

City of Gahanna

*200 South Hamilton Road
Gahanna, Ohio 43230*



Meeting Minutes

Monday, June 23, 2008

7:00 PM

Council Committee Rooms

Finance Committee

*Thomas R. Kneeland, Chair
Beryl D. Anderson
Thomas C. Evers
Shane Ewald
John McAlister
Nancy R. McGregor
David L. Samuel*

Members Present: Thomas R. Kneeland, Thomas C. Evers, Shane W. Ewald, John McAlister, Nancy R. McGregor, Beryl D. Anderson and David L. Samuel

Additional Attendees;

Thomas Slemmer & Chris Bruzzese (for NCR), Angel Mumma, Jerry Isler, Mayor Stinchcomb, Brandi Braun, Clerk Sherwood, Tony Collins, Karl Wetherholt, Mike Andrako, Terry Emery, Dottie Franey, Kristen Treadway, Chief Murphy, Terrie Snider, Kevin Marchese, General Williams, Karen Woodward, Sadicka White, Anthony Jones, Press

PENDING LEGISLATION:

ORD-0135-2008

TO REZONE 3.861+/- ACRES AS L-SO, LIMITED OVERLAY - SUBURBAN OFFICE; FOR PROPERTY LOCATED AT 167 STYGLER ROAD, NATIONAL CHURCH RESIDENCES; NATIONAL CHURCH RESIDENCES, OWNER, BY GEORGE BERARDI, APPLICANT.

Kneeland called the meeting to order.

Kneeland said we should review where we stand on the rezoning for National Church Residences at 167 Stygler Rd. since we had the public hearing. White said it passed in public hearing as there were no opponents; their improvements to the site plan allowed them to provide for an increase in therapeutic facilities so their residents can receive advanced services on this property; it was done so it complements the facility and the abutting north neighbor is not in opposition; the landscape plan provides for appropriate screening. Kneeland said the paper said a Council member worked with them; I did help them work through some of the design issues; initially I was a big critic of the plan, but they have come up with a design that complements the area and I am happy with it. Bruzzese said we need the space; the two story plan keeps the setback to 40 feet; the architect for the building is here to answer any questions you may have; we appreciate the support of Council. McGregor said she liked the two stories; previously noted that you have not completed your earlier landscape plan. Bruzzese said yes it is done. Kneeland said additional landscaping will be done on the end of the building to provide a buffer. McGregor said as long as the landscaping is done I am OK with this. Evers said he liked this design.

Recommended for Adoption, Consent

ORD-0102-2008

TO ADOPT THE FISCAL IMPACT ANALYSIS/ECONOMIC DEVELOPMENT PLAN, DATED DECEMBER, 2007

Kneeland said this item is the Ordinance to adopt the Fiscal Impact Analysis/Economic Development Plan; it is back to Council after the residents' meeting; Evers and Ewald were not at that meeting; what came out of that meeting is the expectation that the title will change. White said that is what the residents asked us to do; we have no allegiance to this title; advised them we expect to utilize the plan as a guide so we are happy to go with a title change; we will use this as a guideline and a support document for future reference; they suggested the change take place in the Ordinance text. Sherwood said it needs to be in document itself; specific focus area should be in part 4 to say "for illustration purposes only" in the Executive Summary and in the Preface. White passed out a memo with the proposed changes. White took a moment to introduce the new Deputy Director in Planning and Development, Anthony Jones. Kneeland said the memo does not correctly indicate the title change; residents want the word "plan" taken

out; take out "plan" and use the word "guidelines". Mayor said if Council wants that changed it is OK. Clerk said the ordinance would have the correct title with the plan content corrected to say the same. McAlister said he is glad to see suggestions to fill in acreage here and there; guidelines for development that are what the market is demanding like walking to stores. Kneeland said this OK for consent after substitutions are made.

Recommended for Substitution and Adoption

RES-0011-2008

A RESOLUTION EXPRESSING SUPPORT FOR LEGISLATIVE ACTION TO GROW OHIO'S ECONOMY.

