MINUTES SERVICE COMMITTEE MEETING
REYNOLDSBURG CITY COUNCIL
November 19, 2012

Members of Service Committee present: Barth R. Cotner, Scott A. Barrett, Leslie Kelly, Cornelius McGrady III.

Other members of Council present: Mel Clemens, Chris Long, Nathan Burd, Council President Doug Joseph.

Mr. Cotner called the meeting to order at 7:30 p.m.

The agenda was approved.

Minutes of the Service Committee meeting held November 5, 2012 were approved without objection.

ORDINANCE APPROVING SPECIAL EXCEPTION USE PERMIT - (6800 E. Main Street; proposed use - childcare facility); applicant, Angela McClendon Hill & Kendall Hill- - -first reading November 13, 2012.- - - -Mr. Clemens said while the applicants were not present, he said he had walked around the property and he did not think it was a benefit for Council or the commissions to approve anything, or any parcel of ground in Reynoldsburg, that does not have adequate parking for those who work there, or for those who would come there. Mr. Clemens said the rear of the property was not very big; that he did not know how large the play area needed to be; that he wondered how one would pull in there, turn around, and pull out, with others trying to come in and out also. Mr. Clemens said while the city wanted businesses to come to the city, he was not sure it would be the right move if something like this was accepted without the proper parking, and ingress and egress. Mr. Cotner said it seemed like most people have been pretty much in agreement with that sentiment; that he did not think there was really any objections from committee or Council on that. Mr. Cotner asked if the item should be held, or moved off until the applicants submitted something different. Mrs. Kelly said the applicants had been asked to come back at the next Council meeting and share their plans for possible solutions. Mr. Cotner said he really didn't see how they could make it work. Mr. Joseph said holding the item would be the way to go. Mr. Long said he had also been to the property and went to the back; the majority of the back parking lot was undeveloped; that it would probably just need to be repaved, even to get it up to code; the majority of the area in the back would have to be bulldozed and then further developed as far as pavement in order to be able to handle the number of parking spaces they were talking about. Mr. Long said the drive along the side of the building could not be passed by more than one car; that you could not get two-way traffic through there, so that could create an issue with traffic out on Main Street; and that he still had a real problem with the BZBA approving a variance for a business at a property location contingent upon an agreement with a separate business owner on another piece of property that could go south. Mr. Clemens said he agreed with Mr. Long regarding the approval of something like this. Mr. Clemens said, "The problem if we, if they come to us and work out an agreement or, you know, and they feel they should do something like this, and we approve it, there's no saying that they couldn't turn right around and lease the property next door and use it like they said, unless we put a stipulation on it that that couldn't be done; it would have to be on their property site, you know, to me there are requirements as far as parking's concerned; 'cause I've seen that happen before. You know, if you don't put stipulations on it, it doesn't do a bit of good; once we pass it, why they turn around and do what they want to do anyway." Mrs. Kelly said that one of the things Council had asked them to address was to "present a solution that would not make their parking contingency because that was everybodys' issue and that's what resulted in their conversation of the parking in the back and we (inaudible) the one-way traffic and so that was kind of their challenge, to come with something that would speak to all of those things; they're supposed to be back in two weeks." Mr. Cotner said, "Let's hold this then for two weeks and then we'll see if they come to Council next week, come to committee the following, and we'll try to work maybe with Aaron or someone else and see if we can get some communication with them also as to what their intentions are." Item held.

ORDINANCE AUTHORIZING CONTRACT WITH THE CITY OF COLUMBUS, DEPARTMENT OF PUBLIC UTILITIES FOR DRINKING WATER LABORATORY ANALYTICAL SERVICES- - -first reading November 13, 2012.- - - -Mr. Cotner moved to send ordinance to Council for the second reading. Mr. Barrett seconded. All voted "Aye".

Meeting adjourned at 7:37 p.m.

Service Committee
- - -Nancy C. Frazier, Clerk of Council
November 19, 2012

MINUTES FINANCE COMMITTEE MEETING
REYNOLDSBURG CITY COUNCIL
November 19, 2012

Members of Finance Committee present: Chris Long, Nathan Burd, Barth R. Cotner, Mel Clemens, Leslie Kelly.

Other members of Council present: Scott A. Barrett, Cornelius McGrady III, Council President Doug Joseph.

Mr. Long called the meeting to order at 7:37 p.m.

Mr. Long said he had an item to add to the agenda and it would be Item 17, President Joseph to address Council in Council Chambers.

Minutes of the Finance Committee meeting held October 15, 2012 were approved without objection.
Minutes of the Finance Committee meeting held November 5, 2012 were approved without objection.

Discussion: Extensions - professional services firms through 2013.
Note: separate ordinance will be needed for each firm.- - - -City Engineer Matt Lambert said the request was for the extensions of the agreements of the professional services firms that had responded, and would be for the year 2013. Mr. Long moved to send legislation for the extensions to Council for the first readings with recommendation for adoption as emergencies on the second readings. Mr. Clemens seconded; all voted "Aye".

