



City Council Agenda

Minutes

Monday, July 12, 2021 at 7:30 pm

6550 N. High Street, Worthington, Ohio 43085

1. Call to Order

Minutes:

Worthington City Council met in Regular Session on Monday, July 12, 2021. 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, David Robinson, Doug Smith, Scott Myers, and Bonnie Michael

Member(s) Absent: None

Also Present: City Manager Matt Greeson, Assistant City Manager Robyn Stewart, Law Director Tom Lindsey, Director of Service & Engineering Dan Whited, Director of Planning & Building Lee Brown, Director of Parks & Recreation Darren Hurley, 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. 38-2021 Appropriation of Property for Northbrook Relief Sewer Project

Authorizing the Appropriation of Private Property for the Public Purpose of a Sanitary Sewer Project, Specifically the Northbrook Relief Sewer Phase II Improvements.

Minutes:

Introduced by Mr. Bucher.

Reports of City Officials

6. Policy Item(s)

a. Financial Report - June 2021

Minutes:

Mr. Greeson overviewed how this is our monthly financial report.

MOTION: Ms. Kowalczyk moved, seconded by Mr. Smith to accept the June 2021 Financial Report.

The motion carried unanimously by a voice vote.

7. Discussion Item(s)

a. Creation of a Worthington Area Joint Recreation District (JRD)

Minutes:

Mr. Greeson overviewed how tonight's discussion is on a potential Joint Recreation District (JRD) that would go towards sustaining Worthington's pools and tradition of great aquatic facilities for our citizens. He introduced Dr. Doug Southgate who is on the SwimInc Board, Mike Keller who is President of the Board, and our summer intern Ashley Reynolds who has worked on the research relating to the JRD.

Mr. Robinson asked for clarification on whether the intention tonight is to discuss the concept or asking for a vote on a resolution to proceed. Mr. Greeson replied that he would not be asking for a vote.

Mr. Greeson explained how the discussion tonight has the goal of promoting conservation and questions regarding the JRD concept, why it may be the tool to use to address the pools, and seeking direction to move forward and work with the Schools to refine the resolution, draft by-laws, and identify appointees for approval this fall. Where we want to end tonight is to determine whether or not Council wants staff to move forward with the concept and building it out further. This would include collaborating with the Schools to work on the resolution, working on the by-laws which staff has been working on, and preparing it for formal consideration after the August recess.

Worthington Pools are unique and have served our community well for many years, the pool facilities are on land owned by the school and managed by SwimInc which is a community-based non-profit formed in 1953. The volunteer not-for-profit board has sustained Worthington aquatics for many decades. It is an example of a government, not for profit partnership. That is a testament to our citizenry and how generations before us built civic infrastructure that was not exactly a governmental entity to improve the quality of life in our community. Other similar initiatives from that time period post-WWII include the Worthington Youth Boosters and things like the McConnell Arts Center today. In recent years there has been a lot of conversation about the pools, and a lot of work done to set us up for this conversation this evening.

There has been a lot of steps leading up to this conversation. This includes a

Condition Assessment and Master Plan conducted by the Worthington Pools. Additionally, there was a Joint Meeting between the Worthington City Council and the School Board in 2019 regarding the pools. There has been significant research conducted, including legal options research, survey research by the Schools, and research on other JRDs. In 2021, SwimInc has made strategic investments to the pool facilities using the State Capital Bill funds allocated to the pools, including maintenance and amenity improvements. In the absence of a long-term strategy, those interim investments have been made to improve the pool.

The challenge facing us is that the Worthington Pools are a vital community asset serving the entire Worthington community, but they are past their life expectancy and need major reinvestment. The revenues from the operation of the pool have allowed SwimInc to be successful with limited governmental assistance for many decades. However, the pool complex is now in need of major renovation and replacement of facilities. The revenues earned from operations are insufficient to cover the scale of capital investment necessary to renovate and replace aging infrastructure and maintain quality aquatic facilities for Worthington area citizens. The pools need strategic help from the Schools and the City in order to ensure the aquatic assets for future generations of Worthington citizens. One way to look at this would be separately, meaning the City is interested in the outdoor pools to provide summer aquatic options for our residents and the Schools could look at the natatorium for the needs of the high school swimming and water polo programs. We certainly looked at some legal options that were outlined by Bricker and Eckler that were included in the Council agenda packets. But what we have always done in Worthington is to explore the value proposition of working together to see if we can more efficiently and effectively create a sustainable long-term solution, which is why we have looked toward the JRD as the model for that partnership.

