

# FINDLAY CITY COUNCIL MINUTES

**REGULAR SESSION**

**March 1, 2016**

**COUNCIL CHAMBERS**

**PRESENT:** Frische, Harrington, Hellmann, Klein, Niemeyer, Russel, Shindledecker, Watson

**ABSENT:** Monday, Wobser

President J Slough opened the meeting with the Pledge of Allegiance and a moment of silent prayer.

## **ACCEPTANCE OR CHANGES OF MINUTES AND PUBLIC HEARINGS:**

The February 16, 2016 Regular Session City Council meeting minutes will be accepted or changes made during the March 15, 2016 Regular Session City Council meeting.

## **ADD-ON/REPLACEMENT/REMOVAL FROM THE AGENDA:**

Councilman Klein moved to replace the following on tonight's agenda. Councilman Harrington and Councilman Hellman seconded the motion. All were in favor. Motion carried. Filed.

### **ADD-ONS:**

- Ordinance No. 2016-024 (**LEGISLATION** section).
  - Exhibit A
- Resolution 013-2016 (**LEGISLATION** section).
  - Sandusky Street widening project

**PROCLAMATIONS:** – none.

**RECOGNITION/RETIREMENT RESOLUTIONS:** - none.

**PROCLAMATIONS:** - none.

**PETITIONS:** - none.

## **WRITTEN COMMUNICATIONS:**

Councilman Russel requested both letters be read in full. The Council Clerk read the letters in their entirety.

### **Larry Pocock – sidewalk variance for 139 Springbrook Drive**

Mr. Pocock has written a letter to Council regarding the present rules and regulations of old driveways and sidewalks set forth by the City Engineering Department which states if a driveway is replaced, it must allow a concrete sidewalk to pass through it, separate from the drive. Mr. Pocock lives at 139 Springbrook Drive and would like to replace his old asphalt driveway with new asphalt, but has been told he has to install a sidewalk. He currently does not have a sidewalk and there are no sidewalks on Springbrook Drive. Mr. Pocock is requesting a sidewalk waiver so that he may install a new asphalt driveway under permit without installing a sidewalk.

### **Discussion:**

Councilwoman Frische asked if there is any progress with Rotary discussions. Mayor Mihalik replied that discussions about the rotary policy were done in late fourth (4<sup>th</sup>) quarter last year. This was one of those things that fell in our lap and is difficult to try to interpret. It is a significant investment not only to this property, but will be to the other couple of property owners that are interested in developing in that area. Per the Water and Sewer Committee's request, we are currently in the process of developing new amendments to the Water and Sewer Rotary Policy so that we can treat people more fairly, and it will be easier to understand. Right now, it can be interpreted too many different ways. We need to come up with a system that can be understood in a fair way. In talking with both Brian Thomas and Paul Schmelzer, they have not come to a consensus yet on exactly what those amendments look like, but if this is something Council wants to entertain, it can be done in a Water & Sewer Committee meeting. Councilwoman Frische replied that she thought it already had been and thinks it should be referred to the Water & Sewer Committee, but asked if the rotary needs to be discussed before the decision can be made. She asked if there is any progress on the document (Rotary Policy). Law Director Rasmussen replied that it would be more appropriate for them to complete their review and have a proposed policy that the W&S Committee could approve or disapprove. Mayor Mihalik replied that Council decided at the committee to rework the policy instead of trying to take each one of these individually on. Councilwoman Frische agreed that is what happened. She is unsure what happens next. She asked if it should be held until the first step is done. Mayor Mihalik replied it is up to Council what they want to do.

Councilman Niemeyer asked what rotary fees include. Mayor Mihalik replied that there is infrastructure that has been laid in that area at a significant cost. When that is done, there is a process that we recoup the cost associated with putting that infrastructure in place which is what the rotary fee is. In this case, it is a significant rotary fee. They are not typically that size of magnitude. Councilwoman Frische added that rotary fees are for when neighborhoods are being developed where the developer pays for the infrastructure to be put in. They recoup that as they sell the lots off. In this case, Mr. Pocock is not in a development, so he is having to pay it all himself.

Councilman Russel asked if the Streets, Sidewalks & Parking Committee meeting that this is being referred to could be scheduled now since the applicant is in the audience. Councilwoman Frische replied it will be March 8, 2016 at 4:45pm following the Water and Sewer Committee. Referred to Streets, Sidewalks & Parking Committee. Filed.

### **W. Rob Moden III – waive rotary fee for 10595 TR 94**

Mr. Moden and his family recently moved back to Findlay. In order to tap into the City's waterline, he will incur tap fees, line construction costs, as well as water testing costs. City Engineer Brian Thomas informed him of a \$3,190 rotary fee, and a \$43,739 rotary fee to tap into the City's sanitary sewerline. Mr. Moden is asking the City to waive these fees. Referred to the Water and Sewer Committee. Filed.

**ORAL COMMUNICATIONS:** - none.

**REPORTS OF MUNICIPAL OFFICERS AND MUNICIPAL DEPARTMENTS:**

**Treasurer's Reconciliation Report – January 31, 2016.** Filed.

**Service-Safety Director Paul Schmelzer – 2<sup>nd</sup> quarter appropriations**

In an effort to minimize the financial impact on the beginning of the year Capital Improvements-CIT Fund balance, the fund appropriation requests were split into quarterly breakdowns. The first quarter appropriation requests were authorized on February 2, 2016 with Ordinance No. 2016-010. Legislation to appropriate funds is requested.

