MANAGER'S CONFERENCE MINUTES
Portsmouth City Council Meeting on
March 24, 2025 – 7:40 p.m.

Members present:

Sean Dunne	1st Ward
Charlotte Gordon	2nd Ward
Andy Cole	3rd Ward
Lyvette Mosley	4th Ward
Joey Sandlin	5th Ward
Dennis Packard	6th Ward

Also, present was City Clerk Diana Ratliff, City Manager Sam Sutherland, and Solicitor John Haas. Auditor M. Trent Williams was absent.

1. **Hotel/Motel Tax Distribution** **CM-25-11**

Mayor Gordon asked Clerk Ratliff if she knew if everyone that applied for this money would receive an award. Clerk Ratliff replied there were four organizations that did not qualify. Councilman Dunne asked Manager Sutherland where the city was at with the Air BnB inventory. Manager Sutherland said that he believed that Auditor Williams had that information, but he will check on the status. Mayor Gordon advised that the Monastery voluntarily pays that tax. Councilman Cole had seen a lot of emails with the Airbnb's reaching out on how each Airbnb keeps track. Mayor Gordon thanked the Cultural Affairs Committee for reviewing the applications. She said that each Councilmember appointed someone from their respective wards to serve on this committee and these members spend a long night allotting the money. VP Mosley asked who the four organizations that didn't get funded were and if any of the three organizations had submitted applications. Clerk Ratliff said the three organizations to be discussed later did not apply. (14th Street Community Center, Salvation Army and the Homeless Shelter)

Vice President Mosley motioned to accept alternative #1.

There were no questions or comments: **VOTE: 6 ayes – 0 nay, legislation moved forward.**

2. **2025 Capital Improvement Budgets** **CM-25-12**

Manager Sutherland said this was the CIP budget for 2025 and funds 301, 606, 622 & 623 were all included.

Vice President Mosley motioned to accept alternative #1.

Mayor Gordon asked about the Rt. #52 mural and if it was the one VP Mosley was working on and Manager Sutherland confirmed that was correct. Mayor Gordon asked about the cemetery repairs and Mr. Sutherland said that Friends of Greenlawn had approached him a while back and he explained to them then that he would work it into the CIP budget. Councilman Packard asked if the guardrails were within the city limits and if they were the city's responsibility? Manager said "yes" unless someone hits the guardrail and tears it up,

then the city approaches the offender's insurance, but this amount was to try and maintain the ones that have gone bad.

Mayor Gordon asked about the Little League fields and where the city stood with the Army Corp of Engineers and if we'd be able to access them this Spring. Manager Sutherland replied that the fields that had been approved would be used, however there were some other fields that the Corp let them use last year, but he wasn't sure that would be available this year.

Councilman Dunne asked about the $10,000 for gym equipment for the Police Department and where it was being used. Manager Sutherland stated that it would be in the new City Hall and it was part of their contract that was negotiated.

There were no questions or comments: **VOTE: 6 ayes – 0 nay, legislation moved forward.**

3. **Appropriation Russell Road Slip Repair** **CM-25-13**

Manager Sutherland said this was road slippage that occurred in February with the heavy rains. He said it was located where Thomas Avenue and Dorman Drive come together and that they've cleaned up a lot of the mess, but this would appropriation would be to put heavy dump rock and build a retaining wall to secure it and currently Russell Road was shut down to local traffic. Councilman Cole asked how many houses were on that road and Mr. Sutherland replied three homes. Mr. Cole said that he knew this road had been associated with dumping and had been a tough spot to keep people from dumping because there was nobody around. He added that the cost for this road was $58,000 and questioned if it would be advisable to shut the road down and make it a one-way in and out, and where the three residents would be able to see who comes and goes which could lead to less dumping. Mr. Sutherland advised that that option had been considered and the First Responders seemed to be onboard with the idea, but he wanted to make sure before closing it completely. Mr. Cole asked that before the city moved forward with $58,000 could it be looked at and Mr. Sutherland replied "yes" but the repair still had to be made because the very last house was affected.

Vice President Mosley motioned to accept alternative #1.

There were no questions or comments: **VOTE: 6 ayes – 0 nay, legislation moved forward.**

4. **Police Insurance Check Acceptance and Appropriation** **CM-25-14**

Manager Sutherland advised that this was a Police cruiser that was totaled and they've received the insurance money and would like it reappropriated to buy another vehicle.

