

City of Waterville
Minutes of Regular Council Meeting of:
January 26, 2015

The regular meeting of the Waterville Council was called to order by Mayor Lori Brodie at 7:30 p.m. in the Council Chambers of the Waterville Municipal Building.

A prayer was offered by Mr. Pedro. The Pledge of Allegiance was recited.

Present at roll call were Mr. Rozic, Mr. Valtin, Mrs. Krise, Mayor Brodie, Mrs. Bruno, Mr. Larkins and Mr. Pedro.

Also present were Jim Bagdonas, Administrator; Phil Dombey, Law Director; and Melissa Cook, Recording Secretary.

Staff present:

Dale Knepper – Director of Finance and Administration, Clerk of Council

Citizens Present:

Please see Citizens' Sign In Sheet, Exhibit A, Page 1 for a list of people present.

Approval of Minutes:

Mr. Larkins made a motion to approve the minutes of the January 12, 2015 Regular Council meeting. Mr. Rozic seconded the motion, which passed by voice vote with Mr. Pedro abstaining.

Citizen's Comments:

Aaron Pechota, Senior Vice-President with the NRP Group, came to this evening's meeting to give Council information about his company and their plans to build a proposed multi-family development on Pray Blvd. He then stated that the NRP Group has an option to purchase 20-acres on the northwest side of Pray Blvd. which is zoned for multi-family housing. Phase 1 would include two and three-bedroom townhomes, either two or three stories. Rents would be set at \$650.00 to \$750.00 per month which is a reduction from market rents and made possible through the Ohio Housing Finance Agency (OHFA) tax credits. These credits lower the cost of construction in order to make housing more affordable. Rent is based on a person's income, household size and the area's average median income. He stated that this is not HUD or subsidized housing and is made for people making \$30,000 to \$40,000 per year. NRP Group has built multi-family and senior housing throughout the United States using tax credits, including Waterford off Angola Rd., Chauncey Pointe in Bowling Green and student housing near the University of Toledo, which is currently under construction. He asked Council for their support for their application to the OHFA. They will learn whether the project is approved for tax credits by this summer and begin designing the apartments with a target occupancy date of summer 2017. He then fielded questions from members of Council regarding this proposed development.

Staff Reports:

Administration: Mr. Bagdonas –

- Reported that he attended the Tree Commission Academy graduation program.

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Three members of the Waterville Tree Commission; Pam Blewett, Laura Nilsson & Win Sturgeon, and three employees of the Public Works Department; Mac McCann, Jeff Strayer & Rick Meiring, have successfully completed this training course.

Law Director: Mr. Dombey – No Report.

Finance Director: Mr. Knepper –

- Reviewed details of the October & November 2014 - Month End Finance Report highlighting Fund Balances, Investments and Income Tax Revenues.
- Announced that he placed a flier in front of Council this evening regarding the Ohio Ethics Commission Financial Disclosure Statement. These must be completed and submitted by members of Council to the State of Ohio by Wednesday, April 15th.
- Reported that RITA will be at the City of Waterville Municipal Building/Council Chambers on February 26th from 1:00 p.m. to 7:00 p.m. to offer free Municipal Income Tax return preparation help. Tax Auditors and Preparers will be here to meet with residents and assist them with RITA municipal income tax return preparation.

Communications from Council Members/Committees:

Mr. Pedro – No report.

Mr. Larkins –

- Stated that he attended the TMACOG General Assembly.

Mrs. Bruno – No report.

Mrs. Krise – No report.

Mr. Valtin –

- Reported that the next meeting of the Parks and Recreation Committee will be held Tuesday, February 3rd at 7:00 p.m. in Council Chambers.

Mr. Rozic – No report.

OLD BUSINESS:

- A. **RESOLUTION 41-14** - A RESOLUTION APPROVING AND ADOPTING THE CITY OF WATERVILLE FY2015 FIVE-YEAR CAPITAL PLANNING PROGRAM FOR ALL MUNICIPAL FUNDS AND DEPARTMENTS

This is the annual 5-Year Capital Planning Program. The Finance Committee discussed and recommended approval of the program at a meeting on October 24. This item has

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been discussed throughout the entire budget preparation process. According to the typical annual budget schedule, Council action to approve this Resolution would not be taken until the second Council meeting in January. A revised FY 2015 Five-Year Capital Planning Program, reflecting modifications resulting from Mayor Brodie and Council Member Valtin's recent meetings with the Municipal Administrator and Department Heads and a summary of the revisions were included in the January 12 Council Packet.

Mr. Valtin moved to adopt Resolution 41-14. Mr. Larkins seconded the motion, which passed by unanimous voice vote.

