

RECORD OF PROCEEDINGS

Minutes of Council

Meeting

BARRETT BROTHERS - DAYTON, OHIO

Form 6101

Held September 16, 2019

MINUTES OF THE SEPTEMBER 16, 2019 COUNCIL MEETING

Meeting called to order at 7:01 p.m. by President Steve Johnston

Council Members Present: Steve Johnston, Howard Wade, Jennifer Warner, Jim King, Linda Hall, Doug Eakins and Mike Conway. Also attending were Mayor, Ray Martin, Clerk of Council, Debbie DiLeo, Public Service Director, John Mitchell, Chief of Police, Christopher Floyd and Director of Parks and Recreation Director, Marci Darlington.

Council Members absent: None

Prayer: Howard Wade

Pledge of Allegiance: Mr. Eakins

Motion to adopt the agenda by Mr. King and seconded by Ms. Hall

Roll Call: All Yeas

Motion carries 7-0

Motion to adopt the Minutes of the September 3, 2019 Council Meeting by Mr. Conway and seconded by Mr. Wade

Roll Call: All Yeas

Motion carries 7-0

Recognition of Guests:

The Oath of Office was administered to Murad DeLuca by Mayor Martin.

Mr. William Mullett, Superintendent of Jefferson Local Schools, explained that the school is placing a 3.5% Emergency Operating Levy on the November 5th ballot. This is the first new millage in 20 years. The effective millage charged is 33.66, which is the lowest in both Madison and Franklin Counties. 28 mils are for operating expenses. The additional money is needed to address an \$850,000.00 deficit in last year's spending. Over the last ten years the State has not given schools any new money. MRDD is now only serving adults; children that attended Fairhaven are now enrolled in their home schools. In addition to funding received for Special Education the school provides an additional \$300,000.00. Pre-school, which is not funded, also requires \$150,000.00. This levy will generate approximately \$770,000.00. The remainder is hoped to be generated by the Intergovernmental Real Property Tax Abatement Agreement, which will be voted on later, and an agreement with developers to pay one cent per square foot. They are also hoping for some new funding from the State. He believes the passage of this levy will cover expense for the next five to six years.

Ms. Warner asked if money from Fairhaven students is channeled to our schools. The school receives funding for every student in attendance including prior Fairhaven students.

Mr. Eakins wondered why the schools are only asking the Village for additional agreements, which only effect Village residents, and not all of the district residents. He feels that the schools should either ask for a higher operating levy or an increased income tax so all of the district residents are affected equally. Mr. Mullett feels the schools lose the most revenue when tax abatements are issued. The side agreement only affects the developers and the agreement with the Village helps to offset some of the loss.

Mr. Conway believes that without the abatements, the companies would not even come here so the tax dollars generated would not even exist without the abatements. Mr. Mullett hopes that sometime in the future the abatements might be shared more equitably. The side deals that the school has with developers goes directly to the schools.

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Mr. Johnston wanted to discuss the side deal the school made with Pizutti. He feels that the schools said they would not approve the CRA if Pizutti did not agree to the side arrangement. He thought that agreement stood on its own and doesn't understand why the one cent per square foot is included in the Village agreement being presented later this evening. Mr. Johnston understands the school's position but has a problem with being presented with legislation that includes the side agreement. Mr. Mullett stated that the agreement has been worked on for a long period of time with both the Village's and School's attorneys. Mr. Johnston hopes things can be worked out in the future because the Village intends to continue development.

Caleb Bell, Associate Law Director, addressed Council regarding the proposed legislation.

1. Ordinance 19-112: The Pizutti building lies within both the London and Jefferson School Districts. 69% of the building lies in the London School District. The Revenue Sharing Agreement attached to the CRA legislation, allows the first five years of income tax collected, to be prorated as follows: 32.5% times 69%. In years six to fifteen the proration is 50% times 69%. The other property in this development area is located entirely in the London School District.

