City of Dublin

Office of the City Manager
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Memo

To: Members of Dublin City Council

From: Dana L. McDaniel, City Manager

Initiated By: Angel L. Mumma, Director of Finance

Date: June 23, 2016

Re: **Ordinance No. 24-16 - Amending the Annual Appropriations for Fiscal Year Ending December 31, 2016**

Background

Ordinance No. 24-16 amends the annual appropriations for the fiscal year ending December 31, 2016 in the General Fund and in various other funds to provide sufficient funding in certain budget accounts.

Section 1 requests funding authorization in General Fund accounts.

- Supplemental funding in the General Fund and many of the City's TIF Funds is requested to cover the fees for county auditor deductions (Auditor and Treasurer's fees). These are fees charged by the County for real estate, personal property, estate, motor vehicle license, gasoline, cigarette and manufactured home taxes to each political subdivision and agency that receives funding from these to cover their administrative costs of preparing their settlement statements. The fees are dictated by the Ohio Revised Code. The City allocates these fees to all funds receiving real estate tax or TIF service payments. Historically, the City has not budgeted for this cost with the Annual Operating Budget and has requested supplemental appropriations to cover the expenses as they occur during the course of the year. This practice may be re-evaluated during this year's Operating Budget review.

- Supplemental funding is requested in the real estate tax account. The amount originally budgeted in 2016 for real estate tax payments was $125,000. This amount did not take into account the purchase of the former Nationwide Mutual Insurance property off of Frantz and Rings Roads (Ordinance 16-16), or the judgement entry against Dale Drive Properties LLC. With regard to the Nationwide property purchase, the City was given a credit at closing for the property taxes which reduced the purchase price at time of closing, however that left to the City the responsibility to remit the property taxes to the County. With regard to the Dale Drive property, the previous owner is responsible for the second half 2015 property taxes payable in June 2016. Because the property is now recorded into the City's name, the City paid the property taxes but will seek reimbursement from the previous owner. The real estate tax account has remaining expenses totaling approximately $6,000 for reparations payments to Jerome and Perry Townships that will be made in December. These reparations payments are also fully reimbursed by the property owner.

- Supplemental funding is requested in the Planning Division's planning services account. The Planning Division has been directed to undertake a framework plan for the West Bridge Street Corridor, involving consultant services working with city staff and the community.

This project was not programmed as part of the division's 2016 work plan and the division's professional services budget. There are unobligated funds for professional services in the 2016 budget sufficient to cover $100,000 of the estimated budget. The division is requesting an additional $50,000, for a total project cost of $150,000.

Section 2 requests funding in the State Highway Fund for the Bridge Street eastbound school flasher and the Dublin Road and Glick Road intersection improvements.

As part of the 2016-2020 CIP, $70,000 was programmed in 2016 for the school flasher located on Bridge Street/US 33/SR 161 east of Corbins Mill Drive. Complete General Construction will be completing the work on this improvement at an estimated cost of $45,330. We are requesting $50,000 in the event there are change orders related to this project. Any unspent amounts will be deposited back into the State Highway Fund.

$25,025 is being requested for costs related to the Dublin Road and Glick Road intersection improvements. This payment is related to a claim filed by the contractor, Double Z Construction, for construction delays arising from utility companies failing to relocate their utilities prior to the start of construction of the project. This hindered the contractor's ability to proceed with work, resulting in resequencing of work and lost productivity. This amount was negotiated between the City and contractor.

Section 3 appropriates funding in the amount of $150,000 from the Hotel/Motel Tax Fund for the Art in Public Places program. As part of an agreement between the City of Dublin and the Dublin Arts Council (DAC), DAC is required to use funds from their endowment for the purpose of commissioning or acquiring art for the City's permanent art collection. The City withholds $75,000 annually from the endowment (which is now 25% of the actual bed tax receipts), for the funding of the acquisition of art as part of the Art in Public Places program.

On March 7, 2016, City Council approved, by motion, to award the Art in Public Places commission to artist Olga Ziemska, authorizing the City to enter into contract with the artist for construction of "Feather Point" and "Universal Gathering". The amount requested represents two years' worth of endowment funding that has been withheld from the DAC.

Sections 4, 6, 7, 10, 12, 13, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 32, 34 appropriates funding in various funds to account for county auditor deductions (as explained in Section 1).

Section 5 appropriates funding in the Capital Construction Fund for the cost of roadway improvements within the Bridge Street District as well as the renovations to the Service Center.

