



TO: Gahanna City Council  
Clerk of Council

FROM: Joann Bury, Director of Finance  
Miranda Vollmer, Senior Director of Administrative Services  
Mayor Laurie A. Jadwin

Cc: Raymond J. Mularski, Esq., City Attorney  
Kevin Schultz, Senior Director of Operations

DATE: August 28, 2023

SUBJECT: Dept. of Finance - Request for Council Action (August 28, 2023, COTW Meeting)

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#### ACTION ITEMS

##### **ACTION ITEM #1: ORDINANCE TO AUTHORIZE NEW FACILITY \$8.5M NOTE ROLLOVER**

The City issued \$8,500,000 in short term notes to purchase 825 Tech Center Drive as the future site for the Division of Police, City Hall, and Senior Center in November 2022. The notes were issued with a maturity of one year, which are due on November 2, 2023. The design phase is underway. At the conclusion of design development, the budget and project timeline will be finalized. At that time, the long-term issuance of dollars will be required. Many factors come into the decision to issue long-term dollars, including the potential of idle money accruing interest before it can be put to work, arbitrage requirements (which, in part, include a three-year spend down of at least 85% of the proceeds), and economic volatility that continues to push the cost of many items, including construction materials and labor, upward.

After consultation with the City's municipal advisor, it is recommended to roll the 2022 Notes into a second short-term issuance of one-year while the project continues towards final design development and final project budget. The 2023 Note issuance will be refinanced on a long-term basis by maturity, along with the additional funding necessary to complete the project in 2024.

The Administration is respectfully requesting an Ordinance on **Emergency and Waiver** to refund the 2022 Notes maturing November 2, 2023, with a second short-term one-year note maturing November 2024. The need for Emergency and Waiver is due to the upcoming November

deadline and to allow enough time for the City's financial partners to secure the second issuance (approximately 60 days).

The second issuance will be a negotiated sale utilizing the Ohio Treasurer of State, Ohio Market Access Program (OMAP). This program allows the City to receive the State's SP-1+ rating on short-term borrowings. This is the highest rating possible and lowers the cost of borrowing and improves marketability. The legislation includes the necessary components to conduct a negotiated sale and participate in the OMAP program.

Requested Legislation and Funding

Legislation Needed:	Ordinance
Emergency/Waiver:	Yes
Vendor Name:	N/A
Vendor Address:	N/A
Already Appropriated:	N/A
Supplemental/Transfer:	

Attachment:

FIN\_ATT\_\$8.5M Note Roll-Over Ordinance

ACTION ITEM #2: ORDINANCE FOR SUPPLEMENTAL APPROPRIATIONS - 2023 CAPITAL PROJECTS

The Administration respectfully requests supplemental appropriations for 2023 capital projects. This was a planned request and identified during the 2023 budget process and appropriations that took place in the 4<sup>th</sup> Quarter of 2022. As stated at that time, because the Capital Improvement Plan (CIP) was being developed during the 2023 process, capital requests and appropriations were only made for identified projects.

The CIP for years 2023-2027 was adopted on August 21, 2023. This request for supplemental appropriations follows the 2023 planned capital activities. The chart below details the requested capital supplemental appropriations and the appropriation of remaining ARPA dollars to fund the water tower rehabilitation and Claycraft waterline project. Clean drinking water is clearly defined as an initiative for the ARPA funds, and these projects meet the goals of this initiative.

The Administration respectfully requests a **Waiver** for the appropriations so that work can begin immediately. In addition, waiver is needed so that police cruisers can be ordered during the short order window.

From the Unappropriated/Unencumbered Balance of Fund	To	In the Amount of	For
3250 - Capital Improvement Fund	325.06.550.5510 - Capital Equipment	\$ 20,000.00	Police Cruiser and Officer Technology
3250 - Capital Improvement Fund	325.06.550.5510 - Capital Equipment	\$ 35,000.00	Code & Permitting Management System
	<b>Total Technology Programs: Systems &amp; User Applications</b>	<b>\$ 55,000.00</b>	
3250 - Capital Improvement Fund	325.06.550.5510 - Capital Equipment	\$ 320,000.00	Police Vehicle Replacement
	<b>Total Equipment</b>	<b>\$ 320,000.00</b>	
3250 - Capital Improvement Fund	325.06.550.5505 - Capital Project Improve	\$ 93,000.00	Hunters Ridge Boundary Wall
	<b>Total Park Renovation</b>	<b>\$ 93,000.00</b>	
3250 - Capital Improvement Fund	325.06.550.5505 - Capital Project Improve	\$ 390,000.00	Link to Literacy Trail
	<b>Total Trails Paths &amp; Other Surfaces</b>	<b>\$ 390,000.00</b>	
3250 - Capital Improvement Fund	325.06.550.5505 - Capital Project Improve	\$ 300,000.00	Olde Gahanna Traffic Circulation Improve
	<b>Total Transportation &amp; Mobility</b>	<b>\$ 300,000.00</b>	
3250 - Capital Improvement Fund	325.06.550.5405 - Interest & Fiscal Charges	\$ 425,000.00	2022 Note interest Due
	<b>Total City Facilities</b>	<b>\$ 425,000.00</b>	
6520 - Water Capital Fund	652.11.000.5505 - Water Capital Proj/Improv	\$ 1,904,574.00	Claycraft Waterline
6520 - Water Capital Fund	652.11.000.5505 - Water Capital Proj/Improv	\$ 892,818.00	Water Tower Rehabilitation
	<b>Total Utility Systems Water</b>	<b>\$ 2,797,392.00</b>	
2330 - ARPA Fund	233.06.000.5213 - ARPA Internal Grants	\$ 1,979,407.75	Grant to Water Utility for Claycraft Waterline and Water Tower Rehabilitation
	<b>Total City Facilities</b>	<b>\$ 1,979,407.75</b>	

Requested Legislation and Funding

Legislation Needed: Ordinance  
Emergency/Waiver: **Waiver**  
Vendor Name: N/A  
Vendor Address: N/A  
Already Appropriated: N/A  
Supplemental/Transfer: See table above