

**VILLAGE OF SOUTH LEBANON
REGULAR MEETING MINUTES
DECEMBER 18, 2014
6:30 P.M.**

1. Mayor Lawhorn opened the meeting at 6:30 p.m. with the Pledge.

2. Linda Allen - Present Sue Johnson - Present
Randall Atkins – Present Steve Riley – Present
Jim Boerio – Present James Smith – Present

3. Mayor Lawhorn opened the floor to Ryan Carmack – 266 King Ave. – Ryan passed out a letter to council. He stated that he is here about men’s softball at Roger’s Park. He said they are asking for permission to use the fields a couple of nights a week to run leagues and use the bathrooms and concessions. Ryan said they have sponsor’s to help pay for lights. He said he has lived here 31 years and his uncles played softball here all the time. He said they are traveling all over to play and everywhere is full and we have fields sitting here and I understand there is a team that uses the fields and I see them using them on the weekends. He said they are willing to put the money back into the fields if to use them. Ryan said they would put a minimum of \$1500 and maximum of \$4500 into the fields. He said they are willing to run everything and would be not cost to the village. Smith asked how many fields he would need and he said depends on teams but would like at least two but three would be great. Atkins asked how many teams he would have and Ryan said they have 71 people from South Lebanon interested in playing and that is men’s and coed. Mayor Lawhorn asked about the league and Ryan said it would be just here. He said when he was a kid he remembers the fields full on the 4th of July of softball tournaments. Mayor Lawhorn said he is going to tell his age, Ryan’s Mom played for him when he was born. Atkins asked what TKO was and Ryan said that is his actual team. Mayor Lawhorn said this came up last year but there weren’t any teams and we have a resolution on tonight and maybe it needs to be tabled until we find out more about it. Mayor Lawhorn said if he has teams from the village that want to play he thinks they should get the use of the fields. Atkins agreed. Gary said there has been a league using the fields for a number of years, six or seven days a week. He agrees tonight that we table the resolution and make arrangements to learn more in a meeting to see if we can accommodate both leagues. Ryan said the Tuesday and Thursday were examples, they are to do it any days.

Scott Doughman – stated it is the time of year he likes to make a heads up in appreciation and gratitude to the post office of South Lebanon. He said every year he likes to make the statement it is a valuable part of the community and it is not necessary that council have anything to do with

the post office but it is important that we all understand how valuable it is to our community as a back bone. He said they are increasing the number of housing but decreasing the amount of support at the national level. He said we need to recognize and support our local post office and one of the most brilliant things they came out with this year was, football has a season, baseball has a season and we have a season. Scott said one of the oldest institutions in the United States is the postal service and he wants to send gratitude to that and one of his slogans, “God Bless the Post Office”.

Joe Johnson – 106 W. Forrest Ave. – said he held the car show for 21 years and got sick and couldn’t do it and had the club help him. He said they don’t want to do it anymore and is asking if he could use the field again. Mayor Lawhorn said he could work that out with Gary and council agreed.

4. Mayor Lawhorn presented the following minutes for approval:

Regular – November 6, 2014 – Motion to approve made by Boerio, seconded by Atkins, all yeas.

Workshop – November 6, 2014 – Motion to approve made by Boerio, seconded by Smith, all yeas.

Regular – November 20, 2014 – Motion to approve made by Boerio, seconded by Allen, all yeas.

5. Mayor Lawhorn opened the floor to Tim Gevedon from Wolfpack – He said if anyone has any questions for him, he would be glad to answer them. Mayor Lawhorn said he doesn’t think there are any questions but he heard what has come up tonight and we will meet and address what has come up and see how we can work that out. Atkins asked how many nights Wolfpack uses the fields. Tim said normally six to seven days. He said we have total of nine teams. He said they would like to think they are good partners and so if this gentleman wants to play here we would like to try and work that out. Tim said we serve over one hundred kids now but we will extend ourselves however you wish us to. Atkins said nothing against your teams but if our people want to use the fields he thinks we need to do what we can do to accommodate them.

