



City Council Agenda

Minutes

Monday, March 8, 2021 at 7:30 pm

6550 N. High Street, Worthington, Ohio 43085

Virtual Meeting Information

Link through: worthington.org

Our Government - Live Stream

1. Call to Order

Minutes:

Worthington City Council met remotely in Regular Session on Monday, March 8, 2021, via Microsoft Teams videoconference. President Michael called the meeting to order at or about 7:30 p.m.

2. Roll Call

Minutes:

Members Present: Peter Bucher, Rachael Dorothy, Beth Kowalczyk, Scott Myers, David Robinson, Doug Smith and Bonnie Michael

Member(s) Absent: None

Also Present: City Manager Matt Greeson, Assistant City Manager Robyn Stewart, Law Director Tom Lindsey, Director of Finance Scott Bartter, Director of Service & Engineering Dan Whited, Director of Planning & Building Lee Brown, Director of Parks & Recreation Darren Hurley, IT Director Gene Oliver, Chief of Police Robert Ware, Chief of Fire & EMS Mark Zambito, Clerk of Council D. Kay Thress

3. Pledge of Allegiance

Minutes:

President Michael invited all to stand and join in reciting the Pledge of Allegiance to the flag.

4. Visitor Comments

Minutes:

There were no visitor comments.

New Legislation to Be Introduced

5. Ordinance No. 09-2021 Facial Covering Requirements Extended

Minutes:

Introduced by Mr. Robinson

Reports of City Officials

6. Policy Item(s)

a. Financial Report - February

Minutes:

Mr. Greeson brought up how our Finance Department has once again achieved the Certificate of Achievement for Excellence in Financial Reporting through the Government Finance Officers Association (GFOA) for our Comprehensive Annual Financial Report (CAFR) for the fiscal year ending in 2019. He complimented Mr. Bartter and his staff for their hard work on the CAFR, and explained how this award is the highest achievement that we can receive from the GFOA for auditing and financial practices. Our Finance Department is among the best in Ohio and recognized as such by their peers.

Mr. Bartter described how there is not a lot to discuss for the February 2021 Financial Report, other than we did make the payment to NRECC for dispatching for 2021 for an expense of \$869,413. We should receive property distributions in March, bringing the fund balance back up. The 2021 final budget document was finished and should be available in hard copy by request. An electronic version has been posted to the website. Our 2020 Comprehensive General Fund Report is also finished and on our website, and will have hard copies available soon.

Mr. Robinson observed how in this month's report our actual income tax collections exceed the budgeted amount, which prompted a question about how accurate our budget projections have been over the past five years for income tax collections. Mr. Bartter shared how his projections over the past five years, with the exception of 2017, generally are within 1.5% of projections for income taxes.

President Michael expressed how we all appreciate the entire Finance Department, and you do not win an award like that without an entire team working together.

MOTION: Mr. Myers made a motion, seconded by Ms. Dorothy to accept the February Financial Report.

The motion carried unanimously by a voice vote.

b. Invitation to Participate in Regional Initiative to Create a Vision for an Open Space System that Spans the Region (RAPID 5)

Minutes:

Mr. Greeson detailed how he is excited to discuss this tonight, and there is a memorandum included in your agenda packet that discusses this opportunity.

Mr. Hurley showed Councilmembers a video detailing the RAPID 5 initiative. He described how we have been invited to be a part of this initiative with other communities that have joined such as Dublin, Gahanna, Reynoldsburg, Grove City, Obetz, Whitehall, and most likely Franklin County, Columbus, Metroparks, and MORPC. It is important to have a seat at that table with us having a major river and parklands, along with aspirations for several trail connections with our Bike and Pedestrian Master Plan, and within the recently completed visioning process. Allowing our residents to be a part of the process, staff would encourage considering joining this initiative.

President Michael asked what our involvement would cost the City. Mr. Greeson replied that we are being requested a commitment of \$10,000, and we would likely fund that through contingency.

