

VILLAGE OF SOUTH LEBANON
REGULAR MEETING MINUTES
JUNE 16, 2016
6:30 P.M.

1. Mayor Smith opened the meeting at 6:30 p.m. with the Pledge.
2. Randall Atkins – Present Bill Madison - Present
 Jim Boerio – Present Steve Riley – Present
 Sue Johnson – Present George Teasdale - Present
3. Mayor Smith opened the floor to John Moore – South Lebanon Historical Society – He handed out binders that review the information concerning the July 4th Festival. John asked if High Street from McKinley to the ballfields could be closed so it creates emergency exit for fire trucks should they need to leave and also a safe foot traffic area. He said Rumpke donated cardboard trash containers with liners. John said Chief Napier said the stage has to be inspected and the county agreed to waive the fees. He asked if council had any questions concerning the festival. Teasdale asked about the parking and John said there are two parking areas along Hobart as well as additional parking at the community center. John said Site Worx is bringing some equipment for the kids and are asking to bring it on Friday. Teasdale said the flyer says “amazing fireworks” and we discussed weeks ago to adding to the fireworks. Discussed asking the township if they want to go half and add to the fireworks and Atkins said if they don’t he thinks the village should go ahead and add to them. Boerio said we can put an additional thousand into it and ask the township if they will match it. Mayor Smith said if not we will up the amount ourselves if there are no objections and there were none. Boerio asked John Moore if they have the advertisements electronic and then the HOA’s could send out to the residents. John said he can email them to him and Teasdale asked to have them sent to him as well.
4. Mayor Smith stated they looked at the ballfields and one electric line runs across the road and in the fall we can do an update putting the line underground and set up for functions at the fields.
5. Mayor Smith opened the floor to the public: No one approached council.
6. Mayor Smith held the third reading of Ordinance 2016-15 authorizing a lease of the community center to Joshua’s Place, Inc. A motion to adopt Ordinance 2016-15 was made by Madison, seconded by Teasdale, all yeas.

7. Mayor Smith presented Resolution 2016-18 authorizing a contract with Choice One Engineering for the High Street Project. Haddix stated we were awarded CDBG money for the reconstruction of High Street from Pike St. to Forrest Ave. He said part of that is getting the design done and the lowest bid was Choice One at \$20,890.00 and will be split between water, sewer and street funds. Jerry said we want to get this done this year. A motion to waive the reading rule was made by Boerio, seconded by Teasdale, all yeas. A motion to adopt Resolution 2016-18 was made by Atkins, seconded by Boerio, all yeas.
8. Resolution 2016-19 was presented to allow ODOT to use the village right of way for their resurfacing project from I71 to Maineville. Discussion held on the project and issues needing addressed. A motion to waive the reading rule was made by Boerio, seconded by Madison, Riley abstained, all others yea. A motion to adopt Resolution 2016-19 was made by Madison, seconded by Teasdale, Riley abstained, all others yea.
9. Mayor Smith presented the invoices for authorization. A motion to pay the invoices was made by Madison, seconded by Teasdale, Riley – nay, all others yea. Mayor Smith said on the bills he did some calculating and with the \$16,775.00 we pay for the services rendered to the village and if we paid the same usage to Warren County instead of the \$16,775.00 we would pay \$25,871.00. He said the previous council over the years have made decisions for whatever was deemed best at the time and a lot of you were not here when past councils made decisions. He said we have soft water and you can protest something but if you were not a part of it, it was a previous council and you would hope future councils would honor your wishes. He said just trying to give the numbers and if we had went that route it would have been an additional few thousand dollars, so over the last six, seven years that is a pretty good amount of money. Riley said he has looked at people's water bills from the past, with some help from others, and with Warren County Water they pay every two months, if we paid ours every two months Warren County Water would still be \$30-\$40 cheaper. Mayor Smith said no way it could be cheaper, for every 1000 gallons we pay \$2.49 and Warren County is \$3.84 so we would pay \$1.34 more per thousand gallons, which is the contracts. He said the apartment complex across the river so for all additional gallons going there we pay \$1.35 more per thousand so for that complex we pay around \$4,000 and with Cincinnati we would pay around \$2,300. He said it is dollars and cents and council made the decision and said he is trying to educate how it happened. Riley said he has seen the bills and they are cheaper and the mayor said if we paid a \$1.35 less it is clear. The mayor said the bill we pay Cincinnati at \$16,700 would be \$25,871. Haddix said back in February the county water and sewer department did an update Warren County verses Cincinnati Water. Jerry reviewed that Warren County charges \$3.84 a thousand, he said they pay from Cincinnati \$4.52 per thousand. Jerry said Lebanon pays \$1.99, Butler County provides Warren County emergency

