



City of Pataskala *Legislative Report to Council*

Legislative Report

August 19, 2024 Council Meeting

Unfinished Business

A. Ordinances

- **ORDINANCE 2024-4478 – THIRD READING - AN ORDINANCE TO IMPOSE A MORATORIUM ON THE ISSUANCE AND PROCESSING OF PERMITS THAT WOULD ALLOW THE CULTIVATION, PROCESSING, AND RETAIL DISPENSING OF ADULT USE CANNABIS WITHIN THE CITY OF PATASKALA**

This ordinance would establish a moratorium on the issuance of permits for the cultivation, processing and retail dispensing of adult use cannabis within the City. The moratorium would expire on July 1, 2025. Council has the ability to extend or repeal the ordinance at their discretion. The Ohio Division of Cannabis Control has until September 7, 2024, to implement rules and regulations for the adult use cannabis program. The moratorium would allow time for review of the state regulations, study how cannabis businesses might affect the community, and revise the zoning code accordingly.

- **ORDINANCE 2024-4479 – THIRD READING - AN ORDINANCE UPDATING AND AMENDING THE CITY OF PATASKALA EMPLOYEE HANDBOOK & POLICY MANUAL**

The City of Pataskala Employee Handbook & Policy Manual governs the expectations, permissions, and requirements of its employees. For the employees that are in a union, the handbook covers everything that the contract(s) remain silent on. For the employees who are not in a union, the handbook is the governing document.

The administration updates the handbook periodically as needed. The intent of the Administration is to ensure that, whenever practical, the employee handbook and the collective bargaining agreements (CBA) are as close to a mirror image of one another as possible. This ensures that employees not in a union receive the same benefits as the employees in a union.

There are several proposed changes to the handbook this year. The addition of the requirements set forth in the Federal Pregnant Workers Fairness Act, as well as protections for breast feeding mothers are two of the major changes. There are also additions that cover how “on call” work is performed and compensated that mirror the language in the United Steel Workers CBA. This is to provide the same level of permissions and compensation to the non-union employees as the union employees when they are performing the “on call” duties for their departments. We have also made numerous grammatical corrections throughout the document.

A clean version of the proposed changes to the handbook is included with Ordinance 2024-4479 as “Exhibit A”. To make a review of the changes easier to see, a “tracked changes” version showing all the changes proposed is available upon request.

➤ **ORDINANCE 2024-4480 – THIRD READING - SUPPLEMENTAL APPROPRIATION**

We have identified several adjustments to the 2024 budget which require modifying the existing approved appropriations. **We are respectfully requesting that Council hold the 3rd and final reading of the ordinance at the September 3rd meeting and approve the legislation. There have been no changes to the legislation since its’ 2nd reading.**

- *Sections 1-2: WFR Expansion Design* – When the 2024 operating and capital budgets were developed, it was anticipated that we would be issuing 1-year bond anticipation notes (BANS) to provide the necessary funding to design the WFR expansion improvements and expansion. Based upon the nature of those expenses and source of funding, these appropriations were included in the Sewer Bond Improvements (653) fund. Since that time, the city was awarded a Water Pollution Control Loan Fund (WPCLF) loan for the costs of design. As such, we won’t be issuing any debt and need to more appropriately book these revenues and expenses in the Sewer Capital Improvements (652) fund. We are requesting that Council reduce the \$1.5 million in appropriations from the 653 fund and increasing the 652 fund by the same amount. This request has a net \$0 impact on the budget.
- *Sections 3-6: Income Tax Collection Fees & Refunds* - Income tax collections continue to track better than the original budget estimates. During August, the income tax projections were increased to reflect the improved trend. 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 2024 has also increased. These sections represent the increases necessary to cover those expenses.
- *Section 7: Refugee Road Intersection Improvements* – OPWC awarded the city a total of \$400,000 (\$300,000 in grant funds and a \$100,000 20-year loan) for intersection improvements (roundabout) to the Refugee Road and Etna Parkway intersection. Construction costs have now been incurred by the Licking County Transportation Improvements District (LCTID) for that intersection improvement and will be submitting a pay application to OPWC for payment. Due to the anticipated timing of this project, it was not originally included in the 2024 budget. Along with the \$400,000 in expenses, we will also be recognizing \$400,000 in the State Issue II – OPWC (303) fund resulting in a net \$0 impact to the fund balance.
- *Section 8: Mink Street Garage Improvements* – It now appears that the costs to design and construct the Mink Street garage facility will cost more than originally projected. The Administration is requesting the transfer of \$300,000 in engineering-related appropriations (Contractual Services budget category) from the Broad Street Corridor Improvements project to the construction line (Capital Outlay budget category) in the Mink Street Garage

project. As both lines are in the Street (201) fund, it will result in a net \$0 impact on the fund balance.

B. Resolutions

New Business

A. Ordinances

- **Ordinance 2024-4481 – First Reading - An ordinance authorizing the issuance of not to exceed \$3,500,000 of bond anticipation notes by the City of Pataskala, Ohio, in anticipation of the issuance of bonds for the purpose of paying part of the cost of Water Treatment Plant and facility repairs and improvements, including all necessary appurtenances thereto, and matters related to such bond anticipation notes.**

The iron filter at the city’s water treatment plant is failing and it has been determined that it needs to be replaced. Due to the significant investment/funding required, we are planning to issue debt to fund the design and construction of a new iron filter. Based upon the initial cost estimates from the engineers, it is anticipated that the total cost of replacing the iron filter will be around \$2.0 million. Please know that this total is a maximum (not to exceed) issuance amount and is higher than the construction amount alone. In addition to the construction costs, the city is also including \$500,000 in the debt for the design of the filter as well as construction management and inspection. The proposed ‘not to exceed’ amount would cover all of the aforementioned items, as well as paying the costs of issuance and providing some flexibility (contingency) in the event the final costs are greater than anticipated. The ‘Current Estimate’ column below illustrates how the \$3.50 million number was calculated.

CURRENT ESTIMATE	ITEM DESCRIPTION
\$2,500,000	Estimated Construction Cost
500,000	Design of the filter and construction administration
24,000	Estimated Costs of Issuance
476,000	Contingency
\$3,500,000	Total ‘Not to Exceed’ Amount

I’ve worked with our financial advisor (Heather Arling, Bradley Payne Advisors) to determine the best approach to funding this project. We will start with a 1-year Bond Anticipation Note (BAN) and will later determine how to finance and pay off the note in late-2025. **We are requesting that Council hold the 1st reading of the legislation at the September 2nd meeting. We are planning for this ordinance to go through all 3 required readings so that we can go to the debt markets on or after November 7th (after the 30-day referendum period has passed) to have the required funding in place prior to awarding the design and construction contracts.**

B.

Consent Agenda

3. Motions

4. Resolution

- **Resolution 2024-058 - A resolution accepting the amounts and rates as determined by the budget commission and authorizing the necessary tax levies and certifying them to the county auditor**

ORC §5705.34 requires the city to accept the property tax rates and amounts as determined by the Licking County budget commission. This resolution would provide such formal acceptance and ensure the city's compliance with the code.