McAlister said Samuel has made some amendments that make the Resolution shorter and simpler; it is still subject to any other changes; in the 3rd "Whereas" about money better spent, the money is already going for that. Samuel said that should be crossed out; the 3rd "Whereas" should be removed completely. McGregor said she has issues before this is sent; since this is saying we do not support this, it means we will not apply for any money made available through this; in the last 4 years Ohio has eliminated taxes; instituted a tax with a lower rate with a phase out process; example is the Senior Real Estate Tax; this is already enacted so I do not support our Resolution; biggest issue is we can't criticize and take money. Ewald asked what is the purpose other than a retroactive rebuke of something already passed; our Development Department goes after this kind of money; we need to be able to go after the funds so I do not support this. McAlister said in Section 2 it says the Governor and General Assembly are urged "henceforth" meaning the next time; believe the enacted legislation takes us down the wrong path; we need to do economic development that reduces taxes for all residents not just favor certain businesses; believe this is just transferring wealth around as it takes money from one group and gives it to us; said he ran into the Westerville City Manager and discussed this with him; he brought up the impact of legislation from special interest groups like unions and how that may contribute to a lack of local jobs; appreciate Samuel's input and Anderson's request for alternatives; I am interested in making the statement and hope to begin a grass roots movement.

Recommended for Adoption

ISSUES-From Director of Development

Creekside Supplemental

Kneeland said this is an item added to the agenda concerning Creekside which the Mayor and White will address. Mayor said she would defer to White as she just obtained the information. White said we are concluding Creekside; need to close out the punch list and make final payments and secure the as-built documents; some bills took us longer than anticipated to get our final costs; 3 items have to be addressed to conclude Phase 2 of Creekside; we had a change order for unsuitable soils; not enough in the contract to cover; there were 2 other structural changes; the location of the pond pump room; was in the rear or west side; new engineering was required due to circulating water; cost to reconfigure and relocate that; 3rd item is the stage reconfiguration; could not access the bridge in a stroller or wheelchair; reconfigure to make it ADA (Americans with Disabilities Act) compliant; have been working to pin point costs for the supplemental; we have \$100,000 left in the fund; we need \$380,476.24 for the unsuitable soil; \$156,261.27 for the pond pump; and \$96,036.99 for the stage reconfiguration; adds up to \$532,774.50; this has all been verified by GGC; distributed a document with details; since there is no meeting next week, would like this with a waiver of second reading for July 7 so we can close this phase out and the developer can pay his contractors; we have all other bills accounted for by GGC; you can see 72% of this cost is the unsuitable soils; a caveat is we will receive some

revenue from the pond pump room; get some of our money back from the tenant who is paying rent for the location with refrigeration for their facility; I can provide a report with the detail of the supplemental requirements; any questions.

McAlister said had we not had these overruns, we would have come in with \$100,00 left over; with this supplemental, what is the grand total? White said these are change orders; cost would be approximately \$16,650,000. McAlister said on the spreadsheet for voting initially it was \$9 million to \$10.5 million. White said these costs were approved and most are not changes; items just cost more money; small bridge was only allocated \$23,000 but cost \$90,000; almost \$400,000 of this supplemental is unsuitable soil; it was an external issue where we had no idea what the costs were and they could not be fixed; tried to get a grasp earlier on these but the details were not available until the end of the project.

Anderson asked how long will it take to recoup costs the tenant is paying and what happens if the tenant leaves. White said if he leaves the money is not recovered; the tenant is Buck Mulligans and they located beer kegs down there; we agreed to that since they needed the space and we found it to be a way to try to help pay for the moving of the pond room; is this end of all of Phase 2 costs; yes it is; I did not put it in the report so I could have the opportunity to say it.

McAlister said when we saw original costs we did not expect this to go in for \$10.5 million, but I did not expect it to cost the City 160%; it will take years to get that money back. White we will make more on the property values and TIF; we can have a review of financials that includes everything. McAlister asked how much more the developer's costs went up. White said she will write it up; need to consider 4 things that happened that affected our costs; number one was Katrina; after that all building supplies went up; contractors went south to get work; steel and concrete had enormous cost increases; we were still able to keep within appropriation except for this cost; project today looks better, the changes that were made everyone likes; 4th point is the economy generally; gas is up; no one could have predicted this and we can't control it; it has been a very difficult time trying to stay in budget; we got what we paid for. McAlister said can you say by percentage how much over the developer is. White said he has not finished; still leasing out condos; I would say about \$40 million. McAlister said he would like to see the spreadsheet from when we voted revised to show this.

