

Bellbrook-Sugarcreek Merger Study Commission Meeting Minutes December 2, 2009

1. The meeting was called to order at 7:00 PM by Joan Gallagher, Co-Chairperson of the Merger Study Commission.
2. Mrs. Gallagher called the roll with Commission members Tom Frantz, Dr. Sam Staley, Mike Shank, Howard Ackerman, Ron Folkerth, Charlie Schwegman, and Donna Hellmann present. Linda Hummel and Bill Berry were not present.
3. Others present were, Denny Bennett, Bill Schieman, Jim Martin, Scott Bryant, Cindy Porter, Bob Read, and Mark Schlagheck.
4. The minutes from the November 4, 2009 meeting had been circulated and were presented for approval. A motion was made by Dr. Sam Staley to approve the minutes. Mike Shank seconded the motion. All voted yes and the motion passed unanimously. Acknowledge Approval of minutes for September 2, 2009 and October 7, 2009 Merger Study Commission Meetings.
5. A revised Staffing Report, sent by Jim Mercer of the Mercer Group Inc was found lacking in data and clarification by the Co-chairs along with the City Manager and Township Administrator on November 25, 2009. While there was a break-down of each position for the City and Township in the report, there was no justification for these positions. Specifically, reference to standards for Bench Marking of staffing of Police and Fire for a city with a population 15,000 was not included. Thus Jim Mercer was tasked with this request and asked not to attend the December 2, 2009 meeting but to attend the January 6, 2010 meeting of the Merger Study Commission with a completed Staffing Report.

The Commissioners response to this was concern as to whether the Mercer Group was on schedule for the completion of Phase 1. The report for a Merged Government of the City and Township was scheduled for the January 6, 2010 meeting with a revision of the Financial Models by Tom Dority of the Mercer Group.

The following was dialogue by the Commissioners:

Mr. Schwegman voiced concern that Mr. Mercer stated at the last meeting that they would have a staffing analysis for the December meeting and they

did not deliver. He said that he thinks there would be a savings in staffing by merging. He suggested moving on to other issues. Mr. Shank said that he thinks there could be positions within the police department that may or may not be needed. This is the information he thinks Mercer should be providing. Also, he questioned legal matters such as a specific number of police needed for a certain population. Mr. Folkerth stated that he is disappointed that Mercer has not delivered what they said they would.

6. Since Mr. Mercer wouldn't be attending the December meeting Co-chair Mike Shank, sent an e-mail to all the Commissioners requesting any questions for discussion at the December meeting relative to Mercer's progress. This request resulted in 12 Discussion Points by the Commissioners and a Proposal for Phase 2 and Phase 3 Study Efforts to complete the Merger Study, by Mr. Schwegman.

While all the Discussion Points were not covered, there was considerable dialogue on Mr. Schwegman's, proposed Phase 2 effort to Conduct an Annexation Impact Study. This study would take 5-6 key areas of the Township and determine the economic impact (revenue loss/added costs) on the Township if they were to be annexed to Centerville, Kettering, Xenia or Bellbrook. This study should show the revenue loss and cost impact in a 10 year and 20 year and maybe even a 30 year horizon. The results of this approach would be to see if the additional costs for a Merged Bellbrook-Sugarcreek would be off-set by tax revenues collected over the years. Mr. Frantz noted that this would be of considerable interest to Bellbrook and their financial outlook as well.

Dr. Sam Staley suggested that while the Commission was waiting for Mercer to complete Phase 1, work should be started on Phase 2 and 3 in order to have the necessary information if a proposed Merger of Bellbrook and Sugarcreek were to be placed on the November 2010 ballot. He volunteered his consultant skills to head an Ad hoc Committee along with Mr. Ackerman, Mrs. Hellmann and Mr. Shank to outline a plan to start the implementation of Mr. Schwegman's proposal for Phase 2 and Phase 3 of the Merger Study and have a report ready for the January 6, 2010 meeting.

7. Approval of Payment of Invoices: Mrs. Gallagher stated that she approved a \$50 fee for transcription of the November 4, 2009 meeting minutes. Also twenty one copies of the agenda were made for the meeting. In addition copies were made of the questions submitted by the Commissioners, Discussion Points and Proposal submitted by Mr. Schwegman.

Discussion moved on to the Mercer Group's November 25, 2009 invoice of \$11,076.45, \$ 8,120.00 for Professional Fees and \$2,956.45 for expenses.

