



City of Powell, Ohio
City Council

MEETING MINUTES

June 4, 2018

CALL TO ORDER/ROLL CALL

A regular meeting of Powell City Council was called to order by Mayor Jon C. Bennehoof on Monday, June 4, 2018 at 6:30 p.m. City Council members present included Jon C. Bennehoof, Tom Counts, Brendan Newcomb, Melissa Riggins and Daniel Swartwout. Frank Bertone and Brian Lorenz were absent. Also present were Steve Lutz, City Manager; Frank Reed, Legal Counsel; Debra Miller, Finance Director; Jessica Marquez, Assistant Finance Director; Karen J. Mitchell, City Clerk; and interested parties.

EXECUTIVE SESSION: O.R.C. SECTION 121.22(G)(1) PERSONNEL MATTERS and (3) IMMINENT OR PENDING LITIGATION.

MOTION: Councilman Counts moved at 6:33 p.m. to adjourn into Executive Session pursuant to O.R.C. Section 121.22(G)(1) Personnel Matters and Section 121.22(G)(3) Pending or Imminent Litigation. Councilman Swartwout seconded the motion.

VOTE: Y 5 N 0

MOTION: Councilman Counts moved at 7:31 p.m. to adjourn from Executive Session into Open Session. Councilman Swartwout seconded the motion.

VOTE: Y 5 N 0

OPEN SESSION

PLEDGE OF ALLEGIANCE

CITIZEN PARTICIPATION

Mayor Bennehoof opened the citizen participation session for items not included on the agenda. Hearing none, he closed the public comment session.

APPROVAL OF MINUTES – May 15, 2018

MOTION: Councilman Counts moved to adopt the minutes of May 15, 2018. Councilman Swartwout seconded the motion. By unanimous consent of the remaining members of Council, the minutes were approved.

RESOLUTION 2018-06: A RESOLUTION TO ESTABLISH THE ESTIMATED REVENUES FOR THE CITY OF POWELL FOR THE FISCAL YEAR ENDING DECEMBER 31, 2019. (EX. A)

Debra Miller, Finance Director: Exhibit A is the annual start to the 2019 budget. We take the projected revenues and expenditures that we did in our 2018 budget, plop those numbers in, making no adjustments, vote on it at Council, send it to the Delaware County Budget Commission and it tells them that we want our annual property tax millage set up. That is going to give us our 1.2 general operating mills. They will calculate what our outstanding principal and interest debt payment is for the voted property tax. You will see what those numbers are in September. Again, you will vote on it and send it back to the Budget Commission.

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

MOTION: Councilman Counts moved to adopt Resolution 2018-06. Councilman Newcomb seconded the motion. By unanimous consent of the remaining members, Resolution 2018-06 was adopted.

VOTE: Y: 5 N: 0

FIRST READING: ORDINANCE 2018-22: AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOTES IN THE AMOUNT OF NOT TO EXCEED \$2,330,000 IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF (I) DESIGNING, ENGINEERING, CONSTRUCTING AND RECONSTRUCTING VARIOUS ROAD IMPROVEMENTS, WITH RELATED SITE IMPROVEMENTS AND APPURTENANCES THERETO; (II) DESIGNING, ENGINEERING, CONSTRUCTING AND RECONSTRUCTING VARIOUS WATER IMPROVEMENTS, WITH RELATED SITE IMPROVEMENTS AND APPURTENANCES THERETO; (III) DESIGNING, ENGINEERING, CONSTRUCTING AND RECONSTRUCTING VARIOUS SEWER IMPROVEMENTS, WITH RELATED SITE IMPROVEMENTS AND APPURTENANCES THERETO; AND (IV) CONSTRUCTING, IMPROVING AND RECONSTRUCTING VARIOUS IMPROVEMENTS TO PARKS AND RECREATION FACILITIES AND LANDS, WITH RELATED SITE IMPROVEMENTS AND APPURTENANCES THERETO; AND RETIRING NOTES PREVIOUSLY ISSUED FOR SUCH PURPOSE, AND APPROVING RELATED MATTERS IN CONNECTION WITH THE ISSUANCE OF THE NOTES.

Steve Lutz, City Manager: Tonight is the first of two readings for this proposed ordinance which was reviewed by the City's Finance Committee. It is in regard to the 2016 TIF which was created on Sawmill Parkway and Seldom Seen Road as part of the Powell Grand development. At that time, approximately \$2,280,000 worth of public improvements were to be made, which would include a northbound turn lane, traffic signal, Bunker Lane improvements, and a million dollars for the construction of Seldom Seen Park.