Discussion: Adoption of revised Capital Improvement Program- - -Mayor McCloud said the program was a listing of projects the city wanted to get to; that Water/Waste Water Supt. Mike Root was present to speak to those projects pertaining to water and sewer. Mr. Root told of material that had been put together regarding line loss (document on file in Council office) and the numerous breaks. Mrs. Kelly said she had asked for, and Mr. Root had agreed to do so, the percentage of increase that would be on the water bills, what the comparison would look like with the water and sewer rates. Mr. Long said that information would be handled with a separate piece of legislation; that the item being discussed was the Capital Improvement Program itself. Mr. Long said he would also like for Mr. Root to provide information regarding other communities who are currently utilizing a waterline or sewer service charge, in order to be able to maintain the system. Mr. Root said he would do so. City Auditor Harris said, "There's a couple reasons that Mike is doing this: one is there are some concerns by the Environmental Protection Agency concerning these old lines and the quality of water, how it's affecting the quality of water in homes. That is obviously something if they see a problem they're going to mandate some immediate remedies for that problem. The financial thing which I got involved with from talking, this goes back to Mark Kipp over the last few years, if you look at the, the way this works is, there's, water comes through master meters from the City of Columbus; once that water goes through that, I'm going to write a check for that money, okay? No matter what happens to it. And as you can see here, in the 2013 that's going to be estimated at about, with the increases that Columbus is passing on, a little over five million dollars. Of that, we had, back in 2001, we had been billing of that 79.5%; in 2011 it has dropped down to 69.5% and in the second quarter of this year, it was down to 66.5% so that money that we are paying for that, we are not getting any return on. We are not getting anything for it; it's basically going down, the storm water and away. If you look at it, we're billing of that five million dollars, we're going to bill 3.3 million dollars, which means there's about one million six hundred and eighty-one thousand dollars of that is money that we have to pay and the citizens have to pay that we are getting nothing for. There's no money coming back in. If you look at other communities, and I called a number of people in their Finance Department to see what they were doing, and talking with the folks from EMH&T, they say acceptable loss is somewhere between 15 and 20 percent and there is always going to be some kind of loss with these because you have things like fire hydrants being flushed out; the city uses water in these buildings; we don't pay for it because we'd just be paying ourself. There's always going to be some kind of water main breaks, so there are some things that go on and we're not going to be able to capture all of that; so there is an acceptable level and most places it's somewhere between 15 and 20 percent, so we took an average of that and went with 18. Of that five million dollars, if we were getting 82% of it billed, it would be four million one hundred and fifteen thousand that was being billed rather than 3.37 million, so that's a loss of, an acceptable loss would be nine hundred and three thousand; the actual loss is a million six so we have an excessive loss of seven hundred and seventy-seven thousand dollars in 2013 and because of expected increases from Columbus, eight hundred and thirty-two thousand dollars in 2014. So I think it makes sense for Council to look at funding some way to get these lines fixed and start recapturing some of that excessive loss so that we don't have to continually pass on to the citizens a charge for water that's going down the storm sewer. Now, there's two places where they find normally the biggest part of line loss comes from obviously water main breaks, the other one is for very old meters that are not accurate any more. Mike has included in his operating budget, will be including in his operating budget a program where they will start replacing old meters. They've started already; Mark started with the apartment complexes in town because obviously they're the bigger users. And you would see a more immediate return. When they redid White Birch Crescent, and changed all those meters out, they got calls because people, they thought there was something wrong, the meters were so far off, they were over 10 to 15 percent off. So you have both of these problems working; I think if, as they get these things, the line loss taken care of through repairing these old lines, you can start to recapture some of this, which means you don't have to have as much in future raises; you can pass the savings on just like you pass the cost on." Mr. McGrady asked if the CIP fee went into effect, would there be a possibility of it off-setting increases. Mr. Harris said it would depend on how quickly it could be recaptured, and how quickly the line loss could be reduced. Mr. McGrady asked if there was also a report on the breakage of the sewers; Mr. Root said he had some maps that were done with the DFFOs, breaking down the age of the system and where cracks were found, displacements, holes... Mr. McGrady asked if the information could be shared with Council; Mr. Root said he would give Council copies.