A motion to table the resolution concerning Wolfpack was made by Smith, seconded by Atkins, all yeas.

6. Mayor Lawhorn presented a resolution to make application for a CDBG grant. Vidmar reviewed his memo concerning this. He said this grant will be to repave Pike Street from Lebanon Road to High Street. Gary said that is the worst part of the road and knowing the limited amount of money in the funding of this type of grant, we tried to keep the grant amount in the range

of \$100,000 to increase our chances. He said we stopped it at High Street to keep the cost at that figure and also are asking council to agree to a 20% match. He said this is the third phase of a multi-phase project and that gets it looked at more favorably. Gary said the application is due January 9th so there is not time for three readings. Boerio said the application says the work will be done by December 31, 2016 and asked if that is the correct date. Gary explained the process of timing in grant applications.

A motion to suspend the reading rule was made by Smith, seconded by Riley, all yeas. A motion to adopt Resolution 2014-32 was made by Smith, seconded by Allen, all yeas.

7. Mayor Lawhorn presented a resolution for a sanitary sewer easement for Rivers Crossing West Development. Gary explained per his memo that council previously authorized an easement on the Oeder property up to out lot #1 of Rivers Crossing. He said this easement will give us the ability across the north side of Corwin Nixon and extend them further north of Corwin Nixon. He said this will complete all easements to service this area. Gary said it is suggested for this to be an emergency because of the expected construction in the month of January. A motion to suspend the reading rule was made by Allen, seconded by Riley, all yeas. A motion to adopt Resolution 2014-33 was made by Smith, seconded by Atkins, all yeas.
8. Mayor Lawhorn presented Ordinance 2014-31 approving temporary appropriations for 2015. A motion to suspend the reading rule was made by Smith, seconded by Boerio, all yeas. A motion to adopt Ordinance 2014-31 was made by Atkins, seconded by Smith, all yeas.

Smith asked Gary concerning Corwin Nixon, how far does it go in to the property as far as Turtlecreek Road. Gary said probably a couple hundred feet and Choice One said roughly 300 feet. Mayor Lawhorn stated it may be a quarter of the way. Gary said it is 350 feet. Mayor Lawhorn said David Oeder has expressed he would be interested in putting a road on their property and connecting it.

9. Mayor Lawhorn presented an invoice for Bruce McGary in the amount of \$1120.00. A motion to pay the invoice was made by Allen, seconded by Riley, all yeas.
10. Mayor Lawhorn presented an invoice for Ohio Municipal League dues for 2015 in the amount of \$770.00. A motion to pay the invoice was made by Atkins, seconded by Smith, all yeas.
11. Vidmar reviewed his memo #64 concerning Pike Street and Lebanon Road safety. He said since he has been traveling that route more he has noticed where there are a lot of blind spots. He said at the stop sign on Lebanon