**Discussion:**

City Auditor Staschiak informed Council that in order to be helpful, he wanted to share some cash flow concerns he has. Should the Capital request that is in tonight's packet pass in full, Capital dollars would be transferring out faster than they are coming in, which in itself is not a bad thing, but we cannot end up in a negative position in the Capital Fund. It is part of his job to monitor it. The City started 2016 with four and a half million dollars (\$4,500,000) cash in its Capital Improvement Fund and added just under four hundred thousand (\$400,000) more totaling just under five million dollars (\$5,000,000). So far this year, Council has transferred approximately two million six hundred thousand dollars (\$2,600,000) out of the Capital Improvement's account. If tonight's legislation were to pass in full, an additional one million eight hundred thirty thousand dollars (\$1,830,000) will be transferred out. Based on calculations he has done, there will be a cash balance in the Capital Improvements account of approximately half a million dollars (\$500,000). More than eighty percent (80%) will have been spent if this is passed. He was made aware today that the notice to bid the street project will be one million two hundred fifty thousand dollars (\$1,250,000). Based on his calculations, he is uncertain there will be enough funds to bid the street project without moving funds from the General Fund. He compared this to a personal checking account. Everyone makes their wages and deposits the money into their checking account knowing there will be bills throughout the year, but there is not enough money to pay all the bills in January, February, and March. He wants to make sure Council has a good understanding where the finances are at before the ordinance is adopted. There are opportunities to prioritize Capital expenditures to protect and monitor the cash flow because if this passes in full tonight, there might not be enough funds in Capital Improvements to do the other projects that are planned during the year. Funds will need to be moved from the General Fund very early in the year to cover.

Councilwoman Frische asked if the four million five hundred thousand dollars (\$4,500,000) that the City started out with for the year and the extra four hundred thousand dollars (\$400,000) that was added was just for January. Auditor Staschiak replied that is just January. A February appropriation will be done so he will have a preliminary number on it. Even with that, we will have well less than a million dollars (\$1,000,000) in the Capital Improvement account. Mayor Mihalik asked if that is appropriated funds and not spent funds. Auditor Staschiak replied that from a cash management perspective, there is no difference. If the legislation is passed and the money is appropriated, we are taking that cash and setting it aside likely causing it to be short for the street bid based on the amount we are proposing to do on streets this year unless money is transferred to cover it. If it ends up we just make it, there will not be any money left in Capital Improvements account until we get further into the year with income tax collections in case we need money for grants or matching or a special project that would come along. He complimented the Administration on doing a super job leveraging funds to take advantage of monies that come to us. Having the dollars in place to be able to do that is very important. Ordinance No. 2016-024 was created. Referred to the Appropriations Committee. Filed.

**City Engineer Brian Thomas – ODOT FY16 Resurfacing (PID97385), Project No. 32847600**

On February 12, 2016, bids were opened for this project. Bids were received from four (4) potential contractors ranging from \$613,000.85 to \$635,370.05. The lowest and best bid was received from Helms & Sons Excavating, Inc. of Findlay. This project is included in the 2016 Capital Improvements Plan, however, the estimated ODOT amount was overstated by approximately \$50,000 making it necessary for additional City funds to be appropriated. Previously, \$1,000 was appropriated to the project for startup. At this time, an appropriation for inspection and construction is needed to complete the project. Legislation to appropriate funds is requested. Ordinance No. 2016-025 was created. Filed.

FROM: ODOT	\$ 544,484
FROM: Capital Improvements – CIT	\$ 155,516
TO: ODOT FY16 Resurfacing (PID97385) Project No. 32847600	\$ 700,000

**Traffic Commission minutes – February 16, 2016.** Filed.

**City Auditor Jim Staschiak – 2016 VP Refunding Bonds**

In 2008, the City of Findlay issued \$8,200,000 in Various Purpose Bonds with a final maturity of 2033. Those bonds have an optional call date in 2018. Recent market conditions afford an opportunity to do an advance refunding of this debt prior to the call date potentially saving the City a significant amount of interest cost. The rule of thumb in the municipal bond market is a three percent (3%) net savings over the current cost to justify refunding (or refinancing) the debt. In this case, that net savings would need to be just under \$200,000. In the last few weeks, the market has changed in a way which shows a potential savings well in excess of this amount. Market conditions have been volatile and can change quickly so legislation is on tonight's agenda which includes the emergency clause that has been prepared by Bond Counsel and reviewed by our Financial Advisor. Ordinance No. 2016-022 was created. Auditor Staschiak is requesting Council to consider suspending the Statutory Rules and give this ordinance all three readings. By doing so, it would enable him to move forward with the complex process that would need to occur to take advantage of the current market conditions.