Mr. Barrett asked if the CIP numbers that Mr. Root had put together were just to address breaks and the repairs that were known. Mr. Root said that pretty much what was in the CIP was the lines that were highlighted on the map; that once the lines were replaced, then funds could be put in the operating budget for a leak detection company to address certain areas in the city. Mr. Barrett asked if there were any other alternatives that could be used for the funding. Mr. Harris said because the city had Enterprise Funds, it was not generally recommended by the bond rating companies that they be made subservient to the General Fund; while the city could legally use General Fund money to do so, it would not show that the city was properly maintaining and it would cost the city a bond rating if it did not continue maintaining through fees. Mr. Harris further explained that in most of the Columbus suburban areas, Columbus takes care of their pipes and charges the areas for them so that is not seen in their General Fund, because they don't pay for any of that. Mr. Barrett said it had taken a long time to get to the current situation, and asked why the city hadn't done something sooner. Mayor McCloud said the city did not have the money. Mr. Harris said the problem had really not gotten bad until about three or four years ago; that previously tap in fees had been used for maintenance, but since not many houses were being built, tap in fees were down. Mayor McCloud said if the city did everything that was needed, it would cost about twelve to fifteen million dollars; Mr. Root said that was just a start, which referred to just the lines that were in the CIP. Mr. Joseph asked Mr. Harris if he had done any projections percentage-wise, for the next few years, if nothing was done. Mr. Harris said based on what had transpired thus far, he would look for an increase of about thirty to thirty-five percent depending on the weather, soils that cause erosion; that the situation would not get better until the city did something to make it better. Mr. McGrady asked if the sewer lines were in as desperate need as the water lines. Mr. Root said it was not as bad, but it was the same area as the water lines so there were projects needed to realign the sewer lines. Mr. Long moved to send legislation to Council for the first reading; Mr. Clemens seconded; all voted "Aye".

Discussion: Transfer of funds in order to pay contracted electrical services- - - -Mayor McCloud said, "Earlier in the year when we did not have a Chief Building Official, we used an outside vendor, so now that we have a Chief Building Official, we need to just move some money around; this is not new money; this is simply a reappropriation, a reallocation of existing funds, that is what's before you." Mr. Long moved to send legislation to Council with recommendation for adoption as an emergency measure; Mr. Clemens seconded; all voted "Aye".

Discussion: 2013 Interim Appropriation- - - -Mr. Harris said that after some discussions with Mr. Long and several meetings with the Mayor, an Interim Budget had been submitted, which included all the anticipated changes in the 100 accounts that included some full time people going to part time, and some of the things that had been discussed; it did not include any increases in wages for either Chapter 160 employees or the union employees; since negotiations were ongoing with the police, the HSA has not yet been included; the HSA figures for 160 employees were included based on last year; the 200 and 300 accounts were the same as the 2012 budget; and nothing was included in the 600 accounts other than contractual lease payments.

Mr. Clemens said he would like for members to give consideration to giving the same amount of increase to the 160 employees that end up being given to the FOP contract employees.

Mr. Barrett asked if the proposed budget had any provisions for putting back any money toward the CIP fund as was stated in the Ad Hoc Committee report. Mr. Harris said there was not; that would have to be done through a change in the Income Tax Chapter. Mr. Barrett said with all the infrastructure needs, funds were going to have to come from somewhere. Mr. Harris said a much larger percentage of the Income Tax monies would need to be placed in the CIP fund; that in order to do that there would either need to be an income tax increase, or a reduction in the income tax credit. Mr. Barrett asked, "Would it be appropriate to request from you or the Mayor, or both, a budget that would include that contribution to the CIP?"

Mr. Harris: I worked up projections for the Ad Hoc Committee of ways to fund that; I can update those, and I will include them in your packet next Friday if that would be sufficient for you.

Mayor McCloud: You can give an estimate, I think, Richard, based upon a fifty percent rollback..

Mr. Harris: A fifty percent rollback would generate, I believe, right around three million dollars a year, which would...

Mr. Barrett: Rollback? Real quick....

Mr. Harris: Okay. Instead of giving a hundred percent credit...

Mr. Barrett: Okay, credit.

Mr. Harris: ...if someone, if you would give fifty percent credit to those people would generate around three million dollars a year; if you took the credit from a hundred to zero, it would do a little over five million dollars a year. With the three million dollars a year, you would basically be looking at around two to two and a half million dollars extra going into the CIP; with the five million, you'd be looking at around four million dollars a year going into the CIP.

Mr. Barrett: And that's kinda what I'm lookin' towards you guys; is that what you need to run the city? You know, I guess, from my seat, I'm lookin' to you guys to say, 'hey, this is what we need to run the city and keep it in good shape'; can we get something like that?

Mr. Harris: I think the three million dollars would get you to the point where if you could do that, you would get reasonable, have reasonable growth in the operating budget, which we have maintained at between three and three and a half percent, which in the place like Columbus where they said a lot of times they needed six percent. So obviously I think you look at the other areas around do four, four and a half percent, so three to three and a half percent is still being very conservative. To maintain the three and a half to four million dollars in the General Fund balance, is probably a little on the low side in comparison to what other people keep in the General Fund, but I think it's still a reasonable amount to cover unanticipated shortfalls due to economic conditions and those kind of things. To spend about two to three million dollars a year in capital projects, not only on streets, but certainly some for parks and rec, buildings, building renovations, building improvements, I don't think that's an unreasonable amount; I think that gives you a good handle on making some improvements and not having to come back to Council and say 'look, we need fifteen million dollars to put underground'.

