

In attendance were President Richard Donley, Mayor Richard Zink, Safety-Service Director Ralph Holt, Auditor Gary Lewis, Law Director Fred Beery and Clerk Beverly Brown

President Donley opened the meeting at 7:00 p.m.

ROLL CALL: Mr. Lee Koogler, Mr. John Levo, Mrs. Bonnie Parr, Mr. David Shoemaker, Mr. Charles Walker, Mr. Brian Waller and Mr. Tim Young

ABSENT: None

Mr. Lewis led the assembly in prayer followed by Mayor Zink leading in the "Pledge of Allegiance". The minutes of July 9, 2007 meeting were approved as presented.

MONTHLY REPORTS: Income Tax Bureau, Hillsboro Public Utilities, Water/Sewer Maintenance Department, Street Department, Wastewater Treatment Plant, Auditor's Office, Water Meter Department, Water Treatment Plant, Fire Department, Life Squad and Police Department

PUBLIC REQUESTS:

Bootsie Bursk who is the site manager of the Pants Factory Apartments came to Council representing the tenants regarding sidewalks in the city that are in need of repair. She presented a letter from Mary Mercer and pictures to illustrate the request. The tenants with motorized scooters and wheelchairs are having trouble getting around the uptown area.

Joyce Thomas of the Pants Factory Apartments spoke regarding the severe cat problem. She said there is a building where one of the residents is feeding the cats and when Ms. Thomas looked into the building she counted twenty-two feeding dishes. There was concern with cats climbing on cars, scratching residents and the spread of feline leukemia.

President Donley said that this was addressed in the past and they would look into it again.

Rick Williams came before Council requesting permission for Festival of the Bells to be held on July 3, 4 and 5, 2008. He requested that it be again held in the uptown area. He was willing to have a committee of six people; 2 festival people, 2 Uptown Retail Merchants people and 2 Council people look into this.

Mr. Koogler said that he thought the Festival Committee probably needed to nail down dates so they can get the entertainer acts together. He said then they would be able to have the committee look into where to hold it.

Mr. Holt asked when they signed contracts with the entertainers and Mr. Williams said the earlier they could do that, the better off they were. Mr. Levo said that he understood Mr. Williams' desire to confirm the dates and he had no problem approving dates at this time. Mr. Levo made a motion to approve the dates only and Mr. Walker seconded the motion with all members voting yea.

President Donley asked Mr. Levo to work with Mr. Williams on setting a committee.

COMMUNICATIONS: None

CITIZEN COMMENTS: None

COMMUNICATIONS FROM THE MAYOR:

Meetings in the month of July:

July 1 - Groundbreaking for new high school

July 2 - Zoning and Annexation Committee meeting

July 3 - Swore in Jeff Brill as our new firefighter

July 9 - Hired Dave Stafford for the Street Department

July 10 – Wedding

Uptown Business meeting

July 26 – Swore in Ed Puckett, Marc Bayless and David W Snider as fire investigators

July 27 – Attended the Emergency Food and Shelter meeting at the Tech Center

July 30 – Wedding

Finance Committee meeting

This past month the state did audit our computer systems processing financial data. Following are some of the comments made by the auditor, Tony Finnamore, the Information Systems Auditor.

The hardware at the city is excellent and I have not had to test any changes. Changes to the network are automatically set up with Microsoft. The city's security is way ahead of most cities, even some counties in relation to their technology. Operations which include systems maintenance, back-ups and disaster recovery is excellently maintained. Most entities have multiple persons assigned for all of these responsibilities. The back-up procedures are excellent as data replicated and sent electronically off site. No other entity I have audited with the exception of school consortiums use this process. The disaster recovery plan is comprehensive and detailed, however a test of the plan has not been completed.

I asked why; and we have not had a disaster to try the plan out. No other entity that I have audited with the exception of one or two have ever tested their plan. In fact, most entities do not even have a plan. Overall, the City of Hillsboro's technology is equal to or superior to any other city I have audited. It is also comparable to some of the bigger counties that I audit.

