer work will require the contractor to access the culvert on the northeast section of the Lawnview Avenue and W. Kemper Road Intersection in order to redirect the flow of water. In order to complete this portion of the storm sewer work, the City will need to acquire easements from the two property owners located at 11604 Lawnview Avenue and 140 W. Kemper Road. A permanent easement, as well as a temporary easement, will be needed from the property owner at 140 W. Kemper Road. It will only be necessary to acquire a permanent easement from the 11604 Lawnview Avenue owner.

An ordinance, with an emergency clause, accepting easements from two property owners as a part of the W. Kemper Road Rehabilitation Project will be presented to Council for consideration at the **08/20/2014** meeting.

Item X

An Ordinance Accepting the Donation of Real Estate (Parcel Number 599-0030-0341-00) from the United Way of Greater Cincinnati and Declaring an Emergency

Earlier this year, the City was contacted by an attorney representing the United Way of Greater Cincinnati concerning the donation of a piece of property owned by United Way to the City of Springdale. The property is 0.544 acres and is located near the intersection of W. Crescentville Road and Tricon Road in the City. Presently, the property has a market value of \$48,700 and the United Way pays annual taxes in the amount of \$1,205.06. It is the City's belief that the property is overvalued and is eligible for a reduction in valuation. If the donation is accepted, the City will pursue such an action.

For at least the past twenty years, the City has been cutting the grass and otherwise maintaining the property. Therefore, if the City accepts the donation of this property, it would not present any additional burden on City operations.

An ordinance, with an emergency clause, accepting the donation of real estate from the United Way of Greater Cincinnati will be presented to Council for consideration at the **08/20/2014** meeting.

Item XI

An Ordinance Authorizing the City to Participate in a Group Retrospective Rating Program for Workers' Compensation for 2015 and Declaring an Emergency

In an effort to save on workers' compensation premiums, the City began participating in a group rating program with the Miami Valley Risk Management Association (MVRMA) in 1993. The experience of being in a group has served our organization well. When MVRMA discontinued their group rating program beginning with the 2011 program year, the City was presented with an opportunity to join the Ohio Municipal League's (OML) program. The City has participated with OML every year since, and the program continues to prove beneficial to our organization. Although OML is once again offering the program, unfortunately, the City's workers' compensation claims experience is too high to participate.

Fortunately for the City, OML offers another alternative rating program in which the City is eligible to participate. OML's other program is the Group Retrospective Rating Program (Group Retro). Group Retro is a performance-based incentive program where although cities group together, they continue to pay their own individual premiums to the Bureau of Workers' Compensation (BWC). Depending upon the performance of the entire group, each City could receive either a refund or an assessment.

The key to the success of the Group Retro program is based on best safety practices, education, and aggressive claims management. CompManagement, the program administrator, is rather selective in which Cities are allowed as members into the Group Retro program. If a City's BWC claims experience exceeds the industry standard, that City will not be allowed to enroll in the program. This selective process protects the group's ability to receive a larger refund and minimizes the possibility of an assessment. Because the enrollment deadline for the 2015 Group Retro program is not until October 31, 2014, legislation will be delayed until the **10/15/2014** meeting.

An ordinance, with an emergency clause, authorizing the City to participate in the OML Group Retro program for 2015 will be presented to Council for consideration at the **10/15/2014** meeting.

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