



City of Gahanna

200 South Hamilton Road
Gahanna, Ohio 43230

Meeting Minutes Committee of the Whole

Merisa K. Bowers, Chair
Karen J. Angelou
Nancy R. McGregor
Kaylee Padova
Stephen A. Renner
Michael Schnetzer
Trenton I. Weaver

Jeremy VanMeter, Clerk of Council

Monday, April 25, 2022

7:00 PM

City Hall, Council Chambers

A. CALL TO ORDER

Vice President of Council Merisa Bowers, Chair, called the meeting to order at 7:00 p.m. There were no additions or amendments to the agenda. All members were present for the meeting.

B. DISCUSSIONS

1. **Update from Department of Finance: 2022 Q1 Report**

2022-0135

FY2022 Quarter 1 Financial Report to Council

Joann Bury, Director of Finance, addressed the Committee on the financial report for Quarter 1, FY2022. She noted that General Fund revenue received was 28% of planned, which met expectations for the quarter. Income taxes were 24% of planned, property taxes 49% of planned, and other taxes 16% of planned. Property taxes were as expected due to the timing of the distributions (every first quarter and third quarter). The other taxes category was consistent with what was expected in pre-pandemic first quarter activity. Other revenue significantly exceeded expectations due to reimbursements from the AEP EV stations at various locations in the city. Licenses and permits were 47% of planned, which was related to construction permits in the first quarter.

Compared to 2021, Bury noted that the General Fund revenues increased by 16% (\$1.01 million), mainly due to income taxes. Specifically, Fines & Fees increased by 97% (\$147,000) due to movement of public service general services division back to the General Fund. In 2021, there were activities in special funds that were used to draw down restricted resources. Charges for Services increased by 23% (\$47,000) due to collection of the first invoices from New Albany for the operation of the New Albany Mayor's Court. Other taxes are double due to continuing recovery in the hospitality industry. Interest & Investment income is expected to increase with the announcement of

interest rate increases. Right now, the income is down but there is expectation that the 2022 investment income will exceed 2021 levels. Licenses & Permits are up 81% (\$109,000) for the increasing construction project activity. Other revenue is up 471% (\$199,000) for the EV charging stations incentive program.

Bury discussed the General Fund expenditures, noting that they are 20% of planned, as expected at the end of the first quarter. Compared to 2021, the City is up 15% (\$775,000) in expenditures due to the following: salaries and benefits increased by 9% (\$310,000) resulting from the salary study conducted in 2021 and built into the 2022 budget, cost of living increases for those not impacted by the salary study, moving public services general division to the General Fund, and new positions and filling vacant positions that existed during the first quarter of 2021. Additionally, Materials & Supplies are up 26% (\$94,000) resulting from inflationary costs, and Contract Services increased 41% (\$310,000) related to movement of activities back to the General Fund as well as expected increase in contract services for new initiatives in 2022, such as the capital improvement plan. Other Financing Sources & Uses activity reflected transfers in/out of the General Fund related to timing of the transfers for leave payout and bond retirement. Bury reviewed the fund balances for the end of Quarter 1 as follows: General Fund increased by \$1.3 million to \$25.6 million, with \$7 million is reserved for encumbrances and \$6.7 million reserved for emergency, leaving \$11.9 million unreserved.

For other funds, Bury noted that the Public Safety Fund revenue is \$301,000 or 22% of planned. Income tax revenue for the fund is \$298,000 or 26% of planned. There is a decrease compared to 2021, which corresponds with timing of invoices and collection of revenue for school resource officers. On the expenditure side, there is fluctuation related to the timing of the new community liaison officer hiring and vacant school resource officer between last year and this year. The fund balance ended at \$726,000, constituting an increase of \$119,000 from revenues exceeding expenditures in Quarter 1. Of the amount, \$4,290 is reserved for encumbrance.

