

The Village of Sunbury

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Steven Pyles
Administrator

Joseph St. John
Mayor

Kathy Belcher
Fiscal Officer

FINANCE COMMITTEE MINUTES AUGUST 18, 2021 6:30 PM

- I. **Call to Order-** Tim Gose opened the Village of Sunbury Finance Committee meeting at 6:30 pm Wednesday, August 18th, 2021
- II. **Roll Call-** Mayor St. John, Martin Fisher, David Martin, and Cindi Cooper, Tim Gose and Greg Elliott were present. Also, in attendance were Village Engineer David Parkinson, Administrator Steve Pyles, and Fiscal Officer Kathy Belcher.
- III. **Minutes- July 21st, 2021-** Minutes were moved for approval by Greg Elliott and seconded by Martin Fisher.

IV. Visitors

Rob Howard, Chief of Police

Presents the need for two additional street speed signs. He explains the capabilities of the signs along with benefits they will provide to the community. He also describes how the signs will save money since they will not have a post an officer at these locations, giving them more availability. It is agreed that the signs would be a good purchase.

RESOLUTION 2021.13

A RESOLUTION AUTHORIZING THE VILLAGE FINANCE DIRECTOR TO EXPEND FUNDS FROM IMPACT FEES TO PURCHASE, RESTORE AND DEVELOP REAL PROPERTY FOR CREATION OF ADDITIONAL PARKING FOR MUNICIPAL FACILITIES AND DECLARING AN EMERGENCY

RESOLUTION 2021.14

A RESOLUTION APPOINTING REPRESENTATIVES TO THE DELAWARE COUNTY TAX INCENTIVE REVIEW COUNCIL AND DECLARING AN EMERGENCY

Steve discusses the annual meeting which Steve Pyles and Dave Martin will be attending.

Parkinson, Engineer

1) Water and Wastewater Infrastructure Grant Program

The State of Ohio, through the Department of Development (DOD), is rolling out a new water/wastewater grant program authorized under HB 168. This program will provide \$250,000,000 in grant aide to communities to assist them in planning for their improvement needs in water, wastewater and stormwater infrastructure. As the program is new, there are still many questions that cannot be answered at this time. It is, quite literally, a work in progress. Having said that, credit to DOD for the enormous amount of work they have done in short order to roll out this program.

Grants are available for both construction and design. Preferential consideration will be given by the DOD to “shovel-ready” projects (i.e., construction grants). Clearly, they want to get the money into the hands of the communities to have an immediate impact and those communities that have projects ready to be constructed will be given first consideration. They have stated that they do not intend to award construction grants to projects that are not yet designed. The project must be designed or the design nearly complete to qualify for a construction grant at this time.

Construction grants are limited to \$5,000,000. If every project received the maximum, and no design/planning awards were made, only 50 projects could be funded under this program across all of Ohio’s 88 counties.

The Program has placed the County Engineers in a position of responsibility to create a priority list of water, wastewater and stormwater projects for their respective counties. Toward that end, each community is to submit their list of projects and respective priorities to the County Engineers for their consideration and possible inclusion onto their Priority List of Water, Wastewater and Stormwater Projects. At this time, there are mixed messages coming from DOD regarding this. In their webinar, DOD stated that the County Engineers’ Priority Lists could only contain 10 projects for the entire County. In other guidance, it was suggested the County Engineers’ Priority Lists would include a ranking of all the projects (no mention of a maximum number of projects) and projects that rank in the top 10 will be given preferential consideration for grants. We continue to try to better understand this element of the program.

Tiffany Maag, Director/Sanitary Engineer of the Delaware County Environmental Services and Regional Sewer District reached out to Delaware County Communities on behalf of the County Engineer to request that we submit our project list to the Delaware County Engineer’s Office by Friday, August 20, 2021. The County Engineer has until August 27, 2021, to submit his prioritized list of projects to the DOD.