McGregor said since the pond pump room was changed for the tenant would he pay. White said it changed first because of water walls and the surge tank would not fit; in the interim, the tenant came up with the idea of tanks; but it would have had to move anyway. McGregor asked who designed a plan that had a non-compliant ADA stage? White said the original did not work well so it would have been redesigned anyway; it was done before it was built. McGregor said she was not sold on that; Bird Houk should have done an adapted design to fit; and back to Anderson's question, based on what the tenant pays, how much time will be needed to pay back costs for the pond pump room? White said they only pay for the portion they are using; it will be in the Performa I prepare. McGregor said also if you take out the \$100,000, the unsuitable soils is about 60% not 72% of the supplemental; the math is not quite right.

Ewald said over 4 years, you saw a 3% increase in materials, labor and gas. White said yes over what was appropriated.

Samuel asked how are the businesses doing today. White said some better than others; it is a learning experience; no reason not to make money as people were there; they need one of their own for marketing and promotions; it takes time to ramp up; these are

not national chains; it is a town center to allow for local flavor; we have new businesses and we do need to do more to help them.

Anderson asked in addition to the spreadsheet you are preparing, could you supply a document describing what makes it a better project. White said yes. Kneeland said we need to decide when to vote; July 7 or 21, or a special meeting on the 14th. White said bills need to be paid.

Kneeland said so a first reading on the 7th on the regular agenda because of waiver. White said she would get the requested data out to Council this week; anyone can come in and talk to me as well.

Recommendation: 1st Reading on July 7, 2008, Regular Agenda, Waiver of 2nd Reading Requested

ISSUES - From City Engineer:

Access to Fuel Site

Wetherholt said customer VRG is working at various sites in the Central Park area and they are using the fuel site road way; also doing test borings as part of a grant application; they want to remain on good legal footing so they have requested an access agreement allowing them to be on City property; made the agreement and it has been reviewed by Weber; now we need an ordinance to authorize the Mayor to allow permission; this is temporary until they are done which should last about 2 years. McGregor asked if they store equipment as well. Wetherholt said no they have another site for that.

Recommendation: 1st Reading, Consent, no need to come back, 2nd Reading, Consent

ISSUES - From Clerk of Court:

Code Change - OVI Fines

Woodward said the memo I sent explains that Senate Bill 209 increases the penalty for OVI to \$325; the additional \$75 will go to a new fund for Public Defenders to use for indigent criminal defense; we need to change our Code to reflect this; got an opinion on this about including Mayor's Court; would apply to anyone charged under the State Code and would also have administrative costs. Kneeland said the Public Defenders get some money today. Woodward said Defenders get a lot; every ticket generates \$11 to them; goes into effect June 26 which is this week; if we pass after the fact, fines would not include it until effective.

Recommendation: 1st Reading, Consent, Waiver of 2nd Reading, Emergency Language

ISSUES - From Director of Human Resources:

Safety Contract

Treadway said this is how we choose to spend the BWC refund received last year per the details in my memo; we plan to hire SafeX as our safety vendor. McGregor asked if this would be an ongoing expense. Treadway said it is a one time appropriation.

Recommendation: 1st Reading, Consent, no need to come back, 2nd Reading, Consent

ISSUES - From Clerk of Council:**Doersam Annexation**

Sherwood said the Doersam Annexation is at the end of its 60 day hold; asking for the authority to put it on the agenda.

Recommendation: 1st Reading, no need to come back, 2nd Reading, Consent

Liquor Permit - Casa Gahanna, LLC, 93 N. High St.

Sherwood said this is a transfer of a D1, D2, and D3 liquor permit to Casa Gahanna, LLC, from Nagi International LLC, DBA Maharajas, Rita Nagi for safekeeping purposes; there are no objections from the police. Ewald ask for an update on the sign. Emery said they have made a 2nd and 3rd attempt and would continue to try to find out.