A JRD is allowed under Ohio law and provides a framework for us to partner with Worthington schools. Two or more governments can create a JRD and in this case the boundaries would be the entire Worthington School District. It would have the authority to acquire land, build, and operate a wide variety of recreational facilities and ask voters for property tax support to accomplish its goal. We would be creating a new governmental entity and appointing a board of trustees to govern the JRD and then asking them to look carefully at the pool needs and refine the scope of the master plan to turn that into a request to be put before voters to put on the ballot for asking them to invest in upgraded pool facilities and potentially operations support. The reason we are looking at a JRD is that it provides a structure for this issue to allow the two governments to create an entity that would be exclusively focused on serving this problem and have the authority to do it. A JRD would also provide a framework for SwimInc to interact with and help support the JRD board. It would ensure we are coordinating the planning, capital investment, and operations of the indoor and

outdoor pool facilities, instead of looking at them as separate assets or responsibilities. There is an inherent fairness to a JRD, the pools are used by more than one jurisdiction, with the larger Worthington area benefiting. It recognizes that there are many other needs such as waterlines and sewers that need to be addressed in Worthington, and those the City has the exclusive responsibility to pay for. The JRD would potentially have a larger tax base supporting pool operation, not requiring us to invest in the outdoor pools with our capital dollars, and not competing with other vital needs.

For a JRD to be implemented, the City and School Board would need to adopt identical resolutions. In the draft legislation prepared, we indicated that we would also include draft by-laws for the entity. The JRD can and as currently drafted, would allow them to address more than just aquatic facilities. While this would be created to address a specific problem, there may be something in the future that the greater Worthington would want to invest in. Under the resolution currently drafted, the JRD would have the broad authority to tackle other recreational needs. We may want to consider whether we want to narrow the focus of it by resolution. However, the statute does not address that kind of narrowing to the powers of the JRD. The resolution spells out the makeup of a board, which largely mirrored the language in the statute, with two members appointed by the City, two by the Schools, and one selected at large by the other four members. We would want to work with the schools to create a joint nominating process to try to collaboratively identify board members. When an entity like this starts out, it is a start-up and needs some support of the partners. It will likely need financial and administrative support from the City, Schools, and SwimInc. That could include staff time and resources, with an early task being the exploration of what level of support could be provided.

Ms. Kowalczyk asked what creating a JRD would do to the operating interests of SwimInc. The JRD would give them the ability for creating a funding stream through the taxing authority, but what would it do to the relationship between SwimInc and that board of trustees. Mr. Greeson replied that if the voters approve a capital bond issue, we will want bond counsel and the JRD board to discuss whether it is best to own the lease and contract with SwimInc to operate, or whether it is feasible to grant funds to SwimInc to execute construction. He leans towards the own and contract to operate model, but some legal advice would be needed. Mr. Lindsey replied that would be the bond counsel question as to whether or not they would be able to issue the bonds if the JRD did not have the ownership interest in order to support that bonding. We are trying to not get too far ahead with the specifics without indication that this is an option the Council and School Board want to pursue. Mr. Greeson said that his sense of everyone involved in this dialogue is to do what works to solve this community problem and create the best aquatic facilities possible. The problem we are trying to solve is one of capital investment, not of management.

Mr. Myers brought up that it was mentioned we want to go with what works, and

for decades, SwimInc has worked pretty darn well except for the problem we are facing which is there is enough deferred maintenance that now it has caught up with us. He is hearing Ms. Kowalczyk saying that after all of these years we do not want SwimInc to get pushed aside and there is no reason why we should not tap into the expertise. Mr. Greeson replied that through the appointment process for the board of trustees, we would have influence. We could say up front that this model is intended to create capital investment and maybe some sustainable operations. One of the challenges is that they have the revenues off the outdoor pools, but the indoor revenues have not been sufficient to set aside money for full scale replacement or large-scale renovation. That is the challenge we are trying to solve; we are not trying to have lifeguards working for another entity.

