



City of Pataskala *Legislative Report to Council*

Legislative Report

February 6, 2017 Council Meeting

Unfinished Business

A. Ordinances

➤ **ORDINANCE 2017-4277 – 2ND READING – DEBT ISSUANCE**

The city is currently planning to issue debt to fund the construction of a new Police station in Pataskala. Based upon the initial cost estimates from Horne & King, it is anticipated that the cost of construction of the facility will be around \$4.5 million. When the legislation was drafted, it was estimated that the construction cost would be approximately \$5.0 million. In addition to the construction funding, the city would also be issuing bonds to refinance the \$500,000 in architectural design/construction management notes issued in 2016, as well as the costs of issuance (e.g. bond counsel, underwriter's discount, etc.). The proposed 'not to exceed' amount would cover all of the aforementioned items, as well as providing some flexibility in the event the final cost estimate is greater than anticipated. Based upon that information, the provisions of the bond ordinance provided for a 'not to exceed' amount of \$6.0 million (see 'Initial Estimate' below for breakdown). After getting the details supporting the architect's estimate, we found that they included the 2016 note payoff, as well as the costs to issue the 2017 bonds in their cost calculations. Unfortunately, this resulted in a 'double counting' of approximately \$574,000 in our figures, as we were unaware that they had included those items in their numbers. In addition, we eliminated our contingency calculation, as the architect had also included a \$100,000 contingency line item in their numbers. Eliminating both of these items resulted in an adjusted proposed 'not to exceed' amount of \$5.5 million. Please know that this total is a maximum issuance amount, and is higher than the construction amount alone. However, if we only borrow the exact estimated amount of the construction costs (plus costs of issuance and payoff of the 2016 notes), we would anticipate borrowing \$5.11 million – well below the 'Not to Exceed' amount. The 'Current Estimate' column below illustrates how the \$5.11 million number was calculated.

INITIAL ESTIMATE	ITEM DESCRIPTION	CURRENT ESTIMATE
\$5,000,000	Estimated Construction Cost	\$4,505,000
500,000	Payoff 2016 design/construction management	500,000
100,000	Estimated Costs of Issuance	100,000
400,000	Contingency	0
\$6,000,000	Total 'Not to Exceed' Amount	\$5,105,000

We plan to have this legislation go through all of the three (3) required readings and the 30-day referendum period. This schedule would permit the city to issue the debt in late-March or early-April, and have the required funding in place prior to awarding the construction contract. This legislation has been amended to reflect the reduced maximum issue amount, and is currently set for a 2nd reading at the February 6 Council meeting.

➤ **ORDINANCE 2017-4278 – 2ND READING**

The property is the current location of the Roxford Village Apartments which were constructed in 1992. In 1991 the property was rezoned from the OI – Office Institutional district to the R-5 – Multiple Family Residential district, presumably to allow for the development of the apartments. Although the property was officially rezoned, this was never reflected on the zoning map.

Sometime in the mid-1990s, likely around the time of the merger between Lima Township and the Village of Pataskala, both the OI – Office Institutional district and the R-5 – Multiple Family Residential district were removed as zoning classifications and incorporated into the classifications currently used in the zoning code. As a result, the OI – Office Institutional district became the PRO – Professional Research Office district and the R-5 – Multiple Family Residential district became the R-M – Multi-Family Residential district. Because the OI – Office Institutional classification was not updated to the R-5 – Multiple Family Residential District following the 1991 rezoning, the property was changed to the PRO – Professional Research Office district to match the new zoning classifications.

As it stands now, the property is zoned R-5 – Multiple Family Residential district based upon ordinance 91-2069 which granted the rezoning, but is reflected as PRO – Professional Research Office on the zoning map following the zoning classification update from the mid-1990s.

Approval of this ordinance would correct a zoning map error. Staff recommends approval of this ordinance.