Mr. Barrett: That's real fair. So what I hear you saying is, really, that three million dollar number comes from a fifty percent rollback in the tax credit.

Mr. Harris: Um-hmm. Or a raise from one and a half to two percent on the income tax.

Mr. Barrett: So who would propose that? How do we...do we need a proposal for that from you?

Mr. Harris: You need an ordinance for it.

Mr. Clemens: I would propose it.

Mr. Barrett: Where does that come from?

Mr. Harris: I can have....our bond counsel has always prepared those kind of ordinances for a tax increase to go to the ballot.

Mr. Barrett: No, I mean for the rollback.

Mr. Harris: The rollback could just be done internally, basically, you change, I think it's 191-something, which states in there what that percentage is and then you would either change it from 100 to 50, or 100 to 0.

Mr. Barrett: So would it be reasonable to get a revised Interim Budget that would include that three million dollars....

Mr. Harris: That doesn't have anything to do with the budget; that's just a revenue thing.

Mr. Barrett: No, I'm not done yet, but, so if we had that, you know, that revised Interim Budget and then also a recommendation on what the correct rollback number would be so we could vote on that?

Mr. Harris: I can get you the language and everything for that and the projections to it. The budgets will be done on the, based on revenue projections; however, one of the things, you're talking about the operating budget now; the operating budget is not where you necessarily have the problem. The

Interim Budget before you is not necessarily the problem. The problem is the Capital Budget, which is the other thing you discussed tonight and sent forward for a first reading. That would be where this would be more meaningful. The other thing you have to remember about eliminating the tax credit, you don't see the money right away. Because people have to, who are paying this, will have to start, will have to be located, they will then have to start filing quarterly returns; if it's over a certain amount; and a lot of this money, you won't get until they pay their taxes next, in April of '14 so, you won't, it's not like, if you pass the tax increase, as soon as the tax increase is passed, then I get the next time they have a payroll, I start seeing the money.

Mr. Barrett: Well, I'm just trying to find out where it starts, to get it on the table.

Mr. Harris: If you guys want to do it, I can get the, I can arrange to have the language and stuff done, and whoever wants to propose it, can propose it as a piece of legislation.
Mrs. Kelly: If we put an income tax increase on the ballot, when would be the soonest that, that could occur?

Mr. Harris: May of, I think they've changed it back to May. It would have to be passed by Council, it has to be down ninety days prior to the May date, so that's like the first week in February.

Mr. Joseph: Yeah.

Mrs. Kelly: Okay. So if we did that the first week in February, and it went May, and then they voted on it, and it passed, when would be the earliest we would collect those funds?

Mr. Harris: July 1. It would be whatever it says in the ordinance that goes to the ballot, but it's very difficult unless you go January 1 or July 1 to figure out where the breaks are, and it's just, it's a mess.

Mrs. Kelly: Okay. You talked about that three million additional revenue. At that point, would we also look at increasing the amount that goes into our CIP from 2%, to increase that to a higher number, so that we are putting more away?

Mr. Harris: Um-hmm. Um-hmm. Yeah, there's a percentage also in 191, and I'd have to look and see what the section on that is that tells what it is; in fact, I think it's in the Interim Budget, if you look at the appropriation it'll tell you what the ordinance number is; that just has to be amended, or repealed and replaced, whichever is the correct legal term for it. To say instead of 84% going into the General Fund and 2% going to this and 14% going to CIP, it would now be based on a higher number and then you would change it, the percents accordingly to get the money to go where you want it to go.

Mr. Clemens: Yes, Dick, get the information on the fifty percent rollback, and a hundred percent rollback, and get the ordinance that we need to present to Council, and let us make the decision on how, which way we want to go, not your recommendation, I don't want a recommendation, I just want the information, and get me the information and we'll get it to Council.

Mr. Harris: I'll have it for you this week.

Mr. Long moved to send legislation to Council for the first reading; Mr. Clemens seconded; all voted "Aye".

Discussion: Refinancing of 2003 Streetscape Bonds- - -held November 5, 2012.- - - -Mr. Harris said the RFP was out, and he would like legislation passed the following week; the RFP was to be returned at ten o'clock on Wednesday (11-28-12); that the numbers would be considered and a decision made, and a bond purchase agreement would be completed with whoever is the successful bidder; that he wanted to get it closed by the end of the year. Mr. Long moved to send legislation to Council with a recommendation for adoption as an emergency. Mr. Clemens seconded. All voted "Aye".

Discussion: Refinancing of 2005 Streetscape Bonds- - -held November 5, 2012. - - - - Mr. Harris said it was the same story as the previous topic. Mr. Long moved to send legislation to Council with a recommendation for adoption as an emergency; Mr. Burd seconded; all voted "Aye".