**Discussion:**

Councilman Rüssel noted that the Auditor publishes a debt summary each year as part of our Capital conversations. He asked if the four (4) items that were on the loan for 723-2008 are callable. Auditor Staschiak replied that is correct. Councilman Rüssel then asked if all four (4) of them are callable. The last document he had does did not have the 5-Plex diamonds as being callable. Auditor Staschiak replied it is paid off or will be paid off in 2016 which is why it does not show as callable. When the bond pays out, it will be a total of approximately five million seven hundred thousand dollars (\$5,700,000) in principal, so we are looking at the three (3) main ones from that issue. The verbiage will include bond verbiage because of the way the original issue was done that will include all four (4) of these. Actually, one (1) issue is broken up on the debt summary because here at the City, we follow projects because it is easier for us, so it really is an eight million two hundred thousand (\$8,200,000) bond issue that covered all of those things. We break it up as to how we allocate the payments. Councilman Rüssel then asked from a technical standpoint, if we are still going to do the call date in 2018. Auditor Staschiak replied it is referred to as advance refunding. The difference between a refunding and an advance refunding is that we cannot issue a refunding outside of ninety (90) days. It has to be done under an advance refunding format. He will be issuing bonds against that call so those bonds that are out there would be called to defease with the cash we receive from the sale. It is a very technical and complex procedure that has to be done in order to follow all the rules and the disclosures that we have to do. Based on the savings we are looking at and the opportunity in the market, even though we are not excited about having the work, we are excited about having the opportunity to do it. Councilman Rüssel then asked that between the time the advance refunding is issued and the call date, if there is an amount of outstanding bonds of up to five million seven hundred thousand dollars plus (\$5,700,000+) or if they wash. Auditor Staschiak replied that it depends how it is viewed. We will have issued in the area of six million dollars (\$6,000,000) in bonds. We will have the cash that will be invested with very specific rules on how that cash has to be invested. The nominal interest that we will get will count towards the interest costs of those bonds netting a lower interest cost to us over the long term. Those investments will be held in trust. When we call those bonds, the bonds that were paid off will wash out and go away. Those bonds will be on our books, but do not count against us from a financial perspective on what we consider the day to day practices of our business, but is something we have and will be pledging the full faith and credit of the City of Findlay in order to defease those bonds when they are due. Councilman Rüssel then asked if there are expenditures related to this that would affect the 2016 Capital budget. Auditor Staschiak replied there are not. Everything is done wholly as part of the issuance. The costs are rolled into the issuance. The issuance costs would be approximately one hundred thousand dollars (\$100,000) in order to do this, however, there needs to be a minimum of three percent (3%) savings. We have approximately six million dollars (\$6,000,000) in debt, so the savings needs to exceed one hundred eighty thousand dollars (\$180,000) after all those costs. If the market conditions continue as they are, he expects to see a larger savings than that. There is no way to project where the market will be because it will take us several weeks to get through the process, but it is a great opportunity. It is unclear what the rates will be in 2018, but one of the things Council is beginning to consider is the cash position and determine if you want to pay off some of the debt now. The call is in 2018. He confirmed with the Service-Safety Director that he does not intend to pay off the debt in 2018. It will take some time to determine what Council wants to do with the long-term debt and may need to create some financial policies. He is happy to see that Council has started the process in a recent committee meeting. If Council moves forward, he will be able to insert a call in the new bond issue for 2025. He would push the 2018 call to 2025 which puts it right in line with all the other debt for everything that matures before 2030. Should Council want to eliminate most of the debt, they would be in a position to do so five to six (5-6) years earlier than would have otherwise with this issue.

Councilman Klein asked if this has been done before. Auditor Staschiak replied that advance refunding has been done in the far past. He was not a part of it then, but has done two (2) refundings since he has been in office. His office has worked with the financial team, the legal advisors in place from Bricker & Eckler, and our Law Director on this. It is our Law Director's decision on what firm the City works with. Bricker & Eckler does a phenomenal job and has a great reputation. The financial advisor he currently works with is Jim Hargrove. Previously, the City worked with Jim and Brad Sprague who recently passed away. Both are with Prism who sold their company to Umbaugh. He continues to work with Jim Hargrove and now also Brian Cooper on this. He is very comfortable with their knowledge, expertise, and the success the City has had with the last two (2) refundings that have been done. The total savings on those two (2) issuances was just under a half million dollars (\$500,000) combined. Councilman Klein then asked if it would be cost-prohibitive to insure these bonds. Auditor Staschiak replied ultimately, the market will determine how it will be done. A bond rating will have to be done. Based on that rating and what the market looks like, decisions will be made at that time which is one of the roles of a financial advisor and the underwriter. They will take orders for the bonds prior to the sale date. He expects to see strong interests in our bonds. He does not want to incur any unnecessary costs.

Mayor Mihalik asked the Auditor if he knows the amount of savings for this. Auditor Staschiak replied he is unsure because he cannot project what the market conditions will be the day of the sale. If the market window would be what we would have had three (3) weeks ago, he would not have made this request. The market conditions changed enough in the last few weeks, so it would be irresponsible of him not to make the request. He requested Bond Counsel include a three percent (3%) net savings floor in the legislation because he does not want there to be concern that we might move forward just to move forward. There needs to be a reason to move forward. Sacrificing our 2018 call is not something he takes lightly. Right now, it makes a lot of sense. It is a seven (7) year push that reduces the outgoing cash flow. The way this will be structured is to be consistent year to year. We will save approximately the same amount every year with the exception of a little lighter savings in 2016 and 2017 because of the Bond call in 2018. Should Council choose to call them in 2025, which is half way through the issue, it would be half of the projected savings that we sold the bonds based on today. The structure makes a lot of sense. It gives us a lot of flexibility, but does not change the conditions of the terms of the financing of the bonds that are in place today, other than it reduces our interest costs by several hundred thousand dollars.