Recommendation: Motion Resolution for Consent Agenda

Liquor Permit Transfer - Mykonos Taverna

Sherwood said this is a transfer of a D1, D2, and D6 liquor permit to Mykonos Taverna & Bakery, from Aladdins Eatery, and a new D3 and D3A liquor permit for Mykonos; Aladdins Eatery is changing names. Anderson asked why they were also asking for a new one in addition to this transfer. Sherwood said the new one allows an increase in capacity.

Liquor Permit New - Mykonos Taverna

See previous discussion under Liquor Permit Transfer for Mykonos Taverna.

Other

Sherwood said she sent an email to Council Members on Friday about the table at the Freedom Festival; if you are planning to use this, please advise right away as it only seats 10.

ISSUES - From Director of Finance:**2008 1st Quarter Financials**

Mumma did a Power Point presentation for the 1st quarter 2008 financial review; said it was an uneventful quarter with about 26% of the General Fund revenue received, which is usual. Evers clarified the bond expenditure; received last year but seen as an expense this year; don't see construction in the first quarter. McGregor asked how we lose money on the estate tax. Isler said we got an estimated payment first; then we got a reduction; the county offset last year; not in the budget so can be revised with a supplemental.

2009 Budget

Kneeland said we will go line by line over the budget pages; we will do Capital expenses last; tomorrow's Development meeting has been canceled, and we will finish the budget after our Council meeting on July 7. Mayor asked if the Development meeting canceled because of the Budget meeting; we could still have that. White said the Development meeting was canceled because the information is not available. Kneeland said the budget will continue on the 7th because 3 Council members are not

available tomorrow; we could come in early on the 7th; how about starting at 6 PM on July 7; then stay after the meeting to finish; that is the plan.

McAlister asked if Finance could provide a Table of Contents for the Budget Document. Mumma said sure.

Mumma presented a Power Point introduction of the 2009 Budget; all present had a budget document to review line by line. Anderson asked how priorities are determined for what things receive funds; for example the Police Administrative Assistant position received funds. Mayor said this was a difficult budget; it is required to be submitted but the money is not appropriated yet; we do additional education and briefings; then we do it all again in November; in the past this was a lot more predicable; now it requires a lot of financial fine tuning and decisions change; in this situation we had an administrative employee in the military we expected to return; that is not happening; we need all those jobs that are listed; we don't have to submit a balanced budget but I don't want to do that; this downturn was predicted and we know that 2008, 9, and 10 will be rough years. Isler said we knew in 2004 that this would be a bad time; we lost employers like EMH&T and Alliance Data; now all bets are off in this economy; it is not just jobs but our citizens as well; with our income tax everyone pays something; but we are looking at foreclosures and the price of gas and license plates causing revenues to go down. McAlister asked the Mayor about the bill in the Legislature that will make it illegal to collect tax if you don't live in that city. Mayor said it would probably hurt the city; we need to leave it all on the table; including grants.

Kneeland began the line by line review of the budget document; questions are by page and fund;

pg. 1: 5001 Evers asked about the split; Sherwood said 70% of my salary is in Council and 30% is in the City Attorney Account; 5106 is 40 % of Jernigan's salary 60% in Civil Service: it is 10% of Maxwell's with 90% in Planning Commission. Anderson asked how do we know if there is a split included? Kneeland and Mumma said they will try to point those out. Mumma said we can get rid of 5000; 5001 is the correct fund for this category.

pg. 1: 5274 Ewald asked if he could get information on the actual expenditures for meetings and seminars. Sherwood said she would provide that.

pg. 2: 5002 Mumma said the Mayor's salary will be corrected; it is \$97,850 in Code by ordinance.

pg. 4: Sherwood said this is a new department in 2008; Montgomery moved in March so we will get a better idea of appropriations going forward; best guess at this point.

pg. 5: 5292 Samuel asked why we fund flexible spending. Treadway say we put in the initial deposit to cover requested withdrawals made in the first quarter before we have gathered funds over the course of the year. McAlister asked if they lose it if they don't use it. Treadway said some lose a few bucks.