The TIF is set up so the revenues come in over a period of time. That is why, either short term or long term, financing has to be used.

Tonight we have Mark Miller here. Mark is the principal and director of the Columbus office for Umbaugh. Umbaugh is the City's financial advisor. At this point, I will turn it over to Mark to give a little background about what a financial advisor does and our specific refinancing on this issue.

There are two ways for funding this: notes, which can be issued up to twelve months and rolled over, or longer term financing which would be a bond.

Mrs. Miller: I would also add that Steve, Jessica [Marquez, Assistant Finance Director] and I meet with Umbaugh several times a year to discuss our upcoming debt and the options, interest rate scenarios, etc., so there is a lot of background information that we receive before we make these decisions and bring them to you.

Mark Miller, Umbaugh: We have been the municipal advisor for the City for a number of years. As municipal advisor, we sit on the side of the table with the City. We have a fiduciary responsibility to you in order to put your interest ahead of our own and the underwriters. Umbaugh is actually a CPA firm that also does municipal advisory work and are one of only a few in the nation that has that CPA designation. In a lot of respects, we are held to a higher standard than a lot other organizations. ([Exhibit 1 – PPT presentation](#))

Historical Perspective: As Steve mentioned, the Powell Grand TIF was created 2016. The City agreed to provide approximately \$2.8 million dollars of public infrastructure improvements. In 2016, the City issued a \$1.4 million dollar various purpose note that had a coupon rate of about 2% and yield maturity of roughly 90 basis points at .9%.

In 2017, those 2016 notes were rolled into 2017 notes. In other words, the proceeds from the 2017 transactions were used to pay the principal and interest due on the 2016 notes, but it was also augmented by the amount of additional funds, roughly \$800,000, in order to provide the full funding. No principal pay down was done at that point in time. The notes that were issued had a 2.5% coupon rate and that point in time a yield maturity of roughly 1.2% points.

Mrs. Miller: For those who were not on Council at the time, we needed to spend \$2.2 million, but we didn't need to spend it all at that point, so we didn't issue the full amount. We only issued what we needed to spend at the time, or the \$1.4 million dollars. By the time we got to 2017, we needed the ability to spend the entire amount. That is why it was the entire amount we needed plus the interest we had to pay for the 2016 [Series] that also had to be added to the note issuance.

Councilman Counts: Can one of you explain why we would roll over the interest or what the purpose of that is, why the numbers continue to get larger in terms of the issuance of the note?

Mr. Miller: I didn't know whether the City did not want to initially use/forward its own money, but then simply roll it into the financing.

Councilman Counts: Ultimately it's the TIF that's going to be paying for this and for us to pay the interest, it would be coming out of our own pocket.

Mrs. Miller: We could have advanced it from the General Fund and paid it, but then we would have also been dealing with adding another layer of complexity, so we just didn't add that additional layer and rolled the interest into the 2017 note.

Mayor Bennehoof: Was that the expedient and fiscally conservative thing to do?

Mr. Miller: Yes.

Now we find ourselves in 2018 and ask ourselves what is the appropriate fiscal, responsible thing to do at this point in time? We need to redeem or take out the series 2017 notes and we can do that one of two ways: we can either roll notes again for another one-year period or we can issue long-term bonds out to about 2048. Two things to consider: we are in a historically low interest rate environment so now may be a good time to issue bonds and do away with interest rate risk – that risk being that if we delay a year to issue bonds, rates are going to go up. So we can issue long term bonds today, lock in long term interest rates, or we can go notes again. At this point in time, the TIF payments have not been certified and are not set in stone. So we weigh the risk of either rising interest rates risk or the risk of not knowing what our repayment source will be and structure the bonds. Right now, for the bond issue, the projected debt service would be about \$131,000 per year. If the payments, when they are certified, come in and there's a miss, it would more than likely have to come out of the City's General Fund. So our recommendation would be to roll notes one more year and then bond out next year provided that we know that the TIF payments have been steady, the TIF payments are known and therefore, we can structure the longer term bond issue around that known payment structure.

Mayor Bennehoof: Is there trepidation by the bond issuers, since we don't have all the TIF coming in and it isn't certified yet, that they wouldn't want to take those bonds?