The Parks & Recreation Fund revenue is where the City planned to be (\$325,000 or 20%). Income tax revenue for the fund is \$188,000 or 26% of planned. Compared to 2021, the increase corresponds with a change in the percent distributed to the fund. Expenditures are \$185,000 or 10% of planned, which is expected for the first quarter since the season does not begin until the second quarter through the third quarter. The fund balance was \$1.1 million, an increase of \$937,000 from revenues exceeding expenditures. There is \$423,000 reserved for encumbrances in the fund.

For the Public Service Fund, Bury explained that the fund revenue is right where it is to be expected: \$321,000 or 27% of planned. Compared to 2021, the revenue is down 35% due to the activity being moved to the General Fund as previously discussed. Income tax revenue is down a little bit due to change in distribution. The expenditures are \$249,000, or 16% of planned. This is down from what is to be expected due to vacancies in positions. For contract services, materials and supplies are related to City projects. It is expected

that in the second and third quarter, as construction season picks up, costs will also increase. Bury said that compared to 2021, there is a slight increase in salaries and benefits, even with movement of some activity, due to identifying positions supporting engineering and the portion of these salaries being allocated to the fund. The fund balance at the end of Quarter 1 was \$1.1 million, an increase of \$752,000 for revenues exceeding expenditures. There is \$470,000 reserved for encumbrances in the fund.

Bury said that the Capital Improvement Fund revenues are doing well with \$2.4 million or 26% of planned. Compared to 2021, the revenue has increased 5% due to income tax collections. Expenditures are \$630,000, or 2% of planned, which is based on construction season and when the City can work on capital projects. Compared to 2021, expenditures have increased by \$275,000 or 77% with some final invoices for 2021 projects being paid in the first quarter 2022, as well as more equipment purchases made in the first quarter this year compared to last year. The fund balance was \$19.6 million, an increase of \$1.7 million from revenue exceeding expenditures. All of this amount is reserved for encumbrances along with what is expected to be received the rest of the year.

Bury shared a list of 2022 projects, and the department that it corresponds to, with the budget for the project and its actual expenditures in Quarter 1, and the project's Quarter 1 encumbrances, and the budget available for encumbrance. She also shared the financial statements for budget versus actual data as already reviewed in greater detail in her narrative. She added that page 11 of her presentation shows a summary of all the other funds not highlighted already, including beginning cash balance, total receipts, total expenditures, ending cash balances, outstanding encumbrances, and unencumbered balances. There are additional detailed reports on the specific fund accounts.

Specific to the city's largest source of revenue, the income tax, Bury explained that through the end of the first quarter, income tax comprised 66% of total General Fund revenue, 99% of the Capital Improvement Fund revenue, 83% of three Special Revenue Funds (Public Safety, Parks & Recreation, and Public Service). Bury shared new distribution of income tax as follows: General Fund 1.5%, Capital Improvement 0.75%, Public Safety 0.095%, Public Service 0.095%, and Parks & Recreation 0.06%. Collections for income tax revenues include business withholdings (81%) and net profits (12%) and individuals (7%). At the end of 2021, the majority of increases in income tax was with net profit taxes. The main area of growth in Quarter 1 of this year is withholdings. Bury reviewed changes from the 2019 income tax increase in the credit application for Gahanna tax rate or workplace tax rate. There are still some unknowns with the income tax, such as confusion with individuals and employers about how local income tax works resulting in incorrect withholding and subsequent refunds needed. Bury anticipated stabilization in this area as more word gets out between the City and RITA's communications with individuals and employers.

In terms of investments, Bury said earnings are expected to grow. She provided an overview of interest rates compared to last year. She noted the

City is earning more in its portfolio than it would be earning if everything was just in STAR Ohio. Looking at the two-year historical yield curve, for a two-year maturity, in 2021 we are at 0.16% and as of the end of the first quarter this year we are up to 2.28%. This is what the City was experiencing pre-pandemic. Bury said that City is still keeping investments short-term. As things mature, the City reassesses where things are to determine whether longer-term investments would be better. Bury concluded that at the end of Quarter 1, there was really nothing negative to report. She said the City appears to be on the verge of or has already recovered. Along with other employers, Bury noted the difficulties the City shared with recruiting and maintaining human capital, but hoped that as 2022 progresses, staffing will also stabilize. She asked for questions from Council.