Ms. Kowalczyk explained how the issue is sustainability and how that is going to happen with the JRD overseeing or owning the pools, she wondered how that happens in these types of districts. She asked if the JRD hires folks to come up with capital improvement plans or work with the entity managing it. Mr. Greeson explained how Granville has a model where they actually have a director and have staff to support some operations. Another model is Sylvania that has a not-for-profit they collaborate with that runs more of the operations. Worthington has been involved in partnerships for a long time and our closest parallel may be our cemetery where you have a board of trustees appointed by two governmental entities. The trustees work with the Township who provides the employees to run the cemeteries, and the City helps to approve a tax to cover the costs of the cemeteries. Other JRDs have staff or sometimes partnerships with other organizations. President Michael noted that JRDs are very similar to Parks Districts, such as Metroparks, and they are separate entities with their own taxing, staffing, and operations. Though the City and Schools are going to appoint people to the JRD board, the JRD board will be the ones to run a bond issue and raise the money for the pool. Mr. Greeson said he does not see any impediment legally to them contracting with SwimInc to run the pools. Mr. Lindsey explained that the JRD has all the powers the enabling jurisdictions have in like fashion relating to recreation. The appointments made initially will have influence in shaping the JRD. Any of the appointing members can withdraw from the JRD and if it gets down to one governmental entity, the JRD terminates. Mr. Myers asked if the vote for a levy would cross jurisdictional lines between the City of Worthington and the School District. Mr. Lindsey replied that is correct, the voters within the City and Schools jurisdictional lines would vote on it. Mr. Myers asked if the JRD creation and levying of the tax could be put on the ballot at the same time. Mr. Lindsey responded that the JRD would need to be created first by the City and Schools, and then they have the ability to put the bond levy on the ballot. Mr. Myers asked if the JRD has any cap on their taxing authority. Mr. Lindsey said that based on what he has researched, the JRD only has outside, voter approved, taxing authority. Mr. Myers wondered if there was

any ability to cap the JRD's taxing authority in our resolution. Mr. Lindsey replied that he does not believe there is a cap, but we will research the issue. Mr. Myers discussed the Bricker memo and how it reads that the City and Schools may need to cover such deficiencies and asked if once the JRD is created whether we are under any obligation to cover any loss. Mr. Greeson said that he does not believe we are, and we are not precluded from investing in something we think is wise. Mr. Myers described how it is not cheap to come to market with bonds and at a time where there are time restraints and may not have the time to pay Bricker. He wondered if the City might have to support them with some administrative monies upfront. Mr. Greeson expressed he is less concerned about the bond costs, but there will be some revisions to the scope and master plan, with scenarios developed and tested in the community. An option would need to be designed to adequately estimate the cost, which would be the basis of the ask to the voters. Mr. Myers expressed he has been behind this since we first discussed it.

Ms. Dorothy expressed she is interested in the question of whether the JRD should encompass more than just the aquatics facility. Mr. Myers asked what else she would support including. Ms. Dorothy responded that it could be any sports fields or entity, but that opens things up wide which is a big political question. There is a question of how much people in the School District value their recreation and facilities and how much they are willing to invest. President Michael brought up that the resolution could be written that it says the aquatic facility or other parks and recreation facilities approved by the JRD. If the legislative language doesn't hand tie the JRD, it would be nice to keep it open enough for future recreational opportunities. Ms. Kowalczyk said if it is going to expand beyond just the pool, there needs to be a need articulated. She does not think we should just have an open-ended authority at this point. It is also important for voters to buy into what they are agreeing to in terms of the levies. If we want to focus on one problem at a time that is what we should be doing. It doesn't sound like it would be difficult to expand the JRD's reach at a later date. Mr. Myers wondered if we could give them greater authority later on, the last thing we would want them to do is to take something like McCord Park away from us because they think it needs some help. Mr. Lindsey replied that the JRD does not have the authority to take a park. It does give them the ability to contract with either the City or Schools in providing park and recreation activities or facilities. The City could enter into an agreement to have the JRD help with our facilities or the schools. If it is our property, they could not take it. Mr. Greeson expressed if he had a preference, it would be to not develop the JRD into a service provider. We live in an area with fairly robust existing service providers already. He imagined that the JRD may be called upon by the community to help create a vehicle to finance some project that no one jurisdiction is able to accomplish on its own.