As part of the Development Agreement with Crawford Hoying for the Bridge Park Development, the City is responsible for the roadway network surrounding Blocks B and C (east side of the Scioto River) as well as minor improvements to North High Street (west side of the Scioto River – Block Z). Bond proceeds in the amount of $11.1 million have been used to fund the improvements around Block C and on High Street, and were based upon early stage design cost estimates put together in early 2015. Also, additional dollars were used to initiate more extensive improvements to High Street, associated with the larger High Street total reconstruction to occur later this year. These High Street improvements are included in the $9.4 million programmed in 2016 for the

Historic District Columbus Metropolitan Library Street Network. Given the work that needed to be done on High Street in conjunction with the private development on the west side of the Scioto River, it was determined to be in the best interest of the City to advance the Indian Run retaining wall associated with the High Street improvements to better coordinate the work with the adjacent private development. The additional $4,863,000 being requested reflects the actual bids and the updated cost estimates for completing the roadways, required under the Development Agreement, as well as the North Riverview extension. Council was updated on these items during the Bridge Street District update during Council's 2016 Goal Setting.

Funds will be advanced from the City's General Fund to the Capital Construction Fund in order to initially fund the improvements. However, as discussed during the 2016 – 2020 CIP, Staff anticipate issuing debt for these roadway improvements. The bond proceeds, once received, will be used to reimburse the General Fund for the advance. Funding for the City's portion of the Bridge Park roadway network will ultimately come from the TIF revenues from Blocks B and C of the Bridge Park Development, as well as the TIF revenues received on the H2 Hotel site (former Cooker Restaurant). These TIF revenues are backed by a minimum service payment guarantee. Additionally, it is anticipated that approximately $450,000 will be reimbursed by the utility providers.

$3,038,700 is also being appropriated to initially fund the improvements to the Service Center. On May 23, 2016 Council approved Res 29-16 which authorized a $3,038,677 contract with Palmetto Construction Services for the improvements. This project was programmed in 2016 as part of the 2016 – 2020 CIP with bonds being issued to finance the project. The bond proceeds, once received, will be used to reimburse the General Fund for the advance.

Section 8 appropriates funding in the Pizutti TIF Fund for county auditor deductions (as explained in Section 1) and costs associated with the Frantz Road utility burial project.

The Frantz Road utility burial project had been programmed in prior years' CIP. The additional funding requested is related to AEP costs associated with the project.

Section 9 appropriates funding in the Thomas/Kohler TIF Fund for county auditor deductions (as explained in Section 1) and costs associated with the Avery Road Widening – Rings Road West to Woerner Temple Drive.

The Avery Road widening had been programmed in prior year's Capital Improvement Programs, with $300,000 being programmed in 2016 for property acquisition. It is not anticipated at this time that property acquisition will take place until 2017. However, $95,000 is needed for additional environmental services. These services are necessary to meet Ohio Department of Natural Resources – Office of Environmental Service and National Environmental Policy Act (NEPA) guidelines for the project.

Section 11 appropriates funding in the Perimeter Center TIF Fund for county auditor deductions (as explained in Section 1) and costs associated with the design of the Avery-Muirfield/Perimeter Loop/Perimeter Drive improvements.

Funding for the Avery-Muirfield/Perimeter Loop/Perimeter Drive improvement was programmed in

2015 as part of the Capital Improvements Program. The additional amount being requested is related to the scope of services for the design of earth retaining walls at four locations in the area.

Section 14 appropriates funding in the Upper Metro Place TIF for county auditor deductions (as explained in Section 1) and costs associated with the Post Road utility burial.

The additional $10,000 being requested for the Post Road utility burial is directly related to the cost charged by AT&T to bury their overhead lines along Post Road. This particular improvement is part of the I270/US 33 interchange improvement, funding of which has been programmed in previous year's CIPs.

Section 18 appropriates funding in the Tartan West TIF for county auditor deductions (as explained in Section 1), costs associated with contractual services requested by the City to review the service payment revenue and collections generated within the TIF since its inception, and costs associated with the Avery Road/Brand Road Roundabout.

Funding in the amount of $355,000 was programmed in 2016 as part of the 2016 – 2020 CIP for the Avery Road/Brand Road roundabout. These funds will go towards the design of that roundabout and property acquisition.

Section 28 appropriates funding in the Frantz Road/Dublin Road TIF for costs associated with the western roadway alignment. This project was programmed in prior year's CIPs. The 2016 – 2020 CIP contemplated $650,000 being spent in 2015 and 2016 ($500,000 in 2015 and $150,000 in 2016) for architectural/engineering fees. However, no funds were expended in 2015.