I originally suggested the following projects as our list of projects to be submitted to the DCEO:

- Priority No. 1: Cheshire Road Lift Station and Force Main Upgrades and Enhancements (\$1.5M +/-) – we'll need one or two easements
- Priority No. 2: Little Walnut Creek Interceptor Sewer Phase 2 (\$1.0 - \$1.5M +/-) – we'll need a lot of easements
- Priority No. 3: 2021 WWTP Improvements Project AND a New Clarifier at WWTP (\$2.0M +/-)
- Priority No. 4: I/I Removal Projects (depends on the size of the area we rehabilitate – maybe shoot for \$500,000 to \$1M)
- Priority No. 5: Lift Station and Force Main to serve Little Walnut Creek Tributary Area (that's the area between Domigan and S. Galena and includes the Bent Tree redevelopment) – note: this would NOT extend sewers to Bent Tree but would provide for the connection point for such sewers – we'll need the land for the lift station and lots of easements (this could be \$2.0 to \$3.0M, depending on the size of the force main and the alignment we have to take and the cost of land and easements).
- Priority No. 6: Lift Station Controls and Communications (i.e., SCADA) upgrades (\$500,000 +/-)

Based on what we think we have learned since this initial suggestion; we now suggest a different approach:

- Priority No. 1: 2021 WWTP Improvements Project AND a New Clarifier at WWTP (\$2.4M +/-)
- Priority No. 2: a) Cheshire Road Lift Station and Force Main Upgrades and Enhancements (\$1.5M +/-) – we'll need one or two easements

OR

b) Little Walnut Creek Interceptor Sewer Phase 2 (\$1.0 - \$1.5M +/-) – we'll need a lot of easements

- Priority No. 3: Lift Station and Force Main to serve Little Walnut Creek Tributary Area (that's the area between Domigan and S. Galena and includes the Bent Tree redevelopment) – this could be \$2.0 to \$3.0M.

The reasons for the changes are:

1. Our top priority is a shovel-ready project – we would apply for a Construction Grant.
2. These projects provide service to unsewered areas and provide an economic benefit by opening additional areas to development.

3. While not truly regional, our Priority Project 3 is the result of a multi-governmental agreement regarding sanitary sewer service to unsewered areas in the County.

For Priority Projects 2 and 3, we would apply for Design Grants. If you concur with the idea of applying for Design Grants, we will prepare proposals based on our Village Engineering Agreement to design each project and submit to staff and Council for approval. These will be required in application for the Design Grant.

2) Mayor St. John states that the better options would be to not invest more funds into the Cheshire lift station, because the goal is to eventually take it offline.

Quick update on the current ongoing efforts at the WWTP:

- A. We will complete the draft Facilities Plan (FP) Update by Monday, August 23, 2021. We will meet with Mr. Wampler at his earliest convenience to go over it with him in detail and solicit his input. We will incorporate his input and will then submit to Sunbury (staff and Council) for review and feedback. Upon incorporation of final comments, we will submit to OEPA for their approval.

In the course of completing the FP Update, we verified Mr. Wampler's concerns regarding final clarification. The final clarifiers are undersized (given Phosphorous removal that was not in the original design). They are the limiting process in the treatment train. The addition of a third clarifier is critical to permit the facility to effectively and efficiently treat wastewater to the design limits as set forth in Sunbury's NPDES permit (i.e., to effectively treat up to 1.125 MGD on an overall average basis). Currently, flows average approximately 0.85 MGD. We estimate the third clarifier and associated improvements will cost about \$1.4M.

- B. We will complete the design and construction drawings for the 2021 WWTP Improvements Project by the week of September 13, 2021. This date assumes Sunbury will direct us tonight to include the new clarifier within the project, based on the recommendations in the draft FP Update. Upon completion of the plans, we will submit to Sunbury for review and feedback. Upon receipt of comments, we will revise, accordingly, and submit to Ohio EPA for a Permit to Install. It generally takes Ohio EPA four (4) to eight (8) weeks to review and approve and application package.

We can submit for the Construction Grant at any time based on the plans we have now. The application will be stronger if we wait a few weeks and finish the design of the clarifier. The application is even stronger if we wait until we have a PTI, but we do not recommend waiting that long. We suggest submitting the grant application at the same time we submit for the PTI and including the PTI application as part of the Grant application.