Council Member Angelou asked Director Bury about inflation and its impact. Bury said there are a lot of things such as a bottleneck with supplies. She is hoping that will work itself out at some point. The Federal Reserve's policy on interest rates is attempting to bring control over inflation. Bury said there is a lot policy wise and with globalization and markets that is still in flux. She thought it would continue to be a struggle in 2022 and added that most people seem to think in 2023 things will get better.

Council Member Schnetzer clarified with Bury the graphic on page 28 of the report. He said it shows roughly one third invested in STAR Ohio and the balance being individual securities. In the narrative of the report, it mentioned for the City's holdings the average yield is 60 basis points. He asked whether this was inclusive of the STAR Ohio or the broken-out section. Bury said this was the broken-out section. Schnetzer asked whether Bury knew if both of those yields that are discussed are net of fees for apples to apples comparison. Bury said that she did not know. Schnetzer said he was curious about it and offered to follow-up by email afterwards. There is a 24-basis point delta between the two and he wondered whether the STAR Ohio yield that is shown is what the City actually receives, and the 60 basis points is what the City actually receives. Bury said that for STAR Ohio, this would be correct. As far as the other investments that come through RedTree, that is the yield maturity taking all the City's investments into consideration, so it is weighted. He asked whether Bury knew if this was net of their management fee. Bury said it would not be, as the management fee is not incorporated into the calculation.

2. Update on Fair Housing Policy

2022-0136

Fair Housing Policy Update - Ms. Bowers

Vice President Bowers presented an update on Fair Housing Policy. She shared that on February 28, 2022, the Committee had a discussion outlining what the policy was, why it existed, why it was needed, why it was relevant to the City of Gahanna, and what types of legislation existed regionally. There were some questions that followed Bowers' presentation on February 28 and some data that was requested by Council members. Bowers continued with her update, first noting that April is Fair Housing Month. She referenced HUD's

"More than Just Words" press release and the Ohio Housing Finance Agency (OHFA) press release in celebration of April as Fair Housing Month. Specific to data requested, Bowers noted that Ohio Civil Rights Commission (OCRC) compiled data by zip code. Across the state, in a five-year period (2017-2021) there were 3,122 housing discrimination complaints. The OHFA reports that less than two percent of discriminatory incidents are reported. Given this, Bowers noted there could be as many as 31,000 incidents of discrimination per year in Ohio. Bowers pointed to a "heat map" graphic of Ohio divided into zip codes, with some of the darkest areas highlighted being in Central Ohio. She said 43215 was the highest reported zip code for number of complaints (85 complaints over the five-year period). Of the three zip codes that make up Gahanna, 43230 is the largest population (estimated 90% of Gahanna's population falls within this zip code). The zip codes of 43004 for Blacklick and 43054 also comprise some of Gahanna's addresses. The three zip codes correlate to about 0.98 percent of Ohio's total population and 0.93 percent of OCRC housing complaints. Bowers noted that this tracks per capita with the statewide data. The three zip codes saw an increase of 50% in complaints over the five-year period. Gahanna is the 38th largest city in Ohio. The zip code of 43230 ranked 33rd in the number of OCRC complaints. For comparison, Bowers added that Dublin's zip code 43235 ranked 32nd highest in the state for complaints. She said these were not huge numbers but asked for people to keep in mind that only two percent of complaints are reported. For 2021, there were 9 total complaints across the three zip codes for Gahanna. In terms of local ordinances regionally, Bowers looked at 21 municipalities including Central Ohio communities as well as cities across Ohio with similar population size to Gahanna. Out of these, 15 have a Fair Housing Ordinance (Delaware, Brunswick, and Granville did not). Almost all enforcement is administrative with a civil penalty. Columbus's Ordinance with a criminal consequence was an outlier. Bowers said there was a range of what the administrative process looked like, such as sending it to the City Attorney to figure out what to do, to the creation of a board, to referral through the city attorney to community relations commission. Bowers continued, sharing that most communities similarly situated as Gahanna do not have a high number of complaints, so it is not a burden, or has not been shown to be a burdensome process, or taxing on resources in the community. She stated that Ohio Business Competes has a number of projections of what happens when discriminatory laws are on the books or not welcoming to visitors or residents. They projected \$1 million was the cost to North Carolina's economy for relocating the 2017 All-Star game from Charlotte to New Orleans. The move was related to discriminatory laws that North Carolina was enacting at the time. She said there is real economic impact to either putting discriminatory laws on the books and the loss of opportunity for not having these types of non-discrimination ordinances in a community. Bowers also touched on landlords' rights, noting being able to balance the legislation with making sure that the city's landlords and property owners are also adequately protected. At the end of the day, this is to make sure that with a business transaction that [landlords and property owners] are transacting in a fair way that meets their needs but also meets the basic needs of residents and the City's growing population in the region. Regarding concerns around types of income, prospective tenants would still have to demonstrate a track record of that income, not just someone telling about getting child support or

