



## City of Pataskala *Legislative Report to Council*

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### Legislative Report

#### November 7, 2022 Council Meeting

#### Unfinished Business

##### A. Ordinances

- **ORDINANCE 2022-4429- 3<sup>rd</sup> READING - AN ORDINANCE AUTHORIZING, DIRECTING, AND APPROVING THE EXECUTION OF A COMMUNITY REINVESTMENT AREA AGREEMENT BETWEEN THE CITY OF PATASKALA AND RED ROCK INVESTMENT PARTNERS, LLC. (TABLED 10/3/2022)**

At the time of this legislative report the city, Red Rock and C-TEC are finalizing a document that memorializes the agreement between the 3 for Red Rock to provide compensation to C-TEC. The negotiations between Red Rock and C-TEC are complete however the city identified some last-minute changes necessary to protect our interests. This creates a slight timing issue. If the city intends to sign the agreement, it will require a resolution and the document would have to be finalized before asking Council to vote to direct the Administrator to sign it. We may be adding that resolution before Monday. If that document is satisfactory to the Administration and Council, it could be added to the consent agenda. 2022-4429 could then come off the table and be voted on as part of the normal business of Council at the November 7<sup>th</sup> meeting. If the 3 entities cannot come to an agreement before Monday, 4429 would stay on the table.

- **ORDINANCE 2022-4431 – 2<sup>ND</sup> READING - INCOME TAX ALLOCATION RATES**

Once the debt service and operational funding requirements were identified, the allocation of income tax revenues between the Debt Service, Street, Police and Capital Improvements funds were calculated. The initial portion is taken off the top to cover any outstanding debt service requirements. After that amount has been calculated, the next level is then allocated to the Street and Police funds to cover their current year operational needs. Any remaining funds at that point are allocated to the Capital Improvements funds. The 2022 allocations were as follows: 45.0% - Street; 44.1% - Police; 9.4% - Debt Service; and 1.5% - Capital Improvements. For 2023, the allocations are proposed as follows: 47.10% - Street; 46.30% - Police; 5.10% - Debt Service; and 1.5% - Capital Improvements. **We are respectfully requesting that Council hold the 2<sup>nd</sup> reading at the November 7<sup>th</sup> Council meeting. We would anticipate that this legislation will go through all three of the required readings.**

➤ **ORDINANCE 2022-4432 – 2<sup>ND</sup> READING - 2023 BUDGET**

Based on the feedback the administration received at the October 27<sup>th</sup> Finance Committee meeting, several changes were made to the version presented at the October 17<sup>th</sup> Council meeting and are highlighted below. These changes include the following:

- *SVC-18-005: Mink Street Garage Facilities Expansion* – It was proposed to move the proposed \$750,000 in improvements to the Mink Street garage to 2024 from 2023. This improved the Street (201) fund carryover balance for 2023 but makes the 2024 balance look worse due to the increased spending in 2024. Ultimately it has a \$0 net impact to the 5-year forecast as it doesn't reduce spending; rather, it is simply shifting spending from one year to the next.
- *SVC-23-004: SR310 & Refugee Road Intersection Improvements* – It was proposed to eliminate this project from the list of funded projects. This results in a reduction of \$100,000 in proposed spending in the State Route 310 TIF (306) fund in 2023.
- *PRK-23-001: Caged Basketball Courts* – This item was moved to the unfunded category and result in a 2023 reduction of \$10,000 in the Capital Improvements (301) fund requested appropriations. For 2024-2026, the combined total reductions were \$110,000 in that fund.
- *PRK-23-005: Parks Heavy Equipment Trailer* – This item was moved to the unfunded category and results in a 2023 reduction of \$12,000 in the General (101) fund requested appropriations.
- *School District Revenue Sharing* – When the initial budget was prepared, it did not include appropriations for revenue sharing with the school districts. Based upon current collection trends, the proposed budget was increased by approximately \$37,500 in 2023 to cover such reimbursements. It was also included in 2024-2027 with modest increases to account for any potential growth. These allocations were assigned to the various funds receiving the income tax revenues (Street, Police, Capital Improvements and Debt Service) in their relative proportion of income tax revenues received.
- *Municipal Pool & Concession* – A review of the projected employee hours was performed, and it was decided to reduce the number of authorized hours worked by each employee. This would represent a reduction of \$53,000 in the Recreation (206) fund requested appropriations for 2023.