Mr. Miller: It's the City's decision whether or not to roll the notes or issue the bonds. The bonds will be backed by the City's general obligation pledge. So from a bondholder perspective, it would be viewed as a secured transaction knowing that the City is going to step in and use its General Fund to repay any shortfall in those TIF payments.

Mayor Bennehoof: And we would have lower interest rates for a longer period of time if we did Option A?

Mr. Miller: Perhaps, but maybe not. Nobody knows where interest rates are going to be in the future. The expectation would be that rates may go up. But one thing worthwhile to mention is that when the Fed raises interest rates they really only have control over the short end of the curve. So what we are finding is that the short term rates are going up, but longer term rates are not going up as much at this point in time.

Councilman Counts: Isn't one of the other issues that we have - because we could issue a general obligation bond at this point for a couple of years out, but that is our credit here, and at some point we know that there will be sufficient revenues in that TIF in order to make the payment? We're using our capacity for this TIF, if we were to go out further...We want to have a little more flexibility, is my point, and that's the reason to use a note at this point in the process.

Mr. Miller: Yes. What your note really buys is time in order to have the TIF payments solidified and then structure the bond issue appropriately around those known repayments as opposed to today, taking somewhat of an educated guess as to what the repayment source will be.

Mrs. Miller: We are locked into that debt payment with the bond for 10 years so the City will have to live with the shortfall for 10 years until it can be refinanced.

Mr. Miller: Once that structure is put in place – that long-term bond structure - that's locked in. If we wait a year, that gives us a chance to know what the repayment stream will be. Also, say that next year there is a really strong TIF repayment stream. It would be better to shorten the final maturity on the long end – so right now we are looking at maybe 30-some odd years going out to 2040-2048 – if we can shorten that by a year or two on the back end and achieve that interest rate savings, that would provide significant cost savings then it would be to try to do something on the front end.

One of the questions raised in an email was what if we look at shorter costs? In the municipal market, a common call feature – and what I mean is you being the issuer – typical municipal securities have what we refer to as a 10 year call, meaning you have the ability to call or redeem those bonds from the open market after 10 years. Due to the recent tax law changes that went into effect, a lot of issuers are shortening up that call to anywhere from 5 to 10 years and issuing those bonds with a shorter call feature. There's a cost to doing that. For instance, we worked on a transaction for Franklin County – just priced it two weeks ago. It was a \$250 million dollar deal. It was the first time the county has issued sales tax back bonds. Great reception in the marketplace. Had over a billion dollars' worth of orders. There was that kind of reception for a \$250 million dollar offering. We analyzed a five year call, six year call, seven, eight and nine year call. The difference in price, with ten year used as the basis, for a 9 year call it had an additional seven basis points, or .07% of costs. For an 8 year, there was an additional 13 basis points; for seven years, an additional 24; six years, 37; for five years, 50 basis points. So that is the cost - real dollars for issuing that shorter call because investors really want that call protection – they want to know that their bonds aren't going to be called for ten years. So during the analysis in analyzing that incremental cost, Franklin County decided to stay with the 10 year call. In speaking to the underwriter, Bank of America-Merrill Lynch, they said there is a lot of Ohio paper being issued right now with shorter calls and that investors really want that longer call and, therefore, really had a big appetite for the 10 year call. So many of the things you hear on the marketplace on shorter calls are a result of people not doing the quantitative analysis to see what that real cost is to issuers.

We are also looking at a deal for Columbus State Community College and did a similar type of analysis. It came back to the same decision point that a ten year call makes more sense. Unless it's a situation whereby you are willing to pay that additional cost in order to call those bonds early and do some sort of structural type of analysis, it just doesn't make economic sense right now to structure those bonds for the short maturity.

Those are some of the configurations that are taking place in the market place right now. I think issuing your bonds in a normal fashion, having a ten year call [is the way to go].

Councilman Counts: In a sense, it's a bit of a Rubik's cube: if you change one thing and suddenly something else changes. So your recommendation is everything else being equal, this is probably the best for the City, which is just to renew it for a year.

Mr. Miller: Yes. And to give you the order of magnitude, at the value of one basis point for a note issue right now is about \$230. For bonds it is going to be about \$2,000, so there's a lot of room to be made up.

Councilman Newcomb: What needs to be stabilized with the TIF payments?