getting alimony. There are ways to document this. These two specific types of income are already used to qualify for mortgages, but there are criteria in order to use that income to qualify for mortgages. Similarly, a voucher could allow for tenancy but only up to that voucher level. It would not qualify a person to exceed rent beyond the value of their voucher. She added that the City would want to make sure landlords can still review eviction history and make sure that the housing unit will fit the need of the homeowners. This is balancing the concerns of property owners with the need to ensure housing is accessible. Bowers said her goal with this is to show the City is part of an inclusive fabric of Central Ohio -- that the City is making sure every resident and prospective resident knows that they belong here. There were no other questions from Council. Bowers said she hoped to introduce legislation in the next month or two.

C. ITEMS FROM THE DEPARTMENT OF PUBLIC SERVICE & ENGINEERING

ORD-0021-2022 AN ORDINANCE AUTHORIZING THE DIRECTOR OF PUBLIC SERVICE AND ENGINEERING TO AWARD AND THE MAYOR TO ENTER INTO CONTRACT WITH BRIGHTVIEW LANDSCAPES FOR MUNICIPAL LANDSCAPE MAINTENANCE, WAIVING SECOND READING AND DECLARING AN EMERGENCY

Vice President Bowers confirmed that Grant Crawford, Director of Public Service & Engineering, would be addressing ORD-0021-2022 and the supplemental ORD-0022-2022 together. Crawford reminded Council that in March the city's previous contractor for municipal landscaping, Ameriscapes, issued a 30-day notice of termination. On March 21, 2022, Council approved permission to bid the landscape maintenance contract in response. On April 15, 2022, bids were opened and reviewed. The lowest the responsive and responsible bidder was Brightview Landscapes, with a bid of \$159,136 per year. The contract is the City's standard term of 3 years, with option of two 1-year renewals. The contract would include the remainder of the 2022 calendar year, as well as two full years thereafter, and two optional extensions. Crawford added that every bid that was received, including Brightview's, was higher than the City's current contract with Ameriscapes. This is due in part of a handful of factors including inflation, higher fuel prices, labor shortages, and historically Ameriscapes has bid significantly lower than all other municipal landscape contractors. During previous bid processes, these companies have reached out to the City to let us know they were not interested in bidding because they were not able to compete with Ameriscapes pricing. The Department is asking for the legislation for the Mayor and the Director to enter into contract with Brightview Landscapes. Because the 2022 appropriations were set at the previous contract amount, the administration is requesting a supplemental appropriation of \$75,000 to fulfill the remainder of the contract and small amount of contingency for any unforeseen expenses. Since the landscaping season has already begun, the Department is requesting a waiver and emergency to get Brightview out to start maintaining the landscape features throughout the City. Crawford stressed that the City's crews have been out working hard doing as much as possible to keep up. Unfortunately, this is not a sustainable operation long-term and is taking away from normal operations and projects. He asked

for any questions.

