

THE CITY OF STREETSBORO, OHIO

FINANCE COMMITTEE MINUTES

Monday, February 24, 2020

[Prior to the meeting Scott Wilson was sworn in as a full-time firefighter by Mayor Broska, and Luke Nelson was given the 2019 Officer of the Year Award by Chief Powers.]

This Finance Committee Meeting was called to order on Monday, February 24, 2020 at 7:05 p.m. by Justin Ring, Chair. Mrs. Field gave an invocation and then Mr. Hannan led the Pledge of Allegiance.

PRESENT: Jon Hannan, Justin Ring, Chuck Kocisko, Jennifer Wagner, Mike Lampa, Julie Field

ABSENT: John Ruediger

ALSO PRESENT: Glenn Broska, Mayor
Frank Beni, Law Director
Darin Powers, Police Chief
Rob Reinholz, Fire Chief
Jenny Esarey, Finance Director
Bill Miller, Service Director
Shawna Lockhart-Reese, Human Resources Manager
John Cieszkowski, Planning Director
Patrick O'Malia, Economic Development Director
Greg Mytinger, Parks and Recreation Director
Caroline Kremer, Clerk of Council

MOTION: TO EXCUSE MR. RUEDIGER.

Moved by Mr. Hannan, seconded by Mrs. Field. Upon voice vote, **motion carried.**

Disposition of Minutes

MOTION: TO ACCEPT THE REGULAR FINANCE COMMITTEE MEETING MINUTES OF OCTOBER 28, 2019 AND NOVEMBER 25, 2019 AS PRESENTED.

Moved by Mrs. Field, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

Monthly Financial Report

Ms. Esarey had distributed the January financial reports on February 7, 2020. She noted the Salaries and Wages for the Street Fund were a little high with overtime, but should even out over the rest of the year. In the Fire Department there were good attendance bonuses given and overtime was a little high, but that all should even out over the rest of the year and Ms. Esarey would monitor those lines to see if adjustment might be needed later in the year.

She said the expenses for General Fund and Total were a little high but that was because a lot of annual expenditures were processed at the beginning of the year. The revenue for General Fund and Total were slightly below target, but property tax was included in those totals and that would not be received until March or April.

The income tax through February had been received and was about 19% and target was 16.66%; this was due to net profits. In prior years net profits had negative huge losses, but this year the City was seeing an increase. The City had not budgeted for an increase, so any increase could maybe be used to offset the initial budget deficit. She was happy the income tax had come in higher than expected.

Old Business

None.

New Business

Discuss the Natural Gas Aggregation Program

Mr. Lampa asked that this be removed from the agenda. This topic had been discussed at the last meeting and Tom Bellish, Buckeye Energy Brokers, was checking the rates often. Mr. Bellish had emailed Mr. Lampa today that the rates were at 2.83 mcf. Mr. Lampa thought Mr. Bellish would be able to come to a Council Meeting in March to give an update. Mr. Bellish had showed Mr. Lampa how to check the closing costs every day, so Mr. Lampa was watching that as well. Mr. Ring supported waiting a little while to see what would happen with the rates.

MOTION: TO MOVE THIS TO THE MARCH SERVICE COMMITTEE MEETING.

Moved by Mr. Hannan, seconded by Mrs. Field. Upon voice vote, **motion carried.**

Executive Session

MOTION: TO RECESS INTO EXECUTIVE SESSION TO CONSIDER PENDING LITIGATION, COMPENSATION, AND ECONOMIC DEVELOPMENT.

Moved by Mr. Hannan, seconded by Mr. Lampa. Upon roll call, **motion carried 6-0 and the meeting recessed at 7:12 p.m.**

MOTION: TO RECONVENE FROM EXECUTIVE SESSION.