Road you cannot see traffic coming from left or right due to parked cars on both sides. He said these cars on parked on property they own but also are on the right-of-way of the village. Gary said he asked the engineers to put a study together based on ODOT standards. He said the report indicates that there are a number of deficiencies in the sight distance at that intersection and they have made a recommendation. He said the recommendation is to prevent those cars from parking by removing the pavement, installing grass and curb along the north border to essentially prevent cars from parking in that area. Gary said obviously we would have communication with the property owners and he would meet with them personally to introduce this to them so hopefully they don't take offense to it. Gary said he is recommending this action be taken tonight and to accept the recommendation he is making. He said there are gentleman from Choice One here that more than happy to speak on the technical aspects of their report. Atkins asked if we have talked to those businesses about the situation, he said it is his understanding someone from the public already talked to the garage and they have moved some vehicles back. Atkins said he notices that SLAP parks there and did they get permission to have those parking spots there. Gary said he has not spoken to either business personally. Gary said in the spring he asked our workers to paint the stripe along the right-of-way and he believes at that time Tony asked the garage if they could try to start parking outside that area, which he did, but after a period of time the cars find their way back again. He said so instead of putting up no parking signs, that will not solve the problem. He said on the other side it is a bigger problem because delivery trucks and numerous cars park there. Atkins asked if the way they are parking is legal and Gary said there is nothing illegal about it that he knows of, they are off the street and on private property. He said because of the sight problem we do have the authority to prevent them from parking there because of the safety issue. Atkins said if we could work with the businesses and work it out that would better. Allen said she believes this will hinder SLAP's business and asked if we can take a certain footage of that corner and stripe it off with yellow. Gary said he would suggest is we look at parallel parking and see how many cars we can accommodate with that. Lengthy discussion on solutions. Atkins said there is a sign for the motel at that intersection and can we do anything about that and maybe talk to Duvall about putting curb in parking cars so far back. Gary said he will meet with the property owners and see if we can reach an improvement that they are satisfied with and that will satisfy our concerns as well. Atkins said he thinks we should start by working with the businesses instead of making them do something.

12. Matt Hoying from Choice One was here to answer questions. Smith asked if they yellow line painted is the right-of-way of the village. Matt said it is the right-of-way based on the GIS and it is going to be within a foot or two. Smith said it is going right through this building, so is the building actually on the right of way. Matt said it is partially to do with angle of the aerial.

Smith said the corner is accurate. Mayor Lawhorn said the front of the church was almost up to the right of way. Riley asked what striping would do and that would change the whole demeanor of the road. Mayor Lawhorn said it wouldn't change the parking up there unless you limit it or make it parallel. Smith asked what a light would do, it has been discussed. Matt said a traffic signal would help sight distance if it were restricted right turn on red. Matt said the issue with traffic signal is, he would guess, there is not enough traffic. Smith said it was 8000 cars per day on Pike St. ten years ago. Matt said so then it would probably help and does Smith know the numbers on Lebanon Road and Smith said no that would have to change because of that development, because that has become a short cut. Mayor Lawhorn said he thinks the light is something that built into the TIF, some agreement, there was a light to be put at that intersection. Matt said it would cost roughly \$120,000 for a traffic light. Discussed grant money and Matt said it would have to be a high accident area. Gary said they will take it back for further study and come back to council.

13. Gary said added to the agenda is Shepherd's Crossing and the developer who does not have the money to finish the public improvements. Gary said there are repairs as well as final course of asphalt. He said council has declared default on the bond and that has been issued. He said the bonding company and the full bond will be paid upon release. Gary said if council is agreeable to sign the release we will be paid the bond. He said for the deficiency, Bruce has got the legal counsel to agree to placing mortgages on up to five empty lots in the subdivision that owned free and clear by the developer. He said when the lots sell we would be paid our money. Bruce said the representation has been made by the developer that they have no assets or funds to complete the public improvements. He said he suggested this option to them and they seem to be agreeable to. Bruce said he has completed the title work on those parcels and they are owned free and clear. He said now is the time to complete this before the bond company pays the bond because they will come after them. A motion to move forward with negotiations for the mortgages was made by Smith, seconded by Riley, all yeas.
14. Chris Flaig – Decosimo – stated he met with administration and reviewed the audit results. He explained the reports. Chris said on page 2, slide 3, a couple of brief points, we issue an unmodified opinion on the regulatory basis. He said the village is on the cash basis financial which is allowed by the Auditor of State. He said the village is not following what we call a general accepted accounting principles but the Auditor of State is wise enough to know most entities your size and shape, don't need to record receivables, payables and fixed assets. He said the village is driven by the General Fund and cash basis transactions. He said you get the unmodified opinion saying this is what you are to follow anyway. He said the control and compliance report on slide 4, we did find some findings and were some

