



DELAWARE COUNTY *Ohio*

TRANSPORTATION IMPROVEMENT DISTRICT

Board of Trustees

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Tom Price

Legislative Members

Andrew Brenner
Ohio House of Representatives
Rick Carfagna
Ohio House of Representatives

Meeting Minutes August 28, 2019

Meeting Type:

Regular Meeting

Location:

101 North Sandusky Street, Delaware, Ohio, 43015- Hearing Room

Board Members in attendance:

Chris Bauserman, Delaware County Engineer

Pat Blayney

Seiji Kille

Tom Price at 9:50 A.M.

Absent with notification:

Mike Frommer

Call to Order:

The meeting was called to order by Chairman, Chris Bauserman, at 9:42 AM. The Pledge of Allegiance was led by Engineer Bauserman.

Introductions of the Board were made by Chairman Bauserman.

Approval of Minutes:

A motion to approve the minutes from July 10, 2019 was made by Si Kille, seconded by Pat Blayney. Voice Vote called: 3 Ayes, 0 Nays. Motion carried.

Board Reports:

Chairman's Report: None at this time.

Secretary/Treasurer's Report: The balance of the account is at \$5.8 million. A motion was made by Pat Blayney to accept the Treasurer's Report. The motion was seconded by Mr. Bauserman. Voice Vote called: 3 Ayes, 0 Nays. Motion carried.

Other Board Member Updates: No reports.

Monthly Report: Rob Riley

1. HOME ROAD EXTENSION, PHASE 2 & 3

A. ODOT TID Grant Program Award:

Staff received notification that ODOT awarded the DCTID a \$200,000 grant for the

construction phase of this project for SFY 2020. The grant program operates on a reimbursement basis requiring the DCTID to first expend the dollars and invoice ODOT for the reimbursement. Staff anticipates invoicing ODOT for this reimbursement in fall 2019 once contract expenditures are made.

B. Bid results:

DCEO received 7 bids for this contract on August 20, 2019. The low bid was made by Nickolas M. Savko & Sons in the amount of \$10,888,932.39.

Due to quantity errors and discrepancies found during the bid advertisement, the original Engineer's Estimate of \$10,342,000.00 was revised to \$11,133,994.64. Most of this amount is due to a revised estimate of the amount of shale excavation necessary for the sanitary sewer installation.

C. Funding summary:

The project agreement with the County Commissioners provides for up to \$10,400,000 from the Delaware County Commissioners for construction of the project. In addition, ODOT is providing \$200,000 through the TID grant. The TID would be required to pay for any additional project costs above \$10,600,000 out of other TID revenues.

If the TID were to award the bid from Nickolas M. Savko & Sons, DCEO anticipates that the full contract amount of \$10,888,932.39 will not be required and the total contract value will be under \$10,600,000 at completion. The contract includes several contingency items as well as a blanket \$800,000 contingency for change orders. DCEO estimates contract expenditures of \$3,200,000 by 12/31/2019 with the balance in 2020.

2. **RIVERBY ESTATES STREET IMPROVEMENTS**

A. Plans, Specs, Advertisement for Contract:

DCEO has completed plans, specs and estimates for the required road work necessary to bring the streets up to an acceptable condition to be made public roads. The estimated cost of this work is \$439,000.

DCEO recommends proceeding with advertisement of a contract to perform this work with award subject to reaching an agreement with the Riverby Estates HOA to repay the TID's costs through an HOA assessment, or a special assessment levied by the TID.

B. HOA Agreement vs. Special Assessment:

Staff has discussed a funding scenario whereby the TID would pay for the contract costs using cash on hand, and would levy a special assessment on the parcels within the subdivision to pay for the actual cost, plus a financing fee equivalent to a 3% annual interest rate over the assessment period.

In researching the TID's ability to pay cash for the project and collect interest over

the assessment period through the assessment, staff counsel is of the opinion that the TID statute does not provide sufficient authority to do this. The TID statute contemplates the TID actually issuing debt in the form of bonds or notes and recouping actual financing costs through the assessment.

