

**XENIA CITY COUNCIL
SPECIAL SESSION MEETING MINUTES
APRIL 12, 2018
5:30 P.M.**

1. CALL TO ORDER: President Michael Engle called the April 12, 2018, Special Session to order at 5:30 p.m. in the City Council Chambers, City Administration Building.

2. ROLL CALL: Vice President Edgar Wallace, Councilman Thomas Scrivens, Councilman Dale Louderback, Councilman Wesley Smith, Councilman Levi Dean, Mayor Sarah Mays, and President Michael Engle were present.

3. EXECUTIVE SESSION: Motion by Councilman Louderback, seconded by Vice President Wallace, to go into Executive Session to discuss Collective Bargaining Matters per XCO §206.04(a)(4) and ORC §121.22(G)(4) and to consider confidential information related to Economic Development Projects per XCO §206.04(a)(7) and ORC §121.22(G)(8). No discussion followed. The Roll on this was the following:

Ayes: Wallace, Scrivens, Louderback, Smith, Dean, Mays, and Engle

Nays: None motion carried.

4. RECONVENE: At 6:25 p.m., the City Council reconvened in Special Session with the same members present.

5. DISCUSSION: Council Budget Priorities. Mr. Merriman said per the City Charter, Council must provide budget priorities to the City Manager by July 1; however, staff has moved the process up because they are beginning to work on the 2019 tax budget. Assistant City Manager Jared Holloway sent Council a list of proposed 2019 budget priorities based on Council's feedback over the last few months from both an operational and capital perspective. Tonight, they will review and discuss each category and welcome Council's input. Final approval will be sought at a later date. He then turned the presentation over to Mr. Holloway.

Mr. Holloway said final approval of the budget priorities would be sought in two weeks. He then presented the following:

Maintain a cash reserve that meets reserve requirements (approximately \$3,400,000.00)

- 17% of key operating fund expenditures
- Plan for the 27th pay (2020)

From a financial prospective, Mr. Holloway said Mr. Duke has continued to advise and stress the importance of maintaining a cash reserve that not only meets reserve requirements but also provides a reasonable and appropriate level of financial security for the City. This included maintaining reserves of 17% of key operating fund expenditures and continued planning for the 27th pay in 2020. Mr. Merriman explained the need to plan for a 27th pay, which is a large sum of money. President Engle asked if staff had ever considered a twice-monthly paycheck versus every two weeks. Mr. Duke said that option is possible; however, all union contracts would have to be re-worked. Further, overtime was based on a calendar week, which would create a confusing situation. President Engle said at WPAFB civilians are paid every two weeks and military are paid

twice per month. If staff has thought through that option, then there is no need to pursue it further. Mr. Duke said staff has not considered it, and although he believed there would be challenges, it could be considered.

Councilman Louderback said he did not realize the cash reserve was based on 17% of key operating fund expenditures. Mr. Duke said the requirement used to say ‘two months of reserve’ but it was more straightforward to assign a specific percentage, which results in the same amount. Councilman Louderback asked if there was an advantage to keeping the cash reserves, for example for bond ratings. Mr. Duke said absolutely. The City would not be looked at as favorably if the cash reserves were lower than that. More practically, if something significant happens, such as a huge downturn in the economy, the reserve would help get them through that rough period. Mr. Merriman said this community is not immune to natural disasters; therefore, this cushion was also needed to clear checks for immediate resources, even though reimbursement would be expected after the fact.

