

MIDDLETOWN, OHIO

October 2, 2018

At 5:30 p.m., Mayor Mulligan called the City Council meeting to order in Council Chambers, Lower Level of the City Building.

ROLL CALL

City Council Members present: A. Vitori, S. Bohannon, J. Mulligan, T. Moon, L. Mulligan.

Staff Present: Doug Adkins, Sarah Fox, Amy Schenck.

CITY MANAGER
Homelessness

City Manager Adkins stated that City staff is working on a date for a Council workshop on homelessness and the City's policy on homelessness. He will also add the airport development discussion to this workshop.

Airport Development

Mr. Adkins explained that he needs a policy decision from Council on the path forward with the development of the airport. Council needs to make a decision as to whether the airport will be a skydiving airport with some development or whether we will phase out skydiving and concentrate on aviation related jobs only. This decision will allow the City to plan for the future and to address remaining lease issues with Start Skydiving. He discussed the pros and cons of both scenarios. He discussed his recent trip to Rochelle, New York and the great amenities that the airport there offered.

Skydiving

Rochelle, Illinois
Tourism
50,000 jumps per year
Ties in with Downtown and the River

No Skydiving

Loss of Tourism
Business Focus
Some companies and pilots will not stop, fuel, or build at a skydiving airport.

2019 Non-Public
Safety Budget

Mr. Adkins presented the 2019 non-public safety budget and highlighted the significant changes for 2019 Budget including:

- 2.0% Cost of Living raise for all employees
- No Performance Based Incentive Program in 2019
- Income tax revenue is projected to increase 2.5% over 2018 budget in 2019; 5% decrease compared to projected actual 2018 year-end revenues (Construction Revenue)
- City's share of Health Insurance costs to increase 6%

Mr. Adkins provided a recap of the 2018 Budget Presentation and explained that City staff always tries to be conservative on revenues and budget every possible expenditure.

	<u>Dollars</u>	<u>Percent</u>
Year End 2017 Expected General Fund Balance	\$5,353,747	18.6%
Year End 2018 Budgeted GF Balance	\$4,512,890	15.0%

Expected year-end 2018 GF Balance as of 8/31/18 is now \$6,566,828 or 21.1%, or \$2,053,938 higher than last year's budget presentation.

2019 Budget

	<u>Dollars</u>	<u>Percent</u>
Year End 2018 Expected General Fund Balance	\$6,566,828	21.1%
Year End 2019 Budgeted GF Balance	\$4,778,914	15.5%

2019 Decrease in Non-Public Safety Personnel Costs (\$314,149)* (6.1%)

*2019 Community Development salaries of \$335,037 (code enforcement) moved to Police Administration in 2019 budget

Significant Changes for 2019 Budget

- No Water rate increase in 2019
- Sewer rate increase 10% in 2019 - Sewer rate increases consistent with Long Term Control Plan Projections.
- No Solid Waste increase - likely monthly increase in 2020
- No Storm Water Fee increase in 2019
- We can confirm receiving an estimate of \$854,000 in 2018 construction income tax through August 31st. These are not included in 2019 revenue budget which results in the 5% decrease

in income tax revenue.

- Housing Stock listed by Council as a High Priority – will continue to discuss housing throughout 2019 to develop new policies and neighborhood strategies.

Mr. Adkins explained that Employee Benefits Fund will pay back \$500,000 towards the General Fund loan in 2018 and if the trend continues, the Employee Benefits Fund will pay back and additional \$500,000 towards the General Fund loan in 2019.

Mr. Adkins explained that the City is developing a new City Master Plan to meet the sustainability goals set forth by 2020 that includes a continued response to the heroin epidemic, the long term housing policy considerations in light of the conclusions of the housing study and the 2018 city-wide Transportation Study (\$100K) to Transit/Bicycle/Pedestrian.

He presented the 2019 Primary Goals/Changes – Finance

- Implement an online tax filing option for residents. Our tax software company is planning to roll out an online filing option with hopes of having it ready in early 2019 for tax year 2018.
- Continue to publish Popular Annual Financial Report (PAFR). We published this report for the first time in 2018 for financials for year-ending December 31, 2017. (<https://www.cityofmiddletown.org/ArchiveCenter/ViewFile/Item/290>)
- Submit PAFR to Government Finance Officers Association (GFOA) for award, along with continuing to receive the “Distinguished Budget Award” and the “Certificate of Achievement for Excellence in Financial Reporting Award”.
- Contract with a law firm or collection agency to improve delinquent account collections.