Councilman Rüssel asked what the cost will be to put the call option on. Auditor Staschiak replied he cannot provide exact numbers, but as of today, people are looking for shorter terms. Ten (10) years is pretty common in the municipal market which is half way through the issue depending on how it is being done. It would cost the City a lot more if he tried to shorten it up to 2020 or 2022 and might make the bonds less palatable to the people behind them. Tonight's ordinance states six million three hundred thirty-five thousand dollars (\$6,335,000) which includes issuance costs. The main reason for that is not because of the cost of issuance, but because the bonds need to be appealing to the market. The face value needs to balance with the interest rate and the yield to maximize the savings for the City. Regardless if they are issued with a high or a low rate per yield, the savings for the City will be the same based on the purchase price of the bonds. Councilman Rüssel then asked if it makes sense to do this without a call. The rate will be very advantageous especially when looking at historical timeframes, so maybe we should let them go until 2033 and then spread out all the other things that are coming due in 2024 and 2026. City Auditor replied it will depend on what the City's cash position is in 2025 or 2033 and what it wants to do with the cash. The cost of that call is not that significant. It is expected that there would be a call on them based on the term of the bond. The City does not have a long-term operations forecast. The City is sitting on quite a bit of cash with a five (5) year Capital Plan and a two (2) year budget, but has just started the process of talking about long-term financial planning as a legislative body. By putting this together this way and saving an excess of two hundred thousand dollars (\$200,000) or several hundred thousand dollars, whatever it is beyond the three percent (3%) mark is a wise move to protect the City's flexibility and financing. When 2025 gets here, Council has the authority to decide whether to pay them off then or not. If Council is not comfortable with the City's cash position and does not want to pay them off, they do not have to. When 2025 gets here and if the City is sitting on an additional cash reserve, and it is the City's last piece of debt, which potentially could be, Council can choose to be debt-free by 2030 and pay it off and move forward. That would be a great legacy to give the community. There are a lot of options Council needs to talk about that most of their predecessors have never had the opportunity to talk about due to the good fortune of this City, good planning with what is going on, good implementation of operations, and the economic development and the wonderful things that are happening. He will provide as many options as he can and not close any doors. Filed.

**City Engineer Brian Thomas – Downtown Revitalization (Main St and Cory St improvements) project no. 31942400; ODOT PID98797**  
The City was notified on Thursday, February 25, 2016 by the Ohio Department of Transportation (ODOT) about additional environmental studies that would be required for this project. Originally, six (6) properties were identified by ODOT that would require a Phase 1 study. An additional seven (7) properties have been identified. This project is included in the 2016 Capital Improvements Plan, however, these additional properties were not included in the budgeted amount. \$100,000 was appropriated for this project earlier this year, which was an estimate for the environmental studies and right-of-way acquisition. Legislation to appropriate funds is requested. Ordinance No. 2016-026 was created.

FROM:	Capital Improvements – CIT	\$ 60,000
TO:	Downtown Revitalization <i>Project No. 31942400</i>	\$ 60,000

**Discussion:**

Councilman Russel asked where these six (6) properties are located. Mayor Mihalik replied she is unsure but assumes they are located in this project area. Councilman Russel then asked how it came about that the additional seven (7) were added to the project. Mayor Mihalik replied that it is an issue that ODOT calls within their environmental assessment process as a deep excavation. Anytime you have a deep excavation, which would be necessary in order to install storm sewers integrated into the handicap ramps to elevate the ponding that occurs in certain places downtown, it requires us to go to this level of environmental assessment. It falls under the National Environmental Protection Act. Filed.

**COMMITTEE REPORTS:**

**A COMMITTEE OF THE WHOLE** meeting was held on Wednesday, February 17, 2016 to discuss amendments to the Franchise Agreement between the City of Findlay and Hancock-Wood Electric Cooperative.

Councilman Harrington moved to adopt the committee report. Councilman Klein seconded the motion.

**Discussion:**

Councilwoman Frische asked for the status of the verbiage that Hancock-Wood Electric provided during this meeting. Law Director Rasmussen replied that he has had some conversations with both of their counsels, but does not have the document red-lined yet. HWE is going to provide that so that everyone can see what was added and deleted. He is still waiting on it.

Councilman Russel asked if AEP has asked for similar face time with Council. Law Director Rasmussen replied that they have not asked him for that, but that he was on vacation. Mayor Mihalik just informed him that she has heard from them. Mayor Mihalik added that AEP Representative Randy Payne contacted her asking what Council's pleasure is and how they can go about presenting their side of the story. Law Director Rasmussen added that he did receive the PUCO case and has reviewed it. The PUCO wants to know what the City's intentions are. Once that intention is known, it will be the decision of the PUCO.

Councilman Hellmann asked for additional information on where we are in the process. He asked if we will hear from AEP and/or have a discussion with them like we did with Hancock-Wood Electric, or if it will be decided by the Administration. Mayor Mihalik replied that her recommendation would be for our Law Director to work with HWE's legal counsel to come up with whatever is appropriate between those two (2) entities and then have AEP weigh-in on it. There could be a Committee of the Whole meeting to listen to what AEP has to say, but feels it would be better to give them something to respond to.

Councilwoman Frische asked if AEP is asking to change their Franchise Agreement or why would they weigh-in on HWE's Franchise Agreement. Mayor Mihalik replied that AEP wishes to have the same consideration that the City is giving HWE. All were in favor. Filed.

**A COMMITTEE OF THE WHOLE** meeting was held on Wednesday, February 17, 2016 to discuss the City's carry-over budget.

Councilman Harrington moved to adopt the committee report. Councilman Russel seconded the motion.

**Discussion:**

Councilwoman Frische feels this meeting was a good start to talk about the City's budget and planning. She would like to have similar discussions every three (3) months or so. They would be helpful for Council. All were in favor. Filed.

**A COMMITTEE OF THE WHOLE** meeting was held on Wednesday, February 17, 2016 to discuss an amendment to the City's salary ordinance (Ordinance No. 2016-007).

Councilman Harrington moved to adopt the committee report. Councilman Shindledecker seconded the motion. All were in favor. Filed.

