

**3:30pm Finance & Personnel Committee**

**Shelby City Council Agenda**  
**Monday, July 18, 2016**  
**COUNCIL CHAMBERS**  
**29 MACK AVENUE**  
**Shelby, Ohio**  
**7:00 p.m.**

**Call to Order and Pledge of Allegiance**

**Roll Call:**

Mr. Roub \_\_\_\_\_ Mr. Roberts \_\_\_\_\_ Mr. Gates \_\_\_\_\_ Mr. Martin \_\_\_\_\_ Mr. McLaughlin \_\_\_\_\_

**Dispense with Reading of Journal from July 5, 2016**

Moved \_\_\_\_\_ 2<sup>ND</sup> \_\_\_\_\_

Mr. Roub \_\_\_\_\_ Mr. Roberts \_\_\_\_\_ Mr. Gates \_\_\_\_\_ Mr. Martin \_\_\_\_\_ Mr. McLaughlin \_\_\_\_\_

**Public Comment**

**Reports from Standing and Special Committees**

Finance & Personnel Committee—Garland John Gates

Safety Committee—Derrin Roberts

Utilities & Streets Committee—Nathan Martin

**Reports of City Officials**

Steven L. Schag—Mayor

Steven T. Lifer—Director of Finance

Gordon M. Eyster—Law Director

Joe Gies—Project Coordinator

**New Business**

**Unfinished Business**

**Legislation**

**ORDINANCE NO 16-2016**

**ENACTING CHAPTER 224 (INVESTMENT POLICY) OF  
THE CODIFIED ORDINANCES OF THE CITY OF SHELBY**

**3RD READING**

Moved        2<sup>ND</sup>       

Mr. Roub        Mr. Roberts        Mr. Gates        Mr. Martin        Mr. McLaughlin       

**PASSAGE OF ORDINANCE**

Moved        2<sup>ND</sup>       

Mr. Roub        Mr. Roberts        Mr. Gates        Mr. Martin        Mr. McLaughlin       

**ORDINANCE NO 17-2016**

**AMENDING SECTION 278.04 (DESIGNATION OF PARKS  
AND PARKWAYS) OF CHAPTER 278 (BOARD OF PARK  
COMMISSIONERS) OF THE CODIFIED ORDINANCES OF  
THE CITY OF SHELBY**

**3RD READING**

Moved        2<sup>ND</sup>       

Mr. Roub        Mr. Roberts        Mr. Gates        Mr. Martin        Mr. McLaughlin       

**PASSAGE OF ORDINANCE**

Moved        2<sup>ND</sup>       

Mr. Roub        Mr. Roberts        Mr. Gates        Mr. Martin        Mr. McLaughlin

**ORDINANCE NO 18-2016**

**REPEALING SECTION 1050.06 (COMMERCIAL STEAM SERVICE) AND SECTION 1050.07 (CONDITIONS OF STEAM SERVICE; RATE SCHEDULE) OF CHAPTER 1050 (ELECTRICITY) OF THE CODIFIED ORDINANCES OF THE CITY OF SHELBY**

**2ND READING**

Moved        2<sup>ND</sup>         
Mr. Roub        Mr. Roberts        Mr. Gates        Mr. Martin        Mr. McLaughlin       

**ORDINANCE NO 19-2016**

**AMENDING SECTION 1062.07 (SPEED LIMIT IN SELTZER, VETERANS AND RABOLD PARKS AND ADJACENT STREETS) OF CHAPTER 1042 (PARKS) OF THE CODIFIED ORDINANCES OF THE CITY OF SHELBY**

**1ST READING**

Moved        2<sup>ND</sup>         
Mr. Roub        Mr. Roberts        Mr. Gates        Mr. Martin        Mr. McLaughlin       