Mrs. Miller: It's a multi-step process. After we approved the TIF, it goes to Delaware County and they send it on to the state. The state can take as long as they want to approve it and they did [take a long time]. The State of Ohio finally approved our Seldom Seen TIF in in March-April. They could have done it 18 months ago, but they didn't. So because of the time it took in getting the State's approval, it missed the first distribution of property taxes in March. The second distribution of our property taxes come in August after this date. It is possible we might get some or all of our money in August, but it's after the issuance date and it is after we actually have to go out to bid. As a consequence, we won't know exactly how much of the money we will get. I assume we are going to get some, but with it being the second payment and being a retro, it's very possible that we won't get all of the retro because it might take too much money from the other entities and Delaware County won't allow us to do that. That means that the rest of the money that we're due might come

in March of 2019. That's the timing delay and we may not have all the information by August. In a perfect world this would have been due in September or October, but it's not.

There is a department in the State of Ohio that approves TIFs and it can take a long time. Our first TIF, the downtown TIF, got approved in 2005 but we didn't get the first monies until 2010. On the other hand, the Sawmill TIF was very speedy. I think we got it within 18 months.

Councilman Newcomb: So in the meantime, where does the property taxes go?

Mrs. Miller: The property taxes are allocated as if there's no TIF at this point. What they will do is every single entity, except for the ones we've exempted, will have a little portion taken back from them because it's been over allocated during this time period.

Councilman Counts: So we will ultimately get our money, but it takes some time. [Mrs. Miller: Yes.] And the properties subject to the TIF have been assessed, we know what the base is, we know what the current valuation is, so we know what the difference is and what the revenue should be, we just haven't gotten it.

Mrs. Miller: We used old property taxes as our analysis so I don't know where the exact [is]. So while we estimate \$130, it might end up being different because of the valuation. It will be in the ballpark, but when you are looking at that small of a number, that does make a big difference when you are making your principal and interest payment. I liken it to getting a new job. You know what your salary will be, but you don't know what the tax withholdings will be, so you don't know what your net payment is going to be. It would be really difficult to get a mortgage if you don't know what you're going to be taking home each week.

Mr. Miller: If we knew today what those repayment funds were going to be, we would be recommending doing the bonds. But again, with that uncertainty...[Councilman Counts: And that could be next year.] Exactly.

Then one might ask the question, can we do a six-month note? That is not a common marketplace configuration. The market is more accepting of one year and if you did something shorter than that, the cost would be out of line.

Short Term Interest Rates: MIG is the highest rated Moody's rating for one year paper. As you can see, short term rates have been up – once in December and again earlier this year. Over the last couple of weeks, the rates have come down a bit. There is an expectation that rates may have one or two more movements this year. Right now the market believes that on June 13th, there's an 86% expectation that rates may rise .25% or 25 basis points. When the Fed meets in August, right now the expectation is no movement, but then in September there is a belief that rates may go up another 25 basis points, and December is uncertain.

Long term interest rates: This is the Bond Buyer Index for 20 year GO bonds. The reason we use 20 years is because the average life of the bond issue that's being contemplated is roughly 18.6 years. You can see what's happened to this interest rate curve. What is interesting is that in December 2016, the index was at 3.78%. In December 2017, the rate dropped to 3.44%, but yet today it is back at 3.78%. So there has been movement there, but not a large amount of interest rate increases as there has been on the short end because that's what the bid controls. We refer to that as the yield curve is flattening.

Plan of Finance: The Series 2018 various purpose notes will be used to redeem the Series 2017 notes around August 2nd after their maturity. The Series 2018 notes will have a one year maturity with a general obligation security pledge which is the most secure pledge that can be assigned; however the primary repayment source is expected to be the TIF payments. Using today's information, we expect a coupon rate of 2.7% and a yield maturity of roughly 2%. We are estimating a 30 basis point spread, which is a very good spread, and similar to the spread of the last few years.

Next Steps: Council approves the Note Ordinance and the City determines the best method of sale – negotiated or competitive. In a negotiated sale, the City hires an underwriter to go out and sell the Notes or the Notes can be sold in a competitive situation. The 2016 and 2017 notes were both done on a competitive

basis where the City and Umbaugh put together a bid statement and sent that out to perspective investors. We then took those bids and selected the best and most responsive bid.

In a negotiated sale, you hire an underwriting firm and they find the buyers and bid. If the rates are not such that we think are the appropriate market level rate, then often times the underwriter will purchase those securities at what we believe to be the appropriate rate, take those notes into their inventory and sell them out of their inventory as they are able to do so.