Ms. Dorothy asked what we get from that investment and what will be our involvement. Mr. Hurley responded that they are forming a committee that will work up front, and this is formatted as a design contest to seek firms to make application to design a vision around these corridors. That process will involve getting input from the community as well as other stakeholders. Otherwise, we could still have input, it would just be less formalized. There is value having a seat at the table and having our hands on the process, making sure that things all mesh together.

Mr. Bucher expressed that he believes this is exciting and adds a lot of value to the Central Ohio region. He supports this initiative, but wondered how far out the goal is with something like this. Mr. Hurley said that when looking at the plans they are paralleling, they are typically 20-30 year plans, so it is a long time plan. The other value is in case the planning process takes an uncomfortable turn, it gives you an early indicator on that if you are not in alignment with the great group. You can try to impact that earlier on rather than after a final plan is delivered.

Mr. Robinson shared how he posted a blog post about this and how it is important to be at the table and assist in making it real. He received an email from Stephanie and John Haueisen who live on Fox Lane and have a home along the Olentangy river with some concerns, describing how in the past when issues of jurisdiction arose, they were seeking reassurance from Council that we would not be supporting a policy that would in anyway limit Worthington's control or sovereignty over its own waterfront. He assured them that he would not support that type of policy, but finds the vision exciting because it addresses the fundamental issue in society today of the accessibility of people to greenspace and recreation and getting people outdoors. He hopes that Council approves this modest expenditure to keep us in the game.

President Michael detailed how this is an exciting proposal and will be interesting to see how all of the different areas are coordinated. We may be fairly built-out along our riverfront, but that does not mean there will not be ways we can gain through connectivity with other areas.

Mr. Myers wanted to make sure he understands what they are doing here and whether that is trying to create green pathways. Mr. Hurley replied that most of the river corridors have greenspace accompanying them, so it is greenspaces along the river corridors, maximizing the values of those spaces and also connecting them in ways that they may not be. The goal is access and improvements to these greenspaces and riverfronts. Mr. Myers commented that a lot of the transit plans we have seen tend to follow the river corridors and are mostly north-south, not east-west. If we are going to have a discussion, we should include east-west pathways that do not necessarily follow the rivers. Mr. Hurley brought up how the Bike and Pedestrian Master Plan aligns with this in a way because it talks about those major north-south corridors that are barricades to connectivity.

MOTION: Mr. Smith made a motion, seconded by Ms. Kowalczyk to allocate \$10,000 to the RAPID 5 project.

The motion carried unanimously by a voice vote.

7. Discussion Item(s)

a. Visioning Transition to Actions - Steering Committee

Minutes:

Mr. Myers described how in this draft, he tried to capture what was discussed at the last meeting, striking a balance between vesting the committee with a certain degree of discretion, while also giving final judgement to Council.

Ms. Stewart explained how her thinking is that if we can get this one-pager document to the point where Council is happy with it, we can go back to the job description and resolution creating the steering committee to align with this document.

Mr. Robinson stated that from the third paragraph on, he has zero critiques, and only has a few minor questions about the first two paragraphs. In the first sentence, he wondered if it should read, "...principles that seek to capture the core aspirational values of Worthington..." In the second sentence he suggested, "...creation of action steps to realize these values..." In the second paragraph, second sentence, he wondered if we could insert a fourth term that would suggest that they would be doing the "developing, study, and research of relevant topics..."

Mr. Myers asked if we had added language about research of other jurisdictions as suggestions for the steering committee. Mr. Robinson's suggestion dovetails with that fairly well. He described how as far as process goes, the discussion has been to integrate into the resolution and the job description what we have said here. That will then be brought back as a packet to Council at the next meeting to adopt. Ms. Stewart said that was her thinking and would give an opportunity for Council to be comfortable with the changes made to the job description and resolution. The resolution also includes that Council will be appointing members of the steering committee, which will be on hold until members of the steering

committee are selected. If Council is comfortable with the one-pager and job description, we can use that to communicate with potential members of the steering committee about what would be expected of them.

b. Electric Aggregation Renewal

Minutes:

Mr. Greeson explained how two years ago the City launched a process to create a unique electric aggregation program, which not only purchases electricity in aggregate for participating consumers, but also Renewable Energy Certificates (RECs) to offset the carbon footprint of our energy users. Our program is now being modeled by others in Central Ohio. We are now approaching the end of the first two years of this program, ending in June. Since this is a highly regulated process, it is important to undertake evaluation of the renewal in March.