**A COMMITTEE OF THE WHOLE** meeting was held on Wednesday Thursday, February 18, 2016 to discuss Fiber Loop Installation options. Eight (8) Councilmembers were present for a discussion regarding participation in the F.C.S. Fiber loop Project and the City's long-term needs for a connection to its facilities. All eight (8) requested legislation for participation in the F.C.S. Loop and for authorization to enter into an agreement. Ordinance No. 2016-023 was created.

Councilman Harrington moved to adopt the committee report. Councilman Klein seconded the motion. All were in favor. Filed.

## LEGISLATION: RESOLUTIONS

**RESOLUTION NO. 011-2016** (*Main St/Cory St revitalization project*)

third reading

adopted

A RESOLUTION AUTHORIZING THE SERVICE-SAFETY DIRECTOR OF THE CITY OF FINDLAY TO ENTER INTO AN AGREEMENT OR AGREEMENTS WITH THE OHIO DEPARTMENT OF TRANSPORTATION (ODOT) AUTHORIZING THE USE OF TRANSPORTATION ALTERNATING PLAN (TAP) FUNDS FOR THE DOWNTOWN REVITALIZATION PID98797 - PROJECT NO. 31942400, AND DECLARING AN EMERGENCY.

Councilman Russel moved to adopt the Resolution, seconded by Councilman Shindledecker.

### Discussion:

Councilwoman Frische noted that this is a good thing to pass, but should continue Cory Street discussions with the Chamber Downtown Group and residents in that area.

Councilman Russel agreed with Councilwoman Frische that this is important that this passes so that the TAP program may continue as it is very important to all the stakeholders in downtown Findlay.

Ayes: Frische, Harrington, Hellmann, Klein, Niemeyer, Russel, Shindledecker, Watson. The Resolution was declared adopted and is recorded in Resolution Volume XXXIII, and is hereby made a part of the record.

**RESOLUTION NO. 013-2016** (*Sandusky St widening project*)

first reading

THE FOLLOWING IS RESOLUTION 013-2016 ENACTED BY THE CITY OF FINDLAY, HANCOCK COUNTY, OHIO, HEREINAFTER REFERRED TO AS THE LOCAL PUBLIC AGENCY (LPA), IN THE MATTER OF THE STATED DESCRIBED PROJECT.

First reading for the Resolution.

## ORDINANCES

**ORDINANCE NO. 2016-007 AS AMENDED** (*amendment to salary ordinance no 2015-100*)

third reading

lifted from the table and  
adopted during Old Business

AN ORDINANCE AMENDING CERTAIN PROVISIONS OF CODIFIED ORDINANCE NO. 2015-100 OF THE CITY OF FINDLAY, OHIO KNOWN AS THE SALARY ORDINANCE.

**ORDINANCE NO. 2016-015** (*2015 Codified Ordinance updates*)

second reading

AN ORDINANCE APPROPRIATING FUNDS AND DECLARING AN EMERGENCY.

Second reading of the Ordinance.

**ORDINANCE NO. 2016-018** (*Davis St (U of F) waterline project*)

second reading

AN ORDINANCE APPROPRIATING FUNDS AND DECLARING AN EMERGENCY.

Second reading of the Ordinance.

**ORDINANCE NO. 2016-019** (*133 Hillcrest Ave rezone*)

second reading

AN ORDINANCE AMENDING CHAPTER 1100 ET SEQ OF THE CODIFIED ORDINANCES OF THE CITY OF FINDLAY, OHIO, KNOWN AS THE ZONING CODE BY REZONING THE FOLLOWING DESCRIBED PROPERTY (REFERRED TO AS 133 HILLCREST AVENUE REZONE) WHICH PREVIOUSLY WAS ZONED "O1 INSTITUTIONS AND OFFICES" TO "R2 SINGLE FAMILY LOW DENSITY".

Second reading of the Ordinance.

**ORDINANCE NO. 2016-020** (*N Cory St rezone*)

second reading

AN ORDINANCE AMENDING CHAPTER 1100 ET SEQ OF THE CODIFIED ORDINANCES OF THE CITY OF FINDLAY, OHIO, KNOWN AS THE ZONING CODE BY REZONING THE FOLLOWING DESCRIBED PROPERTY (REFERRED TO AS NORTH CORY STREET REZONE) WHICH PREVIOUSLY WAS ZONED "R3 SINGLE FAMILY HIGH DENSITY" TO "R4 DUPLEX TRIPLEX HIGH DENSITY".

First reading of the Ordinance.