3) Parkinson asks for guidance for which projects he will submit to the county engineer.

Mayor St. John clarifies, option 1, option 2b and option 3, in that order, are their top priorities that they would like to be submitted to the County.

Cooper

1) Salary increases

It is stated that the Sunbury Mayor will collect \$15,000 annually and \$3,900 for council members annually. A schedule was approved last year, that will need to be reapproved annually.

2) Spending limits

There is a discussion about an increase for spending limits for the Mayor and Administrator. Currently the Mayor has a \$4000 spending limit, and the Administrator has a \$1,000 spending limit. It's agreed that the committee would like to see that raised.

V. REPORTS

Investments

Fifth Third Bank – Statement included. Currently interest earned at Fifth Third is at .537% with a two-year window.

Star Bank – Statement included

Currently Star Ohio is paying .08% interest equals to .0008

Chase Bank-Statement included

Interest paid for December was .01% equals to .00010.

Bank Reconciliation

Bank balance of	17,969,075.56
Star Ohio	7,740,717.66
Fifth Third	7,860,169.64
Chase	315,437.33
First Commonwealth	2,052,750.93

MTD/YTD CURRENT REVENUE REPORT 2021.07

General Fund

- The beginning year fund balance was \$10,519,625.52 with the current balance is 10,462,470.12 showing a decrease of \$57,155.40.
- Through July year to date revenue should be at 58.33%. In actuality we came in at 55.70%. With the leaders being Income Tax at 62.77%, Local Government fund is at 76.05%. Real Estate Tax after the first half payment came in at 66.55%, this actually a result more of a budgeting deficit, when I budget for the real estate tax, I work from the County's numbers, therefore I am

one year behind any new builds. Going forward I believe that I could contact the County to narrow the expected gap. The second half of the Real Estate taxes was deposited in our account in August that posting will show up next month.

- **Building Permits are coming back up, but still behind 58.33% at 35.0%.** – This again is more of a budgeting process, I increased the budget to include various residential building plans that have happened yet, I believe that I am one year too early with the estimated projections.
- Interest income has been at 2.99% This too is a sign of the times, with interest rates low, it only stands to reason that interest earned also is low.

Street Fund

- The beginning balance was \$389,666.77. Current balance is \$547,973.27.
- Gas Tax Collections are at year to date \$168,789.42, 47.15% of estimated revenue.

Impact Fees Police

- The beginning balance of the fund was \$93,381.56. Current balance is \$83,140.34 Collections for June are at 105.52 % of budget.

Impact Fees Municipal Building

- The beginning balance of the fund was \$40,943.78. Current balance is \$51,303.59. Revenue is at 103.60of budget.

Sewer Fund

- The beginning fund balance was \$4,024,986.63. Current balance at \$4,469,456.97
- Customer Usage is at 59.66%
- Entire fund at 91.53% of estimated budget

**** Of note the Sewer Fund has received the first reimbursement from the Little Walnut Creek This reimbursement was the \$150,000.00 that was paid to Romanelli/Hughes for the project.**

**** We also have received a reimbursement of \$300,615.54 from OWDA -**

Total Revenue Percentage is 91.53% of an expected 58.33% of budget. If the two reimbursements are removed the actual income in the sewer fund is at 61.49%

MTD/YTD CURRENT EXPENSE REPORT 2021.07

General Fund

- The current expenses are at 51.75%
RITA is one of the leaders in the expense 60.49% of the expected 58.33%.
Capital Street appropriations were increased by the Ordinance 2021.01.1 First Amended.
Capital Street is at 89.75 % with the purchase of the new truck.

Street Fund

- Expenses for the Street Department came in at \$12,648.69. 3.16% of the budgeted \$400,000.00. Once the 2021 street project is started/paid this will change

Sewer Fund

- Expenses are at 51.80% of budget
- Chemical expenses are at 99.08% of budget
- Supplies are at 32.69% of budget.

VI. Adjournment

Greg Elliott moved to adjourn the meeting.

Dave Martin seconded.

Motion approved (unanimous) 7:30PM