water for \$1.89 per thousand. Jerry said our per 1000 gallon cost is \$2.49 so we are a little higher than Lebanon but they use a greater quantity. He said a rate study was done and based on 22,500 gallons and going down the list Loveland, Waynesville, Warren County and right below them was us at \$87 so we are within a couple of dollars. Riley stated our minimum usage is higher and everybody else and Jerry said there are fixed costs that are required to operate the system. Boerio stated he has looked at his own water bill and it is from Warren County and what he would pay if he lived in the older part of South Lebanon and found he would pay a bit more. Mayor Smith said to give the history of it, South Lebanon had its own system and infrastructure they had to pay for and a population this small to pay for it. He said anyone that would assume if Warren County came in or Cincinnati all the liabilities and debt that we have is incorporated into that rate, so it is not just simply the water, you have the cost of the tower, the cost of water lines and upgrades. He said that has been since 1951 and the bonds that we have sold over the years. The mayor said Boerio is fortunate because at the time the infrastructure was put in for his development, the developer paid for it, the tap and infrastructure was paid. He said the infrastructure here was not paid, it came in after the fact. He said the people here sacrificed so the village could grow and the amount of water we had at the time because of the developments, we could not meet the demand, so there is a certificate issued when you build a development and if you cannot produce the capacity of water and sewer, it does not happen. He said the capacity on this side at that time was not there so the council made the decision so the community could continue to grow and it was a wise decision, South Lebanon will be the next city. He said the past councils made the right decision at the time. Mayor Smith said whether you support their decision or don't support their decision, when you vote against all the bills, those are our debts, Riley said the only thing he votes against is the water. The mayor said if you vote against the water and if everyone took that position, you shut the system down, you have no fire protection, no water for any home in the community, that is how serious it is. Riley said here we are again talking about saving the village money and you're getting on the offensive again, Mr. Boerio was trying to talk and you didn't let him finish. Riley said we voted four or five meetings ago to pay a large amount to Cincinnati, the mayor said that is another example, you renegotiated some stuff and Riley stated exactly, if we hadn't renegotiated we would be paying \$90,000 instead of what we are paying. Mayor Smith said none of you were here and Riley stated they were here when the renegotiating happened. Mayor Smith said you went to negotiations with people that were not here when it originally happened, were not here to know the intent of it, you are getting second hand, third hand information. Riley said so when our system went down we were hooked up to Warren County Water, correct and was told yes. He asked why we didn't stay with Warren County and the mayor stated they were in negotiations with the City of Cincinnati for a year and Warren County didn't want to be a player in the game until later. Haddix said when