**ORDINANCE NO. 2016-022** (*2016 VP Refunding Bonds*)

first reading

adopted

AUTHORIZING THE ISSUANCE OF BONDS IN THE AMOUNT OF NOT TO EXCEED \$6,335,000 FOR THE PURPOSE OF ADVANCE REFUNDING A PORTION OF BONDS ISSUED IN JULY 2008 FOR THE PURPOSE OF (I) IMPROVING C.R. 236 BY WIDENING, CONSTRUCTING, RECONSTRUCTING, GRADING, PAVING, REPAVING AND CONSTRUCTING DRAINAGE IMPROVEMENTS AND RELATED INFRASTRUCTURE WITH LANDSCAPING, TRAFFIC CONTROL DEVICES, LIGHTING, AND OTHER APPURTENANCES THERETO; (II) CONSTRUCTING AND IMPROVING ATHLETIC FIELDS AND A PERIMETER WALKWAY FOR THE HANCOCK RECREATION CENTER FIVE PLEX SPORTS COMPLEX, INCLUDING GRADING, LANDSCAPING, IRRIGATION, PAVING, FENCING, LIGHTING, SIGNAGE, AND ALL OTHER IMPROVEMENTS AND APPURTENANCES THERETO; (III) RENOVATING, CONSTRUCTING, RECONSTRUCTING, AND EXPANDING THE HANCOCK RECREATION CENTER, INCLUDING ACQUISITION OF APPROXIMATELY 5.5 ACRES OF LAND AND INTERESTS IN LAND ADJACENT TO THE HANCOCK RECREATION CENTER, FURNISHING AND EQUIPPING SAME, AND ALL APPURTENANCES RELATING THERETO; AND (IV) ACQUIRING RIGHT-OF-WAY ALONG C.R. 236 BETWEEN U.S. RT. 224 AND S.R. 12 TO BE USED FOR THE C.R. 236 WIDENING PROJECT; AND AUTHORIZING AND APPROVING RELATED MATTERS; AND DECLARING AN EMERGENCY.

Councilman Russel moved to suspend the statutory rules and give the Ordinance its second and third readings. Seconded by Councilwoman Frische. Ayes: Harrington, Hellmann, Klein, Niemeyer, Russel, Shindledecker, Watson, Frische. The ordinance received its second and third readings. Councilman Russel moved to adopt the Ordinance, seconded by Councilman Watson.

**Discussion:**

Councilman Russel feels it is odd that rules need to be suspended and a motion made to approve this in order to continue discussions. He would like to table this for a couple of weeks because of the discussion on the call and to determine whether or not Council wants to pay for that flexibility. He is weighing that against the desire to take advantage of the current market. He asked to be taken through the process of what happens if Council approves this. He asked what the timeframe is and if it necessitates the Auditor to actually process it or if the market turns, if the Auditor will just walk away from the deal. He also asked if the ordinance has an expiration date. Auditor Staschiak replied that Council has not passed the legislation yet, so the structure of the bonds are flux. He is unsure what the future market conditions will be. In order to give the most flexibility, Council would want that call. Based on the expectation of the market and based on Council's desire to keep as much flexibility as possible, he assumes Council will ultimately want them in there. Councilman Russel's second question about the process is multiple steps. First, legislation has to be adopted. Then the financial information on the City has to be prepared so that a rating can be done on the City's financial condition so that those bonds can be sold. A preliminary official statement (POS) is prepared so that all of the financial disclosures that are not only required, but would also be of interest to someone who might want to buy our bonds. We want to do this so that we will be as marketable as possible, as well as follow the laws and rules. The Mayor and Auditor will be required to sign a document stating they know of nothing that is material to the finances of the City both positively and negatively that has not been disclosed. They will have to sign off on what they know not only about today, but also tomorrow, whether it be a private discussion or a formal business discussion, confidential or not. Once that is all done and put together, they will start to work with the underwriter to premarket the bonds. Once the rating is done and completed, they will look at the market and consider the spread versus AAA rated bonds, and then will work with the financial advisors during that process to tweak the terms of the bonds (face value of each bond, the rate or the yield). Those three (3) items will be in flux around that period. Then we will have the sale, book the orders and hope that we are appealing enough that we sold them all, which he anticipates will happen based on our success in the past, but there is always the possibility that we won't. If that happens, we will have to make adjustments to those bonds to make sure they do sell. There are a lot of pieces that are happening. He is unsure where the information is coming from for the call Councilman Russel mentioned. The expensive pieces of this have nothing to do with a call. The expensive part of this is the advisors and the team that was put in place to sell this issue. The cost of the incidentals is minimal compared to the hundreds of thousands of dollars of savings. He respects Councilman Russel's concern and would not let it go by without exploring it. What it is going to cost to get the bonds rated, is the cost to work with financial advisors, the cost to work with the legal team is eighty to ninety percent (80-90%) of the ninety to one hundred thousand dollars (\$90,000-\$100,000) he mentioned earlier. Anything else is insignificant. Councilman Russel noted that the call has a cost to it because it gives us the flexibility, so it is a question of what that cost is. If Council approves this tonight, the Auditor will come back at some point to let Council know that the bond is sold. This is our last input time into this decision. Auditor Staschiak replied if Council approves this tonight on emergency, then it will be Council's last input. Councilman Russel then asked if the market turns sour, if this will expire at some point in time or if it will remain open until 2018 when the bonds are called. Auditor Staschiak referred to the Law Director to answer it. When they did the refunding last time, we lost the market conditions and then they did come back for the second refunding that we did, but we were within a calendar year. It is not his intention to let it sit there in perpetuity. Law Director Rasmussen added that we signed an engagement letter with the legal counsel. Our City Auditor should have an engagement letter with the financial folks. The way this should be interpreted is that it is an issuance. If the issuance does not go forward, it will have to be brought back to Council. Councilman Klein asked if we do not have a minimal of three percent (3%) savings, if we will still move forward with it. Law Director Rasmussen replied we will not. Councilman Klein then asked if it is known that we will save a minimum of three percent (3%). Law Director Rasmussen replied that there is some language in it that if it is close, then the Auditor has the authority to make the decision to proceed with the issuance or not. Councilman Klein then asked if there is a bottom line savings. Law Director replied that is correct. Auditor Staschiak added that not knowing for sure where Council is going with the financial planning. His goal is to give Council as much flexibility as possible and not to close doors. It is Council's choice if they want to pay out the debt in 2025, wait until 2033, or pay it off in 2018. There is six million (\$6,000,000) in the General Fund cash account right now, so it could be paid off in 2018, but he does not feel that would be a prudent decision because there are no long-term operations forecasted in and for Council to make that decision tonight would not be fair. He will continue to try to give Council as many options as he can. In this case, we are accomplishing those goals and saving money should it come to fruition.