Section 30 appropriates funding in the Bridge Street Fund for contractual payments, costs related to the COTA Park & Ride, and debt service on the property acquisition needed for the Riverside Drive/SR 161 roadway improvements.

Funding in the amount of $1,536,965 is requested to fulfill the City's obligations under the Bridge Street District Cooperative Agreements signed in 2014 with the Dublin City School District and Tolles Career & Technical Center.

Funding in the amount of $585,000 is requested for the COTA Park & Ride project. Per Resolution No. 09-16, approved February 22, 2016, the project was awarded to Jess Construction with a bid of $578,578. The improvements that will be constructed as part of this project include 84-space Park & Ride lot and related improvements. Funding for this improvement was included in prior year's CIPs and was anticipated to be spent in 2015 but the construction did not occur until this year.

The remaining request of $256,000 is necessary to transfer funds to pay for debt service on land acquired for the Riverside Drive/SR 161 roadway improvements.

Section 31 appropriates funding within the Vrable TIF Fund for the construction of John Shields Parkway (JSP), phase 1. JSP phase 1 was constructed in 2014 with payments to Complete General Construction being made in 2014 and 2015. At the time, construction costs were charged to the Bridge Street Fund. In 2016, an accounting adjustment was made to charge the expense against

the Vrable TIF Fund which is the appropriate account given that the revenues generated within that TIF are to be used to fund that roadway construction.

Section 33 appropriates funding within the Tuller TIF Fund for the construction of JSP, phase 2. Per Resolution No. 08-16, approved February 22, 2016, the project was awarded to Nickolas Savko and Sons with a bid of $7,711,264.50. The budgeted amount for this project in the 2016-2020 Capital Improvements Program was $7.3 million. The improvements that will be constructed as part of JSP, phase 2 include 3,100 feet of new roadway; storm sewer; AEP duct bank (reimbursable to the City); street lighting and electric; permeable pavers; brick walkway and cycle track; demolition of temporary COTA Park & Ride, and trees and planting.

As part of the 2016 – 2020 CIP, Staff discussed issuing debt to fund this improvement. Until a bond package is prepared (anticipated to be in the 3rd or 4th quarter of 2016), funding will be advanced from the General Fund. The service payments generated from the Tuller Flats development will ultimately be used to fund the debt service.

Sections 35 and 36 appropriates funding for transfer expense in the Sewer and Water Funds. In 2015, the City budgeted transfers of $400,000 in order to move $200,000 to the Water Fund and $200,000 to the Sewer Fund from the Capital Improvements Fund in order to build reserves for waterline and sewerline allocations. Subsequently, we became aware that until the funds are expended (from the water and sewer funds), the reserved amount should remain within the Capital Improvement Fund. As such, those funds were transferred back in 2016.

Section 37 appropriates funding in the Agency Fund in the total amount of $25,500. The Agency Funds are used to account for the assets held for distribution by the City as an agent for another entity for which the City has custodial responsibility. For this reason, the Agency Funds are considered clearing accounts and do not provide measurement of operations, and they are not required to be budgeted. However, the City prefers to monitor the accounts, and to the extent possible, not show deficit balances. Therefore, supplemental amounts are requested as shown in the accompanying ordinance. All payments made from the accounts within the Agency Fund have revenue to offset the expenses.

Recommendation

Staff recommends that City Council approve Ordinance 24-16, amending the Annual Appropriations for the Fiscal Year Ending December 31, 2016, at second reading/public hearing on July 5, 2016.

Dayton Legal Blank, Inc. Form No. 30043

Ordinance No. 24-16 Passed _____, 20____

AN ORDINANCE AMENDING THE ANNUAL APPROPRIATIONS ORDINANCE FOR THE FISCAL YEAR ENDING DECEMBER 31, 2016

WHEREAS, the Ohio Revised Code requires, when necessary, amendments to the annual appropriations ordinance be made in order that appropriations are not over expended; and

WHEREAS, it is necessary to amend the annual appropriations ordinance to provide funding in certain budget accounts; and

WHEREAS, at the beginning of each year, it is necessary to appropriate unencumbered balanced in various funds to authorize those funds for debt payments, project-related expenditures and other miscellaneous expenses.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Dublin, State of Ohio, _____ of the elected members concurring that:

Section 1. There be appropriated from the unappropriated balance in the General Fund the amount of $122,500 as follows:

Finance		
10110290-711001	County Auditor Deductions	$6,500
10110290-711003	Real Estate Taxes	$66,000
Planning		
10120720-712008	Planning Services	$50,000

Section 2. There be appropriated from the unappropriated balance in the State Highway Fund the amount of $75,025 to account 20280320-735006 (Street Maintenance Projects) for the Bridge Street School Flashers and to cover legal expenses of the fund.