Moved by Mr. Hannan, seconded by Mr. Lampa. Upon voice vote, **motion carried and the meeting reconvened at 7:46 p.m.**

T-6796 Update Parks and Recreation Fee Policy and Procedure Manual

Mr. Mytinger said this was an update for the Department's pricing philosophies: what the Department charged for, how the fees were determined, how costs were covered, what was used to establish prices for programs and special events. The tree and bench dedication program and the

Hometown Hero Banner program were now included in the structure so the Department could charge for these programs and cover its costs for doing so.

Mr. Lampa asked if there were any increases in any program costs. Mr. Mytinger explained that this Fee Policy and Procedure Manual did not assign any specific fees; it just described how the programs, activities and events would be paid for, i.e. if the Department were to offer a Zumba exercise class then the participants of that class would get 100% of the benefit of that program and would pay 100% of the cost (instructor, etc.) for that program, but if the Department offered a large scale special event for the community then the Department may subsidize that event more because more people would get the benefit of the event instead of just a single person.

Ms. Esarey added that the City could not accept money for the tree and bench dedication program or the Hometown Hero Banner program until this was established to validate taking the money for these new programs. Mr. Mytinger said instead of creating an ordinance stating the City had created a tree and bench dedication program and would charge \$300 per tree, this policy allowed more flexibility if the cost of trees might go up over time without having to amend the ordinance each time.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

T-6797 Five-Year Elevator Maintenance Contract for Police Department

Chief Powers said the City had used Schindler for years to do the elevator maintenance, but last year the Police Department explored other companies and found Gable Elevator who could do the elevator maintenance for about \$1,500 less per year than Schindler. The cost would be \$2,500 per year but they wanted a five-year contract, so Chief Powers brought this to City Council for authorization.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Kocisko. Upon voice vote, **motion carried.**

T-6798 Accept Bids for Police Department AC System Replacement

Chief Powers said the Police Department had been planning for a couple of years to replace the air conditioning system for the server room and the dispatch center, which was a completely different system from what handled the rest of the building because this system had humidity control and some other controls to maintain the environment for the computer equipment. The Department had reached out to Smylie One who did the Department's normal HVAC maintenance and they had quoted about \$53,000, so then the Department realized they would need to go out to public bid for a project at that price level. Chief Powers worked with GPD who arranged the bid process. When the bids came in Smylie One had not bid, but the lowest bid came in at \$49,500 from Castle Heating and Air. GPD reviewed the bids and the company's qualifications and recommended the City go with Castle Heating and Air and Chief Powers supported that recommendation. He asked Council to approve this bid tonight to proceed with the project. This project was budgeted in the 2020 Capital

Fund at about \$55,000. Last year the Police Department had replaced the condenser and compressors and other smaller parts for the main air conditioning system.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Kocisko. Upon voice vote, **motion carried.**

T-6799 Authorize Repairs to Dry Fire Suppression System at Police Station

Chief Powers said they had recently noticed some problems with their dry fire suppression system at the police station. The pressure pump was running more than it should and the fire panel went off so Silco was called out to check the system and they found multiple leaks in the piping and joints in the system. While repairing those leaks they found more leaks, and there was a bad pressure switch inside the compressor, so the costs added up to \$9,676.75, but Chief Powers had asked for permission to spend up to \$10,000 in case further repairs were needed. Since the legislation was written there had been another bill for \$295, so the total was now \$9,971.75. Some of this had already been paid with Board of Control permission, but now he needed Council authorization for expenditures up to \$10,000 to finish paying what was owed for these repairs.

Mrs. Field asked if there was enough in the Police Building Contractual line for all of this. Chief Powers answered that the Police Building Contractual General Fund line was for any contractual work or emergency repairs for the building. There was enough money in the line to cover this but as the year went on, depending on other emergency repairs that may come up, he may need to ask to have money moved into this line before the end of the year. Mrs. Field suggested moving money into the line now, but Chief Powers said to wait and see and he'd revisit this later in June or July.