Provide safety services to the greatest extent possible while maintaining the reserve

- Maintain Fire Division daily staffing at 14 per shift
- Expand Fire Safety Awareness/Prevention and Community Engagement
- Maintain Police Officer staffing plus School Resource Officer (SRO)
- Maintain Dispatch staffing at 5 per shift
- Review Operations and Structure of Police and Fire through Public Safety Study Update

Mr. Holloway said the City wants to provide Safety Services to the greatest extent possible while being financially responsible. Key areas are maintaining Fire Division daily staffing at 14 per shift, which was achieved in the last year through the SAFER grant that brought on three additional firefighters. Through the addition of these firefighters, they are also hoping to see a reduction in overtime expenses with the 14 per shift staffing. He said Expanding Fire Safety Awareness/Prevention and Community Engagement is critical—not only as a life-saving matter but as an ongoing priority to promote and encourage community engagement and interaction with first responders. Seeing and interacting with them on good days makes a familiar face on the worst days so much more reassuring. Regarding ‘Maintaining current Police Officer staffing plus our School Resource Officer’ and ‘maintaining dispatch staffing at 5 per shift,’ he noted it has been difficult to keep Dispatch at 5 per shift. The positions are not desired positions, and there has been a lot of turnover.

Mr. Holloway said Safety Services is a big part of the City’s budget, and they want to review the operations and structure of Police and Fire through a Public Safety Study Update. In light of recent hires and the changing landscape for police and fire employees, they feel it is important to update this Study to look at service capacity, affordability, and long-term sustainability of public safety services.

Councilman Louderback asked how many SROs are in Xenia Schools. Mr. Merriman said one officer spends the majority of his time at the high school; he also visits the junior high when necessary. He noted there is also a DARE Officer who serves all five elementary schools, but she is dedicated to DARE activities. In today’s world, staff feels a dedicated SRO is necessary at the junior high. In January, staff met with the new school superintendent to discuss this issue where they proposed the same offer, which is if the school was willing to pay for it, they would definitely put an SRO there. He noted Xenia has paid for the SRO from the beginning. An SRO is not just

an armed security guard—the officer engages students, establishes relationships, intercedes problems, etc. Serious drug and criminal issues are emerging at a younger age—even at the junior high. Of all SROs in Ohio, only 17% are paid entirely by the municipality. They need to continue to advocate that they need the school district to meet them halfway.

Councilman Louderback said he enjoyed Council’s joint meetings with the superintendent and School Board, but they have not done that in a while. Mr. Merriman said with turnover on both sides, he agreed they have not convened a joint meeting in a while. He has mentioned it recently and will reach back out to the superintendent. Councilman Louderback said there are many retired police officers and veterans who would probably be glad to volunteer at schools—anything to keep these kids safe. Mr. Merriman agreed—especially in the world they live in today. He noted the City continues to work with them on Active Shooter Training, but they need to remain vigilant on safety and security issues.

Retain quality employees and attract new talent

- Offer competitive employment packages
- Compare and review employee compensation structure and benefits
- Formalize and expand Intern Program
- Improve employee engagement and promote team environment
- Update Civil Service Commission Rules and Regulations

Mr. Holloway said they need to retain quality employees and attract new talent, and they need to offer competitive employment packages, keep pace, and stay competitive with surrounding communities. For example, in the Collective Bargaining processes they have gone through in the past months, Council has seen the data of police and fire employees who could go to other communities and make \$20,000 more per year when they walk in the door. With regard to the employees’ compensation structure and benefits, they often compare and review this for collective bargaining employees, but not as often with non-union positions. Staff would like to do a comparative study to determine if the non-union positions are competitive with equal duty positions in other jurisdictions or private sector jobs. They also want to reestablish which Xenia positions are currently competitive, if any are currently under or over paid, under or over worked, etc. They will also consider benefits.

Regarding interns, Mr. Holloway said the City has benefitted from some great interns—many at little to no expense—and they wish to formalize and expand the Intern Program. Staff suggests formalizing an intern program to ensure they are maximizing the benefit of interns, putting them where needed most, and giving them an opportunity for professional growth and achievement. They wish to improve employee engagement and promote team environment—not only does this help improve moral and workplace enjoyment, there are practical implications for eliminating the silo effect within the organization. These types of engagements would get Police Officers, Public Service, Finance employees, etc., to interact when they otherwise usually would not. This would mean prioritizing citywide training days, appreciation days, and other team building environments.

