



City of Powell, Ohio

COUNCIL MINUTES NOVEMBER 21, 2006

A regular meeting of the Powell City Council was called to order at 7:33 p.m. by Mayor Don Grubbs. City Council members present included Richard Cline, Tom Counts, Elmer Meider, Bill Morton, and Dan Wiencek. Art Schultz arrived at 7:35 p.m. Also present were Steve Lutz, City Manager; Debra Miller, Finance Director; David Betz, Director of Development; Eric Fischer, Development Planner; Chris Huber, Assistant Engineer; Police Lt. Steve Hrytzik; Shea Allmont, Community Affairs/Special Events Coordinator; Susie Ross, City Clerk; interested parties and members of the press.

PLEDGE OF ALLEGIANCE

CITIZEN PARTICIPATION

George Kannapel, 106 Olentangy Ridge Place, said they have a traffic problem within their subdivision. He said there is a problem with increased thru truck traffic, excessive speeds and failure to yield at the stop signs. Mr. Kannapel indicated the areas affected and hours when there is increased traffic. Mayor Grubbs asked about the source of the truck traffic. Mr. Kannapel said it is a result of additional housing beyond the neighborhood and vehicles attempting to avoid the downtown area. Mayor Grubbs thanked Mr. Kannapel and encouraged him to bring this to the attention of the Chief of Police.

Mayor Grubbs closed the Citizen Participation Session.

APPROVAL OF MINUTES

The minutes of November 9, 2006 were amended and approved.

CONSENT AGENDA

Item

Ordinance 2006-69:

AN ORDINANCE TO GRANT FINAL ACCEPTANCE OF THE PUBLIC IMPROVEMENTS OF RUTHERFORD ESTATES SUBDIVISION AS THE SAME IS NUMBERED AND DELINEATED UPON THE PLAT THEREOF RECORDED IN CABINET 3, SLIDES 316-316C DELAWARE COUNTY, OHIO RECORDS.

Monthly Community Affairs/Events Report

Monthly Financial Report

Monthly Planning and Zoning Report

Monthly Police Report

Action Requested

Adoption

Receipt of Report

Receipt of Report

Receipt of Report

Receipt of Report

MOTION: Councilman Cline moved to adopt the Consent Agenda. Councilman Counts seconded the motion. By unanimous consent, the Consent Agenda was adopted as submitted.

RESOLUTION 2006-40: A RESOLUTION APPOINTING EUGENE L. HOLLINS, ATTORNEY WITH THE LAW FIRM OF WILES, BOYLE, BURKHOLDER & BRINGARDNER CO., L.P.A., TO SERVE AS THE CITY'S CONTRACTED LAW DIRECTOR.

Steve Lutz, City Manager, said over the past year the City has been refining procedures for hiring and contracting for various services. He said earlier in the year Council established a procedure to advertise, seek qualifications and evaluate for contracted Law Director Services. He said sixteen proposals were received from attorneys and law firms. Mr. Lutz said after conducting study and interviews he recommends the law firm of Wiles, Boyle, Burkholder & Bringardner to serve as the contracted Law Director effective January 1st. He said their strengths include strong experience in Municipal Law, Zoning and Land Use Matters, and Economic Development Issues. He said the law firm has a staff of 25 attorneys, 3 of which specialize in Municipal Law.

Mayor Grubbs opened this item for public comment. Hearing none, he closed the public comment session.

Councilman Counts said he sat on the Committee to interview the various firms and this is a fine choice. Councilman Cline said there were several well-qualified applicants and he is confident Mr. Hollins will do a fine job. Mayor Grubbs thanked all of the firms and individuals who applied and said the City will be well-served by Mr. Hollins and the firm.

MOTION: Councilman Cline moved to adopt Resolution 2006-40. Councilman Counts seconded the motion. By unanimous consent, Resolution 2006-40 was adopted.

FIRST READING: ORDINANCE 2006-70: AN ORDINANCE TO ACCEPT THE PROPOSED BUDGET; TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE MUNICIPALITY OF POWELL, DELAWARE COUNTY, OHIO, FOR THE FISCAL YEAR ENDING DECEMBER 31, 2007.

Mr. Lutz said they will review the proposed budget which was distributed in Council packets. He said the budget is a financial tool but it is just as importantly an outline of the goals, objectives and accomplishments for the upcoming year.

Debra Miller, Finance Director, described the format organization and new features within the published Budget. She said the projections in the budget were included through the year 2010.