Section 3. There be appropriated from the unappropriated balance in the Hotel/Motel Tax Fund the amount of $150,000 to account 23240220-751001 (City Sponsored Projects) for the Art in Public Places project.

Section 4. There be appropriated from the unappropriated balance in the Special Assessment Debt Service Funds the total amount of $225. Of that amount, $200 is to be allocated to account 32090290-711001 and $25 to account 32190290-711001 for County Auditor's deductions on real estate tax settlements.

Section 5. There be appropriated from the unappropriated balance in the Capital Construction Fund the amount of $7,901,700 to account 40480320-735004 for the cost of constructing the roadway improvements surrounding Bridge Park (as approved within the Development Agreement), making improvements to North High Street, extending North Riverview, and expanding the Service Center. The funding to the Capital Construction Fund will come from an advance from the General Fund.

Section 6. There be appropriated from the unappropriated balance in the Woerner-Temple TIF Fund the amount of $3,000 to account 41210290-711001 for County Auditor's deductions on real estate tax settlements.

Section 7. There be appropriated from the unappropriated balance in the Ruscilli TIF Fund the amount of $6,000 to account 41510290-711001 for County Auditor's deductions on real estate tax settlements.

Section 8. There be appropriated from the unappropriated balance in the Pizutti TIF Fund the total amount of $68,500. Of that amount, $3,500 is to be allocated to account 41610290-711001 for County Auditor's deductions on real estate tax

settlements, and $65,000 is to be allocated to account 41680320-735006 (Street Maintenance Projects) for the Frantz Road Utility Burial Project (ET122).

Section 9. There be appropriated from the unappropriated balance in the Thomas/Kohler TIF Fund the total amount of $106,000. Of that amount, $11,000 is to be allocated to account 41910290-711001 for County Auditor's deductions on real estate tax settlements, and $95,000 is to be allocated to account 41980320-713004 (Other Professional Services) for the Avery Road widening project, phase 2 – Rings Road West to Woerner Temple (ET142).

Section 10. There be appropriated from the unappropriated balance in the McKitrick TIF Fund the amount of $25,000 to account 42110290-711001 for County Auditor's deductions on real estate tax settlements.

Section 11. There be appropriated from the unappropriated balance in the Perimeter Center TIF Fund the total amount of $26,000. Of that amount, $6,000 is to be allocated to account 42580320-713004 for County Auditor's deductions on real estate tax settlements, and $20,000 is allocated to account 42580320-713004 (Other Professional Services) for the Avery-Muirfield Drive north corridor improvements (ET040).

Section 12. There be appropriated from the unappropriated balance in the Rings Road TIF Fund the amount of $6,000 to account 42610290-711001 for County Auditor's deductions on real estate tax settlements.

Section 13. There be appropriated from the unappropriated balance in the Perimeter West TIF Fund the amount of $22,000 to account 43110290-711001 for County Auditor's deductions on real estate tax settlements.

Section 14. There be appropriated from the unappropriated balance in the Upper Metro Place TIF Fund the total amount of $13,000. Of that amount, $3,000 is to be allocated to account 43210290-711001 for County Auditor's deductions on real estate tax settlements, and $10,000 is to be allocated to account 43280320-735004 (New Street Construction/Engineering Services) for the Post Road Utility Burial Project (ET141).

Section 15. There be appropriated from the unappropriated balance in the Rings/Frantz TIF Fund the amount of $5,000 to account 43310290-711001 for County Auditor's deductions on real estate tax settlements.

Section 16. There be appropriated from the unappropriated balance in the Historic Parking TIF Fund the amount of $1,000 to account 43610290-711001 for County Auditor's deductions on real estate tax settlements.

Section 17. There be appropriated from the unappropriated balance in the Perimeter Loop TIF Fund the amount of $1,000 to account 44210290-711001 for County Auditor's deductions on real estate tax settlements.

Section 18. There be appropriated from the unappropriated balance in the Tartan West TIF Fund the total amount of $313,000. Of that amount, $15,000 is to be allocated to account 44310290-711001 for County Auditor's deductions on real estate tax settlements, $8,000 is to be allocated to account 44310290-713005 (Misc Contractual Services) for an outside review of the Tartan West TIF revenues, and $290,000 is to be allocated to account 43380320-735006 for design of the Avery Road/Brand Road roundabout.