ORDINANCE TO AMEND THE CODE OF ORDINANCES OF THE CITY OF REYNOLDSBURG, OHIO: SECTION 160.02 "AUTHORIZED POSITIONS, PERSONNEL, CLASSIFICATION AND PAY GRADE" Subsection (a) "Administrative"; Subsection (e) "Parks & Recreation Department"; and deletes SECTION 160.03 "SALARY SCHEDULE" Subsection (c) "Part Time Employee" of CHAPTER 160 EMPLOYEE COMPENSATION- - -first reading November 13, 2012.- - - -Mr. Long moved to send ordinance to Council for the second reading; Mr. Cotner seconded; all voted "Aye".

ORDINANCE TO AMEND THE CODE OF ORDINANCES OF THE CITY OF REYNOLDSBURG, OHIO: Amending Subsection (a) of Section 953.01 "Water Rate Schedule" OF CHAPTER 953 WATER CHARGES- - -first reading November 13, 2012.- - - -Mrs. Kelly asked, "I just want to clarify for myself; we talked about that the CIP fee, and I will just refer to eleven and twelve so we don't have to go back and forth, that the CIP fee that we're talking about passing on to our community members on water bills as a separate line item is to help for maintenance and repairs, projects, those types of things."

Mr. Root: Yes, the CIP is strictly projects. The fees, or the rates is operation and maintenance.

Mrs. Kelly: So the CIPs are for replacing whole lines.

Mr. Root: Yes. So we don't have to figure them in the rates. Cause right now we have to pay for that regardless, so if we said next year we're going to spend a million dollars, whether we bond it, cash, whatever, we're going to have to adjust our rates to pay for that.

Mrs. Kelly: Right now though, we're looking at, if you look at water, we'll just go with the water, we look at water, we're looking to, for a six percent increase, which is two percent over our four percent from Columbus, so Columbus is passing on a four percent increase, so we're passing on the four percent increase.

Mr. Root: Yes.

Mrs. Kelly: Help me understand if we're going to do the CIP fee for the projects, we're passing on the four percent increase, why the additional two percent, that's kind of where I'm still a little bit confused.

Mr. Root: That's for the fund balance. If you look at the estimates at the end of 2013, if we don't do that, then we're going to be a negative numbers, and I don't think you want me to bring negative numbers....

Mayor McCloud: If I can, Leslie, I think the answer, if I understand your question is, the CIP fee that is being discussed, would go toward construction projects; the two percent on top of the four is for maintenance and repair and just running the department. Was that your question?

Mrs. Kelly: It is, but then when I also look at the Water Fund that this is what you're talking about that in 2013 shows a negative balance....

Mr. Root: That is the net outcome, so we'll, they're projecting a minus 152,000, but the positive would be 64,876.

Mrs. Kelly: Right. And then in two thousand, and this is without the increase?

Mr. Root: No, that's with the increase.

Mrs. Kelly: So with the increase in 2013, we're still looking at a negative 152,000 and a positive of 64?

Mr. Root: No, that's a difference between .... that's just what's coming negative out of the fund.

Mrs. Kelly: Okay. Okay. So...

Mr. Root: Two percent's to cover stone, repair parts, vans,

Mrs. Kelly: But you told...share with me when you talked about if we didn't do the two percent, the extra two percent, that it would say, that it shows it's going to be a negative.

Mr. Root: Yes. On the last line item, the fund balance...

Mrs. Kelly: Okay. I'm not seeing a negative if we don't do the two percent.

Mr. Root: Because the two percent's figured in there at the six percent.

Mrs. Kelly: Okay. So if we only did four percent increase, and we didn't do the additional two percent...

Mr. Root: Yeah, I'd have to work the numbers on that.

Mrs. Kelly: Okay, that would be, I thought I was missing something.

Mr. Root: No.

Mrs. Kelly: Okay. So that's just...one, can you do that for me?

Mr. Root: Yes.

Mrs. Kelly: Can you work that in?

Mr. Root: Yes.

Mrs. Kelly: I'm just kind of summarizing what I think Brad just said, just to make sure I'm clear, the CIP fee - that is for projects; the two percent increase for water and the three percent above what Columbus is passing on to us, is for maintenance.

Mr. Root: Yes.

Mrs. Kelly: Okay. Are we also looking to build the fund balance in the Water Fund, in the Sewer Fund for maintenance that might not be planned for - you have extra water breaks, you have a bad winter, etc. like that. Those extra water main breaks though are not accounted for in the CIP; the CIP's just for replacing whole lines.

Mr. Root: Yes. The operating budget, with the rates, that covers main breaks, and that's why we want to keep that fund healthy, because we don't know, I mean, we don't know if a whole line's going to blow out and it's going to be an instant $500,000 $300,000 so we've got to have money in the fund to cover emergencies.

Mrs. Kelly: Okay.