Mayor Mihalik asked what the cost is to go through this process if the market is not favorable. Auditor Staschiak replied if there is no sale, there will be no cost on the finance advisor's portion. He has not signed the engagement letter with the law firm yet. He asked the Law Director if there was a cost for it. Last time, there was no cost if we did not do the issuance. Law Director Rasmussen replied it was forty thousand dollars (\$40,000). Auditor Staschiak added that that will be the gross cost if we do the issuance. The finance advisors know that if we do not issue, they do not collect a fee. They do not work on a commission. They work in good faith in a long-term relationship. Those businesses want to understand our City's finances and needs. They want to know what we need to be successful with these issuances. There have been situations where they have not charged us in the past. That was the case with the finance agreement. Councilman Klein asked if there will be a net savings after they are paid. Auditor Staschiak replied there will be. It is not hidden. It will be a savings of one hundred eighty thousand dollars plus (\$180,000+).

Councilwoman Frische asked the Mayor for her opinion on this. Mayor Mihalik replied she does not have any concerns. Councilwoman Frische then asked if the Mayor is on board with this. Mayor Mihalik replied that if the Auditor believes that we have an opportunity to take advantage of this situation, then she trusts him. Her concern was that these transactions would not take place without a significant expense to the City. Forty thousand dollars (\$40,000) for legal counsel and whatever the financial advisor costs are paid out of taxpayer dollars. Councilwoman Frische added that it would be worth it if they get at least three percent (3%). Auditor Staschiak added that the three percent (3%) is net which is after those costs. In theory, if this all comes together as we expect it to, there is no cost. You have a savings. It will save the City money, not expensing the money, but we have to spend money to save money.

Ayes: Hellmann, Klein, Niemeyer, Russel, Shindledecker, Watson, Frische, Harrington. The Ordinance was declared adopted and is recorded in Ordinance volume XX, Page 2016-022 and is hereby made a part of the record.

**ORDINANCE NO. 2016-023** *(Fiber loop project)*

**first reading**

**adopted during  
Old Business**

**AN ORDINANCE AUTHORIZING THE DIRECTOR OF PUBLIC SERVICE SAFETY OF THE CITY OF FINDLAY, OHIO, TO PARTICIPATE IN THE FIBER LOOP PROJECT, AND ENTER INTO AN AGREEMENT WITH FINDLAY CITY SCHOOLS, APPROPRIATING FUNDS, AND DECLARING AN EMERGENCY.**

**ORDINANCE NO. 2016-024** (2016 Capital Improvements)

first reading

AN ORDINANCE AUTHORIZING THE SERVICE-SAFETY DIRECTOR OF THE CITY OF FINDLAY, OHIO, TO ADVERTISE FOR BIDS WHERE REQUIRED AND ENTER INTO A CONTRACT OR CONTRACTS FOR CONSTRUCTION OF VARIOUS PROJECTS IN ACCORDANCE WITH THE 2016 DEPARTMENT EQUIPMENT LIST WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBIT A, APPROPRIATING FUNDS FOR SAID CAPITAL EXPENDITURES, AND DECLARING AN EMERGENCY.

First reading of the Ordinance.

**ORDINANCE NO. 2016-025** (ODOT FY16 Resurfacing project no. 32847600)

first reading

AN ORDINANCE APPROPRIATING FUNDS AND DECLARING AN EMERGENCY.

First reading of the Ordinance.

**ORDINANCE NO. 2016-026** (Downtown Revitalization (Main St/Cory St improvements)

first reading

adopted during  
Old Business

AN ORDINANCE APPROPRIATING FUNDS AND DECLARING AN EMERGENCY.

Councilman Russel moved to suspend the statutory rules and give the Ordinance its second and third readings. Seconded by Councilman Klein. Ayes: Klein, Niemeyer, Russel, Watson, Frische, Harrington, Hellmann. Nays: Shindledecker. Motion is defeated.

Discussion:

Councilman Shindledecker was under the impression that this would take eight (8) votes to suspend the rules and give it its second and third readings, but was informed at the last meeting that it takes seven (7). He assumed the motion to suspend was going to pass, but since it did not, he asked for this to be reconsidered. Law Director replied that we are done with this ordinance, but it could be brought up during Unfinished Business. There has to be three-fourth (¾) or seventy-five percent (75%) to waive, so when there are ten (10) Councilmembers, eight (8) votes are needed to waive, two-thirds (2/3) or six (6) to pass on an emergency.

**UNFINISHED BUSINESS:  
OLD BUSINESS**

Councilwoman Frische asked if Ordinance No. 2016-023 is being referred to the Appropriations Committee, and if not, she would like to suspend the rules and give it its second and third readings. Mayor Mihalik replied it is the Service-Safety Director's hope that Council will suspend the rules and give it its second and third readings tonight so that start-up funds can be in place for this project so that design can begin. Additional funds for the implementation of the project will be presented to Council later. This is just for the startup funds that Council had removed from the Capital Ordinance a couple of meetings ago. Councilwoman Frische confirmed that this is the cost to go over to the Findlay City School. She just wanted to make sure this did not need to go to the Appropriations Committee.