pg. 5: 5251 Ewald asked what this charge is for. Treadway said some custom product required additional work to make it user friendly; custom products also required special maintenance contracts.

pg. 7: 5295 Anderson asked who charges fees? Isler said it is the county, for them to collect real estate and delinquent tax dollars and includes advertising.

pg. 9: 5127 Anderson said it looks like across the board salary increases; is everyone's going up? Mumma said we know the current rate of pay; and what goes up under contract; the merit increases have not yet been determined; money is set aside for performance based increases. Evers said we enacted a merit performance based system for non-union employees for 2 years; about 2/3 are union 1/3 are merit.

pg. 13: 5456 Kneeland asked about this fund. Woodward said it is for disaster recovery of files. Kneeland asked if Court has any major changes in the coming years. Woodward said if we keep growing we will need more personnel; if we become a Court of Record we will need transcription.

pg. 14: 5106 Sherwood said this is the correct split: 60% Jernigan and then she is paid 40% from Council.

pg. 15: 5234 Mayor said this coming year will have FOP negotiations.

pg. 17: 5447 Evers asked what is the jail expense. Snider said it was new jail mats and it has its own account.

pg. 20: 5267 Samuel asked what are these emergency services? General Williams said it is for the sirens and allows us to pay the county for weather services fees.

pg. 22: 5260 McGregor asked why poison control never came back. Evers said the managing MDs went elsewhere.

pg. 24: 5483 McGregor clarified the increase in cell phones from 1 to 2 was for the part time zoning officer.

pg. 25: 5106 Sherwood said this is 90% Maxwell salary.

pg. 26: 5483 McGregor asked about the cell phone; back up to \$1,800. White said the previous Deputy Director didn't want to carry one; Jones wants one.

pg. 26: 5275 Anderson asked about these dues. White said we have to pay to belong to MORPC and the Columbus Chamber and other economic development organizations.

pg. 26: 5111 Anderson asked what this is. White said that is our interns; use them while they earn their master degrees; used to be seasonal. Kneeland asked how many interns. White said 3 and they work an average of 20 hours a week.

pg. 26: 5105 McGregor asked who this person is. White said that is our planner.

pg. 28: 5251 Kneeland asked about the tech fee. Emery said that is for software billing.

pg. 31: 5490 Kneeland asked if there are any plans to look at the school district compensation. Mayor said it needs reevaluation; we are in the information gathering stage.

pg. 33: 5456 Kneeland asked what is the breakdown on the hotel/motel tax. Isler said CIC gets 5/12; Conference Bureau gets 5/12; City and Schools get 1/12; covers the cost of collection for the Franklin County Bed Tax. Evers asked if the Herb Center is now in the City part; used to be CIC so it stays here to keep funding in place.

pg. 41: 5113 Kneeland asked about seasonal escrow. Collins said that is day camp;

reimbursed by revenue.

pg. 44: Samuel asked if the Senior program receives county money. Isler said no.

pg. 48: 5241 Ewald asked about the bank charges. Isler said those are for credit cards. Kneeland asked how that compares to the auto check. Isler said that is expensive. Woodward said that the Court system tried it and found it very expensive; still have to be able to process credit cards. Ewald asked about the efficiency of having one system, one vendor, for all departments; would that be cheaper. Woodward said no because we have to maintain separate accounts.

pg. 63: 5484 Evers asked why the telephone utility is here. Isler said it was a general fund expense.

pg 67 Isler said this is money from the Industrial Zone monthly rents; using what was in there to pay bonds; one time 2008 expense.

pg .77: Anderson asked what is different on bond retirement. Isler said we paid off the bond this year on this building.

pg. 85: 5268 Isler said this is the anticipated increase to Columbus for water.

pg. 95: 5420 Anderson asked what the was increase for. Isler said the price just went up.

pg. 80: 5437 McGregor asked what is weapons purchase. Snider said when the Police purchase a weapon, the money has been in escrow, they choose their own weapons and we pay.

Kneeland said we will resume at 6 PM on July 7 for the Capital budget discussion.

MONITOR:

2007-0013

Monitor Items:

- 1) Wireless Communication Legislation

Della Brandenberger, Reporting