



## City of Pataskala *Legislative Report to Council*

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### Legislative Report

#### December 5, 2022 Council Meeting

#### Unfinished Business

##### A. Ordinances

➤ **ORDINANCE 2022-4430 – 3<sup>rd</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

➤ **Ordinance 2022-4437 – 3<sup>rd</sup> Reading - Supplemental Appropriation**

We have identified several adjustments to the 2022 budget which require additional appropriations. At this point, there are five specific areas that are being addressed on this legislation, and which are covered below. **We are anticipating that this legislation will go through all three (3) required readings. We are respectfully requesting that Council hold the 3<sup>rd</sup> reading of the ordinance and approve the legislation at the December 5<sup>th</sup> Council meeting. No changes have been made to the legislation since the 2<sup>nd</sup> reading.**

- *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.

- *Sections 6 – 9: Income Tax Collection Fees & Refunds* - Income tax collections continue to track better than anticipated. Unfortunately, one of the consequences resulting from increased collections is that the costs of collections have also risen proportionally. In addition, the value of taxpayer refunds in 2022 has also increased. These sections represent the increases necessary to cover those expenses.
- *Section 10: Police Cruisers* – The city recently held an auction to sell off used/surplus equipment which included the sale of several cruisers. The sale of the cruisers netted the Police department approximately \$18,000. Additionally, the department had an existing cruiser that was recently totaled in an accident. The insurance proceeds from this loss was approximately \$10,000. The department has the opportunity to purchase some used cruisers from the Ohio State Police department and are requesting that twenty-five thousand (\$25,000) of the proceeds from the auction and vehicle loss be appropriated in order to purchase some of these pre-owned cruisers.

➤ **ORDINANCE 2022-4438 – 3<sup>RD</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 3<sup>rd</sup> reading of this legislation and approve the ordinance at the December 5<sup>th</sup> Council meeting.**

➤ **ORDINANCE 2022-4439 – 3<sup>RD</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.

➤ **ORDINANCE 2022-4436 – 2<sup>nd</sup> READING**

This ordinance would amend Chapter 1296 – Residential Appearance Standards to allow for a provision for a Council variance and correct a discrepancy with terminology. The Development Committee recommended the amendment proceed through the amendment process on August 22, 2022. The Planning and Zoning Commission recommended approval on October 5, 2022.

➤ **ORDINANCE 2022-4441 – 2<sup>nd</sup> READING - AN ORDINANCE DECLARING THE IMPROVEMENT OF CERTAIN REAL PROPERTY LOCATED IN THE CITY OF PATASKALA, LICKING COUNTY, OHIO TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESIGNATING SPECIFIC PUBLIC INFRASTRUCTURE IMPROVEMENTS THAT, ONCE MADE, WILL DIRECTLY BENEFIT THE PARCELS FOR WHICH IMPROVEMENT IS DECLARED TO BE A PUBLIC PURPOSE; REQUIRING ANNUAL SERVICE PAYMENTS IN LIEU OF TAXES; ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND; AND PROVIDING RELATED AUTHORIZATIONS PURSUANT TO OHIO REVISED CODE SECTIONS 5709.40(B), 5709.42, 5709.43, 5709.832 AND 5709.85.**

This ordinance is the TIF agreement for the property associated with Ordinance 4429. It follows the same language that was approved on the first phase of Red Rock 1. A TIF diverts property taxes to a fund that can then be accessed by the City to reimburse Red Rock for certain public infrastructure improvements on the site including road construction, widening and extensions, installation of sidewalks, street lighting, curbs and gutters, and sewer and water improvements. Since the City is granting a 15-year abatement (so no property taxes on the building are generated) the TIF would only be for the increase in property taxes related to increase in land value in years 1-15, and for the increase in property taxes from land and building values for years 16-30.