Mr. Lutz and Ms. Miller presented an overview of the proposed budget:

General Fund Summary: The alignment of proposed revenues and expenditures for 2007 will maintain the Fund Balance. Anticipated decreases in revenues in the future will most likely cause the Fund Balance to be spent down by the year 2010.

General Fund – Income Tax Revenue: This provides approximately 70% of the City's revenue. We probably will not continue to see large increases in Income Tax revenue because the City's housing starts are dropping.

General Fund – Development Fee Revenue: This provides approximately 10% of revenues. Commercial building permit fees have increased in 2006 but as development slows, it is projected the fees will decrease.

General Fund – Revenue Summary, Other Sources of Revenue: These revenue sources include property tax, cable fees, local government fund, police fines and violations, interest, estate tax, roll-back homestead, room rentals, sidewalk assessments, liquor and beer permits, miscellaneous reimbursements. These revenues are staying status quo or dropping a little.

General Fund – Expenditure Summary: These include Operating (personnel, salary, fringe benefits, day-to-day operations, department budgets, capital equipment), Non-operating (transfers and advances) General Fund Reserve (savings account). She said most expenses in the General Fund are spent on personnel costs, operating costs and capital outlay.

Mr. Lutz reviewed the 2007 Budget Requests which were cut from the Budget. He said as in the past, the Department Heads have been very responsible in preparing their budgets. He said they put together a budget which includes the items they feel are necessary to provide the services which Council desires. He said the requests for additional staff and new programs were justified but they were not able to be funded. Councilman Wiencek asked Mr. Lutz to describe a typical work week for the salaried employees who have asked for assistance. He asked if salaried employees are being asked to work above and beyond what they are being paid for. Mr. Lutz said the City has a fairly lean staff and there is a lot of cross-training to allow staff to do a great variety of things. He said one problem with having a small staff is that one can only do a couple of priority projects at one time. Mr. Lutz said they prioritize work and address things the best they can. He said generally the salaried employees work above and beyond the 40 hour week to do whatever is required to get the job done.

Mr. Lutz said in the budget the contingency line item will remain at \$100k to allow for unexpected items within the next year. He said the General Fund Reserve will increase from \$700k to \$750k, and that equals less than 15% which is just below their goal. He said in past years when revenues were significantly exceeding expenses, they have been able to transfer monies to the Capital Improvement Fund. Mr. Lutz said they will not be able to do that in 2007. He said the Finance Committee and Council will take a look at the Capital Improvement Plans and future projects and will determine how to fund those projects.

Mr. Lutz outlined the specific Budget Requests, reflecting on the differences between the 2006 Budget and the proposed 2007 Budget:

Community Affairs – Freeze Special Events budget to 2006 level

Development – Budgeted \$40,515 for Part-Time Downtown Coordinator initiative

Engineering – City will fund NPDES (unfunded federal mandate) in the amount of \$40k

Finance – Increased RITA fees from \$130k to \$148k due to projected increase in income tax collection

Information Technology – Budgeted \$10k for City Website redesign, \$15k for the Downtown WiFi Pilot Project, \$69k for Computerized Records Retention System, \$30k to link the Village Green site to the Parks and Recreation Department which will relocate to Adventure Park

Lands and Buildings – Building maintenance and cleaning costs will increase from \$35k to \$46k (including the new police facility's needs) and \$10k has been budgeted to replace the carpet in the meeting rooms

Police Department – Budget for Gasoline costs will increase from \$28k to \$43k+, LEADS lease has increased from \$29k to \$34k, and next year the on-site accreditation process will take place necessitating an increase in budget from \$5k to \$12k for 2007

Public Service – Budget for gasoline costs will increase \$19k to \$22k, street light/drainage repair costs will increase from \$22k to \$32k due to aging infrastructure, and \$45k has been budgeted to replace a 1999 dump truck.

Mr. Lutz reviewed the proposed Capital Improvements in the 2007 Budget:

Village Green Parking Lot - \$570k

Village Green Parking Lot Design/Engineering - \$62k

Retreat Culvert Replacement - \$50k

West Olentangy Bikepath - \$149,555

Replace Adventure Park Basketball Poles - \$4k

Replace Liberty Park Softball Backstop - \$9k

Acquire Youth Soccer Goals - \$1k

Councilman Cline asked if any of the Capital Improvements are funded from the General Fund. Mr. Lutz said these are all separate from the General Fund. Mr. Lutz said they are draining down the Capital Improvement Budgets to accomplish these goals. Mayor Grubbs asked if the Bikepaths will be funded by the Park Bond monies. Mr. Lutz said they will use whatever money they have left in the Park Bond first and then they will use the special park account which is not General Fund monies.