New Business

A. Ordinances

➤ **ORDINANCE 2017-4279 – SUPPLEMENTAL APPROPRIATION – 1ST READING**

This piece of legislation has been prepared, and is being respectfully submitted to Council for a 1st reading at the February 6th Council meeting. There is currently only one purpose for this legislation – funding for the River Forest lift station project. **Due to the time-sensitive nature of this issue, we are requesting that Council waive the 2nd and 3rd readings, and pass the ordinance at the February 6th meeting.**

- *Section 1: River Forest Lift Station* – This project was included in the 2016 budget, and a total of 6 bids were received in mid-December. The lowest bid received was by Elite Excavating in the amount of \$189,850. Unfortunately, a requisition was not submitted by the department prior to year-end 2016 to encumber the project funding (and retain the budget for 2017 activity), and the 2016 appropriation lapsed at year-end. As a result, no appropriation authority exists at this time to award the contract. In order to be able to sign the ‘Fiscal Officer’s Certificate’, we are requesting Council to approve this supplemental appropriation to increase the budget by \$200,000 which would cover the contract amount, as well as providing a 5% contingency amount for any additional work or change orders required once work commences. We do not anticipate needing the additional funds, however, and any unused (e.g., unspent) appropriations would revert back to the fund balance when the purchase order is closed.

➤ **ORDINANCE 2017-4280 – 1ST READING** **An ordinance amending Chapter 1207 of the Codified Ordinances of the City of Pataskala, and repealing all other ordinances and parts of the ordinances in conflict therewith.**

Approval of this ordinance would amend Codified Ordinance Chapter 1207 as it relates to the appointment of members to the Planning Commission and Board of Zoning Appeals. The voter approved Charter amendments that took effect January 1, 2017 changed the appointment of members to these boards from a mayoral appointment with council confirmation to council appointment with confirmation of a majority of council. Approval of this ordinance would amend Codified Ordinance Chapter 1207 to be consistent with the new Charter language related to these appointments. I recommend approval of Ordinance 2017-4280.

B. Resolutions

➤ **RESOLUTION 2017-009 – PROPERTY, CASUALTY AND LIABILITY INSURANCE RENEWAL**

The Finance department recently received the city’s renewal proposal for its property, casualty and liability insurance for 2017. The current policy expires on February 19th, and the new policy runs from February 19, 2017 through February 19, 2018. The proposed renewal premium is \$121,851, and reflects an \$8,073 (7.1%) increase over our

2016 premiums. There are three (3) primary drivers of the increase: (1) the automobile policy premium increased by \$3,923 (15.02%) and is primarily the result of increased number and value of vehicles covered, and recent claims history; (2) the Law Enforcement policy premium increased by \$2,720 (13.47%) and was driven in large part to an arrest-related lawsuit (Charles Ebie); and (3) the Public Officials policy amount increased by \$1,111 (5.76%) and was caused by the Fox lawsuit.

➤ **RESOLUTION 2017-011**

This resolution authorizes and directs the City Administrator to execute a contract with Buckeye Power Sales for the purchase of an automatic transfer switch for the backup power generator at Water Treatment Plant Number 1.

- The automatic transfer switch for the backup power generator at WTP#1 has failed. The damage is directly related to rodent damage / intrusion in the cabinet. During a short power outage the generator attempted to transfer power but failed to transfer. Upon investigation, a dead rodent was found between automatically engaging contactors. This prevented generator power transfer and caused catastrophic internal component failure. Our generator service contractor evaluated the options for repair. Due to the age of the current unit, there are no parts available for replacement, more so it would be a total rebuild of the cabinet. Buckeye Power Sales provided a quote of \$9,950 for a new transfer switch. An outside certified electrician is required for the installation at a budget cost of \$3,000. We are requesting approval of \$13,500 in the event of any unknowns through this repair project.
 - Our insurance company has been notified of this damage to see if we are covered on this type of damage.
 - Any openings to the outside of the building through the switch has been sealed and will be resealed with the installation of the new unit. A cache of rodent traps have been deployed.