Several years ago, we selected the consultant Energy Alliances to assist us with sharing information with the public, as well as helping us purchase energy for our residents. Rich Surace with Energy Alliances is joining us tonight, and is the author of a very detailed memorandum about the consideration we have for the renewal. He will be presenting this evening on the performance of our program, background on the power market, and some of the issues we need to consider this month before considering renewal for the next couple years.

Mr. Surace detailed how Energy Alliances has sent out progress reports on the aggregation program regularly to keep everyone up to date. They put together a lengthy and detailed memo to look at, and tonight is meant to condense that information along with some supplemental details. Currently the program expires in June 2021, ending a 24-month term with AEP Energy with offsets through the purchase of RECs. Through January 2021, the average resident saved approximately \$8 compared to AEP Ohio's default rate while making an investment in renewable energy. Residents have been able to save a little bit of money with a significantly superior products. Looking at the program performance from July 2019 to May 2020, it performed very well, however in the second half of the program it has been a struggle. When AEP reset their rates last June, the price to compare came down quite a bit more than many expected, hurting performance. Much of the savings in the first year have been given back. The biggest driver of the decreased performance is the idea of capacity. A large portion of our energy bills are a capacity component to make sure there is enough capacity when needed. The AEP Ohio default rate dropped more than expected starting in June 2020. Looking forward, default rates are looking to see a significant increase due to increased capacity charges. We look at 24 month programs because, the markets start to average higher price for capacity going out to 36 months.

Energy Alliances ran an RFP in mid-February, reaching out to five suppliers, with only four coming back that met the criteria. The winning supplier will need to

meet criteria from the initial program including, providing a competitive price, offering renewable energy through RECs, the ability to administer budget billing, the provision of credits for net metering customers, and charging no fees to enter or leave the program at any time. The focus will be on a fixed price for 24-months, which takes advantage of low energy prices, does not fix the price too long as to miss market opportunities, and allows for the potential transition to a longer-term solution.

The RFP results indicated that AEP Energy was the cheapest, and the recommendation is to start negotiations with AEP Energy. They were the lowest bidder and can provide the desired services. During the initial program they provided excellent service. AEP Energy is a supplier developing an Ohio based solar solution called Integrated Renewable Energy, which is being considered by the City of Columbus and surrounding communities. It is different than the product we are currently looking at, and is closer to home. When discussing the next step if we move forward with the aggregation for 24 months, the IRE product is still a little ways away. That provides time to allow the market to develop, and no time is lost when considering a longer-term solution as most Ohio based projects will not be fully operational until 2023. In the meantime Worthington can still utilize clean energy RECs before transitioning to this future product. Long term considerations are whether Worthington wants to consider making a longer-term investment in Ohio based renewable energy resources. There are multiple suppliers that are developing resources, but they feel that AEP Energy's IRE product is the best fit for Worthington. They are proving they can develop clean energy at a competitive price, and doing that all in Ohio, bringing jobs here.

When looking at historical energy pricing, it has been consistently coming downwards. Future power prices have declined since early 2019 when the previous aggregation agreement was signed, but have been leveling off. The market has tightened up regardless of the term you are in. We are at a low part of the market in the near term as well as what the futures market has put out there.