B. ORDINANCE 34-14 - AN ORDINANCE ADOPTING THE ANNUAL APPROPRIATIONS FOR THE MUNICIPALITY OF WATERVILLE FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015, AND REPEALING ORDINANCE NO. 35-14, AND DECLARING AN EMERGENCY
Third Reading and Legislative Action

A copy of the proposed FY 2015 Appropriations was included in the December 8 Council packet and replacement pages reflecting modifications resulting from Mayor Brodie and Council member Valtin's meetings with the Municipal Administrator and Department Heads were included in the January 12 Council packet. The Finance Committee reviewed the budget at their November 21 meeting and unanimously recommends approval. A Public Hearing on the appropriations was held during the January 12 Council meeting.

Mayor Brodie made a motion to suspend the rules to allow for the passage of Ordinance 34-14 as an emergency measure. Mr. Pedro seconded the motion.

Roll Call: Mayor Brodie – yes, Mr. Valtin – yes, Mr. Larkins – yes, Mrs. Krise – yes, Mr. Pedro – yes, Mrs. Bruno – yes, Mr. Rozic - yes. The motion passed unanimously.

Mr. Pedro made a motion to move for the passage of Ordinance 34-14 as an emergency measure. Mr. Valtin seconded the motion.

Roll Call: Mr. Rozic – yes, Mrs. Bruno – yes, Mr. Pedro – yes, Mrs. Krise- yes, Mr. Larkins – yes, Mr. Valtin – yes, Mayor Brodie - yes. The motion passed unanimously.

C. ORDINANCE 01-15 - AN ORDINANCE AMENDING SECTIONS 931.03(a) AND (b) OF THE STREETS, UTILITIES AND PUBLIC SERVICES CODE REGARDING WATER RATES
Second Reading

Effective October 11, 2014, the City of Toledo's water rates paid by Waterville increased approximately 68-percent, in accordance with the provisions of the Toledo-Lucas County Water Contract. Waterville was not informed of this pending increase at

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the time the 2014 through 2016 Water and Sanitary Sewer Rate Study was prepared, therefore, Waterville's current water rates are not sufficient to cover this increased expense. A copy of the Update of the Rate Study prepared by Proudfoot Associates is attached to the Ordinance. The update recommends a 33-percent increase in 2015 instead of the previously scheduled increases of 3.5-percent in 2015 and 3.5-percent in 2016. The recommended rates that would take effect with the water bills rendered on April 1, 2015 are contained in the Ordinance.

- D. **ORDINANCE 02-15** - AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF WATERVILLE BY GRANTING A SPECIAL USE PERMIT TO CONSTRUCT A BUILDING ON AN 11.494 ACRE PARCEL OF LAND ON THE WEST SIDE OF PRAY BLVD. NORTH OF STATE ROUTE 64 ZONED C-3 WHERE THE IMPERVIOUS AREA LOT COVERAGE WILL EXCEED 75,000 SQUARE FEET AND DECLARING AN EMERGENCY

Second Reading

The City received an Application for a Special Use Permit as described above. The property is zoned C-3. At the January 5 meeting, the Planning Commission unanimously approved a motion to recommend the granting of this Special Use Permit. The Planning Commission also approved the site plan for this project, subject to the comments noted in the December 31, 2014 letter from Thomas Yurysta and approval by the Board of Zoning Appeals of variances for a landscaping issue and a parking issue. The Board of Zoning Appeals approved these variances on January 13.

E. **DISCUSSION – POTENTIAL CITY REVENUE ENHANCEMENTS**

1. Street Light Assessment
2. Tree Maintenance Assessment
3. Reducing City Income Tax Credit from 1.50% to 1.25%
4. Property Tax Levy for Construction, Reconstruction, Resurfacing, Maintenance and Repair of City Streets
5. Project Specific Special Assessments to Adjacent Property Owners for Street Repairs
6. Other

The Finance Committee has discussed recent trends in the City's General Fund income and a number of potential revenue enhancements to offset losses and to provide locally controlled revenue sources. The Committee has recommended that Council discuss and consider instituting one or more of the listed enhancements. Each Council member has previously received detailed information related to this issue. Council has asked that this issue remain on the agenda for ongoing discussion.

A copy of Thomas Yurysta's April 4, 2014 Street Inventory Review was included in the October 27 Council packet. This review recommends the rehabilitation of 30 streets over a 10-year period excluding Fourth St., which will be done this year, and Fifth St., which will be done in 2015. The total cost of the remaining 28 streets is estimated to be

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\$2,122,000. The average cost of that total over the remaining eight years of the 10-year program is \$265,250 (2016 through 2023). At the City's current valuation, a 2.3-mill property tax levy would produce the annual amount needed to fund the program. The annual tax on a property with a market value of \$182,200 (Waterville median house price per 2010 census) would be \$144.56 for a 2.3 mill levy. A levy in this amount would allow up to approximately \$125,000 of income tax revenue per year to remain in the General Fund for City operations. Additional information on a page titled "Lost Revenue and What It Takes to Make It Up" prepared by Tom Titus was also provided to Council.