Mr. Schwegman stated that they haven't delivered what they said they would, and therefore should not be paid for professional fees. Mr. Ackerman and Dr. Staley agreed. Mr. Ackerman stated that the last invoice was paid and there were no results, so why would this payment be any different. Dr. Staley clarified that the Commission is just not paying the professional fees until Mercer attends the January meeting with the required report. He said that instead of rejecting to pay the professional fees part of the invoice, they are instead being deferred until the January meeting. At this time the Commission can decide what Mr. Mercer has completed.

Recounting the concern that the Commission had relative to Mercer being able to meet deadlines and finish the work that they started, a motion was made by Dr. Sam Staley "To approve payment of travel, delay payment of Professional Services until the January meeting and presentation of the Financial Model for the Merged Government." The motion was seconded by Mr. Frantz. The motion passed unanimously.

8. Meeting Schedule. Meetings were established for the first quarter of 2010 at the November meeting. They are January 6, February 3, and March 3.
9. Web Page Reminder: Mrs. Gallagher thanked Mr. Schieman and Mr. Bennett for all of their help with the website, mergerstudy.com. Mr. Schieman indicated that there were no questions for the Commissioners. However there have been around 1700 hits on the web site to date. He speculated that people are reading the minutes.
10. Public Comment:

Mr. Martin distributed 2 hand-outs to the Commissioners. The first one was a copy of a digital transcript - In the Common Pleas Court of Greene County, Ohio Case NO. 2006-CV-0784, Sugarcreek Township, Plaintiff vs. City of Centerville, et al, Defendants from April 27, 2009. The second hand-out was From Regional Planning of Greene County referencing Sugarcreek Township Zoning Resolution Text Amendment, July 21, 2009 Resolution #09-07-28-3C. Mr Martin's intent for these handouts was reference material for his opinion that the Annexation of the Dille property by the City of Centerville was caused by the prevailing Zoning in Sugarcreek Township.

Commissioner Schwegman asked Mr. Martin if he believed the Dille property went to Centerville because of zoning or the money Centerville was willing to give to the developer, Bear Creek? He stated that just because there was testimony in court that the land was annexed because of zoning doesn't make it a fact. It is meaningless to the Merger Study

Commission. Mr. Schwegman continued to say that he can't imagine them going to court and telling the truth that Centerville got a 15 million dollar TIF and the developer would get paid a lot more. Mr. Martin interjected that they don't have a TIF. He also stated that it was a year and a half that it got pushed-around. Mr. Schwegman asked Mr. Martin to stop bringing this up every month since it is not beneficial to what the Merger Study Commission is trying to do. Mr. Schwegman said that he was on the Zoning Board and involved with the case. Mr. Martin replied that it is in the court records. Mr. Schwegman answered that anyone can go into a courtroom and give misleading information under oath. He then told Mr. Martin that some of the statements he makes at the Merger Study meetings are irrelevant and while he does have some good comments, he feels that some of his comments are not true and confuse the issue.

Mr. Schieman also commented that he agrees with Mr. Schwegman as far as Mr. Cloud's testimony in the Dille property case. He said that he thinks Mr. Cloud, who is the Dille's lawyer, would say anything to reflect well on the Dille's. He also said that he was on the Zoning Board at that time. He stated that the Sugarcreek Trustees were sent a confidential document from Bear Creek asking for 33 million dollars of TIF funding. The Trustees turned it down. A few weeks later Centerville agreed to a Service Agreement with Bear Creek, which stated they would give Bear Creek a TIF. Centerville hasn't been able to give Bear Creek a TIF on the land yet, because Sugarcreek filed a TIF on the Dille property before Centerville. Thus the Sugarcreek TIF on the land is in effect unless it gets overturned in court. Mr. Schieman's opinion was that as soon as the Sugarcreek Trustees turned-down the 33 million TIF, Bear Creek went looking for TIF money and got an agreement from Centerville.

Mr. Schieman said that he thinks there could be a parallel effort with Mercer or another consultant. He suggests that some of the questions the Merger Study Commission may have could be answered by looking at merger conditions that have been agreed-upon in six other merger studies done in Ohio. Mrs. Gallagher suggested that Mr. Schieman forward her the information and she would compile it

Mr. Bryant commented that he likes the idea of focus groups and encouraged the Commission to stay open to public opinions. He recommended getting a contract lawyer to read the Mercer contract since they are delaying payment

11. Mrs. Gallagher asked for a motion to adjourn. The motion was seconded. All in favor said, Aye. The meeting was adjourned at 9:15PM.