Right now because of the tax law, there has really been a backup in terms of banks, because their corporate tax rates have been reduced, where they're not bidding on them as much because they are not as advantageous to them. We will have more discovery over the next couple of weeks and will work with City staff to determine what the appropriate sale is. If we decide it is a competitive sale, then we may want to go through an RFP process to select an underwriter. We will look at the market and see what type of sale structure will achieve the lowest costs of funds for the City and make that recommendation.

Mayor Bennehoof: How did we do, performance-wise, on a competitive bid last time?

Mr. Miller: You did well. In 2016, we had around 5 or 6 bids. In 2017, you had 3 or 4 bids. We did another deal about 3-4 weeks ago and just had 3 bids that were relatively tight. The number of bids are coming down. Last year, the SEC instituted a new rule whereby for certain competitive sales and others, there has to be at least 3 bids. So we are anxious to see what happens with these upcoming transactions to see if we can at least have three bids. Otherwise, if we do not get three bids, you may need to go through another sale method, perhaps a negotiated sale.

Mayor Bennehoof: If we got 3 or 4 bids and satisfied that requirement, but didn't like the bids, can we refuse or renegotiate?

Mr. Miller: Yes. Leading up to the sale date we will be canvassing potential investors to see if they are going to bid and at what levels they believe they are going to bid. If we believe those levels are not sufficient and not indicative of the strength of Powell, then we can cut the cord then and look at Plan B.

Interest rates would be set on or about July 18, close the 2018 series on August 2nd, and redeem the 2017 series on August 8th when it matures. In August 2019, we would do the bond issue and use the proceeds from the bond issue to redeem this year's notes.

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

Councilman Counts: I would like to mention that we did review this at Finance Committee and the Finance Committee is recommending that we do this.

Ordinance 2018-22 was taken to a second reading.

FIRST READING: ORDINANCE 2018-23: AN ORDINANCE MODIFYING APPROPRIATIONS FOR THE CALENDAR YEAR 2018. (EX. A)

Mr. Lutz: I talked to our Law Director, Mr. Hollins, about where we were on our court cases to see if we had sufficient money appropriated and ready to pay those bills. We had just received our April bills when I talked to him. That brought my available balance to about \$2,000-3,000 for the rest of the year. I'm sure that this is not going to be sufficient to pay for fees for defending the court cases. So I talked to Mr. Hollins about what kind of activity he thought he would see over the summer. Mr. Hollins feels that all of the court cases will have a lot of time involved in them over the summer. Using that as my basis, I made a guess of \$75,000 hoping that this will get us through the rest of year on our court cases. Some of the \$75,000 is for one case CORMA will be reimbursing us for so part of this will be reimbursed to the City.

Councilman Newcomb: So we are paid through April?

Mrs. Miller: We were paid through April activity. I won't get the May invoices until mid to late June.

Councilman Counts: I would presume that legal expenses are one of the hardest things to predict from year to year, is that accurate? Can you tell us over the last several years if it has been somewhat of a yo-yo?

Mrs. Miller: A yo-yo is a perfect term for it because not only are we trying to balance the court cases, we have our normal legal matters as well for Human Resources, or general development, etc., so I have to reserve monies for that as well. It's been a guessing game.

Councilman Counts: And in years past, we probably have spent more and some years less than what we are talking about now.

Mrs. Miller: At this point, we are less than we've spent in the last couple of years. Just as a reminder, just because you're appropriated, if it's not spent at the end of the year, it rolls back into the General Fund balance.

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

MOTION: Councilman Counts moved to suspend the rules regarding Ordinance 2018-23. Councilman Swartwout seconded the motion.

VOTE: Y: 3 N: 2 (Newcomb, Riggins)

The Motion fails and Ordinance 2018-23 was taken to a second reading.

FIRST READING: ORDINANCE 2018-24: AN ORDINANCE AMENDING SECTION 1315.01 OF THE CODIFIED ORDINANCES REGARDING THE RESIDENTIAL CODE OF THE CITY OF POWELL.

Mr. Lutz: What Council is considering tonight is found under Section 1, item C. Council has already adopted A and B in previous years. What's being considered is the radon controlled methods of the International Residential Code. This item has been studied over the last several months by the Operations Committee. It was an initiative brought forward by Brendan [Newcomb] to encourage the City to look at requiring new residential and commercial construction to have radon detection. Once I go through this Ordinance, I will allow Brendan to talk a little bit about radon and why it was brought forward.