I thought that would be interesting because we get a pretty good bang for our buck in that department.

As you all know we have held two meetings with the Citizen's Advisory Committee as well as two meetings with our city employed architect Chris Weidner. Chris Weidner with the WDC Group is hired to design a safety building or buildings to house the safety operations of the City of Hillsboro. Those of you who attended the August 8th meeting, heard the architect emphasize the importance of making a decision quickly allowing preparation time to acquire financing for the project.

I feel that we as elected officials owe the citizens of Hillsboro to come to a workable solution of this problem as soon as possible. And that being said, I would urge Council to meet; have as many meetings as necessary in order to make that decision. This has been a problem that has been put off for a year and eight months. If it takes meeting two or three times a week to come to a workable solution; it really needs to be done.

Time is running out on the temporary modular that is now housing the fire and EMS employees. Twenty-four month variance for the modular is due to expire on June 30, 2008. However, if the city is under construction with a safety building, we can apply to the state for an extension. Knowing all the hoops that the city needs to jump through before actual construction begins dictates the urgency of the decision making process.

You know, I have talked about this several times; but now then we're getting to the point where the clock's just about to run out on us and we really need to come up to a decision to what we're going to do with both these police and fire. And after the meeting I would like to ask for a very short executive session of council to discuss employee relations.

SAFETY-SERVICE DIRECTOR'S REPORT:

I have a very short documentation to read this evening. We had two storm sewer collapses in the last month; one on State Route 124 and one on East Walnut Street. The one on East Walnut Street is repaired but it has not been hot mixed yet.

The new traffic light on North High Street and Northview Drive will become activated on Thursday, August 16th.

We did receive the vac truck last week and received training on the truck and as soon as that training is complete then we will begin to do the camera work required by the EPA on the west side of Hillsboro. That's my report.

AUDITOR'S REPORT:

Following the previous two; I too have a very short report this evening. It consists of the Year-to-Date Bank Report and the Year-to-Date Fund Report. As you can see the unexpended balance of the fund report balances with the bank report balance.

Please be sure to review your revenue and expense summary for a snapshot of what's going on in the city financially. If you have any questions, I'll be happy to answer them for you. Just a brief note; the state auditors came on site today and got them settled in and they've just begun their work so they will be in that process probably for a couple months. That's it.

HILLSBORO PLANNING COMMISSION-

Mr. Young reported that they did not have a meeting.

REPORT OF THE STANDING COMMITTEES-

FINANCE COMMITTEE – Mr. Koogler, Chairman

Finance did meet several times through the month of July. We met initially to outline who our Citizen's Committee was going to consist of. We had our first meeting at the very end of July and we also had a meeting on August 8th which I'm very appreciative that Mr. Levo was able to attend and prepare minutes for in my absence so I am grateful for that and do thank him.

We will be having a meeting again here roughly next Wednesday at 6:30 p.m. to continue to address the issue of the safety-service building. Also in terms of Finance, I do want to conduct a Finance meeting sometime in the next week or two to also discuss going ahead and getting prepared to get quotes for the City's insurance and also to start moving forward to discuss payroll issues for city employees for next year. That's all.

Mr. Shoemaker asked if that was the 15th that he was talking about for a Finance meeting. Mr. Koogler said that it would be the 22nd.

PROPERTY MAINTENANCE & RESTORATION-Mrs. Parr Chairman

Mr. Shoemaker read the report for Mrs. Parr. The Property Maintenance and Restoration Committee met August 6, 2007 at 6:00 p.m. at the Hillsboro Building Conference Room. The meeting was called to order with committee members Dave Shoemaker, Brian Waller and Bonnie Parr attending. Also attending were Mayor Zink, Safety-service Director Holt, Chairman of the Planning Commission Fran Cole, Council member John Levo and President of Council Dick Donley.