Finally, Mr. Holloway said they wish to update the Civil Service Commission Rules and Regulations, which are an added layer of bureaucracy that is very constricting and specific to managing employees. The rules are outdated compared to surrounding communities. For example, as required by the City Charter, they have to test once a year for “competitive” positions and hire from the top 10. If they have a vacancy, they go back to the eligibility list and start down the list.

However, if people tested 8 months ago, the chance that they are still waiting on a job are slim because the best performers on that list have already gotten jobs elsewhere. If they have to re-test to establish another eligibility list, then the position remains vacant even longer. They would like to update the rules to make hiring a much quicker process. Mr. Merriman said competitive Civil Service testing was engrained in the City's processes, and he anticipated legislative measures would be needed to make changes. He reported the Human Resources Director has already done some research on this endeavor, and in looking at other communities, she discovered that Xenia is very antiquated. Xenia's system has been in place for many decades, and it has become increasingly harder to find and retain good quality employees.

Sustain and improve City infrastructure while ensuring its reliability and capacity to serve the public long term

- Address poor street conditions with long-term solutions
- Plan for rehab of major stormwater components
- Continue annual programs for streets, water mains, and sewer mains
- Expansion of City Fiber network (Integration of more sites)
- Landfill Compliance

Mr. Holloway said addressing poor street conditions with long-term solutions was priority #1. There are several looming expensive and significant stormwater projects on the horizon, which have been on the backburner for a while, and need to be addressed in conjunction with street improvements. The stormwater fund is currently underfunded, and the funding model needs to be addressed. They will continue annual programs for streets, water mains, and sewer mains, which prioritizes maintenance and care of the millions of dollars of City assets that exist in City streets. Expansion of the City network to integrate additional sites is not only a public safety and operations issue, but it allows the City to be less reliant on Spectrum or other service providers and allows City staff to run and maintain this infrastructure in house at significant savings. Finally in this section is Landfill Compliance; unfortunately, they have no option here but to prioritize the mandated EPA compliance of the City's closed landfill. Although this is not a fun or cheap endeavor, it is reassuring to know that they are making this area safer and more environmentally stable for the neighboring communities and the City's continued growth.

Mr. Merriman addressed the network expansion topic. Staff has discussed the need to branch out the City's fiber network. Council has supported the long-term goal of connecting all City facilities and major assets (i.e., water towers, pump stations, etc.) with fiber. With that fiber in place, they recognize there are economic development opportunities. For example, with the connection down Home Avenue to connect the water tower in the Industrial Park and the Garcia lift station, it makes sense to extend it a bit farther to the Industrial Park. They could establish a utility structure and provide network access to both business parks in that area. Other options, such as Spectrum, have significant price points. As they receive economic development inquiries, a common question is about network access. A community that is well built out with fiber is much more marketable and attractive to businesses. He sees this as an opportunity to make Xenia more competitive. Mr. Duke noted they already provide services to Twist, which is the only private sector company that they provide services to, but they are beginning to talk with consultants to see what is and what is not working. In the long-term, some cities provide services to residents. Staff would like to explore all those options to see what may or may not work—they just do not want to overlook an opportunity to become more competitive. Councilman Louderback asked for more information on providing services to Twist. Mr. Duke said they provide services to the Twist in Xenia and the one in

Jamestown via a radio signal from the water tower. He noted Twist paid for some of the infrastructure for the wireless connection.

Regarding landfill compliance, Mr. Merriman said they are still working through the findings and orders with OEPA. They have scheduled a final meeting to review the final terms and conditions three times, and the State has cancelled and asked to reschedule three times. He would like to give Council a more comprehensive update at an upcoming work session.