He presented the 2019 Primary Goals/ Changes Information Systems

- Complete telephone system upgrade (starting 2018, finishing 2019)
- Implement a new asset management/workflow system for Public Works
- Upgrade the Applicant Tracking System for Human Resources
- Upgrade the Attendance Tracking System for Police
- Additional security cameras in the building and other areas

	<u>2019</u>	<u>2018</u>	<u>Change</u>
Economic Development	\$732,854	\$762,779	-3.9%
Communications*	\$168,972	\$121,243	39.4%
Planning	\$237,853	\$228,940	3.9%
Total Expenditures	\$1,139,679	\$1,112,962	2.4%

*Continued upgrades of City brand–update of slogan, video photographer for stock images of City of Middletown, updated City signs

Mr. Adkins discussed the 2019 budget priorities at the airport such as the education hanger, taxiway lighting, and other projects regardless of airport policy decisions.

Mr. Adkins explained that the department of Administrative Services combines Human Resources/Law/Community Revitalization.

<u>Administrative Services</u>	<u>2019</u>	<u>2018</u>	<u>Change</u>
Administration	\$227,962	\$127,791	78.4%
Community Development ** Code Enforcement salaries of \$335k moved to Police Admin Budget in 2019 **	\$23,800	\$461,615	-94.8%
Community Center	\$120,000	\$120,000	0.0%
Law	\$594,296	\$679,988	-12.6%
HR	\$411,796	\$403,600	2.0%
Building Inspection	\$532,130	\$540,555	-1.6%
Building Maintenance	\$488,507	\$482,471	1.3%
Total Expenditures	\$2,398,491	\$2,816,020	-14.8%

Mr. Adkins discussed the 2019 Primary Goals/Changes for Administrative Services including:

- Continued utilization of the Land Bank Demolition Grant
- Planning and implementation of the City's New Housing Policy
- Continued Transition of HR as Kay Sauer cuts back and the new staff trains
- Code Enforcement moves to Police under Major Warrick to consolidate all nuisance activity to public safety

	<u>2019</u>	<u>2018</u>	<u>Change</u>
Engineering	\$461,588	\$446,720	.3%
Street Lighting	\$710,120	\$703,097	1.0%
Parks Maintenance	\$859,159	\$851,818	.9%
Total Expenditures	\$2,030,867	\$2,001,635	.5%

Mr. Adkins discussed the 2019 Goals for Public Works Administration including:

- Implement Long Term Control Plan
- Construct Sunset Park Green Infrastructure Project
- Continue Sewer System Condition Assessment Program
- Finalize planning and design of Lakeside Storm Water Redirection Project
- Evaluate and initiate a Smart Cities Pilot Project
- Develop Water System Asset Management Program

Mr. Adkins discussed the 2019 Goals for Traffic/Electronic Maintenance/Parks including:

- Evaluate and implement traffic calming measures
- Continue replacement program for older LED traffic signals and signal heads at various intersections
- Update additional intersections with new control equipment to be compatible with new Centracs central master system
- Initiate development of a Parks Master Plan

OPWC Funded Paving Project

Estimated Cost = \$1,825,000 (\$800,000 OPWC Grant, \$425,000 CDBG Fund, \$250,000 Storm Water Capital Fund, \$350,000 assessments for sidewalk, curb and gutter)

STREETS:

- Lafayette Ave. between Yankee Rd. and Verity Pkwy.
- Shafor/Nelbar St. between University Blvd. and Verity Pkwy.
- Euclid St. between Central Ave. and Grand Ave.
- Terhune Dr. – all
- Wilbraham Rd. between Germantown Rd. and Carmody Blvd.

City Crew Paving

Estimated Cost = \$375,000 (\$300,000 Auto & Gas Tax Budget and \$75,000 CDBG) plus assessments for sidewalk, curb and gutter. The streets have not yet been determined.

Sunset Park Green Infrastructure Project

\$100,000 Sewer Fund – included with overall project budget
Sheldon Road between Kenwood Drive and Santa Fe Drive will be paved as part of this project.

Mr. Adkins discussed the 2019 Capital Projects.