First on the agenda was Rotary's request for five regular Rotary signs on all five points of the state routes and eight single signs to all other routes and a pylon sign at Ponderosa. After discussion, the five regular signs placed on 50 west, 50 east, 62 south, 62 north and 73 north have been investigated and 50 west and 73 north have been taken down at some point. More discussion followed and Brian Waller made a motion that the city replace 50 west and 73 north. This was seconded by David Shoemaker and all members agreed. This is an eight foot by ten foot fence. All civic members have to replace their signs on the 50 west and 73 north locations.

The request for eight single signs for Rotary on all other routes was discussed. David Shoemaker made a motion that the single signs be denied. The motion was seconded by Brian Waller and all members agreed.

Next, the pylon sign at Ponderosa for their meeting place was discussed. David Shoemaker made a motion to give Safety-Service Ralph Holt permission to sign off on the pylon sign for Rotary to share pole space. Brian Waller seconded the motion and all members agreed.

Second on the agenda was a request from Shabby Moose to have two more signs; one on the north side and one on the south side of the building in the 800 block of North High Street. They currently have one sign on the front of the building. After discussion David Shoemaker made a motion that the signs on the north and south sides of the building be denied at this time. The motion was seconded by Brian Waller and all members agreed.

The third item on the agenda was a request from Pace on West Main Street to use temporary signs for 7AM to 7PM in front of the business grounds. After discussion; temporary signs will not be allowed by our ordinance. Mr. Shoemaker made a motion to deny the temporary signs for Pace and Mr. Waller seconded the motion with all members in agreement.

It was brought up that Safety-Service Director Ralph Holt would enforce this for all businesses using temporary signs. Mr. Holt expressed that we have had a problem with other businesses using these signs. With no other business to discuss at this time; Chairman Bonnie Parr adjourned the meeting.

CIVIL SERVICE AND EMPLOYEE RELATIONS- Mr. Levo, Chairman
I have nothing in my committee; therefore I have no report.

STREET & SAFETY COMMITTEE- Mr. Walker, Chairman
I have nothing to report.

President Donley said that he was going to put the problem with the sidewalks into Mr. Walker's committee.

UTILITIES COMMITTEE- Mr. Shoemaker, Chairman
The Utilities Committee met on August 8th. Those members present were myself and Tim Young. Also present were Dick Zink, Ralph Holt, Gary Lewis, John Levo and other employees and the public.

What was on the agenda was the force main at the old K-Mart building that we discussed and what most of you have already seen is the map of this force main that was put in and subcontracted out by Sunesis. What we have found out through the Walgreen's project with this force main was not put in the easement that was properly given to them to do this. We are several feet off the mark of where we need to be. It was discussed what to do about that. We had two options available; we could either go back on Sunesis and the subcontractor and make them do it correctly or we could actually go in and ask them to go to the property owners for an additional easement for the force main to where it is right now buried.

Motion was made by Tim Young and seconded that we give the Sunesis Group and their subcontractors to negotiate with the property owners first and then if they could not work out something with the property owners then they would have to fix the situation and come back in and repair the property within the easement we gave them. And we also would like to request that this be done in thirty days or we give them a time limit of thirty days to have this done. We are holding back Sunesis money of \$26,663.00 with part of this money if not all of it will go towards taking care of the problem. It was moved and seconded and all members voted "yes" for it.

Also on the agenda was the Sewer Plant. We got a new format on the Sewer Plant; facts and figures on what it was going to cost. Projected costs are 60% of the projected costs is given to do the Wastewater/Sewer Plant and it came up to with 60% of it being done; the

projected cost is \$17,600,000.00. We were informed about that. I believe this committee at the time when we started the project was looking at a figure of something like \$13,000,000.00.

Mayor Zink said that that wasn't 60% of the cost; it was 60% of the engineering work being completed.

