



**CITY COUNCIL
MEETING MINUTES
June 4, 2019**

CALL TO ORDER/ROLL CALL

A regular meeting of Powell City Council was called to order by Mayor Jon C. Bennehoof on Tuesday, June 4, 2019 at 7:33 p.m. City Council members present included Jon C. Bennehoof, Tom Counts, Melissa Riggins, and Daniel Swartwout. Frank Bertone, Brian Lorenz, and Brendan Newcomb were absent. Also present were Steve Lutz, City Manager; Eugene Hollins, Law Director; Megan Canavan, Communications Director; Debra Miller, Finance Director; Karen J. Mitchell, City Clerk; and interested parties.

PLEDGE OF ALLEGIANCE

CITIZEN PARTICIPATION

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

APPROVAL OF MINUTES – May 21, 2019

MOTION: Councilman Swartwout made one correction to the minutes. Councilman Counts moved to approve the minutes of May 21, 2019 as amended. Councilman Swartwout seconded the motion. By unanimous consent of the remaining members, the minutes were adopted as amended.

RESOLUTION 2019-06: A RESOLUTION TO ADOPT AN AMENDED CITY OF POWELL POST-ISSUANCE COMPLIANCE POLICY. ([EX. A](#))

Debra Miller, Finance Director: When the City is bringing adjustments to a policy; normally it is because it is best practices. However, these amendments are from the Municipal Securities Rulemaking Board. They are recommending these changes. We had this policy reviewed at least twice at the Finance Committee and by our Bond Counsel, Matt Stout.

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

MOTION: Councilman Counts moved to adopt Resolution 2019-06. Councilman Swartwout seconded the motion.

VOTE: Y 4 N 0

RESOLUTION 2019-07: A RESOLUTION TO ESTABLISH THE ESTIMATED REVENUES FOR THE CITY OF POWELL FOR THE FISCAL YEAR ENDING DECEMBER 31, 2020. ([EX. A](#))

Mrs. Miller: This Resolution is the beginning of putting together the 2020 tax levy. The adoption of this Resolution is the first step. It would then go to the Delaware County Board of Commissions who review it and pass it in August, setting the levy. In September, you will have that levy in front of you to approve by

September 30th. That is the natural process to get your property tax millage on for next year. The numbers you are seeing are straight out of your 2019 budget book for what we projected for your 2020 revenues. We keep them as-is as our beginning numbers and we will revise them when we are doing the 2020 budget process.

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

MOTION: Councilman Counts moved to adopt Resolution 2019-07. Councilman Swartwout seconded the motion.

VOTE: Y 4 N 0

SECOND READING: ORDINANCE 2019-20: AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,460,000 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 RETIRING NOTES PREVIOUSLY ISSUED FOR SUCH PURPOSE, AND APPROVING RELATED MATTERS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

Mrs. Miller: As was discussed at the last Council meeting, this allows us to go out to the market with our notes we borrowed in 2016 and make a long-term payment plan for it instead of rolling them each year as we waited for the revenue source. These are being funded by the Seldom Seen TIF funds that we just received the first payment in 2019. After it is approved, there is a 30-day referendum period. Once that expires, we will do the pricing and go out into the market. Matt Stout and Brian Cooper are here to answer any detailed questions.

Mr. Lutz: At the last Council meeting, there was discussion about two paths that the City could take: competitive sale or a negotiated sale. Included in your packet was information Brian provided us talking about the time to make that decision, which would be now.

Mayor Bennehoof: We would rely heavily on counsel. I recall that [at the last Council meeting], Frank [Bertone] made a detailed dissertation about the pros and cons of each option and for which I think we all appreciated.

Matt Stout, Esq., Bricker & Eckler: In terms of the financing, this is a refunding that dates back to 2016. It started at about \$1.5 million and, via projects, has been increased. While it is being paid by the TIF funds, it is being secured by the General Obligation pledge of the City. That is what the security is for, the obligation when investors buy it. We are going into long-term debt at this point in time to lock in interest rates.

In terms of negotiated versus competitive, it is really a Brian Cooper question. I can offer my insight – I have been doing this for 20 years. I think both are great alternatives. Sometimes people think they will get a lower rate with a competitive deal, but the reality is that in a negotiated deal the underwriters have your best interest in mind.

Mrs. Miller: The City has done both at different times.

Brian Cooper, Director, Baker Tilly Municipal Advisor: When we met with Finance Committee we recommended a competitive sale based on the finances of the City; the security structure of the bonds being a limited tax general obligation, which is very well known in the market; the high credit rating of the City, being Triple A by Standard & Poors; and the market rates are currently very low. There is very little volume for Ohio paper so the demand for Ohio paper is very high. What I relayed to the Finance Committee when we met and if I were the Finance Director, I would recommend a competitive sale. But to Matt Stout's point, you will be well served with either choice.

Councilman Counts: And nothing has changed since the Finance Committee?

Mr. Cooper: No.

Councilman Counts: Is there anything that could potentially happen?