**RESOLUTION NO 50-2016**

**AUTHORIZING THE MAYOR AS DIRECTOR OF PUBLIC SERVICE TO ENTER INTO A CONTRACT CHANGE ORDER WITH SIMONSON CONSTRUCTION SERVICES, INC. FOR THE MONROE AVENUE & MANSFIELD AVENUE SANITARY SEWER PROJECT IN THE AMOUNT OF EIGHT THOUSAND THREE HUNDRED SIXTEEN AND 75/100 DOLLARS (\$8,316.75) AS AN INCREASE AND DECLARING AN EMERGENCY**

Moved        2<sup>ND</sup>         
Mr. Roub        Mr. Roberts        Mr. Gates        Mr. Martin        Mr. McLaughlin       

**Miscellaneous Business**

**Adjournment** at        p.m.

Moved        2<sup>ND</sup>         
Mr. Roub        Mr. Roberts        Mr. Gates        Mr. Martin        Mr. McLaughlin

6/20/2016  
1st Reading  
7/5/2016

ORDINANCE NO. 16 -2016  
(Sponsor - Councilmember Gates)

ENACTING CHAPTER 224 (INVESTMENT POLICY) OF THE CODIFIED ORDINANCES OF THE CITY OF SHELBY.

WHEREAS, The Director of Finance and Public Record has presented to Council a draft Investment Policy; and

WHEREAS, It is in the interest of the public health, safety, morals, and general welfare of the citizens of the City of Shelby that Council enact said Investment Policy.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SHELBY, A MAJORITY ELECTED THERETO CONCURRING:

Section 1: That Chapter 224 of the Codified Ordinances of the City of Shelby be enacted to read as follows:

CHAPTER 224: INVESTMENT POLICY

224.01 INTRODUCTION.

It is the policy of the City of Shelby, Ohio, to invest public funds in a manner that will provide the highest investment return with maximum security, safety, and preservation of principal while meeting the daily cash flow needs of the City and conforming to applicable laws governing the investment of public funds by an Ohio municipality. The Director of Finance and Public Record is the investment officer for the City, charged with the responsibility for the purchase and sale of investments and the implementation of and compliance with this Investment Policy.

224.02 SCOPE.

This Investment Policy applies to all financial assets of the City, including State and federal funds held by it, other than funds held and invested pursuant to the express terms of a trust agreement. The Director of Finance and Public Record shall routinely monitor the contents of the City's investment portfolio, the available markets and relative value of competing investments and shall adjust the portfolio accordingly.

224.03 OBJECTIVES.

The primary objectives, in priority order, of the City's investment activities shall be:

- a. Safety: Safety of principal is the foremost objective of the investment program. City investments should be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- b. Liquidity: The City's investment portfolio should remain sufficiently liquid to enable it to meet all operating requirements that might be reasonably anticipated.
- c. Return on Investment: The City's investment portfolio should be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account this Investment Policy and the cash flow characteristics of the portfolio.

224.04 PRUDENCE.

Investments shall be made with judgment and care under circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by the Director of Finance and Public Record shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. Acting in accordance with this Investment Policy and exercising due diligence shall relieve the Director of Finance and Public Record of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported to the Council in a timely fashion and appropriate action is to take control adverse developments.

investment services and who qualify under Section 135.14(M)(1) of the Revised Code. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15c3-1 and are registered with the Ohio Department of Commerce to do business in the State.

All financial institutions and broker/dealers who desire to become qualified suppliers of investment transactions to the City must provide to the Director of Finance and Public Record (i) audited annual financial statements, (ii) proof of good standing with the Comptroller of Currency or with State banking regulators or Financial Industry Regulatory Authority certification, (iii) proof of Ohio registration, and (iv) biographical and regulatory information on the persons who are the primary contact with the City. All financial institutions, broker/dealers, and other entities who desire to conduct investment business (advice, recommendations or transactions) with the City must sign this Investment Policy, acknowledging that they have read it, understand it, and, in the case of those initiating transactions, agree to abide by its contents.

**224.06 AUTHORIZED INVESTMENTS:** The City is authorized by statute to invest in the following types of securities and investments.