ZONING AND ANNEXATION COMMITTEE- Mr. Young, Chairman

We did not have a meeting. We are waiting on the Hillsboro Planning Commission to make a recommendation about the library rezoning. Once they make a recommendation, then we'll hold a meeting.

COMMUNITY ENHANCEMENT COMMITTEE- Mrs. Parr, Chairman

No meeting.

UNFINISHED BUSINESS- None

Mr. Holt had received a letter from Mr. Ed Tipton regarding possible purchase of a portion of the old railroad bed property on the north side of the Ole Depot. The city had received an appraisal of \$24,000 and Mr. Walker said that he felt the city should get at least 2/3rds of the appraised value.

Mr. Tipton said that in checking with the tax office and getting market values on property in the area and he said that the appraised value of the railroad property was way out of line. Mr. Koogler asked Mr. Tipton if he had had an appraisal done and the answer was "No". Mr. Koogler said that if Mr. Tipton would have somebody put something in writing that would give Council something to look at. Mr. Koogler said that as a lawyer, if he were looking at that for a client, the first thing he would do would be to say, "Okay, I have this appraisal, but I know that appraisals greatly vary and it depends on what the appraiser's looking at at the time." Maybe the appraiser was thinking that a building would be there. If there is a secondary appraisal done by somebody, that would certainly....

Mr. Tipton said that he was hoping it would move forward so they could start construction and that would push it back another forty-five to sixty days and then winter would be here. Mr. Walker said that if this was a true appraisal, then Mr. Tipton's offer is not enough and if Mr. Tipton got an appraisal and it was less then they could look at it in between.

Mr. Beery said, "You have two options. One is let the appraisal stand as it is in which case you need more for the property. And because an appraiser came up with a fair market value or what he felt it was, or you can request another appraisal be done. But either way you're going to have to rely on the official appraisal that the City gets to guide your decision on selling it. While a person might bring you information such as their own assessment or an outside appraiser that triggers your decision to go forward and hire another appraiser who might look at it differently; if you think the property was misappraised or not enough factors were considered; you can do that. Or you can do it just on your own; just on your own volition decide that appraisal seems off; I think we'll hire another appraiser and have him have a go at it. Those are your choices."

Mr. Walker said that he thought the appraisal sounded awful high to him, but he thought that we got an appraiser and we have to use it as a guideline or have somebody else appraise it. Mr. Young asked if our appraisal is \$24,000; what percentage do we have to get before we can consider it. Mr. Holt said it was two-thirds.

Mr. Beery said that they need to get the best price they can for the property and it's a two-step process. Number one, you declare it to be excess property and number two, you try to sell it at the best price attainable. If you can't get that, then you may have to auction it or something if you just want to move it right now. If that's your feeling.

Mr. Walker asked if they still had to get sixty percent and Mr. Beery said, "Now, I'm not so sure about that; if it's put up for public auction. I'll have to research that a little bit."

Mr. Koogler asked if they were to sell it without going to auction, did they have to get at least sixty percent. Mr. Beery said that you have to have two-thirds of it.

Mr. Tipton said, "I'll do two-thirds just to move it forward, keep going." Mr. Walker asked how much was the two-thirds and Mr. Holt said it was \$16,667.00. Mr. Walker said that he would make a motion to sell it to him for that if he wants to move forward on it. Mr. Holt said that he would need to have that in writing in his office. Mr. Beery said that later it would be prepared as a resolution where you actually authorize deed of conveyance; but if you'll authorize to close on it, they could go ahead and make arrangements to transfer it to the CIC and do those things.

Mr. Koogler made a motion that we accept a counter offer of two-thirds of the appraised value of \$24,000 and that we agree to sell it for that value. Mr. Walker seconded the motion and all members voted yea. President Donley said that Mr. Tipton's counter proposal had been accepted by the Council and Mr. Beery would take care of the legal paperwork and it would be submitted to the CIC group.