➤ **RESOLUTION 2017-012- OFFICE COPIER EQUIPMENT LEASE**

The city currently leases its' four (4) office copiers from Konica Minolta using 4-year operating leases. Operating leases are different from capital leases (which we use for dump trucks, etc.) in that at the end of a capital lease we own the equipment outright. When an operating lease expires, the lessee (the city) is required to return the equipment to the lessor (Konica Minolta). At that point, the city has two options regarding the office copiers: (1) purchase the existing equipment; or (2) lease or purchase new replacement copiers. The first two leases (Administration and Planning/Zoning) expire at the end of January, and the third copier lease (Council) expires in March. The final copier (Police) does not expire until April, 2017. Once a copier reaches the 7-year mark, it becomes marked as out of date, and service cannot be guaranteed. Copier vendors guarantee that they will maintain replacement parts for 7 years. After that point in time, service would be on a 'best efforts' basis. As a result, the maintenance costs on copiers greater than 4 years old is more expensive, and it is usually not cost effective to simply buy this equipment. The Administration is seeking Council authorization to enter into a new 4-year lease with Konica Minolta for updated copiers, and the associated equipment maintenance agreements. The equipment will be provided at the specifications and cost provided for in the State of Ohio term schedule (e.g., state contract). The proposal from Konica Minolta will result in a slight cost savings over our current lease cost, but will

upgrade the Planning & Zoning copier to a color copier as well.

➤ **RESOLUTION 2017-013** - A resolution authorizing and directing the City Administrator, or his designee, to advertise, receive and open bids for the Ohio Public Works Commission (OPWC) funded Columbia Road Culvert Replacement Project

The City recently was awarded an OPWC grant for the replacement of a deteriorated culvert located on Columbia Road, south of Mill Street. The existing culvert is old, deteriorating, and is a hazard (due to narrow roadway edges near the culvert) for motorists. There have been accidents in this location in the past. The project cost is estimated at \$230,023. The OPWC funding will cover \$218,522, with the City responsible for the remaining \$11,501 as the local share. The plans for this project are complete (application was awarded points for the plans being complete). Approval of this resolution would authorize the City Administrator, or designee, to advertise, receive and open bids. Funding for this project will be available July 1, 2017 through June 30, 2018. However, it is the intent to get approval bidding now so we are prepared to bid this project at the earliest date possible. I recommend approval of Resolution 2017-013.

➤ **RESOLUTION 2017-014**

Approval of this resolution would provide for the Public Service Department to purchase a skid steer cold planer attachment. Adding this piece of equipment to the inventory will enable the department to make professional looking, long lasting roadway repairs. The purchase of a skid steer cold planer attachment is a Public Service Department Capital Improvements project as identified in the approved 2017 budget as project number SVC-17-035.

The Public Service Department rented this piece of equipment in 2016 to try it out as a roadway maintenance tool. The trial run was very successful as indicated by the quality of the repairs, and is favored by the department over repair methods used in the past. Accordingly, it was determined that it would be more efficient and effective to own this piece of equipment, as more of these types of repairs can be accomplished throughout the year and as needed.

The total equipment cost of \$15,000 is accounted for in the approved budget, and includes everything necessary for immediate use. Approval of this resolution is recommended.

➤ **RESOLUTION 2017-015**

Approval of this resolution would provide for the Public Service Department to purchase a trailer that will be used to transport large equipment. The purchase of this trailer is a Public Service Department Capital Improvements project as identified in the approved 2017 budget as project number SVC-17-025

The existing Public Service Department trailers do not have the weight capacity to transport existing larger equipment. Acquisition of this trailer will allow the department to transport larger equipment to job sites throughout the City and also to a mechanic in case of equipment failure. This will save the department time and hassle by

not having to drive construction equipment across town to job sites, or have the equipment towed by other, more costly or cumbersome means in the event of mechanical failure.

The total equipment cost of \$25,000 is accounted for in the approved budget, and includes everything necessary for immediate use. Approval of this resolution is recommended.

➤ **RESOLUTION 2017-016 - A resolution authorizing and directing the City Administrator, or his designee, to purchase and have installed two additional gates on the Foundation Park access drive.**

In late 2016, the Pataskala Parks Board and City Council discussed options for prohibiting cut thru traffic in Foundation Park. These discussions were based on improving safety for those using the park for recreational activities. The decision was made to install additional gates along the Foundation Park access drive. The gates would be installed to allow traffic to access the park, and parking lots, from the north and south. However, they would restrict thru traffic. The approved 2016 budget includes funding for the construction and installation of these gates. We received a quote of \$12,500 from the company that built and installed the existing gates. The new gates would be identical to those that are existing. The new gates would be installed prior to the existing gates being opened for the season. I recommend approval of Resolution 2017-016.