- a. United States Treasury bills, notes, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States (not including "stripped" principal or interest obligations).
- b. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association and Student Loan Marketing Association. All such securities must be direct issuances of federal government agencies or instrumentalities and may not be stripped principal or interest obligations.
- c. Interim deposits in duly authorized depositories of the City, provided those deposits are properly insured or collateralized as required by law.
- d. Bonds and other obligations of the State of Ohio.
- e. No-load money market mutual funds consisting exclusively of securities described in paragraphs a. and b. of this Section and repurchased agreements secured by such obligations, provided all such investments under this paragraph e. 5 shall be made with a bank, domestic association or savings bank eligible to be a depository for public funds of Ohio subdivisions and provided further that any such funds meets the requirements of Chapter 135 of the Revised Code (including that such fund not include any investment in a "derivative").
- f. Ohio Subdivision's Fund (STAROhio).
- g. Overnight or term (not exceeding 30 days) repurchase agreements meeting the requirements of Section 135.14(E) if the Revised Code, with: (i) a bank, domestic association or savings bank eligible to be a depository of public funds of Ohio subdivisions or (ii) a member of the Financial Industry Regulatory Authority.

**224.07 MAXIMUM MATURITIES:** To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. No investment shall be made unless the Director of Finance and Public Record, at the time of making the investment, reasonably expects it can be held to its maturity. Unless matched to a specific obligation or debt of the City, the City will not directly invest in securities listed in paragraphs a. through e. above under Section 224.06 maturing more than five years from the date of settlement if such securities bear interest at a fixed rate, and it will not directly invest in such securities maturing more than two years from the date of settlement if they bear interest at a variable rate.

**224.08 SAFEKEEPING AND CUSTODY:** All securities transactions, including securities acquired subject to repurchase agreements, entered into by the City will be conducted on a delivery-versus-payment basis. Purchased securities shall be held on behalf of the City by a custodian, designated by the Director of Finance and Public Record, that is a Federal Reserve

**224.08 SAFEKEEPING AND CUSTODY.**

All securities transactions, including securities acquired subject to repurchase agreements, entered into by the City will be conducted on a delivery-versus-payment basis. Purchased securities shall be held on behalf of the City by a custodian, designated by the Director of Finance and Public Record, that is a Federal Reserve Bank or other "qualified trustee" within the meaning of Section 135.18(I) of the Revised Code, and the safekeeping of those securities for the benefit of the City shall be evidenced by safekeeping receipts. Purchased securities may be released by the City only upon verification that their principal and interest, or proceeds of their sale, have been credited to the City's account.

**224.09 PROHIBITED INVESTMENT PRACTICES.**

In addition to any other prohibitions in the Revised Code, the City will not take any of the following actions.

- a. Contract to sell securities that have not yet been acquired on the speculation that prices will decline.
- b. Make any investment in "derivatives" as defined in Section 135.14(C) of the Revised Code.
- c. Invest in a fund established by another public body for the purpose of investing public money of other subdivisions except either: (1) STAROhio, or (2) a fund created solely from the purpose of acquiring, constructing, owning, leasing, or operating municipal utilities as authorized under Revised Code Section 715.02 or Section 4 of Article XVIII of the Ohio Constitution.
- d. Enter into reverse repurchase agreements.
- e. Leverage current investments as collateral to purchase other assets.
- f. Invest in stripped principal or interest obligations of otherwise eligible obligations.

**224.10 INTERNAL CONTROLS.**

The Director of Finance and Public Record shall develop and maintain procedures for the operation of the City's investment program in accordance with this Investment Policy. These procedures shall be designed to prevent loss of the City's funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions.

**224.11 RECORDS AND REPORTING.**

The Director of Finance and Public Record shall maintain a current inventory of all investments including:

- a. Description of each security
- b. Cost
- c. Par value
- d. Dates (beginning, settlement and maturity)
- e. Rates
- f. Seller

The Director of Finance and Public Record shall also prepare and distribute to Council on or about June 15<sup>th</sup> and December 15<sup>th</sup> of each year (or more frequently if requested by the Council) a list of all investments and a report on investment activity and returns.