2. Ordinance 19-114: The London Schools are addressing things from a case by case standpoint. The Revenue Sharing Agreement with Jefferson Local Schools is a broader arrangement. Mr. Johnston asked how the one cent per square foot became part of the agreement. The agreement is for 50% income tax sharing for the next five years on all abated property and 33% thereafter. The one cent side agreement does not come out of Village funds. The Developer will need to have both the Village's and School's permission. The agreement allows the Village to authorize future CRA's without school approval. If there is a situation where the one cent causes economic problems, we can bypass the agreement and go back to the old way of approvals. The Mayor stated that the law allows the school to make this type of agreement. Ms. Warner asked why it is included in the Village's agreement. If the developer and the Village agree, and for some reason the school objects and we can enforce the agreement. The Mayor also noted that there were two executive sessions and a meeting at the school prior to presenting this to Council. The Mayor said all parties were involved in the agreement.

Old Business: None

New Business:

Ordinance 19-112, an ordinance approving the execution of a Community Reinvestment Area Agreement among the Village of West Jefferson and Pizutti Development LLC and the execution of a Revenue Sharing Agreement between the Village of West Jefferson and the London City School District, and declaring an emergency
Discussion: As discussed, this allows a CRA for Pizutti. The actual CRA Agreement and the Revenue Sharing Agreement are both attached. The Revenue Sharing Agreement with London is specific to this site and is 32.5% sharing for the first five years and 50% for the next ten years, but prorated by 69%.

Motion to adopt Ordinance 19-112, by Ms. Hall and seconded by Mr. Wade

Roll Call: Yeas-Johnston, Warner, Eakins Wade, Conway, Hall

Nays-King

Motion carries 6-0

Ordinance 19-113, an ordinance declaring the improvement of certain real property located at the Pizutti Site in the Village of West Jefferson, Madison County, Ohio to be a public purpose; declaring such property to be exempt from real property taxation; designating specific public infrastructure improvements that, once made, will directly benefit the parcels for which improvement is declared to be a public purpose; requiring annual service payments

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in lieu of taxes; establishing a municipal public improvement Tax Increment Equivalent Fund; authorizing the execution of the Tax Increment Financing Agreement; providing related authorizations pursuant to Ohio Revised Code Sections 5709.40(B), 5709.42, 5709.43, 5709.832, and 5709.85 and declaring an emergency

Discussion: This ordinance is a thirty-year TIF agreement. Everyone receives more money in year sixteen and beyond. The schools will be made hole in year sixteen and the village continues to divert taxes for infrastructure improvements.

Motion to adopt Ordinance 19-113, by Ms. Warner and seconded by Mr. Johnston

Roll Call: All Yeas

Motion carries 7-0

Ordinance 19-114, an ordinance approving the execution of an Intergovernmental Real Property Tax Abatement Agreement between the Village of West Jefferson and the Jefferson Local School District, and declaring an emergency

Discussion: The essential elements of this agreement are the Board of Education would not need to approve any abatements for fifteen years and the schools would receive 50% of the income tax revenue on all abated properties including, current abatements, for the next five years (2020-2024). After five years the schools would receive 33% of the income tax revenue.

This agreement allows the Village to proceed with future abatements without having School Board approval.

Motion to adopt Ordinance 19-114, by Mr. Wade and seconded by Ms. Warner

Roll Call: All Yeas

Motion carries 7-0

Resolution 19-115, setting the pay rate for the Assistant Wastewater Superintendent, Alex Bishop, at the two-year level

Discussion: Mr. Mitchell reported that he received three applications for the position and Mr. Bishop was the most suited for the position. He has an Ohio Wastewater II license and will be required to achieve a Wastewater III and Water I licenses within the next three years. At that time his rate of pay will be adjusted to his appropriate years in Public Service.

Motion to adopt Resolution 19-115, by Mr. Eakins and seconded by Mr. King

Roll Call: All Yeas

Motion carries 7-0

Mid America/Japan Conference Report:

Mayor Martin distributed some information on Toagosei America who is committed to West Jefferson. He also met with JIC and G-tekt and they are planning an expansion that will produce 150 new jobs. He said he learned that communication is very important in the Japanese culture. Ohio is the largest employer for Japanese companies in the United States, and the Midwest is the hub for Japanese companies. The Mayor also had several discussions with Governor DeWine. He is presenting a Certificate of Recognition to Toagosei in West Jefferson and feels we should have more interaction with all the companies located in the Village.