There are a few communities in Central Ohio that do require new residential construction to have radon detection that includes Dublin, Pickerington, and Union County. Radon mitigation is a penetration of the basement slab with a pipe to allow gas to escape. It's nothing more than a 3 inch PVC pipe that goes through the walls and penetrates the roof. That's called a passive system. Under the International Residential Code, it will also have a 110 electrical outlet near the top where in the future a resident can install a fan or blower, if they so desire, which makes it into an active system. The cost to a homebuilder to install this is about \$1,000. This Ordinance enacts the International Residential Code by reference. We did this with the swimming pools last year instead of having our codified Ordinances filled with regulations which become outdated. This just referenced the code.

Councilman Newcomb: Initially this came out in an article I read in the Columbus Dispatch and was about two women and their oncologist down at the Ohio State Medical Center. And they simply – the number one cause of lung cancer for people who don't smoke is radon. And why radon here? Well, it's a natural occurring gas that comes from what we are basically sitting on here in Central Ohio and that's granite and shale. And in your exposure to it, it can cause lung cancer. If you smoke, it's actually an accelerant for lung cancer.

So this is a system that the builders would put in. A lot of people now are putting the system in after the fact. We are limiting this to just new builds. I know for my own home, we got our own home tested and it came up to a 17. They recommend that anything over 4 you install this radon system. So we came up with 17, we installed the system and we tested again, and was less than 1, and we have about nine in the house. But I think people here in Central Ohio, people test their home for radon are going to come up with a number that's in excess of 4 and it kind of nips it in the bud.

By putting it into a new build it's less expensive for the builder. I actually - I think a system that you put in after the fact will cost about - anywhere from - about a \$1,000. I think it will be less for a builder to actually put this additional pipe in initially. We are recommending a passive system. If you test your home and you're in excess of 4, you can go in and you can make it an active system but that cost would be up to the homeowner at that point. That's basically where this is coming from.

Councilman Counts: Am I correct that it really deals with basement living space? That you're not putting it on the first floor or the second floor. It's not the issue that it is if you spend your time in the basement because that's where the radon is.

Councilman Newcomb: It's more likely. I mean it's coming from the ground, so anything close to the ground and there's where they test it and that's where the radon system is placed. But you can go room to room in a house and come up with different numbers. [Mr. Lutz: And it can be high one day, it can be low the next day.] It also depends on the season. If you test in the winter, the number will be higher in the winter because your windows are closed. There's not as much ventilation. But it would be true that probably the highest numbers would occur would be in the basement and close to the ground.

Councilman Counts: So it's a result of having tight houses?

Councilman Newcomb: Partly.

Councilman Swartwout: This is the exact same regulations that were adopted by Dublin, Pickerington, and Union County?

Mr. Lutz: They would have referenced it by code, so yes.

Councilman Swartwout: They didn't all individualize it, they all went by this?

Mr. Lutz: I don't know if they did it by reference or actually implemented it by adding the actual language in their codes. In the housing industry, that's the standard. This item was discussed in Operations Committee and was recommended unanimously.

Mayor Bennehoof: Radon is a heavy gas, so it would be found in the basement and less likely in other rooms. It will get circulated in any ventilation as I understand. I also know that radon mitigation systems I have seen, all of which are post purchase, come out of the basement and up the side of the house rather than through the house. I believe it would be far less than a \$1,000 to plant a piece of PVC and run it up through the roof, but I'd like to have a builder tell me that before I sign up for this.

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

Ordinance 2018-24 was taken to a second reading.

FIRST READING: [ORDINANCE 2018-25](#): AN ORDINANCE MODIFYING APPROPRIATIONS FOR THE CALENDAR YEAR 2018. ([EX. A](#))

Mrs. Miller: This is actually two separate items for the Parks & Rec Department. On the second line is the Parks & Rec programming from operating expenditures. All of the summer classes are full and doing well. It's one of the things we budget a little low, not to the cap, when we do their budget for the revenues. So for them to continue for the rest of the summer with these full classes, they need an additional appropriation. They've already brought the revenue in so we are asking for an additional \$20,000 appropriation for them to spend.

The second item is Powell Festival. We've got the revenues that have been pledged and are coming in and we started at \$100,000 and we would be bringing the appropriation to \$120,000.