**We are respectfully requesting that Council hold the 2<sup>nd</sup> reading at the November 7<sup>th</sup> Council meeting and amend by substitution. We would anticipate that this legislation will go through all three of the required readings with passage at the November 21<sup>st</sup> meeting.**

➤ **ORDINANCE 2022-4434 – 2<sup>nd</sup> READING**

The Agricultural Committee met on September 19, 2022 to discuss the Discharge Map as several properties were identified as needing to be removed from the Discharge Zone due to their development as a platted residential subdivision and commercial industrial uses. This ordinance would remove the identified properties from the discharge zone as recommended by the Agricultural Committee.

➤ **ORDINANCE 2022-4435- 2<sup>nd</sup> READING - AN ORDINANCE AMENDING SECTION 929.07 OF THE CODIFIED ORDINANCES OF THE CITY OF PATASKALA, THEREBY INCREASING THE SANITARY SEWER FLAT RATE, BEGINNING ON JANUARY 1, 2023**

The Utility Department identified a discrepancy with the sanitary sewer flat rate. This rate had been erroneously left out of all rate increases that have occurred since 2012, to include the creation of the CIP fee. The Utility Director created a three-year, phased in approach to increasing the sanitary sewer flat rate until it is commensurate with the rates of the rest of the customer base. This phased in approach is intended to minimize the impact that these increases will have on the affected customer's monthly budget.

Beginning on January 1, 2023, sanitary sewer flat rate monthly bills will be based on 5,000 gallons usage. The sanitary sewer flat rate will remain at \$4.75 per 1,000 gallons usage for In-Town and \$12.40 per 1,000 gallons usage for Out-Of-Town. The \$3.00 per 1,000 gallons of usage CIP fee will be applied. The remaining increases will be as shown in the table below.

	In-Town	Out-Of-Town
<u>Year</u>	<u>Sewer Flat Rate</u>	<u>Sewer Flat Rate</u>
2023	\$4.75	\$12.40
2024	\$7.19	\$13.39
2025	\$9.63	\$14.46

This concept was presented to the Utility Committee at the May 16, July 18, and Sept 8 Utility Committee meetings. It was also presented to all of Council at the Special Council Meeting on Sept 20, 2022.

Approval of Ordinance 2022-4435 is recommended.

B. Resolutions



**New Business**

A. Ordinances

➤ **ORDINANCE 2022-4430 – 1<sup>ST</sup> READING**

The property located at 53 George Street is 0.13+/- acres and contains a 3,640-square foot barn built in 1918, and the property located at 66 George Street is 0.12+/- acres and is currently vacant. The applicant is requesting to rezone both parcels, totaling 0.25+/- acres, from the M-1 – Light Manufacturing district to the DB – Downtown Business zoning classification. According to the applicant, the purpose of the rezoning is to allow the properties to be leased to small businesses such as retail,

photography, office, or other local entrepreneurs. The rezoning is in line with the recommendations of the Comprehensive Plan and the Planning and Zoning Commission recommended approval on September 7, 2022.

➤ **ORDINANCE 2022-4437 – 1<sup>ST</sup> READING - SUPPLEMENTAL APPROPRIATION**

We have identified several adjustments to the 2022 budget which require additional appropriations. At this point, there are only two specific areas that are being addressed on this legislation which is covered below. However, as this is the year-end ‘clean up’ supplemental appropriation, it is possible that we will add additional items to it at the 2<sup>nd</sup> reading. **We are anticipating that this legislation will go through all three (3) required readings. We are respectfully requesting that Council hold the 1<sup>st</sup> reading of the ordinance at the November 7<sup>th</sup> Council meeting**