General Capital Fund

Local Street Paving	\$1,150,000
Gateway Enhancements (I-75)	\$75,000
City Building North Promenade	\$200,000
University Bridge Rehab Design	\$200,000
<u>Traffic/Parks/Buildings</u>	<u>\$155,000</u>
Total	\$1,780,000

Water Fund

Water Facility Upgrades	\$600,000
System Replacement Program	\$1,500,000
<u>GIS Improvements</u>	<u>\$10,000</u>
Total	\$2,110,000

Sewer Fund

WWTP Upgrades	\$600,000
System Replacement	\$4,500,000
Long Term Control Plan	\$3,000,000
<u>GIS Improvements</u>	<u>\$10,000</u>
Total	\$8,110,000

Storm Water Fund

Local Street Paving	\$250,000
System Replacement Program	\$350,000
City Building North Promenade	\$100,000
<u>NPDES Compliance</u>	<u>\$50,000</u>
Total	\$750,000

Other Funds

<u>Fund</u>	<u>2019</u>	<u>2018</u>	<u>% change</u>
City Income Tax (230)	\$23,584,612	\$22,763,207	3.6%
Auto & Gas Tax (210)	\$3,471,299	\$3,414,169	1.7%
Health (228)	\$585,338	\$539,530	8.5%
Municipal Court (250)	\$1,812,600	\$1,788,151	1.4%
Nuisance Abatement (260)	\$330,000	\$330,000	0.0%
Water Fund (510)	\$8,848,007	\$8,660,871	2.2%
Sewer Fund (520)	\$13,921,425	\$13,634,257	2.1%

Judge Sherron

Judge Sherron stated that the security screening for the Municipal Court needs to be increased. He stated that drug abuse continues to be a big problem; first it was heroin, then it was meth, now it is both. He stated that generally most opioid addicts want treatment because they don't want to die. Meth addicts don't generally want treatment because they don't believe it will kill them. He stated that all have the opportunity to meet with a treatment agency. He reported that 85% of those referred are still in treatment. He stated that some people are having success in battling addiction and that Middletown is turning things around. He discussed some of the grants that the court has applied for.

Mr. Bohannon asked Mr. Hart to share his thoughts on the airport. Mr. Hart expressed his frustration and stated that the transition of the airport manager was executed poorly and that there was poor communication from the City; those issues have been addressed by Mr. Adkins. They have agreed to put those issues behind them and to move forward. He stated that good communication is the key to success. He stated that he has a strong commitment to this community and that the goal of the sky diving business was never to make money but to have fun. He stated that thriving businesses are essential to health of any community. He stated that Start Skydiving has brought more than 80,000 visitors to Middletown. He stated that the airport could safely and effectively offer both skydiving and economic opportunities and he is looking forward to the discussion.

CITIZEN COMMENTS

Mr. Roger Seick discussed changing the City's property maintenance standards to include grass, weeds and shrub growth left along the fence line after mowing to be kept 6 inches in length or less as a cultivated yard. He also suggested that firewood, waste be stored in areas approved for storage or located on the property where they are not visible from public areas.

CONSENT AGENDA

Approve the City Council Minutes: September 18, 2018
 Receive and File Board of Health Minutes- August 14, 2018