Ms. Dorothy asked what we would need to do to have our RECs be Ohio based, she would really love to support clean energy here in Ohio. Mr. Surace said that is something that can be looked at, but will have an impact on the pricing. The cost of the RECs has been increasing since the last agreement was signed. To utilize Ohio solar, it would raise the price significantly. Mr. Greeson asked what the IRE would look like if we wanted to move towards that. Mr. Surace answered that there is not a set price, but getting the renewables from that is much cheaper. When you are generating from the renewable source, it is cheaper because you are getting the price pretty much at wholesale. Right now to get these RECs, it is being generated, put on the market, and then sold at a retail price. When generated from the source itself, it cuts that significantly down, and you get the generation prices, changing the cost structure. Mr. Greeson noted

that the challenge is that we would have to make a longer term commitment in the 10-plus years to invest in that now, and we wouldn't really be investing now because it would not be available for a couple of years. We would still need to purchase RECs for a couple years until the IRE physical investment was producing energy. The City of Columbus is planning to purchase RECs until the solar is in the ground.

Mr. Robinson commented that overall he feels the program has succeeded in achieving some of our goals, but is disappointed about the saving money component of it. We can take some satisfaction in this, and in the first 18 months of the program based on the 71 million kilowatt hours we offset, that translates to an equivalent of 55 million pounds of coal that have been offset. That is very meaningful. As mentioned earlier, there are other communities in Central Ohio that have seen what we have done, and were inspired to follow suit with their own programs. He has also been personally contacted by the Sustainable Delaware group, and spoke with several of the councilmembers as they are interested in moving forward with their own aggregation program. Last week he had a phone call from a sustainable group in Bay Village, Ohio about our aggregation program, seeking guidance on how to move forward with their program.

His one disappointment is the financial component of this, and when it was pitched to the public there were three basic terms: save money, clean energy, and opt-out any time with no costs. The financial savings will be modest. He asked whether the price changes were predictable or an anomaly. Since the energy component is 60-70% of the price, he wondered if that reflect a depressed energy market because of COVID. He asked if this price fluctuation is typical or atypical. Mr. Surace responded that they did see this coming because we locked into a 2-year fixed price, and were able to bring a lower price the first year because we took advantage of the known, cheaper capacity in year two. We did not know the magnitude of the rate drop, they do not file their rates for the following year. When we did this program two years ago, we had a sense of where they would be in the first year, but did not know about the second year. Though the drop was expected, they admit that AEP Ohio's rate did drop more that second year than expected. Mr. Robinson explained that he understands we knew the capacity component was going to drop in price, but the energy price which is 60-70% of the total price, he wants to know if we knew that was going to drop also when we considered this two years ago. Mr. Surace responded that we did not know that. Due to how AEP Ohio sets their prices through auction, the auction participants were able to buy after we signed our aggregation. It was a combination of lower energy prices at the time the auctions were run, as well as the known capacity. Mr. Robinson asked about moving forward for the next two years, what do we know and what do we not know about AEP's standard service offer pricing. Mr. Surace explained that we do know about the capacity piece for one year, which is going to increase. If the energy component is flat, things like

COVID and other economic situations really have not had a big play in this. The energy markets recovered quickly as demand began to pick back up. The risk over the next couple years is that it creeps higher again because it has been at this level for a while. Generators are not going to give it away for free and are in the business of making money. For this next year we know capacity prices will be higher, so the risk is what the second year looks like with the unknown capacity. Due to some regulatory things we do not know the capacity market beyond May of 2022.

Mr. Robinson commented on the IRE, that ultimately purchasing from in-state or regional sources would be great, with greater energy security, along with jobs and the associated benefits to the region. However, if the IRE and/or local generation is more expensive than the standard service offer and we know that from the outset, we would owe it to the public to have a discussion. The aggregation was presented and pitched on the concept of saving money and utilizing clean energy. It would be inappropriate to adopt a higher cost plan without a thorough public discussion.

Mr. Smith echoed Mr. Robinson's thoughts. He described how at the onset of this program, there was the sentiment that even if only a \$1 was saved, the renewable aspect of this was a win. Looking at the market, tangential to the IRE program, there are some groups doing community solar where they are paying for people to put solar on their houses. He asked if that is becoming a more acceptable way for solar energy aggregation within a community. Mr. Surace replied that it is increasing, but it is still a pretty small portion of the market, and he does not see growing exponentially.