material weaknesses and some non-compliance. He said there is always a control and compliance report. Chris said page 3, slide 5, this is for General Fund and this is the one that council controls. He said the village has a nice slope to this fund. Chris said on page 4, what we call special revenue funds, they are restricted by outside or enabling legislation or state dollars. You should not expect to see ups or downs, but more of a flat, the bulk of the dollars you are spending and that is what you want to see with the special revenues. He said on page 5, proprietary funds include sewer and water. Chris said page six is debt position showing OWDA debt but the biggest debt is slide 12, the TIF notes due in 2015 to the tune of five million dollars. He said on page 7 concerning internal control and keep in mind we are privy to a plan of action plan put together and we wanted to highlight these. He said first finding is TIF funds, it was corrected in 2013 but there was a finding for it still being an issue of not being in UAN in 2012. He said so that is partial finding. He said slide 14, there is a finding for certification of purchase orders, where purchase orders were not put in place before an order is done. Chris said page 8, internal control issue and had to do with how the payroll was allocated for proprietary funds. He stated there was a memo and resolution passed and we were looking for a time and efficiency study done to say here is where employees work to support that memo and believe that the wheels are in place to make sure that happens. He said we looked at segregation of duties and you have one employee that has the ability to work with check book and be UAN system and we are recommending those duties need to be broken up and are being addressed in the corrective action plan. He stated on page 9, the prior audit we identified journal entries that needed to be posted and when they got posted there should have been an amended certificate and I believe those journal entries have been posted now and going forward in 2015 it won't be repeated. Chris said on slide 18 and 19 which tells findings corrected and ones still outstanding but believe these all will corrected with the action plan. Chris said on page 20 explains our role. He said we are not responsible for cleaning up your records we are here to audit. Chris said we read the corrective action plan and as an auditor, we have not looked at the steps and cannot issue an opinion on those but think it is the right step. Chris said this is their last year under contract and he does not want to sound self-serving, but the one thing I would challenge the village to consider, the audits are done on bi-annual basis, it is fine but he said an entity with debt should have annual audit.

15. Vidmar stated to expand on what council just heard, it was indicated with our small staff, there are probably some doing more that they should. Gary said Ms. Louallen, the mayor, Mr. McGary and himself met and put together an action plan. He said the blanks for amounts to set limits for authority and purchasing power. He said he is looking for council to agree if you think these are satisfactory. He said this is to protect the individuals as well as the village. Smith said there is one area that

we have another checking account, mayor's court, he said he didn't see mention of checks and balances there. Mayor Lawhorn said he thought that too. He said the bank statements for court come and Vikki get them and then we go over them and maybe Gary should get that one too and then give them to me. Smith said that would include everything and we don't want to leave anything out and the mayor agreed. Boerio questioned paragraph one, that all purchases made by public works employees should be approved by superintendent. He asked how will the approvals be recorded and Gary said right now the employees have the ability to go to Lowe's and make a purchase. Gary said that is where most of our issues come with purchase orders. He said we are trying to make it so they can't make that purchase without the approval from the superintendent. Boerio said he wants to know how the approval will be given and Gary said there will be a form. Mayor Lawhorn said unless there is an emergency there should be a purchase order. Boerio said the category for professional services breakdown is a good idea. Sharon said when the account was set up at Lowe's the guys were to get permission from the administrator or Tony and would call and bring them to the office right away. Sharon said Gary signs invoices and that is not the case here. Riley asked who has credit cards and Sharon said they are all kept locked up in her office and they have to come and get them and return them. She said at Lowe's there are no cards, they show identification. Riley said only a couple of people who have credit cards and someone has to put in system and approve it at his work. Gary said that is what we are doing here, and Riley said he thinks Tony should have a credit card at all times. Gary said he is trying to put a limit. Smith asked for what numbers he is looking for. After discussion it was decided all public works employees will have all purchases approved by superintendent. The purchases over \$250 must be approved by the administrator. Anything over \$1000 must have a minimum of two quotes. Atkins said and nothing is to be purchased without a purchase order. Mayor Lawhorn said concerns by some council about seeing invoices before they are paid is addressed in there too so that takes care of everything. Smith said maybe we need to send letters to our vendors explaining our procedure so we don't fall into late fees. Mayor Lawhorn said at the township they have two meetings a month and get authorization and they are not late. Mayor Lawhorn said payroll and withholdings will be done without council. Sharon said if there becomes issues of something that would be a delinquency we would just bring to council and you can work through it. She asked that council communicate with her as we go along so she can give them what they need and it should be fine. Gary said the current utility software can print receipts and all offices have two locked bank bags to transfer deposits to the bank. He said the utility department can segregate the monthly transactions between cash, checks, and credit cards and will begin to be done in that fashion. Gary said currently when the report