Councilman Cline said the difference between the projected revenues and projected expenses is approximately \$900k and these expenditures add up to approximately \$900k. Mr. Lutz said they are not paying Capital Improvements out of the General Fund this year.

Ms. Miller described the overview of the General Fund Expenditures. Mayor Grubbs asked about the differences in the Capital Outlay proposals over the next three years. Ms. Miller said those expenditures are unknown but will be known as they present themselves. Mayor Grubbs asked how Staff has approached the budget process this year compared to how they have in years past. He said last year they noticed the actual performance came in more favorably than that budgeted. He asked if they had taken steps to tighten the budget to more accurately reflect what occurred. Mr. Lutz said the biggest variable from the revenue standpoint is the Development Fees. He said those fees are more difficult to project and Staff has tried to be conservative but realistic. Mr. Lutz said he believes revenues may be more than what is projected and they may come in under budget on expenditures. He said there may be a \$300k spread. Mayor Grubbs said the monthly report shows that the City has already collected 105% of the annual budgeted revenue and have only spent 75% of the entire year's budget expenditures. He said they are actually under the range estimated so the actual for 2006 shows they have had a relatively good year. He said he has trouble understanding the dip in revenues when he sees the comparison of projected to actual numbers.

Ms. Miller said they try to use good judgment when making projections. She said they projected a 4.5% increase in the Income Tax but she believes they will exceed that number. She said Staff tries to be conservative but still give Council a realistic baseline. She said it is possible they will get a 5.5% increase on Income Tax but she is not comfortable making that estimate. Ms. Miller said on expenditures, she has provided estimates but they will not see savings until the latter months in the year. She said they do not want to come back to Council for additional funding. She said Staff tries to make estimations that are in the middle of the road. Mayor Grubbs said the items requested by the departments included the hiring of an additional police officer. He said he wants to ensure this is not a need that may be able to be funded.

Councilman Cline said the Finance Committee directed Staff to identify areas where they decided not to increase services due to budgetary constraints. He said in previous years there have been budgetary constraints which were made before the Budget ever made it to Council because Staff has consistently

tried to live within its means. He said the Committee asked for that information to be included so Council could consider them. Mr. Lutz said when an item is not funded it is after he has had discussions with the Department Head to make sure they are comfortable with the decision.

Councilman Counts said if you go back and look at the 2006 Budget it shows a deficit of \$1.1 million. He said the comparison of actual to budget shows a positive number. He said that number is based on expenses that are less than what was budgeted, revenues that were greater than what was budgeted, and the deficit was eliminated. Councilman Wiencek said they have been regularly banking \$50k to the General Reserve Fund each year. He asked if there was discussion in the Finance Committee to leave the goal at that level or adding an inflationary increase so they are staying within the goal. Councilman Cline said there was no discussion on that point but they are closer to the goal than they have been in past years. Mr. Lutz said they discussed that at Staff level and the expenditures are increasing at a slower rate than they have in the past, so they are getting close to the bottom of the range. He said if they are able to add \$50k each year they will be making headway.

Councilman Cline asked if projected General Fund Expenditures will exceed General Fund Revenues by \$900k in 2007. Mr. Lutz said that is correct. Councilman Cline asked if there are large expenditures which can explain that or is it just the overall budget. Mr. Lutz said there is an increase in expenditures which is greater than the norm. He said the Revenue projections have to do with a projected drop in the Development Fees by \$500k-\$600k over what they were in 2006. Ms. Miller said the listing of significant increases did not include the standard increases such as the Union Contract raises, the OPERS employer contribution increase as they were not new requests. She said they are significant in terms of dollars, estimated in the \$200k range. Councilman Cline said this is not a circumstance where one or two items add up to the increase; he said this is the cost of doing business and the cost of providing the level of services the residents have come to expect. Councilman Counts said most of the items in the budget requests are not items the Council can decide not to fund. He asked if there is a dollar amount assigned so they may consider whether to fund an additional staff member. Mr. Lutz said for personnel, in addition to the actual salary, they must add in the pension and insurance costs which are in the high 30 percent. He said those costs are ongoing unless there are layoffs. He said they did not include information regarding the financial impact of each of the proposed staff members. Councilman Wiencek said they do not have room for additional staff members with the exception of the Police Department.

Mayor Grubbs opened this item to public comment. Hearing none, he closed the public comment session.