Mr. Root: We don't want it to just, run it down to zero every year and have nothing to rely back on.

Mrs. Kelly: So, you'll get me both of these with just the pass-through costs from Columbus?

Mr. Root: Yes. For both?

Mrs. Kelly: Yes, please.

Mr. Root: I can do that.

Mrs. Kelly: Thank you very much.

Mr. Barrett: Just a comment. It feels like we're kind of going out of order a bit in this, and what I mean by that is, I just would feel better having the plan in place to make the repairs and to have our arms around the CIP fee and what we're going to move forward before we would go toward any rate increases. Because, I hear that the rate increase, you know, obviously we need more money to, because to pass along the costs and our added maintenance, but there's also the looming fact that we're losing a lot of our water still, because we've allowed it to degrade and not really be maintained properly.

Mr. Long: Well, the rates we're talking about here in the water and on Item number twelve coming up, those go into effect January 1; we're being charged those from Columbus.
Mr. Barrett: I understand that. I just think it'd be more appropriate to have our plan in place of how we're going to go, cause right now...

Mr. Long: But we can't put a plan in place until there is a firm revenue number and you and I have had these discussions, even with the Interim Budget, what we're showing there is the expense side of that budget itself with projections for the interim section of it. We won't know until January what revenue total we have coming from 2012, moving forward. And right now those numbers are trending up, so...

Mr. Barrett: We're talking about CIP and repairing water lines...

Mr. Long: CIP, which has its own elements as far as what we're going to be _____ with, the water rates which comes into the element as far as having contingency funds there available for doing repairs as the...

Mr. Barrett: That comes from the fees, right Mr. Harris?

Mr. Long: Yes. Yes.

Mr. Harris: Correct.

Mr. Long: Absolutely.

Mr. Barrett: I don't understand where we're going with this.

Mr. Long: Well, now, wait, no, that comes from the rates, not the fees. I think you're confusing the rates that we're, the CIP fee that was...

Mr. Barrett: Not at all. I'm specifically asking, I just, I'm beginning to think about this, that we should have a plan in place, in place, to make the repairs and essentially stop the leaks prior to going and asking for more money, even though we're passing along, I understand that. Does that make sense?

Mr. Long: No.

Mr. Clemens: The fees is a project we anticipate doing, that we have to do on our lines; we'll pick a section like they did and do that section; that's completely away from the rates. The rates are to pay what we owe Columbus plus an additional fund for the maintenance of a water line that breaks tomorrow, or the day after and things such as that, until, because we may be doing the lines in this section, and we have lines breaking in that section. Now, there's no way we can keep those lines from breaking. That's an impossibility. He doesn't know where they're going to break and I don't know where they're going to break, so they're replacing lines in Briarcliff and all at once we have lines breaking in old Reynoldsburg that have to be paid from the rates and the additional maintenance fee that we're putting on there to buy equipment to do it, to pay for the people that work for the city; that comes out of the rate increase, in the adjustment. The fee deal is completely a separate deal and that's going to be working in different sections of the city, but we're going to have lines breaking all over the city that has to be paid for, and it can't be paid for out of the fee part of it; you can't do that. So that's what it does; am I correct on how we operate on it. That's how we're going to be doing it.

Mr. Harris: Correct. I think maybe the best way to explain it is - January 1, Columbus is going to start billing us at a higher rate. At this point, I don't have the money unless you pass a rate increase; you increase the rates. I don't have enough money to pay Columbus by the end of the year, so I've got to have the money for that to pay Columbus. The repair on the lines becomes a separate issue from what I gotta pay Columbus. Does that make more sense?

Mr. Clemens: Well, not really. The fees is a completely different; the repair and the fees are completely different that what we're going to pay Columbus.

Mr. Harris: Right.

Mr. Clemens: That's why we have two separate things. The rate pays for breaks that happen someplace else and that's all there is to it, and for the people that work here, so it's...

Mr. Barrett: I apologize cause I'm probably just not making sense the way I'm articulating it, but I'll try it one more time. I totally understand about the fees and the rates; I totally understand that. As of right now, what's our plan to repair the lines, as of right now. Do we have a plan?

Mr. Long: The CIP is what we're already talking about.

Mr. Barrett: I understand that, but there's nothing, all I'm saying is if we're going to add this to their water bill, we're going to use the CIP fee, let's go ahead and ink that, let's put it in place so we can say 'hey, yeah, we're addressing the main problem' before we start charging more fees. That could be a week apart.

Mr. Long: You've got three separate pieces of legislation: you have the CIP, you have our water rates from the City of Columbus to the City of Reynoldsburg, you then have...

Mr. Barrett: Does the CIP put these fees into place?

Mr. Long: No. No. It does not. That's what I said; that is three pieces of legislation. That is simply up for discussion tonight, nothing has been introduced yet.

Mr. Barrett: And that's all I was...

Mr. Long: But this is your plan that you're talking about.