Mr. Bucher asked if this is the point we are where we decide some of these details, or if there is time to examine tweaking any other items. Mr. Surace responded that it would be a separate discussion, anytime between now and whenever. There is plenty of time to still learn about the future with no impact on right now. Mr. Bucher explained we have a very strong program currently. He is curious about other examples that we may consider that other community aggregation initiatives are using. Mr. Surace stated that Worthington is already using RECs, and we do not know how this new product will compete in the Columbus area because they have not happened yet. There are other aggregations that may be cheaper, but they would not be the same product. Mr. Bucher asked if going forward whether this second iteration will require opting out again, or will people just be continued on based on their prior choice. Mr. Surace stated there would be another opt out period. It is like a contract, and the term is over, so we must legally make them aware of what the new terms and conditions are. Mr. Bucher asked if there has been consideration of a regional aggregation plan. Mr. Greeson replied that there has not been any conversation to date about a regional aggregation plan. The closest example is NOPEC in Northeast Ohio, which has a large number of communities that use them to secure aggregation pricing. Mr. Surace said that there are a few

consortiums that do that, but that has become more of a challenge because those were early community adopters. Now logistically it is harder with many more communities already aggregating. He is not against group aggregation, but the misconception is that buying in bulk will get a better price, but it will not. The pricing is done based on the profiles of how people use energy and the load mix. Somebody is always subsidizing someone else when you group things together.

Ms. Dorothy stated she still has a question about our pricing and what the lag in reporting is. It looks like we are not gaining in our overall performance. While she is happy we purchased RECs, it does look unsure whether over the next couple of months we will end up negative or positive. Mr. Surace replied that we are about two months behind because utilities get to bill the customer, then the information goes to the suppliers before the suppliers then give us the information. Ms. Dorothy replied that she would prefer we get information that is standardized, without it being editorialized. It is important to stress we are not apples to apples, and are buying RECs. In the future, she would like to show we are interested in buying local, and find out about any pricing information for buying local.

Mr. Greeson detailed that the next steps for this aggregation is to adopt a resolution brought back at the next meeting for formal adoption. We wanted to provide an opportunity at this Committee of the Whole meeting to work through these considerations prior to asking Council to approve anything.

President Michael asked if it was the general consensus of Council to have a resolution to review for the next Council meeting. Councilmembers were in consensus to do so.

Mr. Greeson brought up how we have been working with our partners on the 161 Project, which Council authorized staff to apply for federal attributable funds to pursue the Linworth Intersection Project as part of the overall 161 Study. These transportation studies take a long time with an extended funding process, with this project even more complex with the number of partners. He reported that MORPC, the City of Columbus, Worthington, Perry Township, Franklin County Special Improvement District, and ODOT have all been collaborating on this. The Transportation District was the applicant on behalf of all the partners for the attributable funding process. The funding committee met, and the Linworth project is being recommended for funding to the MORPC Transportation Policy Commission. There will be a public comment period for the total program, and ultimately the Transportation Policy Commission will meet and vote on it. He does not believe construction would occur until 2026.

Secondly, we are working on our body camera policy to bring back with the goal of completing that in the first quarter. This is a complex subject and evolving issue and we are probably going to get that to Council for the Committee of the Whole meeting in April, distributing materials by the end of March.

Lastly, he had an email exchange with Mr. Robinson about Source of Income

Legislation and what the appropriate time was to schedule that for work in terms of legal drafting and collaborating with the CRC to handle the public input process. He had slated in his mind the third quarter given Council's outline of priorities from our retreat follow-up conversation. However, Mr. Robinson and others were advocating that it be moved up and advanced earlier. Mr. Greeson shared that while he believes this is an important topic and wants to move it forward, unless otherwise directed it will be slated for that third quarter.