is turned into Sharon it is not that way and it is a nightmare for her to balance.

16. Mayor Lawhorn said the next order of business is approval of a change order for the East/West Waterline Project. Gary said there have been questions concerning the quality of work done out there so he wanted Choice One to come and answer questions from council. Nick from Choice One said at all times when J.D. Contracting was out there and their subs, we had our inspector, Dennis McGuire out there. He said Dennis has forty years' experience and he made sure they followed the plan specifications. He said daily reports were done and change orders were all sent through Choice One. Gary said there will be a one year maintenance bond provided by the contractor that will guarantee his work for a period of one year. Smith stated change orders are normal for projects. He said one area where they serviced the main in front of the barber shop, he said they took dirt out, put it back in and actually tamped it back down with the backhoe. Smith said he has always seen it done in lifts but he saw them do that. He said if they did it once, it could have been done twice. Nick said he can't imagine Dennis would allow that, since he was there. He said he can't guarantee he was there 110% of the time. Smith said inspectors are not there 100% of the time and he witnessed that happening. Nick said in Dennis's reports he has never seen anything about that, but if you saw it that should not have happened. Smith said it makes it suspect and not sure how thick the asphalt is. Riley asked where that is and was told it is in the right of way. Mayor Lawhorn said he saw them put pea gravel in but did not see in front of barber shop. He said if it was not put in that way then it violates the contract. Atkins asked how deep the asphalt is and Nick said it was to be 9 ½ inches. Atkins said the blacktop put back was not thick enough and the ground was not compacted first and that is when it will fail. Nick said he does not think that should be a concern, we were there to make sure it was compacted correctly. He said he is not saying there will not be settlement. Gary said the estimated quantities in the estimate for fill and asphalt and the quantities reported by the inspector match up. Smith said normally it is bonded inside to hold the patch and bonded it on top. Discussed process of patching. Gary stated the change order is listed separately and the largest one is the intersection and the number you see here is substantially lower than the one given and there has been serious negotiations with the contractor based upon our inspector's reports. Smith asked about the settling at Pike and High. Nick said there was a box culvert found there. A motion to accept the change order and pay it was made by Boerio, seconded by Riley, all yeas.
17. Mayor Lawhorn said we need something from the park committee for the water feature for budget.

18. Smith wished everyone a Merry Christmas and Happy New Year.
19. Allen wished everyone Merry Christmas and a safe New Year.
20. Atkins wished everyone Merry Christmas and Happy New too but asked about stop signs at Woodknoll Subdivision and who is responsible for them. Mayor Lawhorn said it would be the developer. Gary said we are putting street signs up. Atkins said there is a lot of traffic there now.
21. Boerio wished everyone a Merry Christmas.
22. Johnson wished everyone a Merry Christmas and Happy New Year.
23. Mayor Lawhorn said the insurance quote will need to be voted on at the January 8th meeting.

24. Mayor Lawhorn reminded everyone of the village dinner at 6:00 tomorrow evening. He wished everyone a Merry Christmas and Happy New Year and remember what Christmas is all about.
25. A motion to adjourn the meeting was made at 8:12 p.m. by Boerio, seconded by Allen, all yeas.

Sharon Louallen, Fiscal Officer

Lionel Lawhorn, Mayor