COUNCIL COMMENTS	<p>Authorize the City Manager to enter into a professional services contract with Williams Creek Consulting to prepare construction plans and specifications for the City Building North Promenade Project.</p>
Ms. Vitori	<p>Mr. Bohannon moved to approve the issues and actions listed on the Consent Agenda. Mr. J. Milligan seconded. Motion carried. Ayes: Mr. Bohannon, Mr. Moon, Mr. J. Mulligan, Mr. L. Mulligan, Ms. Vitori.</p>
Mr. L. Mulligan	<p>Mr. L. Mulligan commented that the United Missionary Baptist Church had a great anniversary event.</p>
Waive Charter	<p>Mr. Moon moved to suspend the Charter provision that requires reading on two separate days and to declare Resolution No. R2018-22, Ordinance No. O2018-66, and Ordinance No. O2018-67 emergency measures to be read one time only. Mr. J. Mulligan seconded. Motion carried. Ayes: Mr. Moon, Mr. J. Mulligan, Mr. L. Mulligan, Mr. Bohannon, Ms. Vitori.</p>
Res. No. R2018-22 OPWC Project Year 33	<p>Resolution No. R2018-22, a resolution authorizing the City Manager to submit an application to the Ohio Public Works Commission for Project Year 33 Requesting funding for improvements to various local streets throughout the City, to enter into agreements for such funding, and declaring an emergency was read.</p>
Ord. No. O2018-66 Contract with Howell Contractors	<p>Mr. Moon moved to approve Resolution No. R2018-22, a resolution authorizing the City Manager to submit an application to the Ohio Public Works Commission for Project Year 33 Requesting funding for improvements to various local streets throughout the City, to enter into agreements for such funding, and declaring an emergency. Mr. J. Mulligan seconded. Motion carried. Ayes: Mr. J. Mulligan, Mr. L. Mulligan, Ms. Vitori, Mr. Bohannon, Mr. Moon.</p>
Ord. No. O2018-67 Electric Generation Contract	<p>Ordinance No. O2018-66, an ordinance establishing a procedure for and authorizing a contract with Howell Contractors, Inc. for the repair of the East Middletown Interceptor Sewer and declaring an emergency was read.</p>
Ord. No. O2018-68 Contract with Phoenix Safety Outfitters	<p>Mr. Bohannon moved to approve Ordinance No. O2018-66, an ordinance establishing a procedure for and authorizing a contract with Howell Contractors, Inc. for the repair of the East Middletown Interceptor Sewer and declaring an emergency. Mr. Mulligan seconded. Motion carried. Ayes: Mr. L. Mulligan, Ms. Vitori, Mr. Bohannon, Mr. Moon, Mr. J. Mulligan.</p>
Ord. No. O2018-69 Goetz Tower CRA	<p>Ordinance No. O2018-67, an ordinance authorizing the City Manager to enter into a contract with the lowest cost supplier for the purchase of electric generation supply by the City of Middletown beginning January 1, 2020, and declaring an emergency was read.</p>
Ord. No. O2018-70 Contract with Brandstetter Carroll Inc.	<p>Ms. Vitori moved to approve Ordinance No. O2018-67, an ordinance authorizing the City Manager to enter into a contract with the lowest cost supplier for the purchase of electric generation supply by the City of Middletown beginning January 1, 2020, and declaring an emergency. Mr. Mulligan seconded. Motion carried. Ayes: Ms. Vitori, Mr. Bohannon, Mr. Moon, Mr. J. Mulligan, Mr. L. Mulligan.</p>
Res. No. R2018-23 Amend Appropriations	<p>Ordinance No. O2018-68, an ordinance establishing a procedure for and authorizing a contract with Phoenix Safety Outfitters for the purchase and repair of fire turnout gear was read for the first time.</p>
Res. No. R2018-24 Airport Grant from ODOT	<p>Ordinance No. O2018-69, an ordinance authorizing a third amendment to the Community Reinvestment Area agreement between City of Middletown and Historic Goetz Tower, LLC was read for the first time.</p>
	<p>Ordinance No. O2018-70, an ordinance authorizing a contract with Brandstetter Carroll Inc. for engineering and grant administration services for the rehabilitation of the airport taxiway lighting system was read for the first time.</p>
	<p>Resolution No. R2018-23, a resolution to make adjustments to appropriations for current expenses and other expenditures of the City of Middletown, Counties of Butler and Warren, State of Ohio, for the period ending December 31, 2018, was read for the first time.</p>
	<p>Resolution No. R2018-24, a resolution authorizing the City Manager to apply for a grant and to enter into a grant agreement with the Ohio Department of Transportation Office of Aviation for a taxiway lighting system project at Middletown Regional Airport was read for the first time.</p>

**Res. No. R2018-25
Transit Grant-Federal**

Resolution No. R2018-25, a resolution authorizing the filing of an application with the Department of Transportation, United States of America, for a grant under the Federal Transit Administration Act of 1991, as amended was read for the first time.

**Res. No. R2018-26
Transit Grant-State**

Resolution No. R2018-26, a resolution authorizing the filing of applications for CY2019 with the Ohio Department of Transportation for grants under the Ohio Public Transportation Grant Program was read for the first time.

EXECUTIVE SESSION

At 6:35 p.m., Mr. J. Mulligan moved to adjourn to executive session under the authority of O.R.C. 121.22 (G) (8) To consider confidential information related to the marketing plans, specific business strategies, production techniques, trade secrets, or personal financial statements of an applicant for economic development assistance, or to negotiations with other political subdivisions respecting requests for economic development assistance, provided that both of the following conditions apply:

(1) The information is directly related to a request for economic development assistance that is to be provided or administered under any provision of Chapter 715, 725, 1724, or 1728, or sections 701.07, 3735.67 to 3735.70, 5709.40 to 5709.43, 5709.61 to 5709.69, 5709.73 to 5709.75, or 5709.77 to 5709.81 of the Revised Code, or that involves public infrastructure improvements or the extension of utility services that are directly related to an economic development project.

(2) A unanimous quorum of the public body determines, by a roll call vote, that the executive session is necessary to protect the interests of the applicant or the possible investment or expenditure of public funds to be made in connection with the economic development project. Mr. Bohannon seconded. Motion carried. Ayes: Mr. Bohannon, Mr. Moon, Mr. J. Mulligan, Mr. L. Mulligan, Ms. Vitori.

ADJOURNMENT

At 7:02 p.m., the meeting was declared adjourned until the Council meeting of October 16, 2018, at 5:30 p.m.

Lawrence P. Mulligan, Jr., Mayor

Attest: _____