Mr. Robinson explained how a vital outdoor pool facility is essential in

Worthington and the question is how we maintain that long-term. As a matter of principle, when he looks at the JRD it appears we are creating another governmental entity that puts this issue at one-more removed from accountability to the voters, unnecessarily. For him to assess the desirability or necessity of a JRD there is some basic, vital information that has not been provided. Whether that is the Master Plan or the Bricker and Eckler memo or the staff memo, almost all of them except for the Bricker Memo talk about the pools collectively. His understanding is that the outdoor facilities and the natatorium are really two distinct operating units with different financial performances and user groups. For him to assess whether in fact we need to operate the entire pool complex as a single unit under a JRD, he needs to see financial information and user group information from the two components of the facility, probably five years' worth of information to see whether the Bricker and Eckler joint venture concept or something that would separate the two facilities even more would be preferable. From the first time he became aware of SwimInc three and a half years ago, the management of it and the operational organizational of it seemed really just prone to lack of accountability and intermixing of missions. He does not know whether the school system is at the same place we are. He asked if we have spoken with them recently and whether they are embracing this concept. Mr. Greeson replied that he has spent time talking with Superintendent Bowers and Treasurer Cusick, and we are working with them on this and gave them this material ahead of time. He has not had conversations with board members at this point. Mr. Robinson said that he has had conversations with board members, and they have not discussed this for well over a year. He feels like we are over our skis here and he requests more basic information on the operations, finances, and user groups of the two entities that comprise SwimInc before he can make an informed judgment. Mr. Greeson explained how staff has spent a fair amount of time looking at financial information, he does not know if it was five years, but we requested and reviewed a number of their financial documents to validate the need. That also tied into the request for pandemic funds where we looked at finances as well. He does not think there would be a problem obtaining the financial information, we either have it and have looked at it, or it can be provided. Essentially, the model has been all along, the indoor natatorium is not sufficient by themselves to cover the investment in a natatorium, summer pool revenues help subsidize the ongoing management operation of that. He does not think either revenue source is sufficient to cover the capital reinvestment that is necessary. Mr. Robinson asked if the outdoor facilities are operationally in the black.

Mike Keller, SwimInc President of the Board - 517 Stevenson Avenue

Mr. Keller responded that he takes exception to the comment about the lack of accountability of the board in what SwimInc does. He believes that as a non-profit what they have been providing over the past 65 years has been a key asset for the community and they do not differentiate aquatics between indoor

and outdoor because they are symbiotic, and they work together. We support the School, they support us. We support the community. The outdoor pool is in the black and does make the revenues, they take that funding forward so they can have the competitive school season in the winter. Since 1976 when the natatorium was built, that model has worked. Their mission is to provide aquatics to the City and the School District. They do not separate those. He believes they run a very succinct operation and they are very proud of their staff and financial model where they are able to make it work. We are at the point today with the JRD looking forward. They understand the pools are aging and need reinvestments. They have been sitting on state funding since 2017-2018, trying to come up with the best plan for how to use those dollars. This year after COVID, they invested \$500,000 in the facilities to plan for the future and make sure the community has a place to go to. They believe they provide an asset to the community. The board has worked tirelessly over the past year and a half to get to this point. The question here is whether we want to continue the legacy of the aquatics program in Worthington and for there to be a place in the summer for people to meet. The question is about how to get there. There are a lot of conversations that must happen still. He does not know which model is the correct one, but he does know there is a significant investment necessary. The longer there is not a decision, they are having to look at their revenues to make sure they are investing in the right place. That is why the \$500,000 to try to improve the experience is important. They get compared to places such as Westerville or Bexley, but those are City supported facilities investing money. SwimInc operates within a strict financial budget and have been very successful as an organization doing so, providing an amazing amenity. He believes they provided financial information for the ReBoot funding, but they will provide more. Over the last few years, they have looked to get a deeper dive to get a better understanding by breaking things down.