Position Xenia for Investment

- Marketing and Image Enhancement
- Amend and update programming for Business Attraction, Retention and Expansion
- Improve/Streamline permitting and inspection processes—they have received some complaints and they will continue to work on resolving these issues.
- Continue to Pursue Retail Recruitment both downtown and in growing business markets like Progress Drive and the Industrial Park.
- Focus on workforce development

Mr. Holloway said positioning Xenia for investment is a huge priority, and with the resurgence of the national economy, they want to capitalize on as much of the corporate and economic growth by positioning Xenia as a place to do business. Workforce development is huge—many businesses say they cannot find employees, and/or there are a shortage of applicants for positions. The City’s Human Resources Director has also stated that she used to get hundreds of qualified applicants for a position and now she receives only a handful. This is not just a Xenia problem, but this creates an opportunity for Xenia to partner with local schools and universities to make the workforce in Xenia a competitive advantage so companies want to come and do business here.

Regarding permitting and inspection processes, Vice President Wallace said they could not do anything about the County. The City is not the problem. He noted he was the first customer at Penn Station and had the opportunity to talk with the owner who was very complimentary of City staff but he could not say the same for County employees. Mr. Holloway agreed. The City’s Planning and Zoning staff are excellent and do a great job.

Councilman Scrivens asked what happened to the ‘City of Hospitality’ being a part of the City’s marketing and image enhancement. Mr. Holloway said the City was still considered the ‘City of Hospitality’ noting that it is on the City’s flag and seal. Mr. Merriman said they incorporate the ‘City of Hospitality’ in different marketing pieces. He explained the logo was different from the City seal, and while they want consistency, it was also important to refresh these things from time to time so the message was fresh and applicable. The current logo and moniker “Explore Xenia” was created a few years ago, which established the new easy-to-remember website address: www.ExploreXenia.com. Councilman Scrivens said they needed to rescue the ‘City of Hospitality’ at some point. Mr. Merriman said the phrase is part of Xenia’s history and legacy, and they will continue to embrace it. The phrase was part of the City’s official seal, which has been codified in XCO Section 204.02.



Regarding retail development, Councilman Louderback wondered if mid-town businesses still feel left out. Mr. Merriman agreed. Certain grant and tax credit programs apply to downtown businesses only and many mid-town businesses do not qualify for those opportunities. However,

staff has looked at certain strategies to encourage their businesses and bring them on board. Regarding retail recruitment, they are talking about that in very broad terms. Later this year, he would like to update Council on where they are at with The Retail Coach. They are looking at a number of additional initiatives including an incubator, pop up spaces, etc. “Retail” does not mean big box corporate—they want to meet the retail needs of all businesses and specifically focusing on meeting the needs of local entrepreneurs.

President Engle noted the time was nearing 7 p.m. and they are only halfway through the presentation. He asked if they wished to continue this discussion at a later date or if they had any immediate questions.

Councilman Louderback said his #1 priorities are economic development and streets. Last year, they doubled the budget for economic development, and they must grow tax bases to move forward. Mr. Merriman said economic development initiatives are embedded in many categories. There is no question that they need to focus their energy on tax base expansion, job creation, etc.

Councilman Smith said he would like to continue the discussion in two weeks. Some topics they have not covered yet may generate some discussion. Mr. Holloway said they have time to meet again noting that they are not required to pass the budget priorities until July 1; however, they want the priorities in place to work on the budget. Mr. Merriman said they could continue the discussion during a Special Session on April 26th. President Engle agreed to set aside one hour to continue the discussion at that time.

Motion by Councilman Louderback, seconded by Mayor Mays, to continue the discussion on Council Budget Priorities at a Special Session on April 26, 2018. No discussion followed. The Roll on this was the following:

Ayes: Wallace, Scrivens, Louderback, Smith, Dean, Mays, and Engle

Nays: None motion carried.

6. ADJOURNMENT: The Special Session was adjourned at 7:02 p.m. to prepare for the Regular Session immediately following.

Michelle D. Johnson
City Clerk

Michael D. Engle
President, Xenia City Council