FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

MARCH 16, 2017

The meeting was called to order at 5:00 p.m. by Chairman Jim Matuszak. Committee members present were Nelson Evans, Jim Matuszak and Tim McCarthy. Also present were Finance Director Dave Creps, Deputy Finance Director Tim Fisher and Tax Commissioner Steve Bronder.

REFUSE LEVY

Mr. Creps reminded the committee that the refuse levy is presented to the voters every 2 years. It is a 1-mill levy that generates about $600,000.00, which is about half of the total budget for refuse collection/disposal and recycling. Historically, this levy has passed by a large margin every time it has been presented to the voters. Mr. Matuszak asked if the terms before them were the same as those passed by the voters 2 years ago. Mr. Creps confirmed as much. Mr. Creps also indicated that the administration is looking for a recommendation from the committee before the request is presented to the full council. Council will be asked to pass a "Resolution of Necessity". The resolution would be forwarded to the Board of Elections and County Auditor. The County Auditor will generate a document of how much revenue the city should expect to receive from the tax levy. That document would be presented to council for review and to place the issue on the ballot via ordinance. The committee agreed 3-0 to recommend approval of the Refuse Levy.

STREET LIGHTING ASSESSMENT

Mr. Creps stated that street lighting special assessment is a recurring assessment and the request for $180,000.00 to pay for operation, maintenance and installation of street lighting throughout the city is the same amount as the previous assessment. This assessment is divided up by the assessed total of the land within the City. Each property owner pays its share of the total cost of the assessment based on its property valuation as a percentage of the total valuation of all property in the city. The committee agreed 3-0 to recommend approval of the street lighting assessment.

STREET TREE ASSESSMENT

Mr. Creps provided information stating that the street tree assessment is also a recurring assessment. The administration is requesting that the committee recommend approval of a $50,000 assessment, which is the same amount as the previous assessment. Again, property owners would share in the cost of the assessment in the same manner as they would with a street lighting assessment. The $50,000 assessment is to be supplemented with an additional $35,000 from the general fund.

This will pay for new street trees and the maintenance of existing street trees and removal of dead/blighted trees. Jon Eckel said in the past when the Emerald Ash Borer was more of a problem, the assessment had been $100,000. The committee agreed 3-0 to recommend approval of the Street Tree assessment.

MOSQUITO CONTROL SPRAY AND TABLETS- OEPA GRANT

Jon Eckel indicated that normally we spend $60,000 per year in mosquito control costs - usually spending $30,000 at a time. This year we received a $30,750 OEPA grant, so he suggested we buy the entire amount needed now since the grant revenue allows the city to do so. He stated that the materials, supplies and training we get from the vendor is expensive. For example, a 50-gallon drum of mosquito control product costs $14,000. He added that it is expensive but it is safe for people, honeybees and butterflies. Mr. Matuszak asked if we had $60,000 in the current budget appropriated for the purchase and if the partially offsetting grant revenue is in the current budget. Mr. Creps said the $60,000 expense has already been approved by council, but the grant revenue is not in the current or amended budget. Mr. Matuszak asked that the amended budget be revised to acknowledge the grant revenue and suggested that the additional revenue be credited to the service department. The committee agreed 3-0 to recommend approval of mosquito control spray and tablets.

FINANCE DIRECTOR'S REPORT

The committee reviewed expenses over $5,000 for February. Mr. Matuszak asked why we were purchasing road salt from the city of Oregon considering the mild winter we have had. Jon Eckel informed the committee that we used to have our own salt consortium before we joined the City of Toledo on their salt consortium. We later found out that the City of Oregon had even lower prices than that so we have been with them since that time. Jon explained that we are under agreement to purchase the road salt.

Mr. Creps reported that the balance of the Health and Welfare Fund as of February 28th, 2017 was $419,874.53.

2017 BUDGET

Deborah Born, 125 E. Front Street, asked to comment. She felt three things should be removed from the budget -the Hood Park project, the Downtown project and the connectivity path. She considers these three items to be unnecessary and a waste of taxpayer dollars.