Jessica Marquez, Assistant Finance Director: Right now, we are looking at \$115,000 and \$120,000 between

pledges and vendors coming in and that does not include sales from the festival. Last year even with the rain out on Friday, it was around \$30,000.00.

Ms. Miller: So we are bringing their appropriations from \$100,000 to \$120,000 for them to be spending on the festival. This one would actually be something that we would need to have approved tonight so they can continue to work on the Powell Festival.

Mayor Bennehoof: Powell Festival and the Parks & Rec programs are very popular and this is evidence of that. These are very highly sought programs and I'm thrilled that our City's able to make these things happen. They are part of the hallmark of the City of Powell and I'm proud to say we are associated with these programs.

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

MOTION: Councilman Counts moved to suspend the rules regarding Ordinance 2018-25. Councilman Swartwout seconded the motion.

VOTE: Y: 5 N: 0

MOTION: Councilman Counts moved to adopt Ordinance 2018-25. Councilman Newcomb seconded the motion.

VOTE: Y: 5 N: 0

COMMITTEE REPORTS

Development Committee: Next Meeting: June 19, 2018, 6:30 p.m.

Finance Committee: Next Meeting: June 12, 2018, 7:00 p.m. We have a very long agenda. We have our auditors, a developer who wants to talk to Finance, and several other items for the budget calendar of 2019.

Operations Committee: Next Meeting: June 19, 2018, 6:30 p.m.

Planning & Zoning Commission: Next Meeting: June 13, 2018, 7:00 p.m. The P&Z has completed their Spring recess and they have an active agenda on the 13th. There will be a sketch plan for a proposed development on the northwest corner of Home & Steitz Roads. That developer is meeting with residents tonight to discuss this proposal with them. Verona is looking to have Phase III approved which would open up a road in Verona and connect to Seldom Seen Road so there will be access from both the north and south. There is a proposed Final Development Plan of four two-unit residential buildings at the corner Zion Drive & Sawmill Road. There will be a sketch plan for a proposed development along N. Liberty Street and Carriage Road for a proposed condo development. Recreation Outlets has a monument sign for consideration, and the P&Z Commission has completed interviewing applicants for the Architectural Advisor position and will be making a recommendation to City Council.

Powell CIC: Next Meeting: Next Meeting, TBD

CITY MANAGER'S REPORT

There was none.

OTHER COUNCIL MATTERS

Mr. Lutz: In your packets you received a Notice from Liquor Control indicating that the former Old Bag of Nails Restaurants will be taken over by Monte Carlo Italian Restaurant and they have requested a liquor permit transfer. We don't have to do anything unless we want a hearing. [Council did not request a hearing].

There was also a Delco water main break in Wolf Commerce Park, south of Adventure Park today. The tenants at Wolf Commerce Park and Adventure Park have a boil order for 24 hours.

Mayor Bennehoof: I was able to attend the dedication of the Scribner Pump Station for Delco water last week. It's a very nice and expensive facility because they had to bore through a lot of bedrock to accomplish the mission, but it's a properly placed pumping station to supply Delco with a secondary source. They pump it up to Home Road. They had a demonstration of cleaning the filter. They blast compressed air out through the pipe and it creates four to five feet of water bursting up out of the generally placid Scioto River. It was a pretty impressive demonstration.

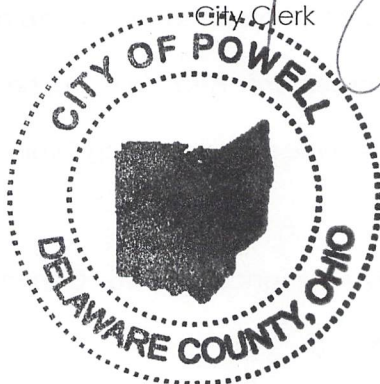
ADJOURNMENT

MOTION: Councilman Counts moved to adjourn the meeting at 8:35 p.m. Councilman Swartwout seconded the motion. By unanimous consent of the remaining members, the meeting was adjourned.

MINUTES APPROVED: June 19, 2018

Jon C. Bennehoof 6/22/2018 Date
Jon C. Bennehoof
Mayor

Karen J. Mitchell 6/25/2018 Date
Karen J. Mitchell
City Clerk



City Council

Jon C. Bennehoof, Mayor
Frank Bertone Tom Counts Brian Lorenz Brendan Newcomb Melissa Riggins Daniel Swartwout