David Kell led the meeting with Toagosei and feels it went very well. JETRO is a resource that facilitates investment from Japan to America and vice versa, primarily in the Midwest. 30-35 people met with JETRO that were interested in investments in Ohio. Mr. Kell stated that Governor DeWine's presentation was very well received and Ohio was represented very well. Next year the conference will be held in Chicago, Illinois. The Mayor would like to budget for some council members to attend the conference next year.

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Committee Reports:

Finance: None

Police: None

Employee Benefits: None

Public Service: None

Development: None

Parks and Recreation: None

Special Events: None

Director of Finance Report: The August financial reports were presented. Income tax collections were up 32% in August and overall 9% for the year.

A situation arose regarding a fire damage check that was received in July. The check was over \$16,000.00 and was deposited in an Agency Fund as required. The money would be returned to the owner when the required repairs were approved by the Zoning Code Enforcement Officer.

Our auditor's suggested that council be informed of the situation in order to have official documentation of the circumstances.

The concern was the length of time it would take to approve a supplemental appropriation and receive an amended certificate from the County Auditor in order complete the refund. The individual was somewhat unpleasant when she mentioned possible delays. The repairs were completed and in discussion with the Clerk, we decided a supplemental appropriation was not needed because Agency Funds are not required to be budgeted. This information was confirmed by our auditors. In attempting to process the refund, she discovered an error in the fund setup in the UAN Software. The fund was flagged as a budgeted fund. The system would not allow a refund to be issued without adding a supplemental appropriation. Ms. Arnott received written confirmation from the auditor's that they would not issue a citation due to a simple UAN setting error. She added a supplemental appropriation and the refund has been issued and further delays have been avoided.

Director of Public Service Report: Walnut/Fellows street repairs are moving along. Most of the concrete work is completed but a couple of utility poles still need to be moved. They will be focusing on milling down the old pavement and hopefully the project will be completed in a couple of weeks. The extension of water and sewer lines under Darby Creek is also moving along. They hope to pull water lines later this week or next week. Boring for larger diameter piping is a slower process. The water lines are 12" diameter, but the sewer lines are 8" diameter and should take less time. Mr. Eakins asked if the Walnut/Fellows project has a scheduled completion date. There is a date that has been moved back a few times but Mr. Mitchell has to check on the date. Mr. Eakins also said he has had inquiries regarding the end of road construction in town because it is close to harvest season. There are concerns about navigating large combines through town. Walnut/Fellows should be completed, but Route 40 could be an issue depending on the time of day. Alternate routes may need to be taken. Mr. Wade asked if the water lines on Route 40 were pressure tested. The tests have been completed. The sewer lines are about 400 feet shorter so they should move a little faster. Mr. Mitchell also reported an emergency purchase of a waste pump at the Water Plant. The cost was \$8,600.00 and it should be in tomorrow.

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Director of Parks and Recreation Report: Ms. Darlington reported they have completed the fifth week of softball. Tomorrow night there is a concert at the Community Center from 7:00 to 8:30 p.m. The Fishing Fiesta had a wonderful turn out of over 75 people. Thanks to Shaun, Clayton, the police and EMS for helping with the event. She will be attending a three-day Crises Response Training being held by Madison County EMA in October. She will also attend a Serve Ohio Conference on volunteerism. Make a Difference Day will be held at the end of October with a focus on mental health. Scarecrows and window painting are gearing up for fall. She will also be working on 2020 grants and budget. Mr. Johnston would like to schedule a meeting to discuss the Food Truck amendment to the Zoning Code.

Mayor's Report and Recognition: The Mayor thanked Brenda Blanton for taking care of the flower pots. He also mentioned that he purchased the Japanese souvenirs from his own funds.

Recognition of Clerk and Council: Mr. Conway asked if there were any plans to help traffic during the Farm Science Review. The Chief said all they can do is monitor and will send someone to direct traffic if needed. Mr. Conway also reported he had several complaints about the construction dump trucks speeding on Route 40. Chief will look into it.

Additional Business: None

Motion to pay the bills by Ms. Hall and seconded by Mr. King

Passed by Acclamation of Council

Motion to approve "Then and Now" Certificates over \$3,000.00: None

Motion to adjourn at 8:21 p.m. by Mr. Eakins and seconded by Mr. Johnston

Passed by Acclamation of Council



Deborah J. DiLeo
Clerk of Council



Steve Johnston
President of Council