Mayor Grubbs asked if there is anything Staff would like to have Council consider before the next hearing of this item. Mr. Lutz said there are representatives of each department present this evening if Council has any questions.

Councilman Wiencek asked if the Public Service Director is confident that his experience with the parks has allowed him to forecast the department's needs in 2007. Jeff Snyder, Director of Parks, Recreation and Public Service said he is confident the estimations are correct for 2007, but in the future as infrastructure begins to age there is no way of estimating the costs.

This item was taken to a second reading. Councilman Schultz left at 8:45 p.m.

SECOND READING: ORDINANCE 2006-66: AN ORDINANCE AUTHORIZING AMENDMENT TO THE FEE SCHEDULE OF THE MUNICIPALITY OF POWELL.

Mr. Lutz identified the proposed changes to the Fee Schedule made since the first reading of this legislation. He said the Business Registration Fee has been withdrawn and the item was sent to Committee.

David Betz, Director of Development, presented an overview about the Recreation Fee (Impact Fee) which is used to fund improvements to the parks and bikepaths. He said there is a formula based on the type of development which occurs. He said the fee is based on the land value within the area. Mr. Betz said a new methodology will have to be developed after the next few years because of the lack of land to be developed. Mr. Betz said this formula differs because they used developed and vacant land for values. He said the premise is that they are running out of vacant land in the planning area but the value of the land is increasing. Councilman Cline said the thought process in the past was if a formula is used rather than a number, then the formula becomes self-fulfilling. He asked if this radically changes the formula. Mr. Betz said the formula stays the same, but some of the assumptions have changed. He said in the past, to

determine land value, they have not used land which was improved but they have included parcels such as that in this evaluation.

Eric Fischer, Development Planner, said when they did the analysis, if they had used the actual developed value of the improvements on the land, those values would be significantly higher. He said the Auditor divides the information regarding the land value and the improvement values. He said they did not use the improvement values. Councilman Wiencek said last time they used the Auditor's triennial revaluation, but it appears they have been leaving significant money on the table. He asked if they should be discussing revisions to the schedule sooner than the next revaluation. Mr. Betz said it should be reviewed annually but they may need to come up with a new methodology altogether in the future. He said this one will work for now. Mayor Grubbs asked if the recommendations needed Council approval. Mr. Betz said Council adopts them as part of the Fee Schedule. Mr. Lutz spoke to questions regarding the Engineering Department re-submittals. Councilman Wiencek said he just wanted to make sure Engineering Department was confident that they are not doing engineering for the developers. He said it takes a significant amount of time and he wants Staff to be confident that they are collecting fees that cover that time. Mr. Huber said the fees have been determined to cover their time.

Mayor Grubbs opened this item for public comment. Hearing none, he closed the public comment session.

MOTION: Councilman Cline moved to amend the proposed Fee Schedule on page 7, Section A, Subsection 2C, to strike the words "This value is currently \$31,000 in the process of being recalculated" and in its place insert "This value is \$75,000" and carry on further "per acre based upon the 2005 Triennial Revaluation performed by the Delaware County Auditor; on page 8, Subsection B and C, strike the numbers "\$1,550.00" and in its place insert the numbers "\$3,750.00"; and on page 13, within the sentence "Fees determined by the City Manager for items not specific in this Fee Schedule", strike the work "specific" and in its place insert the word "specified". Councilman Counts seconded the motion.

VOTE: Y 6 N 0

MOTION: Councilman Cline moved to adopt Ordinance 2006-66. Councilman Counts seconded the motion.

VOTE: Y 6 N 0

COMMITTEE REPORTS

Development Committee: No report. Next Meeting: December 5th, 6:30 p.m.

Finance Committee: Councilman Cline said they discussed the Budget. He said the Capital Improvement information will be presented by January 1st. Councilman Counts asked about the applicant who requested that fees be waived. Mr. Lutz said they are waiting on an opinion and that will come to Council at the next meeting. Next Meeting: December 12th, 7:30 p.m.

Operations Committee: No report. Next Meeting: December 4th, 7:30 a.m.

Downtown Committee: No report. Next Meeting: December 13th, 6:30 p.m.

CITY MANAGER'S REPORT

Mr. Lutz said the Holidays in Powell will take place in the Downtown and Village Green areas next weekend. He invited Council to join in the festivities. Councilman Wiencek commended Ms. Allmont on the Press Release she developed.