Council Member Weaver asked how Ameriscapes was able to do the work so cheaply for so long, considering the supplemental appropriation is a sizable chunk of the original contract. Crawford responded that he did not have any facts to share about that. He said he had opinions on that, as well as some opinions of other contractors out there. He said it most likely comes down to how they have sourced materials, such as mulch. He was told that mulch is one of the more expensive pieces with this. The City has over three acres of mulch. The other piece, he noted, is likely associated with labor. Weaver said with more bidders this time, other entities were made aware Ameriscapes was no longer bidding. Crawford confirmed this to be correct. He responded that the City contacted a handful of landscape companies to see if they could help the City while it went through the bidding process, so at that time they were updated on the status of the contract.

Vice President Bowers had a question as to form of the legislation and deferred to the City Attorney. Bowers said she appreciated all the bid materials that were included in the Exhibit A in their entirety. However, she was curious about the acceptance of the bid and not seeing a "sign on the dotted line contract." She asked whether this would be an Ordinance to accept a bid rather than an Ordinance to enter into contract. Attorney Mularski said when Council accepts the bid, the City then enters into the contract. He compares the contract to make sure that it comports with what has been put into the bid. Mayor Jadwin asked whether the bid dictated what the terms of the contract would be. Mularski said, yes. Jadwin said then it is a matter of taking the bid and making sure the contract reflects what is actually in the bid that was accepted. Mularski confirmed there would be a contract reflecting what was in the bid. Bowers said since the contract was not in front of Council, was this still ok to approve. Council had the bid terms. Jadwin said those would be the contract terms. The bid terms are what become the contract terms. Mularski said the Council would be counting on him to make sure that the contract says what the bid terms are. When the City Attorney signs off on the contract this serves as attestation to the contract being in accordance with terms in the bid. Mularski said that the contract is not here because the City has not accepted the bid yet. The City cannot do the contract until the City decides which bid it accepts. Jadwin said that given the language of the Ordinance it is to authorize the Mayor to enter into a contract with the company. This means the Mayor can go ahead and sign the contract which is based upon the bid terms and memorialized in a contract the City Attorney reviews. She said that the Council is authorizing her to enter into the contract based upon the bid terms. Mularski confirmed that to be correct. He added the City can only enter into a contract that is based upon the bid terms, and the Council is authorizing the Mayor to do this. Council Member Angelou proposed the items be put on the Consent Agenda. Bowers noted this is emergency and waiver. She thought it should be Regular Agenda. President Renner agreed.

Recommendation: Introduction/First Reading/Waive Second Reading/Adopt as Emergency for Regular Agenda on 5/2/22.

ORD-0022-2022 AN ORDINANCE AUTHORIZING A SUPPLEMENTAL

APPROPRIATION AND WAIVER OF SECOND READING - Municipal Landscape Contract Services

Recommendation: Introduction/First Reading/Waive Second Reading/Adoption for Regular Agenda on 5/2/22.

ORD-0023-2022 AN ORDINANCE AUTHORIZING A SUPPLEMENTAL APPROPRIATION - Damage to City Property

Director Crawford discussed ORD-0023-2022 as needed for the repayment of damage to City property. This is a request to transfer those funds back to their respective expense accounts to be able to use them for their intended operational needs.

Recommendation: Introduction/First Reading on 5/2/22 and Second Reading/Consent Agenda on 5/16/22.

ORD-0024-2022 AN ORDINANCE AUTHORIZING A SUPPLEMENTAL APPROPRIATION - Water Meter Fees

Director Crawford said that this Ordinance is for the collection of funds for the purchase of water meters. This is a transfer for the funds back to the respective expense accounts for the Department's operations. Bowers asked whether there were any questions on ORD-0023-2022 or ORD-0024-2022. There were none.

Recommendation: Introduction/First Reading on 5/2/22 and Second Reading/Consent Agenda on 5/16/22.