**224.12 EDUCATION.**

The Director of Finance and Public Record shall, and is authorized to, participate in any beginning and/or continuing education training programs sponsored by the State Treasurer or the State Auditor in which the Director of Finance and Public Record is required to participate pursuant to Sections 117.44 and 135.22 of the Revised Code. Through participation in those programs, the Director of Finance and Public Record will develop and maintain an enhanced background and working knowledge in investment, cash management, and ethics.

**224.13 ETHICS AND CONFLICTS OF INTEREST.**

Persons involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or that could impair their

ability to make impartial investment decisions. Employees and investment consultants shall disclose to the City any material financial interests in financial institutions that conduct business within the City and any large personal financial or investment positions that could be related to or affected by the performance of the City's portfolio. All employees, officers, and investment consultants to the City shall subordinate their personal investment transactions to those of the City, particularly with regard to the timing of purchases and sales. The above supplements the applicable provisions of the Ohio ethics law.

**224.14 NONBINDING ARBITRATION.**

The Director of Finance and Public Record may enter into a written investment or deposit agreement that includes a provision under which the parties agree to submit to nonbinding arbitration (but not binding arbitration) to settle any controversy that may arise out of that agreement so long as such provision meets the requirements of the Revised Code and is specifically approved by the Council.

**224.15 INVESTMENT POLICY REVIEW AND REVISION.**

This Investment Policy is to be adopted by the Council. This Policy is to be reviewed on an annual basis by the Council or a committee designated by it. Any modifications of this Policy must be approved by the Council. This Investment Policy and any modifications thereof, may, but need not be, file with any State office or agency.

**224.16 INVESTMENT POLICY REVIEW AND REVISION.**

This Policy shall be reviewed in January of each year by the Council or a committee designated by it. Any modifications of this Policy must be approved by the Council. This Investment Policy and any modifications thereof, may, but need not be, file with any State office or agency.

Section 2: That all meetings and hearings concerning the adoption of this Ordinance have been in compliance with Codified Ordinance 220.01, Ohio Revised Code Section 121.22, and the Charter of the City of Shelby.

Section 3: That this Ordinance shall be in full force and effect from and after its passage, approval by the Mayor, and the earliest period allowed by law.

PASSED: \_\_\_\_\_

\_\_\_\_\_  
Steven McLaughlin  
Vice President of Council

APPROVED:

ATTEST: \_\_\_\_\_

\_\_\_\_\_  
Steven L. Schag  
Mayor

Prepared by:

\_\_\_\_\_  
Gordon M. Eyster  
Director of Law

1st Reading  
6/20/2016  
2nd Reading  
7/5/2016

**ORDINANCE NO. 17-2016**  
(Sponsor: Councilmember Gates)

**AMENDING SECTION 278.04 (DESIGNATION OF PARKS AND PARKWAYS) OF CHAPTER 278 (BOARD OF PARK COMMISSIONERS) OF THE CODIFIED ORDINANCES OF THE CITY OF SHELBY.**

WHEREAS, the City of Shelby has acquired the property at 10-12 West Main Street (Richland County Parcel # 046-08-186-09-000); and

WHEREAS, Council wishes to assign responsibility for this land to the Board of Park Commissioners.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SHELBY, OHIO, A MAJORITY ELECTED THERETO CONCURRING:**

Section 1: That Section 278.04 of the Codified Ordinances of the City of Shelby be amended to read as follows:

**278.04 DESIGNATION OF PARKS AND PARKWAYS.**

The following properties are hereby designated as parks and parkways: the properties commonly known as Seltzer Park (Permanent Parcel Numbers 046-08-500-13-000, 046-08-500-23-000, 046-08-500-15-000, 046-08-500-20-000), Rabold Park (Permanent Parcel Numbers 046-08-500-93-000, 046-08-500-81-000), Veterans Park (Permanent Parcel Number 046-08-500-08-000, and the median of West Park Drive); McBride Park (Permanent Parcel Number 046-08-501-40-000), Easterling Park (Permanent Parcel Number 046-08-500-07-000) Tucker Avenue Park (Permanent Parcel Numbers 046-08-501-20-000, 046-08-140-02-000); Black Fork Commons (Permanent Parcel Numbers 046-08-095-14-000, 046-08-089-17-000, 046-08-201-13-000, 046-08-140-07-000, 046-08-091-02-000, 046-08-012-08-000, 046-08-132-13-000, 046-08-131-20-000, 046-08-033-12-000, 046-08-060-18-000, 046-08-135-18-000, 046-08-153-14-000, 046-08-022-18-000, 046-08-500-03-000, 046-08-018-07-000, 046-08-019-40-000, 046-08-018-08-000, 046-08-500-02-000, 046-08-500-76-000, 046-08-500-75-000, 046-08-501-37-000, 046-08-185-15-000, 046-08-186-09-000), and the medians on Grand Boulevard and Williams Court.

Section 2: That all other sections of Chapter 278 shall remain in full force and effect.

Section 3: That all meetings and hearings concerning the adoption of this Ordinance have been in compliance with Codified Ordinance 220.01, Ohio Revised Code Section 121.22, and the Charter of the City of Shelby, Ohio.

Section 4: That this Ordinance shall be in full force and effect from and after its passage, approval by the Mayor, and the earliest period allowed by law.

PASSED: \_\_\_\_\_

\_\_\_\_\_  
Steven McLaughlin  
Vice President of Council

APPROVED:

ATTEST: \_\_\_\_\_

Steven T. Lifer  
Clerk of Council

\_\_\_\_\_  
Steven L. Schag  
Mayor

Prepared by:

\_\_\_\_\_  
Gordon M. Eyster  
Director of Law



St Reading  
7/5/2016

ORDINANCE NO. 18 -2016  
(Sponsor: Councilmember Gates)

**REPEALING SECTION 1050.06 (COMMERCIAL STEAM SERVICE) AND SECTION 1050.07 (CONDITIONS OF STEAM SERVICE; RATE SCHEDULE) OF CHAPTER 1050 (ELECTRICITY) OF THE CODIFIED ORDINANCES OF THE CITY OF SHELBY.**

WHEREAS, The City of Shelby no longer provides commercial steam service from the Municipal Light Plant.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SHELBY, A MAJORITY ELECTED THERETO CONCURRING:**

Section 1: That Section 1050.06 (Commercial Steam Service) of the Codified Ordinances of the City of Shelby shall be and is hereby repealed.

Section 2: That Section 1050.07 (Conditions of Steam Service; Rate Schedule) of the Codified Ordinances of the City of Shelby shall be and is hereby repealed.

Section 3: That all other sections of Chapter 1050 (Electricity) shall remain in full force and effect.

Section 4: That all meetings and hearings concerning the adoption of this Ordinance have been in compliance with Codified Ordinance 220.01, Ohio Revised Code Section 121.22, and the Charter of the City of Shelby.

Section 5: That this Ordinance shall be in full force and effect from and after its passage, approval by the Mayor, and the earliest period allowed by law.