OTHER COUNCIL MATTERS

Councilman Counts reported on the Sawmill Parkway Committee. He said they have had two meetings and Bill Little, Elmer Meider, and himself have represented the City on the Committee. He said they have discussed how best to approach codification of the concepts which were in the Kinzelman Kline study for Sawmill Parkway. He said they discussed making Comprehensive Plan changes which would be less formal and less specific. He said there was also a desire to do something more specific such as actual amendments to the Zoning Codes of the City and the Township. He said the City could probably do a Comprehensive Plan change but the Township may not be able to. Councilman Counts said at the last meeting they discussed a very rough draft of the beginnings of "code changes". He said they will need direction from Council to figure out how the City is going to devote Staff time and dollars to see this through if they choose to see this through. He gave specific examples of how this could impact Staff time and funding. He said it is his belief that they will need some sort of conceptual drawings as to what kind

of landscape design is wanted along the parkway. He said he is not sure the Township will buy into that. He said if they are going to do it they need to do it right but they will need to be patient in the process. Councilman Counts said the next meeting is at the end of January and he recommended they break the aspects of the plan into portions, with the next discussion being landscape design.

Mayor Grubbs asked if there was discussion in the meeting regarding Staff time and the recognition of the relative contribution to date and the actual control of the existing entities of the Parkway. He said most of the parkway is in the Township and is outside of the City jurisdiction. He asked if they had discussed equity in dividing up the costs. Councilman Counts said with respect to the zoning text, the discussion has been that the Delaware County Planning Authority would be primarily responsible for the Township side in terms of drafting the text. He said everybody recognizes that the majority of the parkway is in the Township and there is no expectation that will change. He said they also realize the City is within the Township and a unified concept will benefit everybody. He said the funding issue will come to light when they discuss right-of-way and entrance improvements which will need to be funded by the jurisdictions or a special improvement district. He said they are not there yet. Councilman Counts said they have not discussed the other concept of whether each jurisdiction will have the ability to weigh in on the decision of the other jurisdiction as they develop Sawmill Parkway. He said the more they do not do anything, the more it will continue to look the way it does. Councilman Morton asked if they had discussed the funding mechanism. Councilman Counts said they have not as they have not come up with a vision at this point. He said it will be important to come up with a plan that makes it apparent to those along the area that an aesthetically pleasing Sawmill Parkway benefits their businesses. Councilman Meider said there will also be a need for consistency as they could have a hodge-podge of approaches. He said just because they are setting up standards it does not mean it has to be an expensive proposition. Councilman Counts said the City will not have as much difficulty in developing an overlay district because many things required are already in place within the City. He said he wants Council to think about this as a project which will require their opinion in the future.

MOTION: Councilman Cline moved to adjourn into Executive Session in accordance with ORC Section 121.22(G)(1), Personnel Matters, Compensation, at 9:18 p.m. Councilman Counts seconded the motion.

VOTE: Y 6 N 0

MOTION: Councilman Cline moved to adjourn from Executive Session at 9:58 p.m. Councilman Counts seconded the motion.

VOTE: Y 6 N 0

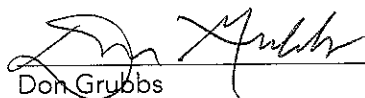
MOTION: Councilman Cline moved to reconvene in Regular Open Session at 9:58 p.m. Councilman Counts seconded the motion.

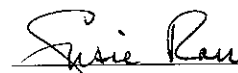
VOTE: Y 6 N 0

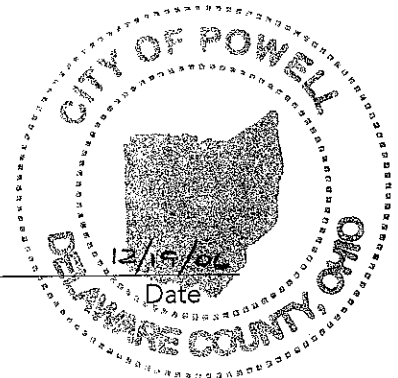
MOTION: Councilman Cline moved to adjourn from Regular Open Session 9:59 p.m. Councilman Counts seconded the motion.

VOTE: Y 6 N 0

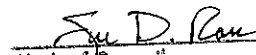
DATE MINUTES APPROVED: December 5, 2006


Don Grubbs
Mayor
12-16-06
Date


Susie Ross
City Clerk
12/15/06
Date



This legislation has been posted in accordance with the City Charter on this date 12/20/06.


Sue D. Rau
Clerk of Council

City Council

Don Grubbs, Mayor

Richard Cline

Tom Counts

Elmer Meider

Bill Morton

Art Schultz

Dan Wienczek