Mr. Barrett: I understand that.

Mr. Long: Okay. And we're moving it forward.
Mr. Barrett: Okay.

Mrs. Kelly: What I hear you saying is that you want to know before we say 'okay, we're going to increase your water rates' that we are assuring our constituents that there is a plan that is going to fix the water mains, that is as Dick referred to it as we're just kind of, water's getting kind of thrown out, that we're going to fix it so that eventually down the road, we can pass on a savings to our constituents because we have repaired these broken water lines.

Mr. Long said information was contained in the CIP document, which was a plan for the projects and the various years. Mr. Joseph said Council would be debating the topic(s) and making a decision on whether to proceed with it. Mr. Joseph noted that if Council did not pass the rates, the city could not pay the water bills. Mr. Long moved to send ordinance to Council for the second reading; Mr. Clemens seconded; all voted "Aye".

ORDINANCE TO AMEND THE CODE OF ORDINANCES OF THE CITY OF REYNOLDSBURG, OHIO: Amending Subsection (c) of Section 945.02 "Rate Schedule" OF CHAPTER 945 SEWER CHARGES- - -first reading November 13, 2012.- - - -Mr. Long moved to send ordinance to Council for the second reading. Mr. Cotner seconded; all voted "Aye".

ORDINANCE AUTHORIZING MAYOR TO ENTER INTO AN INTERGOVERNMENTAL WORKING AGREEMENT WITH FRANKLIN SOIL AND WATER CONSERVATION DISTRICT TO SUPPORT THE BIG WALNUT WATERSHED COORDINATOR PROGRAM ADMINISTERED BY FRANKLIN SOIL AND WATER CONSERVATION DISTRICT IN COORDINATION WITH AND SUPPORT FROM MORPC, CENTRAL OHIO GREENWAYS, AND THE STATE WATERSHED PROGRAMS WITH ODNR AND OHIO EPA; AND APPROPRIATING FUNDS THEREFOR- - -2nd rdg 11-13-12- - - -Mr. Long moved to send ordinance to Council for the third reading with recommendation for adoption; Mr. Burd seconded; all voted "Aye".

ORDINANCE AUTHORIZING ITEMS ON FIXED ASSET LIST FOR AUCTION; AND AUTHORIZING APPROPRIATION OF MONIES RECEIVED FROM SALE OF ITEMS- - -2nd rdg 11-13-12- - - -Mr. Long moved to send ordinance to Council for the third reading with a recommendation for adoption; Mr. Cotner seconded. All voted "Aye".

ORDINANCE AUTHORIZING MAYOR TO ENTER INTO CONTRACT FOR REDESIGN OF THE CITY OF REYNOLDSBURG WEB SITE- - -2nd rdg 11-13-12- - - -Mr. McGrady said, "I discussed with Mr. Harris here, my question is the same as before when, asked for clarification on the original appropriation was thirty thousand dollars plus, but there's sixteen thousand seventy-six dollars that's been already allocated for the web site. So my question is, does the initial legislation need to be amended?"

Mr. Harris: I would like to see it be passed the way it is, the reason being, initially when this was talked about there was, they were going to work on the web site; now that they're actually getting a new one, as I have to put this stuff on fixed assets and depreciate it, it's much easier to have the audit trail if you have the appropriation to do it, and all, with everything in it, to do it all at one time. The only thing you could do if you would like to is to unappropriate the sixteen thousand dollars that's currently there, being's we're now almost to the first of December, that goes away December 31st anyway, so I don't know that there's a real need to unappropriate money that's going to be, not going to be used and going to be gone in three weeks anyway.

Mr. McGrady: Okay. Finance Chair, can I defer to you for guidance on that, or stay here.

Mr. Long: Well, I understand the direction that Dick is wanting to take with this; in other words, we're undertaking a project, the city's web site, he will then be able to go ahead and specifically track from each department, the allocated and appropriated amount of money that is going to specifically the web site itself, purchase orders, project numbers, and so forth along those lines. Dick, I know you say it sounds like a bit of a cumbersome pain...

Mr. Harris: And it really is, but...

Mr. Long: Well, my point is, I don't like leaving in a miscellaneous account that can be spent; I wouldn't mind myself, unappropriating the money that is left in those accounts and passing this piece of legislation to reappropriate the money.

Mr. Harris: That's fine with me as well.

Mr. Long: Okay.

Mr. Harris: The only reason I want this appropriation to stay as it is, so I can track it. If you want to take the other sixteen thousand away, that's find, cause like I said, it's going to be gone the end of the year anyway, so it really doesn't make any difference.

Mr. Long: Does that help, Councilman McGrady?

Mr. McGrady: Thank you Councilman Long and Mr. Harris.

Mr. Long moved to send ordinance to Council for the third reading with a recommendation for adoption; Mr. Burd seconded; all voted "Aye".