As an alternative, an agreement could be done directly with the HOA whereby the HOA would levy the assessment on its constituent parcels. Staff counsel is of the opinion that since this would be a private agreement, paying the cost with cash on hand and charging a financing fee would be allowable in this scenario; however, there are additional risks associated with an HOA agreement vs. a special assessment directly on the parcels.

In a special assessment scenario, special assessment levied directly on the parcel would have the effect of a tax lien and in case of default, the assessment would be in line ahead of any other liens, except mortgages, to be paid from the proceeds of a Sheriff's sale. This means more administrative burden on County but more security in receiving repayment. To levy a special assessment, the statute requires the TID Board to hold a public hearing to consider objections to the special assessment.

In an HOA agreement scenario, it would be up to the HOA to seek repayment or foreclosure on parcels in default. This lessens the administrative burden on the County; however, provides less security in receiving payment.

Mr. Bauserman stated that additional discussions with staff counsel would be done over the next couple weeks prior to award of the contract and a recommendation would be made to the board on how to proceed.

Tim Long (Long EDA), representative for the Riverby HOA, stated appreciates all of the work that has been done with the project. Mr. Long stated the residents of Riverby would prefer the special assessment option with a 20 year term and prefer the assessment be made as a special assessment by the TID instead of an HOA assessment.

Mr. Blayney shared his preference for the special assessment option as he felt the burden on the HOA to collect the costs would be too great.

Resolutions:

Resolution 2019-5: Awarding a Construction Contract for the DEL-CR124-7.69 Home Road Extension East of US 23, Phase 2 & 3

Mr. Bauserman requested the board take no action to consider approval of this resolution in light of a request from the Ohio Contractors Association not to award the contract, expressing objection to the project not complying with Ohio Prevailing Wage requirements. Mr. Bauserman stated there would be discussions with staff counsel. There was no objection from the board and no motions were made on this resolution.

Resolution 2019-6: Approving a Funding Agreement with the State of Ohio, Department of Transportation for the Home Road Extension East of U.S. 23

Mr. Kille moved and Mr. Blayney seconded for approval of a motion to pass the resolution.

Resolution 2019-7: Approving Plans, Specifications and Estimates for Improvements to the Streets within the Riverby Estates and Authorizing the Advertisement for Bids

Mr. Price moved and Mr. Blayney seconded for approval of a motion to pass the resolution. Voice vote called. 4 ayes. 0 nays. Motion carried.

Other Business:

Mr. Blayney moved and Mr. Kille seconded to authorize the County Engineer to advertise for additional bids for the Home Road Extension, Phase 2 & 3 construction contract in accordance with resolution 2019-4 except requiring conformance with Ohio Prevailing Wage requirements and with a bid opening date of September 10, 2019 at 10:00 a.m.

Tom Price moved and Mr. Blayney seconded to amend the prior motion to include an advertisement date of August 30, 2019. A voice vote to amend the prior motion was called. 4 ayes. 0 nays. Motion carried.

On the motion, as amended, **Authorizing Advertisement for Additional Bids for the DEL-CR124-7.69 Home Road Extension East of US 23, Phase 2 & 3 in conformance with Resolution 2019-4 except subject to Prevailing Wage Requirements of the Ohio Revised Code, with an Advertisement date of August 30, 2019 and a Bid Opening Date of September 10, 2019**, a voice vote was called. 4 ayes. 0 nays. Motion carried.

Chairman Bauserman welcomed board member and Ohio Representative Rick Carfagna and thanked him for his service.

The next meeting is scheduled for September 11, 2019 at 9:30 AM in the Commissioners' Hearing Room (101 N. Sandusky Street, Delaware, OH 43015).

Adjournment:

The meeting was adjourned at 10:00 AM Chairman Bauserman.

Minutes by: Riley & Dinovo

Board Approval of Minutes:

09.18.19
Date


Si Kille, Secretary-Treasurer