PASSAGE OF ORDINANCES AND RESOLUTIONS- None

SECOND READING OF ORDINANCES AND RESOLUTIONS- None

FIRST READING OF ORDINANCES AND RESOLUTIONS-

RES. 07-34 – A RESOLUTION TO AUTHORIZE THE MAYOR TO COMMIT SUPPORT FOR THE COUNTY ENGINEER'S APPLICATION FOR ARC FUNDING REPLACING RESOLUTION 07-30 AND TO DECLARE AN EMERGENCY- The clerk read the resolution in full for a first reading. Mr. Koogler asked if the City was in a position to afford the additional expense. Mr. Lewis said, "Look at two quick items. Number one it is a very important project so your first thoughts would be this is pretty much a 'no brainer'. Then the next thought is how can we come up with the money for that? The first and quick and easy answer is that Council does have at their disposal the Contingency Fund which can always be used for such things as that. In addition, we can also go through the General Fund with a pretty fine-toothed comb to see what we can come up with and our General Fund balances are pretty strong. Have been pretty strong all year so without a doubt I believe whichever alternative I would recommend that we would be in good financial shape to proceed with this."

Mr. Koogler made a motion to waive the three-reading rule and Mr. Shoemaker seconded the motion. All members voted yea. Mr. Koogler made a motion to pass the resolution and Mr. Shoemaker seconded the motion with all members voting yea. Resolution passed.

NEW BUSINESS:

1. The health insurance bids for 2008 is in the Finance Committee.
2. Permission to bid North West Street improvements- Eric Smith recommends that to keep the street viable for five to ten years that curbs, gutters, storm sewers and French drains at the lower part of North West Street are needed. They could do all of that this year and do the paving next year. They were discussing building curbs and gutters to Fenner Road this year and next year; pave it. The cost is estimated to be around \$600,000 to do all that in a two year timeframe. A \$400,000 ten-year bond is being retired and Mr. Lewis said that he would certainly recommend that they go through with that project. Mr. Koogler asked where the additional money would come from to cover the project and Mr. Lewis said that it is a General Fund liability.

Mr. Walker made a motion to go ahead and bid it out and Mr. Young seconded the motion. All members of Council voted yea.

3. Permission to request RFP's and RFQ's for CHIP & CHIS. Mr. Walker made a motion to proceed with the process that will allow the City to receive monies for rehab grants. Mrs. Parr seconded the motion and all members voted yea.

4. Permission to request RFP's and RFQ's for market analysis for the uptown business district. Mr. Holt explained that when the Uptown Business Owners started their organization, they needed that to get revitalization money. They are requesting this for a market analysis for the uptown business area which will cost between \$20,000 and \$30,000 for the analysis. Mr. Young asked what the analysis would do and Mr. Holt explained that it would tell what to do, what is suitable for that area. This had been done previously and they wanted to do it again. Hopefully this would not cost the General Fund any money; they just needed approval to go for the grant. Mrs. Parr made a motion the grant permission and Mr. Levo seconded the motion. All members present voted yea.

5. Permission to enter into negotiations for township fire protection contracts. Mr. Walker made a motion to grant permission and Mr. Koogler seconded the motion. Mr. Holt said that they were due in January and he was just giving them a head's up. All members voted yea.

6. Permission to enter into negotiations for pay increases for non-union employees. Mr. Walker said that they established last year that the Finance Committee would sit down in August, September or October and come up with what kind of pay they thought they could afford and go from there. President Donley said they would put that in with Finance and Street & Safety and go from there.

Mr. Young made a motion to go into executive session 8:09 p.m. to discuss employee relations and Mrs. Parr seconded the motion will all members voting yea. They came out of executive session at 8:21 p.m.

With no further business to come before the council; Mr. Koogler made a motion to adjourn and Mrs. Parr seconded the motion. Meeting adjourned.

Richard Donley, Council President

Beverly Brown, Clerk of Council