Cedars wanted to go online he was at the county and one of the rationales for them not wanting to provide the water was to control the development and that was the reason why there was opposition to provide the water, it is in the minutes. He said whether you like Greater Cincinnati Waterworks or not, if you are going to have future development in this community, you have to have adequate supply of utilities and Greater Cincinnati will give you all the water you want, but Warren County, he doesn't know. Riley said if the village would have known that it was going to cost this amount of money, they would never have agreed to it. Mayor Smith said right now we are paying \$1.35 less and Riley said but for forty some years. Mayor Smith said it has been several years and that is \$700,000 thousand dollars we have saved and Riley said we are in a contract with Cincinnati for forty some years and the mayor said yes the same as Lebanon, same as Mason, we are all in this and so far the numbers have proved to be in our favor. Haddix said why did Lebanon, why did Mason, why did Monroe, why did they all go with Cincinnati, there is something to it. Boerio said he thinks we should dedicate a workshop to review this and try to understand what Jerry is trying to tell us and what Jim is trying to tell us. He said then maybe everybody would have a better understanding of this issue and maybe we can lay it to rest. Riley said we paid a substantial amount of money and the mayor said we paid \$33,000 you added on. Riley stated if we had not went back and renegotiated we would have paid \$90,000. Mayor Smith said you keep talking about take or pay, and the workshop is the perfect time to discuss this, he was there and when you purchase water, we own it. He said if we didn't meet the numbers we projected with the growth we still own the water, purchase it but never lose it, you would escrow it until the time you would use it. Mayor Smith said you never pay them something and just give them the money that was never the intent and those discussions went back and forth, we would pay for it and pull from our reserves. Riley said you went and negotiated with the City of Cincinnati and told them we were going to use a monstrosity amount of gallons of water and the mayor said you were not there and are talking absolute nonsense. Riley said now we are paying a penalty and Jerry and Jim stated there has been no penalty paid. Riley said you negotiated an amount of usage you knew was not there and the mayor said that is nonsense. The mayor said we are scheduling this for a workshop. Lengthy back and forth between Riley and mayor. Madison said since he was part of council when this was approved he would like to make some comments. He said it is unfair to compare somebody's bill that is part of a larger customer base because that billing supports the infrastructure and since we have a smaller customer base that will make it different. Madison stated that EPA made a ruling that water meet a certain grade and we just fell under that grade because we needed certain purification that takes out eliminates, just like a water softener at your house. He said it was a two million dollar project to put in that purification system and if you take that system and divide it among a small group of customers, then you have to raise the bill and it is our job to avoid those types of situations because the EPA continues to be


more stringent with regulations of the water systems. He said we have something in place today and is the industrial school of thought and best practices and is called shared services. Madison said that is why you see Waynesville, Lebanon, Monroe, Mason, they are all going toward shared services to create a bigger pool of customer base so they can spread that risk out among customers and keep these bills manageable. Madison said that was his primary reason, as part of the decision, in looking at Cincinnati. Madison said the other issue is design constraints and if you look at the build out of this community on the west side, that includes Siemens and the west side of the retail development, not any other development, we were at max capacity with the current water tower. He said it was going to take a second water tower on the west side that would be two plus million dollar project just to put it in place and who do you think was going to pay for that. He said it would have been this community and for developments to come in we have to show the capacity and we could not so it was either two million plus project or go with shared services. He said where we made payments for a period of time, that was for a main trunk that came into the village, that was our share of the burden to bring that water down Mason Morrow Milgrove. He said those were the payments negotiated over a period of time and certainly saved the village money. He discussed that the village can now provide water to build and at a reduced cost. Madison said the harvesting of the water was looked at and the water table has dropped and that was noted, the capacity of water to provide this community with water. Riley stated they all have been waiting on him, Madison even has notes. Madison said exactly what Jerry was talking about with Warren County, a conflict of interest, that is what it boils down to and a known practice of Warren County of limiting the growth of other communities. He said so if you in fact take water from a municipality, that could have a conflict of interest and not approve of your locally approved development, they could assert their authority over yours and limit your ability to grow. He said that was his second reason for supporting Cincinnati. Madison said his third reason was Cincinnati Water came to the council and put on a professional presentation and conducted business in an accepted manner, not a wink, wink, nod, nod hand shake. He said Warren County never came before this board and gave us a presentation, gave us capacity limits, gave us rates, nothing was done. He said the only time they did come to this board was after the fact and it was not very complimentary to this board and less than professional. He said those are the reasons he supported going with Cincinnati Water. Riley asked Boerio how much his water bill is and Boerio stated \$130.00 every two months. Riley asked Johnson how much is her bill and she said \$86.00 per month and Riley said times two and she stated \$160.00. Haddix said council sets those rates to which Riley said he makes a motion to drop the water bill. Boerio said sewer is \$75.00 every two months and Rumpke is \$31.50 every two months so the water is roughly \$30 every two months for the water itself. Madison said he would note that Warren County is also a customer of Cincinnati Water, they purchase their water wholesale and resell it. Mayor