D. ITEMS FROM THE COUNCIL OFFICE

RES-0012-2022 A RESOLUTION RECOGNIZING MAY AS ASIAN AMERICAN PACIFIC ISLANDER HERITAGE MONTH IN THE CITY OF GAHANNA

Vice President Bowers said this Resolution was included on the schedule that had been discussed in January. The Asian American Pacific Islander (AAPI) community is one of the fastest growing ethnic and racial groups in the region. Bowers said she had hoped that Senator Maharath would be able to join Council next week, as she believed Maharath was the first Asian American woman serving in the Ohio legislature. Bowers asked that it be on Regular Agenda if Senator Maharath is able to join the Council. Council Member Angelou provided additional remarks, noting the positive growth of AAPIs nationally.

Recommendation: Adoption for Regular Agenda on 5/2/22.

RES-0013-2022 A RESOLUTION RECOGNIZING AND HONORING SMALL BUSINESSES IN GAHANNA

Vice President Bowers asked Council Member Padova to introduce the Resolution. Padova asked Mayor Jadwin if she would like to comment on the Resolution, as there was discussion on a joint effort. Jadwin said that it had been discussed about doing a combination or "proc-olution" type of statement, or not repeating of efforts. In doing proclamations and resolutions

from a procedural standpoint, Jadwin noted resolutions were on behalf of the entire body of Council, required to be presented at Committee and then voted on during a Council meeting. A proclamation is something written by the Mayor and presented without any formal procedure. If something were done jointly, the question was of procedure and the best route. City Attorney Mularski said that the issue is two different things trying to be made into one. If it is a Resolution, Council has to vote on it. Council could vote it down and the Mayor could decide to go ahead with her own Proclamation. If Council wants [a mayoral proclamation] to be part of their Resolution, then it has to be voted on by all of Council. He recommended that if this is the chosen path, a member of Council and the Mayor should get together on the language to present to Council. If there are changes made, the Mayor could decide if she still wanted to be part of it or if not, there could be two separate ones. If the Mayor wanted to be part of it, her name could be added to the signatures of Council. If doing together, Mularski recommended the title be change to a Resolution by the Council and Mayor. Jadwin asked what the will of Council was in doing this. Padova said she was not sure if this joint Resolution was too late to try to do for this Resolution. Jadwin said since this is on the agenda for tonight, she said to move forward with it. She said that she has issued a proclamation for small business week the past two years. She said she could still issue it, and then going forward in looking in the calendar of projected resolutions for Council, she could identify where there might be overlap and work on something together. Padova asked whether any edits were recommended for the existing Resolutions. There were none. Bowers thanked Padova for working on this and asked whether there were any preferences about the Resolution being on Regular Agenda. Council Member Weaver asked whether any guests were expected to be present to receive the Resolution. Padova said she was first trying to figure out if the Council and Mayor were going to do something together. She said that it was to be determined as to whether there would be a guest for presentation.

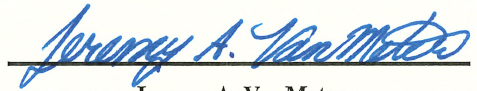
Recommendation: Adoption for Regular Agenda on 5/2/22.

E. ADDITIONAL DISCUSSION

Attorney Mularski said he had looked at all the bid documents before (concerning ORD-0021-2022) and was trying to pull together his thoughts from the discussion. He advised Council to look at p. 244-245 of the Exhibit A that are the Owner & Contractor Agreement pages. Mularski said he believed this was what Vice President Bowers was looking for in the document. Bowers thanked Mularski for identifying this. She confirmed that the last two pages would be returned for Council to file. Mularski said his recollection is that the agreement incorporates all of the 245-page Exhibit, so all of it would remain together. Crawford also confirmed it to be correct that the last two pages approves of everything prior in the Exhibit as the agreement terms. Bowers said she will follow-up later with Director Crawford so that she has an understanding of how the bid packet is assembled.

F. ADJOURNMENT

The Chair announced the adjournment of Committee of the Whole at 7:55 p.m.



Jeremy A. VanMeter
Clerk of Council

APPROVED by the Committee of the Whole, this
16th day of *May* 2022.



Merisa K. Bowers