B. Resolutions



**New Business**

A. Ordinances

➤ **ORDINANCE 2022-4433 – 1<sup>ST</sup> READING - AN ORDINANCE TO ADJUST SECTION D OF THE FEE SCHEDULE WITHIN THE PARKS AND RECREATION DEPARTMENT.**

This ordinance will adjust the fees for recreation programs offered by the city. Over the last year, the department identified several services/recreational items absent from the current fee schedule. The Exhibit A provided (as the attachment) has all proposed changes of added and updated items highlighted in yellow. Fees for the youth soccer league and the adult softball team fees were planned increases for the

2022 program year so those two are the only “adjustments”. All other yellow highlighted items are additions to the fee schedule.

## Consent Agenda

### 3. Motions



### 4. Resolution

➤ **RESOLUTION 2022-093 - A RESOLUTION TO ACCEPT AND CONFIRM INFRASTRUCTURE IMPROVEMENTS FOR THE HOMESTEADS OF THE BORDER PLACE, SECTION 3.2 DEVELOPMENT FOR PUBLIC MAINTENANCE AND OPERATION BY THE CITY OF PATASKALA**

Approval of this resolution will indicate formal acceptance of infrastructure improvements for the Homesteads of the Border Place, Section 3.2 Development by The City of Pataskala. These improvements include utilities and roadway per plan and as platted for Wagon Avenue, Herd Avenue, Wagon Court and Haystack Court.

Full-time third-party inspection was present throughout construction of this project to verify materials and installation on behalf of the City, and all testing was verified to be completed successfully in accordance with all applicable construction and material specifications.

Once all items were complete and verified, a site walk-through was conducted by the Public Service Director to review the project and generate a punch-list of outstanding items. Accordingly, a Certificate of Substantial Completion has been executed, and indicates a date of November 28, 2022 as the beginning of the 1-year maintenance period.

In accordance with City requirements for acceptance, as-built plans, a 1-year maintenance bond in the amount of 10% of the value of the public improvements, and an executed stormwater maintenance agreement have all been submitted to the City by the Developer.

As the work has been certified to be substantially complete, and all the necessary steps have been completed, it is recommended that Resolution 2022-093 be approved.

➤ **RESOLUTION 2022-094- A RESOLUTION AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO EXECUTE A DESIGN MODIFICATION CONTRACT, WITH VERDANTAS, TO PERFORM ADDITIONAL ENGINEERING DESIGN FOR THE PATASKALA SAFE TRAVEL PLAN, PHASE III PROJECT**

Approval of this resolution will authorize Verdantas for 2 design modifications on the Pataskala Safe Travel Plan, Phase III Project

The first modification is for additional survey and design work to include a pedestrian crossing, with all necessary pedestrian facilities, on the north leg of the intersection. Previously, only the south and east legs were going to be crossed with pedestrian facilities; however, as pedestrians have since been observed crossing the north leg, and additional funding for the project is available through the Federal “Earmark” funding, it has been coordinated with the Street Committee to add this leg of the intersection to the project.

This first modification is in the amount of \$2,500, and was previously, errantly approved administratively. This was an oversight by the Public Service Director, as the dollar amount was only \$2,500, and the original contract was signed 3 years before. It technically should have been brought to Council, as the original contract was for \$20,800. This was only realized when the second design modification was submitted. This Resolution will resolve that error, if authorized by Council. My apologies for the oversight.

The second design modification is directly related to the Federal “Earmark” funding. As part of the federal funding requirements, “logical termini” for sidewalk must be achieved. Previously, on the northeast corner, we were extending bike path to the first property line, thinking that improvements at the existing nursing home facility were imminent and would require sidewalk. Regardless of this, the logical termini requirement states that the bike path must extend to a location where it does not dead end into grass. Accordingly, it must be extended to the east as far as Buckeye Blvd.

Similarly, on the southwest corner, we were previously extending sidewalk to the first driveway encountered, but ODOT has stated it must continue to the second driveway, at Wendy’s, to meet the logical termini requirement. As this requirement only makes the project better, is required for the Federal funding, and all construction dollars for these items will be within the project budget as supplemented by additional “Earmark” funding amount, the administration, and Street Committee, take no exception to these additions.