The dry fire suppression system was original to the building; about 21 years old with some old patches. These repairs would replace the pipes that were in bad shape and help maintain the pressure in the system which should make the system good for several more years; it was not worth replacing every piece of pipe in the whole system.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

T-6800 Go to Bid for 2020 Road Paving Program

Mayor Broska said they wanted to go to bid as soon as possible. After the last Council Meeting it was determined to remove Pike Parkway from the 2020 paving program and add Lakeside, Mt. Vernon, and Ellen and still came in at \$13,200 less. Mr. Lampa had sent an email to see if Murial could be added since there was some money available. Mayor Broska supported adding Murial as an alternate, to be done if there was room in the budget, not as part of the program as it could take the bids over the budget. Mr. Lampa said he had travelled Mt. Vernon and did not think it was in poor condition, but Murial was. Mr. Ring commented that the engineers had inspected the roads and just because Mt. Vernon didn't have big potholes didn't mean it wasn't failing.

Ms. Esarey commented that for budgeting purposes the City currently had \$1,142,250 between the Capital Fund, Street Fund, and State Highway Fund. She said the City was not under budget by \$13,000; the administration had actually listed more streets hoping to get a good bid because the contractor would only have to mobilize once and be able to actually get them all done. Mr. Ring supported adding Murial as an alternate.

Mrs. Field asked for more information about Mt. Vernon's condition and why it was on the list. Mr. Miller said Mt. Vernon was pretty bad at the top part between Evergreen and Luke with a lot of cracks and was starting to fail. He added that it was one of the busier roads in Ward 1 and would need attention before the less travelled roads. Mr. Hannan suggested maybe doing just the bad half of Mt. Vernon and get more of the smaller roads done. Mrs. Field said that's what was done with Stone Road. Since Mt. Vernon was a longer busier road, maybe grant funds could be found to help get it done in a future year. Mr. Miller and Mayor Broska preferred to do all of Mt. Vernon since it was used as a cut through to get to many other streets and it would deteriorate quickly.

Mr. Kocisko said since Pike Parkway was pulled off the list for this year because it was a long expensive road, he wanted to emphasize that it would definitely need to get done next year. Mayor Broska noted most of the roads in Ward 1 had been or would be done, except for Pike Parkway and some in the Indian reservation and they would be good for another 20-25 years. He asked that the 2020 Road Paving Program be acted on as presented except to add Murial as an alternate.

Mrs. Field congratulated Council because she felt they had done a great job and been very thoughtful regarding the road paving program this year and for the last few years.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Lampa. Council would amend the exhibit to add Murial as an alternate at the Council Meeting tonight. Upon voice vote, **motion carried**.

T-6801 Final Payment to Ronyak for Industrial Parkways Paving Project

Ms. Esarey explained that in December she had received an email from GPD regarding this OPWC 2019 project asking her to process the final invoice. She processed it for the City's local share of 60% and turned in the 40% invoice to OPWC who cut their check to Ronyak. In the beginning of February Ms. Esarey received another email from GPD saying they were sorry but there was an error and the retainage had not been included as part of the final invoice, so the retainage fees (\$27,795.52) was still owed to Ronyak Paving. The 2019 PO for this project had been closed in December, but when it was closed there was still money available that went back into the unexpended carryover. She could not reopen that 2019 PO, so the ordinance presented tonight stated the City would be responsible for the 60% (\$16,677.32), which had been included in tonight's appropriation amendments. GPD had contacted OPWC who had agreed to pay their 40% share of the retainage money also.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

T-6802 Apply For and Accept BWC Grant - Equipment

Mrs. Lockhart-Reese said this ordinance was to apply for and accept financial assistance from the Ohio Bureau of Workers Comp for a safety intervention grant. Mrs. Lockhart-Reese had worked with Mr. Miller and his team at the Service Department to determine what equipment they could use to do their jobs safer and more efficiently. There were seven items they selected. The BWC would pay 75% and the City would be responsible for 25%. There was money available in the Service Department 2020 budget for this.