Mr. Robinson responded that his reaction when thinking about Source of Income, there were discussions about the bandwidth of staff and prioritization, we talked about ways to increase capacity whether through hiring of interns or other employees. He is frustrated at a relatively slow movement on the Source of Income topic, it was researched by the CRC last summer, and they presented a report to staff and Council leadership. Other communities have enacted this and the legislation has been drafted, and it seems tee-d up to him. We have seen Westerville's efforts, and Source of Income seems to fit in with one of the key visions that came out of our visioning process on social equity. If we cannot do this in an expeditious way, what will we do when the visioning committee comes back with a slew of recommendations. He would like to see if we can move on this quicker.

President Michael conveyed that one of our challenges is the bandwidth of staff, and the Worthington way has always been to reach out to the community on something like this. This would require some of the business community along with public inputs. Staff is being challenged with so many other projects, we have a bandwidth problem.

Mr. Smith explained when looking through the Westerville process, it might be a little too burdensome. We can do a light version of that which may move it along a little more speedily. Thinking of Bexley, lets hire temporarily a couple of their people to run the same show. Thinking about the third quarter, it seems very far away and this seems like low-hanging fruit to engage diversity and inclusion in the City. If we need to dump some financial resources in outside help, he is all for that.

Ms. Dorothy appreciates the comments about what we can do to increase our bandwidth. She believes that we have staff working as hard as they can, and if there is anyway to get things moving she is in support. She is fine waiting until the third quarter to do Source of Income. We have a lot of ideas coming up, and addressing how we could increase bandwidth in the future would be good to know.

Reports of Council Members

8. Reports of Council Members

Minutes:

Mr. Myers shared that on Thursday for the ARB/MPC agenda, the mall will be in front of

us again. The last meeting was more an introduction of the team they assembled, and this one will be a little more specific as to their ARB application to make physical changes to the mall. He does not know if he will be in attendance for that meeting due to a work commitment.

Ms. Dorothy brought up the Enchanted Evening which is this Friday and will hopefully be one of the last events that is virtual. You can reserve a time to go to the McConnell Arts Center, and we are so close to being able to get together but are not quite there yet.

President Michael described how the Central Ohio Mayors and Managers Association (COMMA) meeting talked about how Columbus is leading an effort to bring judicial and police forces together to discuss how to better help the situation of repeat juvenile offenders. There is the discussion of having a next-day pre-pretrial so if a juvenile gets picked up, they will end up in front of the magistrate the very next day, and allow the police to schedule being at the hearings. COMMA is also working on the tax refund issue, where the judge is ruling pretty much in the cities' favors. That is a positive thing going on in our direction. It scares her that the Ohio legislature is looking at turning over the tax legislation. If they were to do this, if we have someone working from home for a company in Worthington, they would pay taxes to their home municipality. She does not know if staff wants to get something out quickly regarding this. She is opposed to having this law changed, it has been working and allowed us to follow our budgeting. COVID will be over at some point, and people will be back at their places of work. To change it now would have a huge impact on how cities budget and what income would be coming in.

Council directed staff to draft a letter of Worthington's position on the tax issue for President Michael's signature.

Other

Executive Session

9. Motion for Executive Session

Minutes:

MOTION: Mr. Smith moved, Ms. Kowalczyk seconded a motion to go into Executive Session to discuss land acquisition and consider the appointment of a public employee or official.

The Clerk called the roll on Executive Session

Vote Results: Ayes: 7 / Nays: 0

Council recessed at 9:18 pm from the Regular meeting session.

MOTION: Ms. Kowalczyk moved, Mr. Myers seconded a motion to return to open session at 10:25 p.m.

Roll Call Vote Results: Ayes: 7 / Nays: 0

Adjournment

10. Motion to Adjourn

Minutes:

MOTION: Ms. Dorothy moved, Mr. Bucher seconded a motion to adjourn. The motion carried by a voice vote.

resident Michael declared the meeting adjourned at 10:25 p.m.

Contact: D. Kay Thress, Clerk of Council (Kay.Thress@worthington.org (614) 436-3100) | Minutes published on 03/11/2021, adopted on 03/15/2021

 /s/ Ethan C. Barnhardt
Management Assistant

Attest

 /s/ Bonnie D. Michael
President of Council