Finally, and again as part of the Federal requirements, all public infrastructure must be within public right-of-way. This makes total sense, and is the typical mode of operation; however, during the right-of-way verification process, two issues were discovered. The first is that public infrastructure (strain pole and sidewalk) on the northwest corner is in an easement, not right-of-way. Second, it was noted that on the southwest corner the signal controller appears to be located outside of the right-of-way or easement. These items must be addressed, and solutions are being worked to resolve them. This modification is anticipated to cover all engineering costs related to acquisition of the right-of-way needed for this project.

With both of these modifications, the new, total design value will be \$35,800. While this is a decent amount higher than the original contract, it is in line with the scope of additional work to be performed. Similarly, as the total funding available, and anticipated, for construction of the project is in the vicinity of \$385,000, the engineering design value is still less than the typically assumed value of 10% of the construction cost.

Note that construction funding for this project has been encumbered, though not yet approved by Council, from the 2021 budget (\$150,000) as part of project SVC-14-064, from the 2022 budget, as part of Supplemental Ordinance 2022-4415 (\$100,000), and the remaining Federal “Earmark” funding (\$135,000) which will be distributed per the Federal process.

Approval of these design modifications, as Resolution 2022-094, is recommended to allow design of this project to continue and encompass the additional work needed for pedestrian safety, and as required by the Federal process.

➤ **RESOLUTION 2022-095 - A RESOLUTION AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR, OR HIS DESIGNEE, TO ADVERTISE, RECEIVE, AND REVIEW BIDS FOR CONSTRUCTION OF THE CABLE ROAD BRIDGE REPLACEMENT PROJECT**

Approval of this resolution would provide for American Structurepoint, Inc. to complete bidding services for the Cable Road Bridge Replacement Project. Bidding services include advertisement for, receipt, and review of bids.

The proposed cost for bidding services is included in the total value of \$49,400 that was approved as part of Resolution 2022-003 for Engineering Services of the Cable Road Bridge Replacement Project. Approval of Resolution 2022-095 is recommended.

➤ **RESOLUTION 2022-096 - A RESOLUTION AUTHORIZING AND DIRECTING THE CITY ADMINISTRATOR TO EXECUTE A FINANCE TERM SHEET WITH THE OHIO DEPARTMENT OF TRANSPORTATION, LICKING COUNTY TID, AND ETNA TOWNSHIP**

This resolution directs the City Administrator to sign the Term sheet for the loan with the State Infrastructure Bank (SIB). This is the initial act that starts the process of borrowing the funds for the completion of the Refugee Rd project. The steps involved are as follows:

Signing of the term sheet (Borrowing parties)

Creation of the loan documents- ODOT (as a result of the term sheets being signed)

Ordinance Passed by legislative bodies (with the loan documents as attachments)  
Loan initiated.

The term sheet lists the borrower as The Licking County Transportation Improvement District (TID) however the document also spells out the fact that the \$7,000,000 loan will be re-paid by the Township of Etna and the City of Pataskala respectively. Pataskala's funding mechanism are funds relating to income tax collections. This was requested by the city because general obligation pledges count against the city's ability to issue debt in the future. By using income tax revenue, we "protect" our ability to issue debt (on other projects) in the future. Etna funds are non-income related funds. Should an entity wish to pre-pay the loan it may do so after 36 months. If that happens, ODOT will generate an updated loan repayment schedule based on the pre-payment for that individual entity (So if Pataskala accelerates debt payment their payment schedule changes for their "half" of the loan.) Should something happen between now and the loan initiation that stalls or stops the project (Like an estimate far exceeding our ability to pay or some disaster), the City and Etna would not draw the funds and would cancel the loan splitting the 10,000-loan origination fee. The terms as set forth in this document are 0 % for the first year and %3 in each subsequent year. Given the market, these are very good terms. These terms were secured by the TID in their original application process. These terms can only be secured if the loan is initiated by February 16<sup>th</sup>, 2023. Funds were included in the 2023-2027 budget to make the annual payments on this loan in the appropriate years.