Mr. Robinson noted that his comment about accountability was not referencing Mr. Keller or the other volunteers that manage SwimInc, whom he admires. It was based on his experience since he joined Council where one of the first things he did was visit the SwimInc facility for a tour and learned about their organizational structure. It struck him that there were three entities, SwimInc, the Schools, and the City, and it seemed to him that there was no single focal point or source of accountability to make things happen. Here we are years later, and decisions still have not been made. His question about the JRD is whether that is the best management model structurally, organizationally, and decision making wise. He asked if his basic understanding about the outdoor facility is profitable operationally year to year and generally serves the public and the natatorium is in a deficit position, and generally primarily serves school programs. Mr. Keller responded that generally it is school programs and SwimInc's programming. Mr. Robinson replied that he wants to get a handle on what the money looks like and who the users are so he can assess

organizational structure. Mr. Keller said that even with OHM they did a financial study which can be shared with Council.

Mr. Smith described how the JRD is the perfect entity to specifically look at those issues in terms of fairness and equity and what makes sense to fund for capital projects. A JRD Board could get into the weeds of some of the issues as opposed to Council. For carrying the load, the JRD board should do that.

Ms. Dorothy expressed that the City has provided some financial assistance, but as a group we have not provided guidance on how to operate. She shared how when her son was younger, she was looking for swim lessons, the City was only offering during the day, but she was able to go to SwimInc to get lessons and her son was able to go on to be on the swim team. That was a valuable service that SwimInc provided. She has heard comparisons to other communities with city funded pools, but she does believe that SwimInc has done a magnificent job providing services that are so valuable to the broader community. Now is the time for us to step up and provide investments as a government entity, so she is happy we are looking at this and she is excited to move forward with the JRD and our partnership with SwimInc.

Ms. Kowalczyk echoed Ms. Dorothy's comments and she has spent many years sitting in the bleachers at the natatorium. She greatly appreciates the asset that the pool is to the community.

Mr. Bucher asked if in recent years whether philanthropic dollars had been sought or any role from businesses that support community investment. Mr. Keller replied that there is a place for that from SwimInc or in the JRD goes forwards looking for grants or other opportunities. In his time as board president, they have discussed opportunities such as fundraisers. They are continuing to evaluate those ideas. Usually in years past they have the discussion in October or November, and most of the larger companies are making those discussions in August as they are planning for the end of the year budget. Seeing the JRD or a larger plan move forward enables them to have a better vision to share outside the OHM report.

Mr. Robinson posed the question that if the JRD is created and we go to the voters to pass a tax levy and it fails, he asked then what. Mr. Keller replied that they would be continuing at status quo. The question comes and we don't have answer yet as to the ownership of the pool. There is the question if the pool property needs to be owned by the JRD. Their plan is to keep operating to the best of their ability, providing aquatics to the community. Mr. Greeson explained that we would have the same options as today, to work on this separately. There could be episodic investments when there are problems. If there is some equipment failure that outstrips SwimInc's ability to address it, he would imagine the City or Schools could get asked to make an investment regardless of a JRD if there is no tax support.

President Michael asserted that the JRD has a number of values, one of them being they would combine what the Schools and City uses and what is the

funding. It would be an umbrella over the three part of what comprise the aquatic operations in the community. It would also breathe in new life, creating new committee and getting people interested. It could lead to private money and corporate contributions. A lot of people get excited in levies. The broader community will decide whether or not they want to fund or not. As someone who has spent 32 years at the SwimInc pools and her children grew up utilizing the facilities, it is a wonderful facility, and she would like to find a way to spur funding.

Mr. Keller circled back and said they have about \$450,000 remaining in state CIP funding. They are evaluating whether to invest and renew in the facility, but they have held out for the ability to expand the OHM report and build out that concept. They went out for RFQs to potentially design and wanted to be in position to have some experts onboard to guide things. His concern however is putting dollars into something that may not be built. That is where this discussion can help them hone things in. When they got into 2020-2021 and looking at what investments needed to be done, the support of the City was put right back into the facility.