Mr. Cooper: The beauty of making a decision, and the way the Ordinance is written, is we have the flexibility to change paths. My suggestion would be to move forward with the plan as recommended to Finance Committee. If something in the market happens that warrants a change, we would make the recommendation without second-guessing to move to a different sales structure, such as a negotiated deal. We can do that relatively quickly.

Mayor Bennehoof: I imagine that once all the legal holds are met that it closes quickly.

Mr. Cooper: So the process from here on out is the adoption of the Ordinance and the 30-day referendum period. During that time, we will finalize the preliminary official statement, which Mr. Stout circulated to the working group and is the primary disclosure document to investors. We will meet with the rating agency to discuss the City's finances and get a credit rating from them. Once that 30-day referendum period is completed, we have engaged with the rating agency and completed the POS, we will be able to sell the bonds. That will happen in about a two-week period.

Councilwoman Riggins: On the last three or four lines [in the title of the Ordinance] "and retiring notes previously issued for such purpose," that language is repeated twice. Is that a typo?

Mr. Stout [from the audience]: I believe it is a typo and can be removed. [Inaudible].

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

MOTION: Councilman Counts moved to amend Ordinance 2019-20 in the third to last line of the header by striking the words "AND RETIRING NOTES PREVIOUSLY ISSUED FOR SUCH PURPOSE;"

Councilman Swartwout seconded the motion.

VOTE: Y 4 N 0

MOTION: Councilman Counts moved to adopt Ordinance 2019-20. Councilman Swartwout seconded the motion.

VOTE: Y 4 N 0

SECOND READING: ORDINANCE 2019-21: AN ORDINANCE MODIFYING APPROPRIATIONS FOR THE CALENDAR YEAR 2019. (EX. A)

Mrs. Miller: This is for legal fees for variety of legal cases involving the City.

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

public comment session.

MOTION: Councilman Counts moved to adopt Ordinance 2019-21. Councilman Swartwout seconded the motion.

VOTE: Y 4 N 0

COMMITTEE REPORTS

Development Committee: Next Meeting: July 2, 6:30 p.m.

Finance Committee: Next Meeting: TBD. Our next meeting is being moved to June 18, 2019 at 6:30 p.m. just before our next Council meeting.

Operations Committee: Next Meeting: June 18, 2019, time TBD.

Planning & Zoning Commission: Next Meeting: June 12, 2019, 7:00 p.m.

Powell CIC: Next Meeting: June 25, 2019 (tentative).

CITY MANAGER'S REPORT

Our two developments just west of the railroad track, Powell Crossing and Armita Plaza, are getting close to where they will be making improvements on Olentangy Street. Tentatively, Powell Crossing is looking at beginning those improvements around June 24th if they get approval from the railroad. What both of the developers will be doing is maintaining 2-way traffic during construction, installing curbing, and making Olentangy Street three lanes – two lanes and a center turn lane. They will be doing paving work at night. The two contractors were not able to coordinate to have just one contractor out there, so each project will have separate contractors.

OTHER COUNCIL MATTERS

There was none.

EXECUTIVE SESSION: O.R.C. Section 121.22(G)(1) Personnel Matters, O.R.C. Section 121.22(G)(3) Pending or Imminent Litigation, and O.R.C. Section 121.22(G)(8) Economic Development.

MOTION: Councilman Counts moved at 7:54 p.m. to adjourn into Executive Session pursuant to and O.R.C. Section 121.22(G)(1) Personnel Matters; O.R.C. Section 121.22(G)(3) Imminent or Pending Litigation; and (8) Economic Development. Councilman Swartwout seconded the motion.

VOTE: Y 4 N 0

MOTION: Councilman Swartwout moved at 8:10 p.m. to adjourn from Executive Session into Open Session. Councilman Counts seconded the motion.

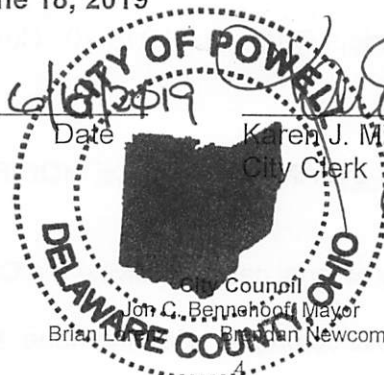
VOTE: Y 4 N 0

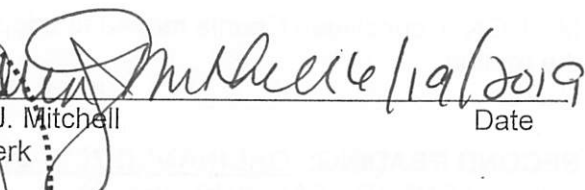
ADJOURNMENT

MOTION: Councilman Counts moved to adjourn the meeting at 8:10 p.m. Councilman Swartwout seconded the motion. By unanimous consent of the remaining members, the meeting was adjourned.

MINUTES APPROVED: June 18, 2019


Jon C. Bennehoof
Mayor




Karen J. Mitchell
City Clerk

Date

Frank Bertone

Tom Counts

Brian L...

Jon C. Bennehoof Mayor

Brian Newcomb

Melissa Riggins

Daniel Swartwout