ORDINANCE AUTHORIZING MAYOR TO ENTER INTO CONTRACT WITH THE DISTRICT ADVISORY COUNCIL OF THE FRANKLIN COUNTY GENERAL HEALTH DISTRICT, and FRANKLIN COUNTY PUBLIC HEALTH for HEALTH SERVICES- - -2nd rdg 11-13-12- - - -Mr. Long moved to send ordinance to Council for the third reading with a recommendation for adoption; Mr. Clemens seconded; all voted "Aye".

President Joseph to address Council in Council Chambers.- - - -Mr. Joseph said he had received a letter of resignation from Councilman Burd (letter attached as Exhibit "A"). Mr. Joseph read the letter aloud.

Mr. Burd: This was a whale of a last meeting! Just wanted to say that I appreciate working with you all; I respect you all; and I'll still be here every Monday night, I'll just be back there instead of up here, and I'm anxious to get to work full time. The Mayor agreed to let me start right away, so I'm going to start on Monday in this new position and look forward to working with each of you, just in a different capacity, and I appreciate the people of the city letting me sit up here for the last three years and I'll just be sitting up there. So I look forward to work here on a full time basis and hopefully do some good things for the city. Thank you all.

Mr. Clemens: I think it's a good choice, and I've told the Mayor this, that we have somebody that lives in Reynoldsburg; it's always been my thought, and that's the way it should be. I know that we have differences in our opinions, but I feel that you do a good job, I mean, I might have been right all the time and you didn't agree, but you know (much laughter) But anyhow, I wish you a lot of luck.

Mr. Burd: Thank you, Mel; and I'll be asking you questions in my new job too cause I know you've been there before.

Mr. Cotner: I want to echo what Mr. Clemens said of how pleased I am of Nathan taking this position and having really, someone from our community that lives, works, is going to be serving in that capacity; I think that's a big benefit of somebody that's here every day, lives it and sees it, you know, going to have their kids here, everything, raise their family - I think it's a great asset. I know you've got a great head on your shoulders and again, like Mel said, even though we didn't always agree exactly, I trusted where your heart was and I appreciate your motives and I look forward to seeing you serve in that position. So thank you.

Mr. Burd: Thank you, I appreciate that.

Mrs. Kelly: Ditto.

Mr. McGrady: Congratulations Nathan.

Mr. Long: It's been a pleasure serving with Nathan for over three years; we've worked together on a number of different campaigns and so forth, and he's made an excellent Vice Chairman of the Finance Committee. I'm looking forward to having the opportunity of working with him at the podium, and I know where your office is upstairs, so...thanks, Nathan.

Mr. Joseph: I'll just say that, about four years ago when Nathan first showed an interest in serving on Council and we had a vacancy, and we had a number of great people seeking the appointment, and Councilman Cotner received that appointment, but I was very pleased to see that Nathan sought election that same year and joined Council, because I believe he's been an outstanding Councilmember for the city. He brings a perspective from a lot of different things he's done in life and I had made the comment earlier this year when he was seeking to join the Ohio House of Representatives, that the State of Ohio's gain would be our loss. Well, as it turns out, it may be the loss for Reynoldsburg City Council, but the city and the citizens of Reynoldsburg will still be benefitting from his knowledge and expertise, so I thank you Nathan for the years you've been on Council and look forward to working with you in your new role.

That brings us to something else we have to address and that is official notice for the process for filling Mr. Burd's seat on Council, and according to Reynoldsburg City Charter, Section 3.11, Vacancies in the Council shall be filled by a majority vote of the members of Council by appointment of a qualified person to serve the remainder of the unexpired term of office except as otherwise provided in this Charter. The letter of resignation is effective tomorrow, November 20^{th}; I would like to set November 30^{th} as our cutoff date for electors from the City of Reynoldsburg, that means registered voters, any registered voter may apply, seeking the appointment to the vacancy. Again, that would be ten days effective from tomorrow, so November 30^{th}; and that could include, the application could include a cover letter, resume or any other documents or materials that applicants feel important to submit, and all these materials must be in the Council office by November 30^{th}. That can either be delivered in person, or it can be mailed, attention Clerk of Council Nancy Frazier, Reynoldsburg City Council, 7232 E. Main

Street, Reynoldsburg, Ohio 43068. Furthermore, I'd like to set a target date of December 10th as the date Council fills the vacancy; that'd be ten days from the point of the cutoff for the applications; that will give Council time to review the information, speak with the applicants, and it also would precede probably our final Council meeting by a week, which will be quite lengthy most likely, it usually is, and we can complete the appointment process on that date with an effective date of January 1st. So we could have a full complement of Councilmembers in place come day one; we'll be jumping right into the budget and a lot of other issues, so I think it's important we have a full complement of Councilmembers ready to go day one in January.

Meeting adjourned at 8:55 p.m.

Finance Committee
- - -Nancy C. Frazier, Clerk of Council
November 19, 2012