- *Section 1: Ohio EPA Service Line Grant* – The Ohio EPA is requiring that the water service line materials of each customer be identified and catalogued by the end of 2024. The purpose of this mandate is to identify potential risks of lead leaching into the water going into the residence. To assist in this, the Ohio EPA has awarded the city a reimbursement grant of \$50,000 toward the costs of hydro-excavating each service line at the curb box to more readily identify the water service line materials. This section represents the increases necessary to cover those expenses. There will also be a corresponding increase of \$50,000 in grant revenue to ensure that there is a net \$0 impact to the bottom-line budget.
- *Sections 2-5: Income Tax Withholding Revenue Sharing* – The city entered into an agreement with the Southwest Licking School District to share 50% of any income tax withholding revenue generated in the city’s corporate park. In 2022, we’ve now begun to receive revenue and are now required to remit the revenue sharing to the district. Due to the lack of prior year revenue sharing, this expenditure was not included in the 2022 budget. These sections represent the increases necessary to cover those expenses.

➤ **ORDINANCE 2022-4438 – 1<sup>ST</sup> READING - UTILITY FUND CREATION**

The city is currently working with our accounting software vendor, Software Solutions (SSI), to upgrade the utility billing accounting system from their archaic eGov system to their VIP utility billing system. This is the same system that the general ledger and budgetary control systems are housed. As part of the early conversion meetings, SSI recommended that the city create a fund to receive any overpayments until the method to apply them has been identified. This fund will be a ‘net zero’ fund, as any overpayments will either be applied to a future invoice or refunded if appropriate. To create the new fund, Council authorization is required and is the purpose of this ordinance. **We anticipate that this legislation will go through the required 3 readings. We are requesting that Council hold the first reading of this legislation at the November 7<sup>th</sup> Council meeting.**

➤ **ORDINANCE 2022-4439 – 1<sup>ST</sup> READING - AN ORDINANCE TO CREATE, AND ESTABLISH COMPENSATION FOR, A NEW FULL-TIME POSITION OF EMPLOYMENT (ASSISTANT CITY ADMINISTRATOR) WITHIN THE CITY OF PATASKALA, AND TO AMEND THE 2022**

**PAY MATRIX FOR THE NON-COLLECTIVELY BARGAINED EMPLOYEES FOR THE CITY OF PATASKALA, EFFECTIVE FOR THE PAY PERIOD BEGINNING ON AND AFTER JANUARY 12, 2022**

This ordinance is a housekeeping measure to create the position of Assistant City Administrator for the City of Pataskala. The position is included in the 2023 budget. The way any new position is created within the city is that it is added to the City of Pataskala's pay matrix. As we have no pay matrix for 2023 yet, adding it to the 2022 pay matrix is the best way to formally create the position and have it ready to post early in 2023. We anticipate that this ordinance would proceed through its 3 readings. If Council decided to remove this item from the budget Ordinance 4439 could be defeated at its 3<sup>rd</sup> reading (in December) so there is little risk of starting the creation process now.

**Consent Agenda**

3. Motions



4. Resolution

➤ **RESOLUTION 2022-090 - A RESOLUTION AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO EXECUTE A DONATION AGREEMENT WITH RRIFI COLUMBUS 96 LAND, LLC AND CAREER AND TECHNICAL EDUCATION CENTERS OF LICKING COUNTY**

This resolution is the accompanying resolution to Ordinance 2022-4429. It directs the City Administrator to sign the 3-way agreement between Red Rock C-TEC and the city. As stated previously, At the time of this legislative report the 3 entities are finalizing the language of the "attachment A" referenced in the resolution. Should the 3 entities agree to the city's changes the new attachment A would be added by substitution at the Council meeting on Monday.

Due to a new state law, passed in March, Technical schools now have access to the same compensation as school districts. However, the law is ambiguous as to what exactly that compensation is. Concerned about delays, Red Rock was advised by the Administration that the fastest solution to this issue was a separate agreement for compensation between Red Rock and C-TEC. The two began negotiations and those negotiations were successful with the adoption of the agreement by C-TEC's board on October 25<sup>th</sup>. Once the Law Director reviewed that document he identified several necessary changes before he would approve the city's entering into the 3-way agreement. It is those changes that we are waiting on for Monday.