Vice President Mosley motioned to accept alternative #1.

There were no questions or comments: **VOTE: 6 ayes – 0 nay, legislation moved forward.**

Discussion Items

1. Homelessness Task Force (Packard continued from March 3, 2025)

Councilman Packard asked for Council to consider all the agencies and organizations in our area that contribute or work towards the issues surrounding the unhoused. He listed Scioto Christian Ministry who managed the Homeless Shelter, Compass Community Health, Portsmouth Metropolitan Housing, Salvation Army, CAO, Continuing Care Committee, Shawnee State University, Policy & Fire Departments, SOMC, TCC, Hope Source, 14th Street Community Center, Potters House, County Commissioners and all the churches. He asked them to consider the magnitude and scope of a task force for the facilitator who will get a handle on what all these organizations do and where the overlap is and devise a plan to present to Council so it could be evaluated and possibly help. He said the city was very fortunate to have volunteers like Margaret Selby and Abby Spears and felt they were qualified individuals that were willing to tackle the issue and present the city with a strategy. He introduced Maggie Selby and she presented a power point presentation.

Maggie Selby -1218 23rd Street Portsmouth, OH – She said that she tried to put together some core ideas and thoughts about a task force. She said that four years ago, she came to Council with a much longer presentation, but the environment wasn't right then to move full force ahead and she felt things were changing and she proceeded with the presentation and said that it would be most helpful if Council would partner with them. She said that the taskforce doesn't want anything from Council, but their support. She will email more information to Clerk Ratliff for her to forward onto Council. Council thanked Ms. Selby for all her hard work. Several Councilmembers asked to meet with Maggie separately. Councilman Packard said there was a draft of a Resolution available to use.

Mayor Gordon asked if Council wanted to move this to the City Manager's Agenda.

There were no questions or comments: **VOTE: 6 ayes – 0 nay, legislation moved forward.**

2. Water Credits for Three direct service community 501c3 organizations (Packard)

Councilman Packard asked Manager Sutherland if he knew the total for each of the three organizations for a year was around $15,000 which would be multiplied by three which would be $45,000 and had considered other ways to get funding from other places to apply it to the water credit. He felt it would be difficult with a lot of argument for people not to pay their water bills given that the city was building a new water plant. He asked about the double allocation for the Health Department whose budget was around $890,000 and the city allocated approximately $1,200,000.00. Manager Sutherland said that the $890,000 was a subsidy and that $400,000 was an advance that the city makes to them and then they reimburse it back to the city when they receive other awards. Mr. Packard asked if the city gave them twice that amount and Mr. Sutherland replied that one section of that ordinance was to allow it to come out of the general fund to go to the Health Department and the second section was to allow the Health Department to spend it. It is not double the money, it's simply moving it from one place to the other and allowing them to be able to use it. Mr. Packard asked if they could authorize $45,000 from the general fund and apply it to the water credit. Mr. Sutherland replied that he would not do that because enterprise funds need to separated from the general fund and the only mechanism was for cost allocations which was a whole other method. Solicitor

Haas gave the example that if he gave legal advice to the Water Department, his department would then be paid by an allocation from the Water Department. Manager Sutherland said that part of his salary was paid from the enterprise fund because he oversees the operations of the other departments.

Council Packard said that recently, Council was about to approve a gift of a water credit and asked what line it would have been taken from and would there be a place feasible to get this type of credit for these organizations? Solicitor Haas stated it would have to come out of the water enterprise fund. Mr. Packard commented that the city should take the money from the water enterprise fund, given the ongoing new construction of the new water plant which will begin payback in two-years. Mr. Sutherland reminded Council that the new water plant's annual payment will be $4,500,000.00 and he's already received many complaints about why the water rates have increased, but the city was trying to stay ahead of it so that the city doesn't have to raise the water rates with one large increase. He added that we've been easing into it and several years ago, the city had a rate study done by a third set of eyes that were independent of the city, that study showed the rate increase needed in order for the city to be able to make the debt payment and that it needed to begin immediately so that people don't receive a lump sum increase.