President Michael asked if Council were to pass a resolution in the near future, the JRD creation would be towards the end of the year or beginning of 2022. If they need to get on the ballot, the earliest would be the May primary. In order for anything to get on the ballot, we need to get it created first. Mr. Greeson replied that the Council and School Board would need to adopt identical resolutions to create the JRD. That can be done anytime, and we will need to make appointments within a certain time. He shared how the Schools may be wary of any interaction with their master facilities planning process and if they would be on a November 2022 ballot. They would want to ensure that the JRD does not compete in a negative way with the School's levy requests. This would be the creation of a single purpose district focused on recreation and when you do that, they have the ability to put things on the ballot and over time, you would control through your appointees, but that is an exercise in governance on how you do that. There is a question about how much of the project needs to be defined and whether Council is comfortable creating the JRD and having them define what goes to the voters or if the project should be more defined before creating the model to fund it. He has tended towards the thought we would benefit from having a group tasked with being focused on getting this to a decision point. There is some benefit to them having some authority to do so. Mr. Myers expressed that he believes there is a majority of Council in favor of moving forward with the goal of presenting a resolution to create a JRD. Mr. Greeson explained a next step would be providing financial information to build out the problem we are trying to resolve. We need to surface the same type of conversation with the school board to get substantive comments on the resolution and any by-laws. Then, bringing all that back to Council showing consensus.

Mr. Robinson asked for a range of millage that would likely be asked for and what that would mean to the average household. Mr. Greeson said that updated numbers would be provided.

Mr. Myers brought up the nominating process for the board of trustees, mentioning the need for people with aquatic expertise, we would like to have some experts in that who can contribute to this process. Mr. Greeson replied that it feels a lot like the inaugural MAC board where we were working with the schools to populate the board with the diversity of experiences necessary to make that a successful venture. We had a nominating committee among that group that was trying to identify people and making sure they represented a cross-section of the community and could get the job done. In this case you will need people comfortable with upstart entities, but that cross-section of experience requires legal, financial, and engineering backgrounds.

Mr. Greeson explained if there are no objections, he will move forward with active efforts to refine the resolution, provide the requested information, to draft by-laws, and talk with Councilmembers about approaches to appointment of public officials. Staff will work to bring this to discuss again in September.

Reports of Council Members

8. Reports of Council Members

Minutes:

Ms. Dorothy explained how she is an engineering nerd and went to see the Huntley Bowl work in-action. It does retain water, but she is unsure how much it slowed the flow. She is pretty excited to see vegetation grow back soon.

Other

Executive Session

9. Executive Session

Minutes:

MOTION: Mr. Myers moved, seconded by Ms. Dorothy to go into Executive Session for the purposes of considering the appointment of a public employee or official and to conference with an attorney for the City concerning disputes involving the City that are the subject of pending or imminent court action.

The clerk called the roll on Executive Session.

The motion carried by a roll call vote.

Council recessed at 8:55 p.m. from the Regular meeting session.

MOTION: Ms. Dorothy moved, seconded by Mr. Myers to exit Executive session.

The clerk called the roll to exit Executive Session.

Council exited Executive Session at 9:19 p.m.

President Michael explained how Council discussed an issue regarding Purdue

Pharma, asking us to make a motion to accept a re-organization plan.

MOTION: Ms. Dorothy moved, seconded by Mr. Robinson. to direct the Law Director to vote to accept the plan of organization in the Purdue Pharma bankruptcy case on behalf of the City and authorizing the City Manager and Law Director to take any and all necessary actions consistent with the term of the plan of re-organization.

The motion carried unanimously by a voice vote.

- a. **To consider the appointment of a public employee or official**
- b. **To conference with an attorney for the City concerning disputes involving the City that are the subject of pending or imminent court action.**

Adjournment

10. Motion to Adjourn

Minutes:

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

President Michael declared the meeting adjourned at 9:29 p.m.

Contact: D. Kay Thress, Clerk of Council (Kay.Thress@worthington.org (614) 436-3100) | Minutes published on 07/15/2021, adopted on 07/19/2021

/s/ Ethan C. Barnhardt
Management Assistant

Attest

/s/ Bonnie D. Michael
President of Council