Mr. Matuszak brought up Councilman Rettig's previously expressed concerns about moving forward with Hood Park improvements before Riverside Park is completed. Mr. Evans expressed concern over the lack of parking at the river (proposed spending of $435,000) and the need for Riverside Park to be completed. He thought it would be wise to hear from the citizens before moving forward with Hood Park (proposed spending of $500,000). Discussion ensued as to how council could defer proposed spending on Hood Park for later. Mr. Evans and Mr. McCarthy both favored keeping the $435,000 of proposed spending in the amended budget; Mr. Matuszak did not. Rather, he was willing to leave a lesser amount in the amended budget to allow for the design, engineering and related upfront soft costs related to the parking and the related retaining wall projects. The committee agreed 2-1 Evans, McCarthy (Aye) Matuszak (Nay) to remove the $500,000 of additional spending for Hood Park from the amended budget and to recommend approving the $435,000 of additional spending for parking and the related retaining wall projects.

Mr. Matuszak reminded the committee of their earlier discussions regarding the administration's $25,000 spending authority. He suggested the amount be reduced and was open to discussion. He reiterated his concerns with the administration's recent alleged abuses of the authority council had given it. Mr. Matuszak referenced a recent representation by the administration that drawings from Tetra Tech pertaining to the proposed additional spending on Hood Park were provided free of charge, only to find out later that the city was in fact charged for the work. He also reminded the committee of the demolition of the properties along the river and the way the work was awarded to, in his opinion, avoid having to request permission from council to engage the contractors.

Mr. Evans and Mr. Creps discussed the history of the threshold issue and that when the amount was $10,000 it tripled the ordinances that year and made the work for city council cumbersome. Councilmember Williams suggested bringing up the matter at council to make it clear to the people that it is being considered. Mr. Evans expressed concern over the punishing effect such a change would have on departments and other parties not previously involved [with alleged abuses of the authority]. The committee seemed to be in general agreement that the possibility of some other form of consequences would serve as a deterrent from future indiscretions.

Jerry Abair, a boat club member, asked to address the committee. He brought up concern about completion of the multi-use path before construction of a new boat club facility is completed. He said construction could damage any path. He strongly encouraged the coordination of the timing of the two projects to avoid any potential damage to a new path.

Rachel Alteneder, 563 E. Indiana, shared some of the specifics regarding grant number 99001 for $80,000 for phase two of a multi-use path. She also informed the committee that there are also grants tied to phases three and four of the multi-use path project.

Mr. Evans offered to talk with the administration about this and asked Jon Eckel to touch base with the boat club and Henry Bergman (construction firm for the multi-use path) regarding this.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that collections in February were a little over $1.1 million. This was 17% down from the same period last year. He also mentioned that since January 31, 2016 was a Sunday, payments due by the end of the month would have been considered timely received on February 1, 2016. Mr. Matuszak explained that the year-to-date collections of $2.8 million do not include any scheduled quarterly payments whereas the same period last year did.

TAX INCENTIVE REVIEW COMMITTEE REPORT

Glen Grisdale from Revielle was present to present the tax incentive review committee report for 2016. In summary, the city has 12 post-1994 CRA's, 1 pre-1994 CRA and 1 TIF zone in Levis Commons.

There were no issues of concern at the time.

OTHER BUSINESS

Tim Fisher brought up the contract with Ride Right. It will be subject to renewal for a second one year term soon. Service has been good with minimal complaints. The administration will propose an ordinance for council to consider at its April 4, 2017 meeting.

Mr. Matuszak brought up previous committee discussions regarding food trucks and mentioned recent announcements that the food truck operators have been invited to participate in the farmers' market this year. He noted that time is of the essence if any legislation is going to be presented prior to the beginning of the scheduled farmers' market activities.

Respectfully submitted,

Jim Matuszak, Chairman
Finance and Economic Dev. Comm.

Next meeting: Monday, April 24, 2017 at 5:00 p.m.