Section 19. There be appropriated from the unappropriated balance in the Shamrock Blvd. TIF Fund the amount of $1,000 to account 44410290-711001 for County Auditor's deductions on real estate tax settlements.

Section 20. There be appropriated from the unappropriated balance in the River Ridge TIF Fund the amount of $1,200 to account 44610290-711001 for County Auditor's deductions on real estate tax settlements.

Section 21. There be appropriated from the unappropriated balance in the Lifetime Fitness TIF Fund the amount of $2,000 to account 44710290-711001 for County Auditor's deductions on real estate tax settlements.

Section 22. There be appropriated from the unappropriated balance in the Irelan Place TIF Fund the amount of $1,000 to account 44910290-711001 for County Auditor's deductions on real estate tax settlements.

Section 23. There be appropriated from the unappropriated balance in the Shier Rings Road TIF Fund the amount of $1,000 to account 45010290-711001 for County Auditor's deductions on real estate tax settlements.

Section 24. There be appropriated from the unappropriated balance in the Shamrock Crossing TIF Fund the amount of $2,500 to account 45110290-711001 for County Auditor's deductions on real estate tax settlements.

Section 25. There be appropriated from the unappropriated balance in the Bridge and High Street TIF Fund the amount of $2,500 to account 45210290-711001 for County Auditor's deductions on real estate tax settlements.

Section 26. There be appropriated from the unappropriated balance in the Dublin Methodist Hospital TIF Fund the amount of $2,500 to account 45310290-711001 for County Auditor's deductions on real estate tax settlements.

Section 27. There be appropriated from the unappropriated balance in the Kroger Centre TIF Fund the amount of $4,000 to account 45410290-711001 for County Auditor's deductions on real estate tax settlements.

Section 28. There be appropriated from the unappropriated balance in the Frantz/Dublin Road TIF Fund the amount of $200,000 to account 45580320-713004 (Other Professional Services) for the Bridge Street District – Western Roads Alignment Study (ET16C).

Section 29. There be appropriated from the unappropriated balance in the Delta Energy TIF Fund the amount of $1,000 to account 45610290-711001 for County Auditor's deductions on real estate tax settlements.

Section 30. There be appropriated from the unappropriated balance in the Bridge Street Fund the total amount of $2,377,965. Of that total, $1,536,965 is to be allocated to account 45710420-719006 (Contractual Obligations) for the compensation agreements signed with the Dublin City School District and Tolles Technical Center, $585,000 is to be allocated to account 45780320-735004 (New Street Construction/Engineering Services) for the COTA Park and Ride Project (ET411), and $256,000 is to be allocated to account 45796290-741000 (Transfer Expense) to transfer funds to pay debt service.

Section 31. There be appropriated from the unappropriated balance in the Vrable TIF Fund the amount of $1,100,000 to account 45880320-735004 (New Street Construction/Engineering Services) for the construction of John Shields Parkway, phase 1 (ET149).

Section 32. There be appropriated from the unappropriated balance in the West Innovation TIF Fund the amount of $100 to account 45910290-711001 for County Auditor's deductions on real estate tax settlements.

Section 33. There be appropriated from the unappropriated balance in the Tuller TIF Fund the total amount of $7,800,000. Of that total, $7,760,000 is to be allocated

to account 46180320-735004 (New Street Construction/Engineering Services) and $40,000 is to be allocated to account 46180320-735001 (Land and Land Improvements), both associated with the construction of John Shields Parkway, phase 2 (ET145).

Section 34. There be appropriated from the unappropriated balance in the Nestle TIF Fund the amount of $750 to account 46210290-711001 for County Auditor's deductions on real estate tax settlements.

Section 35. There be appropriated from the unappropriated balance in the Water Fund the amount of $200,000 to account 61096290-741000 for transfer expense.

Section 36. There be appropriated from the unappropriated balance in the Sewer Fund the amount of $200,000 to account 62096740-741000 for transfer expense.

Section 37. There be appropriated from the unappropriated balance in the Agency Fund the total amount of $25,500. Of that total, the amount of $15,000 is to be allocated to account 80510210-755007 (Refunds) for remittance to the State of Ohio of the commercial 3% building charge, $500 to account 80510210-4755013 (Refunds) for refunding hydrant permits, and $10,000 to account 80510210-7558014 (Refunds) for refunding of school programs.

Section 38. This ordinance shall take effect and be in force in accordance with Section 4.04(a) of the Dublin City Charter.

Passed this _____ day of _____, 2016

_____
Mayor – Presiding Officer

ATTEST:

_____
Clerk of Council