PASSED: \_\_\_\_\_

\_\_\_\_\_  
Steven D. McLaughlin  
Vice President of Council

APPROVED:

ATTEST: \_\_\_\_\_

Steven T. Lifer  
Clerk of Council

\_\_\_\_\_  
Steven L. Schag  
Mayor

Prepared by:

  
\_\_\_\_\_  
Gordon M. Eyster  
Director of Law

ORDINANCE NO. 19 -2016  
(Sponsor – Councilmember Gates)

**AMENDING SECTION 1062.07 (SPEED LIMIT IN SELTZER, VETERANS AND RABOLD PARKS AND ADJACENT STREETS) OF CHAPTER 1042 (PARKS) OF THE CODIFIED ORDINANCES OF THE CITY OF SHELBY.**

WHEREAS, The portion of Section 1062.07 of the Codified Ordinances of the City of Shelby that purports to establish a 20-mile-per-hour speed limit on streets adjacent to certain parks has been determined to be in contravention of the Ohio Revised Code; and

WHEREAS, It is in the interest of the public health, safety, morals, and general welfare of the City of Shelby and its residents that this Section be amended to bring it into compliance with the Ohio Revised Code.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SHELBY, A MAJORITY ELECTED THERETO CONCURRING:**

Section 1: That Section 1062.07 of the Codified Ordinances of the City of Shelby be amended to read as follows:

**1062.07      SPEED LIMIT IN PARKS.**

No person shall operate a motor vehicle on any drive or roadway in any park at a speed greater than 20 miles per hour.

Section 2: That all other sections of Chapter 1062 shall remain in full force and effect;

Section 3: That all meetings and hearings concerning the adoption of this Ordinance have been in compliance with Codified Ordinance 220.01, Ohio Revised Code Section 121.22, and the Charter of the City of Shelby; and

Section 4: That this Ordinance shall be in full force and effect from and after its passage, approval by the Mayor, and the earliest period allowed by law.

PASSED: \_\_\_\_\_

\_\_\_\_\_  
Steven D. McLaughlin  
Vice President of Council


APPROVED:

ATTEST: \_\_\_\_\_

\_\_\_\_\_  
Steven T. Lifer  
Clerk of Council

\_\_\_\_\_  
Steven L. Schag  
Mayor

Prepared by:

  
\_\_\_\_\_  
Gordon M. Eyster  
Director of Law

RESOLUTION NO. 50 -2016  
(Sponsor: Councilmembers Martin)

**AUTHORIZING THE MAYOR AS DIRECTOR OF PUBLIC SERVICE TO ENTER INTO A CONTRACT CHANGE ORDER WITH SIMONSON CONSTRUCTION SERVICES, INC. FOR THE MONROE AVENUE & MANSFIELD AVENUE SANITARY SEWER PROJECT IN THE AMOUNT OF EIGHT THOUSAND THREE HUNDRED SIXTEEN AND 75/100 DOLLARS (\$8,316.75) AS AN INCREASE AND DECLARING AN EMERGENCY.**

WHEREAS, the City of Shelby has entered into a contract with Simonson Construction Services for the Monroe Avenue & Mansfield Avenue Sanitary Sewer Project, and said contract provides for a written change order; and

WHEREAS, it is in the interest of the public health, safety, morals, and general welfare of the citizens of the City of Shelby that this change order be approved.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SHELBY, OHIO, A TWO-THIRDS (2/3) MAJORITY ELECTED THERETO CONCURRING:**

Section 1: That the Mayor as Director of Public Service shall be and is hereby authorized to enter into Contract Change Order with Simonson Construction Services, Inc., for the total amount of Eight Thousand Three Hundred Sixteen and 75/100 Dollars (\$8,316.75) as an increase.

Section 2: That all meetings and hearings concerning the adoption of this Resolution have been compliance with Codified Ordinance 220.01, Ohio Revised Code Section 121.22, and the Charter of the City of Shelby, Ohio.

Section 3: That this Resolution is hereby deemed to be an emergency, and therefore, shall be in full force and effect from and after its passage, approval by the Mayor, and the earliest period allowed by law.

PASSED: \_\_\_\_\_


\_\_\_\_\_  
Steven McLaughlin  
Vice President of Council

APPROVED:

ATTEST: \_\_\_\_\_  
Steven Lifer  
Clerk of Council

\_\_\_\_\_  
Steven L. Schag  
Mayor

Prepared by:

  
Gordon M. Eyster  
Director of Law