Councilman Dunne said that had all been reviewed prior to pushing forward the previous $125,000 water credit and he understood that the different comments from other organizations that it would come in a similar format and it would be done as a way of addressing operating costs which weren't covered by other types of grants. He asked how the city could support organizations that were barely keeping the lights on at a time where we know that grants were becoming harder to come at various levels and not just the city, but state and national. These organizations were keeping people alive, and as far as people asking for free water under the umbrella of economic development, there were a lot of small businesses in our city that would ask for the same thing. He said this credit would help give stability to these organizations from year-to-year over the next few years. This could be a pilot project to monitor the results.

VP Mosley spoke regarding the previous organization that was offered a water credit and that organization would be generating revenue with people coming into town. Small businesses would be receiving business when families come to town for the park and she felt that was the difference. Councilman Cole said that with everything Council had seen over the past few meetings with lots of people showing up and voices that have been heard who brought real concerns and thoughts. These people were positive and want to help others and the goals were admirable and he doubted that anyone on Council would say "no" to helping someone that was struggling. He agreed with everything in that there were needs and felt the city had an obligation to be a part of looking at the needs and trying to determine the needs, but beyond that, Council had to be fiscally responsible and the City Manager had concerns about the future of our water and water development. He said he sees the need, but felt that Council should listen to the City Manager's bigger picture and the cost of the water development. The taxpayers would have the burden of the new water plant. He didn't feel that it made fiscal sense to take away the revenue sources when the city knew it would have a revenue need in the budget.

Councilman Sandlin reiterated that this issue was in no way connected to the Splash Pad Park on Market Street and he said that several people had drew a comparison to the Splash Pad and Park. Mayor Gordon said that the actual numbers of the three organizations use in water,

sewer and trash wasn't even close to $10,000. The closest would have been the Salvation Army with an annual bill of $5,969.00 of which almost half was for trash dumpster. The Homeless Shelter uses a little over $3,000 and the 14th Street Community Center and 17th Street Center uses $2,350 and $2,400 respectively. She wasn't sure where the $10,000 amount was coming from, but would hate to see one of these organizations comes forward for a community grant needing money, but in reviewing their application it would be noted that there was a $10,000 water credit of which they would only be using between $3,000-$5,000. She said the other thing she's heard repeated was that it was for operations and these were all non-profits and all have boards. She said that operational money for non-profits was the fiduciary responsibility of the board and the board needed to cover the basic structure of the organization to keep the doors open and to hire a director and from that point, the director could apply for project money. She wanted to know if the board had done anything to fundraise, because none of these organizations applied for bed tax (hotel-motel) money and they all have projects. She felt strongly that our city was in fiscal watch and that the city could support and help organizations, but it wasn't the city governments job to make sure that every non-profit within that city had fiscal help, and it should fall to the board to keep these organizations working.

Mayor Gordon asked Manager Sutherland if he had spoken to Chris McCoy who works for the state and who had been helping the city to get out of fiscal watch? Her other question was for Solicitor Haas about the additional water cost that the railroads would soon be billing the city. Manager Sutherland said that he had spoken with Mr. McCoy and he (McCoy) said that he wouldn't tell the city how to spend their money, but would question things to the utmost because his goal was to get the city out of fiscal watch and he will request justification and determine if it works or doesn't work for the city's fiscal status.

Solicitor Haas said that they had discussed earlier in the day the issue regarding Norfolk & Southern Railroads and the lines that run under the tracks throughout the city. There was a railroad management company that manages the Railroad's license fees and all the city's water and sewer lines run under the railroad tracks and the fees used to only be a minimal amount over the years, but in the late 70's early 80's the fees increased and the City Manager at the time signed an agreement for the increase in license fees. In 2016 when another company bought the licenses, they increased the rates significantly and when he received the new invoices, he thought it was a scam because they currently want to charge $88,000 for the license fees. The yearly license fee ranged from $10,000-$20,000 a year. He and the City Manager were working to make sure the easements were in use and how many people were being served by those lines. Mayor Gordon asked what the alternative would be and Solicitor Haas responded to not pay it and wait for them to sue us, but they're willing to negotiate and figure out what the actual cost was. There was some additional discussion.

Councilman Dunne motioned to move this water credit onto the City Manager's agenda.

There were no questions or comments: **VOTE: 2 ayes (D. Packard and S. Dunne) – 4 nays, legislation will not move forward.**

The meeting adjourned at 8:56 p.m. on a motion by Vice President Mosley with all in favor.

Submitted by: *Diana Ratliff* – City Clerk - For the full audio version of the Manager's Meeting, please go to www.portsmouthohio.org under City Manager 2025 "Audio".