Councilwoman Frische moved to suspend the statutory rules and give Ordinance No. 2016-023 its second and third readings. Seconded by Councilman Hellmann. Ayes: Niemeyer, Russel, Shindledecker, Watson, Frische, Harrington, Hellmann, Klein. The ordinance received its second and third readings. Councilwoman Frische moved to adopt the Ordinance, seconded by Councilman Watson. Ayes: Russel, Shindledecker, Watson, Frische, Harrington, Hellmann, Klein, Niemeyer. The Ordinance was declared adopted and is recorded in Ordinance volume XX, Page 2016-023 and is hereby made a part of the record.

Councilman Harrington moved to suspend the statutory rules and give Ordinance No. 2016-026 its second and third readings. Seconded by Councilman Shindledecker. Ayes: Shindledecker, Watson, Frische, Harrington, Hellmann, Klein, Niemeyer, Russel. The ordinance received its second and third readings. Councilman Russel moved to adopt the Ordinance, seconded by Councilman Watson.

Discussion:

Councilwoman Frische asked what part of this is going for downtown. Mayor Mihalik replied that we are currently in the design process for the Main Street and Cory Street projects. As a part of the design, in working with ODOT, we are required to do a certain level environmental assessment. This portion of the project is where we are improving the drainage around the improved handicap access ramps in downtown Findlay. Because we are importing the drainage, it requires us to place catch basins which are a part of the storm sewer. ODOT calls that a Deep Excavation Earned Environmental Assessment be done which requires a Phase I Environmental Assessment on these particular properties that we will need.

Councilman Shindledecker asked if this was a source of the hearings that they had to call because of the six (6) properties on Cory Street or if that was a separate matter. Mayor Mihalik replied the properties for this are basically a sliver of land that requires the City to do Phase I Environmental Assessments on. Councilman Shindledecker will not stand in the way of this entire project, but he would like to give some consideration to a possible alternative route for a bike path. Mayor Mihalik noted that this is just for the City to continue the design of the project. It does not finalize the scope in any way. It just allows us to conform with the regulations that are tied to the spending of the grant funds associated with the Transportation Alternative Plan.

Ayes: Watson, Frische, Harrington, Hellmann, Klein, Niemeyer, Russel, Shindledecker. The Ordinance was declared adopted and is recorded in Ordinance volume XX, Page 2016-026 and is hereby made a part of the record.

Councilman Watson moved to lift Ordinance No. 2016-007 AS AMENDED from the table. Councilwoman Frische seconded the motion. Ayes: Frische, Harrington, Hellmann, Klein, Niemeyer, Shindledecker, Watson. Nays: Russel. The Ordinance was lifted from the table. Councilwoman Frische moved to adopt the Ordinance. Seconded by Councilman Watson.

Discussion:

Councilman Russel voted against lifting this from the table so that the two Councilmembers that are not present tonight could give their views on it due to the interest this amendment has had. He asked Council to reconsider lifting it so that Councilman Monday and Councilman Wobser could also weigh in.

Councilwoman Frische noted that there was a Committee of the Whole meeting on this where everyone was in agreement during the discussion, so everyone has given their opinion on it.

Ayes: Hellmann, Klein, Niemeyer, Shindledecker, Watson, Frische, Harrington. Nays: Russel.

Mayor Mihalik asked to go back to the discussion on the Capital Fund (Ordinance No. 2016-024). She wanted to make sure Council is aware that the Administration was not expecting Council to approve the second quarter Capital requests tonight. They are expecting it to get at least two (2) readings if not three (3). During a subcommittee meeting, the Capital Plan was discussed. There were talks about transferring the five million (\$5,000,000) from the General Fund into Capital. Councilman Harrington appreciates the exhibits for the Capital Improvements.

### **NEW BUSINESS**

Councilman Watson congratulated the Mayor and the Administration on Sight Selection Magazine's naming Findlay as the number one micropolitan community for two (2) years in a row. Mayor Mihalik thanked Councilman Watson and added that it is not an accolade that we stand alone with. We have some great partners and due to some great collaborative efforts that are moving forward, it has put us way ahead of most communities in the Midwest, so we are happy that we continue to compete nationally. The celebration for this will be March 10, 2016 at 11:00am at the Marathon Center for the Performing Arts building.

Councilman Harrington (in Councilman Monday's absence): **APPROPRIATIONS COMMITTEE MEETING** on March 8, 2016 4:00pm in the third floor conference room beside the Mayor's Office (CR1).  
agenda: 2<sup>nd</sup> quarter appropriations (Ordinance No. 2016-024)

Councilwoman Frische: **WATER & SEWER COMMITTEE** meeting on March 8, 2016 4:30pm in the Council Office, in the third floor conference room beside the Mayor's Office (CR1).  
agenda: waive rotary fee for 10595 TR 94

Councilman Shindledecker: **STREETS, SIDEWALKS & PARKING COMMITTEE** meeting on March 8, 2016 4:45pm in the third floor conference room beside the Mayor's Office (CR1).  
agenda: sidewalk variance for 139 Springbrook Drive

Councilman Watson made a motion to excuse the absence of Councilman Monday and Councilman Wobser. Seconded by Councilwoman Frische. All were in favor. Filed.

Councilman Russel noted that during the last City Council meeting, he was appointed to be Council's representative on the Blanchard River Watershed Partnership Board who met tonight. Last year, the City did some work with the them on a sediment study on the dam near Riverside Park. That study is complete. They will present the results on March 8, 2016 at 1:30pm at the County Commissioners Office. Council is encouraged to attend.

President J. Slough adjourned Council at 843pm.

  
CLERK OF COUNCIL

  
PRESIDENT OF COUNCIL