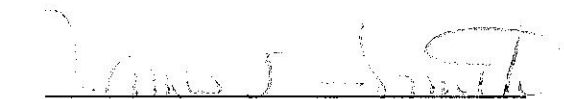
Smith said the debt and maintenance is still an issue because we are so small. He said as we continue to grow then council can look at it. Riley said he feels like they were waiting on him tonight and that is pretty good. Madison said it is not very complimentary that every meeting you vote the way you do and Riley said he is out here trying to save the village people money. He said he is trying to get cheap water and every time something comes up about trying to save money and the mayor said if the bill was not paid the fire department and all the businesses and the residents would shut down. Riley said he can't get past paying and mayor said then if that is your position then vote against it and these are the consequences. Riley said anytime there is water on there we have to vote for he will vote against it. Mayor Smith said if that is the case then we vote to pay for Cedars and are paying almost \$4000 a month and it would have been \$2300 so you vote for that one. Riley said we are making money. Riley said we tried to get Cedars water and the mayor said they did have water. Mayor Smith said we built new lines and at the last minute council decided to stop, we put new trunks in on both sides of the river, they are there now. Riley said but the pump station won't work and the mayor said where do you come up with this stuff and Riley said the mayor went to the commissioners and made a deal about not giving Cedars water. Mayor Smith said this is ridiculous. Riley said it is on a recording and in the minutes. Madison said the pipe under the bridge is a 6" and not a 12". Mayor Smith said the system was undersized in 1951 when the engineers put it in, the pump station works, there was a six inch trunk and then they found a four inch trunk that cut the volume. He said the pressure in the pumps worked, the volume was deficient because of the size of the pipe and the councils have replaced that pipe with twelve inch mains now that go to the bridge, you paid for it, you voted for it and it is there. He said the bottom line is when you stayed with the county it is clear as a bell, we pay almost \$4000 and it would be \$2300, a \$1.35 a thousand less. Riley said it was brought in front of us and the mayor said he does not hear a word he is saying. Mayor Smith said the county was adamant about not selling us anything and would only give us water for emergency, temporary measure. He said we asked for temporary water until we could get the system upgraded and they never gave us a break on the water. Mayor Smith said it is clear that you decided to go with Warren County for that development and pay \$1.35 a thousand more and the mayor said Riley voted for it and Riley stated we all voted for it and Mayor Smith stated he didn't vote for it. Riley asked Atkins if he had anything on this and Atkins said he voted for it because of the cost to go across the river. Atkins said the previous engineers messed up the pump station and Riley said exactly and there has never been any water pumped through that station and the mayor said yes there was and it tested fine, the line was too small in the system that didn't allow the volume needed. Mayor Smith said this will go to a workshop and devote the time to this discussion. Johnson asked if the fire department pays for their water and if not, why not make them pay and break it down

further for everybody else. Mayor Smith said he will look into it.

10. Haddix said the Ilene Ave. sewer extension plans should be completed tomorrow with a start date in August.
11. Sgt. Boylan said everyone is aware of the calls to respond to Deerfield. He said he was not there but those who were stated the response of officers was amazing. He said with summer they are busier.
12. Madison said his email is immediately asking for change of password and then when he changes it the system locks. He asked for the administrators direct number to get this straightened out.
13. Atkins said he knows Sharon has been very busy but has OH Checkbooks gotten back yet and he was told no. Boerio asked whose court that is in and was told Paul has to redact items that are not public records. Atkins asked about Chic Fil A and the mayor said we have had communications with them and we are back on the table.
14. Boerio asked about engine brake signs on St. Rt. 48 and Jerry said he would talk to Tony. Boerio said to Sgt. Boylan that he has had residents in Vista Pointe say there is a white van picking up dogs. Residents said they have called it in and never heard back. Boerio asked him to look into it. Boerio said Madison said EPA came out with guidelines and do we have to check with EPA about what we are doing with the boat ramp and Jerry said they are not involved and he has checked with ODNR.
15. A motion to go into executive session under 121.2G2, personnel, was made at 7:46 p.m. by Madison, seconded by Teasdale, Atkins – yea, Boerio – yea, Johnson – yea, Madison – yea, Riley – yea, and Teasdale – yea.
16. A motion to return from executive session was made at 8:15 p.m. by Atkins, seconded by Boerio, Atkins – yea, Boerio – yea, Johnson – yea, Madison – yea, Riley – yea, and Teasdale – yea.

17. A motion on action from executive session to hire Jamie Johnson at \$20 per per hour was made by Atkins, seconded by Boerio, all yeas.
18. A motion to adjourn the meeting was made at 8:16 p.m. by Boerio, seconded by Madison, all yeas.


Sharon Louallen, Fiscal Officer


James D. Smith, Mayor