Mr. Valtin stated that now that we have passed our Five-Year Capital Plan and our 2015 Budget, he believes that we need to revisit revenue enhancements. He then stated that if we place a street levy on the ballot either in May or November and it passes the timing of it wouldn't affect the collection. He added that if we place it on the May ballot vs. the November ballot it will be more of an expense to the city. He then suggested that we start working towards placing a property tax levy before the voters come November 2015. We have talked about the other possibilities at significant length and he now feels that we should put it before the voters and let them decide if they want to pass it or not. He also suggested that they come up with some hard numbers to put on the levy but it would be up to residents to decide if this is what they want to do. If it doesn't pass then we are back to where we started. We would then have to start looking at some of the other options and what further belt tightening we can do going forward. He then added at least residents would know that if it doesn't pass the maintenance and improvements to existing streets is going to be tough for the city to continue to do.

Mr. Bagdonas stated that August 5th would be the deadline for putting an issue on the November ballot. We do have an abbreviated Council Meeting schedule during the summer so we will need to take that into consideration as we get closer to that August 5th date.

Mr. Valtin stated that he believes that it would be beneficial to get it set up well in advance so that residents would know that it is coming and have time to ask questions and give their input. He added that there is an educational process that is going to have to take place so that residents know what they are voting on.

Mr. Pedro asked if there would be some benefit in eliminating the others in order to concentrate on one.

Mrs. Krise agreed in that she feels that there are too many options. She added that it is somewhat overwhelming and that we ought to focus on the street levy for now. If that falls through then we can revisit the others.

Mayor Brodie stated that Mr. Knepper has just closed through November and she would like to see the year-end balances and where we stand. She added that after the year is closed we would then discuss and come to a consensus on the amount and the duration

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of the levy we are looking for. She suggested that we keep all options on the agenda for the time being and look at 2014 as a whole.

Mr. Rozic asked if the property tax levy would be strictly for street construction only or would it include lights and some of the other things in which the Mayor responded that we were thinking just the streets.

Mr. Bagdonas stated that he believes that the intent of the discussion is that if it is put on the ballot it would be for that specific purpose and not for the whole range of uses. He then asked for clarification if future agenda's should only contain the property tax levy for roads. It was the consensus of Council to leave all items on the revenue enhancement list until after the year is closed and they receive the final numbers.

NEW BUSINESS:

A. RESOLUTION 06-15 - A RESOLUTION APPROVING THE PRELIMINARY PLAT FOR CHICKASAW VILLAGE AT WATERVILLE LANDING SUBDIVISION

The Moses & Schlachter Group has submitted a preliminary plat for the Chickasaw Village at Waterville Landing subdivision. The City Engineer and the Planning Commission have reviewed the proposed preliminary plat and have recommended that it be approved, subject to the conditions stated in the December 24, 2014 review letter from City Engineer Proudfoot Associates.

After discussion, Mr. Valtin moved to adopt Resolution 06-15. Mr. Pedro seconded the motion, which passed by unanimous voice vote.

Other Information/Unscheduled Business:

Mayor Brodie stated that NEXUS will be holding a meeting for Public Officials on Wednesday, January 28th from 10 a.m. – 2 p.m. at Owens Community College to discuss the NEXUS Pipeline. There will also be NEXUS/FERC Open House meetings at Swanton High School on Wednesday, February 11th from 5:00 p.m. to 7:00 p.m. and at Central Park West on Thursday, February 12th from 5:00 p.m. to 7:00 p.m.

Mr. Pedro wanted to mention that Council members received a Save-the-Date Card from Surface Combustion for June 25th & 26th for their 100th Anniversary celebration.

Executive Session:

Mr. Pedro made a motion to move into Executive Session for consideration of a Matter per ORC 121.22(G)(4): Reviewing Negotiations with Public Employees Concerning Compensation and other Terms and Conditions of Their Employment at 8:32 p.m. Mrs. Bruno seconded the motion.

Roll Call: Mr. Larkins – yes, Mrs. Krise – yes, Mr. Valtin – yes, Mayor Brodie – yes,

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Mrs. Bruno – yes, Mr. Rozic – yes, Mr. Pedro - yes. The motion passed unanimously.

Return to Regular Session:

Mr. Valtin made a motion to come out of Executive Session and resume the regular Council meeting at 8:52 p.m. Mr. Rozic seconded the motion.

Roll Call: Mr. Rozic – yes, Mr. Valtin – yes, Mrs. Krise – yes, Mayor Brodie – yes, Mrs. Bruno – yes, Mr. Larkins – yes, Mr. Pedro – yes. The motion passed unanimously.

Adjournment:

There being no further business to come before Council, Mr. Larkins made a motion to close the meeting at 8:52 p.m. Mrs. Bruno seconded the motion, which carried by unanimous voice vote.

Dale D Knepper
Clerk of Council

Lori Brodie
Mayor