MOTION: TO MOVE THIS TO TONIGHT’S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

T-6803 Apply For and Accept BWC Grant – Trench Safety

This was the same as the previous ordinance but it was through a different grant offered by the BWC for trench safety. Trench safety was a state wide focus recently so the BWC was offering grant money. Streetsboro wanted to apply for this grant which would pay 80% and the City would be responsible for 20% (\$2,394.23) for the \$11,971 item. Mr. Miller said Geoff Willa, one of the water operators, had done research to find the best and easiest to use shoring equipment to get. These BWC things were not initially budgeted for, but there was money available in the Service Department 2020 budget for this from #501-52-5743.

MOTION: TO MOVE THIS TO TONIGHT’S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

T-6804 Note Ordinance – Fire Station

Ms. Esarey said she had emailed this information to Council last week regarding the bond anticipation notes. The administration was looking to move forward with everything regarding the new fire station at the March 9, 2020 Council meetings. They were bringing both of these note ordinances to Council today because although they could be passed by emergency, they were required by referendum to have a 30 day period; they could not go to market to price these until after the 30 days. These could go to market on March 25, 2020 and then close and receive the monies about April 15, 2020.

These bond anticipation notes were short term and would come due in one year. The City expected the projects to be done and the actual costs to be known about then, so then the City could roll that amount into bonds or maybe pay down some of that amount (from the Bond Retirement or from levy money that would have been received by then) and bond out a little lesser amount. There will be interest due. She had provided Council some preliminary numbers and the market was down somewhat (\$2,000) from when this was looked at previously in September/October 2019. Ms. Esarey noted the amount not to exceed had a little cushion because the final numbers for the fire station and 10 bay Service garage weren’t known, but she would only note out what was needed.

She had learned today that the 10 bay Service garage/truck storage building should have a construction and soft costs total cost of about \$815,000, just about the same as had been budgeted. There were some alternates that may or may not be included, there was time to decide, but the ordinance had been written for not to exceed \$900,000. The fire station ordinance was written for not to exceed \$5.5 million.

The City would pay Squires Sanders, the City's bond counsel; Brian Cooper from Baker Tilley, the municipal bond advisor; and KeyBank who would be handling the selling of the notes, etc. out of the costs. The City would not write checks for all these, it would all come out of the costs of the notes and the ordinances indicated all that.

Mr. Ring noted there was a 5% interest rate noted in the legislation. Ms. Esarey said Squires Sanders put a high number in there as kind of an amount not to exceed, but Brian Cooper had said the rate would be closer to 2% with yield about 1.12% and they would not go to market on a date the rates were high. Mr. Ring said he had discussed this with Ms. Esarey and he was comfortable with these. The ordinances were written with not to exceed amounts to give some flexibility, but Ms. Esarey would make sure Council knew exactly what they were going out for and what the interest rates were. Mr. Lampa thanked Ms. Esarey and Mr. Ring for looking at this carefully because he did not understand all the details and appreciated their knowledge and skill in this field.

Mr. Kocisko commented that these all depended on the market and the market went in the dumper today. Ms. Esarey said that would help the City with these notes, but not the City's stock savings.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

T-6805 Note Ordinance – Service Garage

MOTION: TO ALSO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Hannan. Upon voice vote, **motion carried.** Ms. Esarey would update Council on all these items as appropriate.

T-6795 Amend 2020 Annual Appropriations [#2]

Ms. Esarey said lines had been created for the Hometown Heroes Banners and the tree and bench dedication program to take in money and to expend money. There was \$10,000 in another line for initiating the Hometown Heroes Banner program and purchasing the brackets and renting the lift truck for installation; the new lines had \$3,500 appropriated to purchase the banners and \$5,000 for the tree and bench dedication program along with the \$1,000 Mrs. Pavlick had donated last year to the program. The additional \$16,677.32 payment to Ronyak Paving was included in this appropriation adjustment since it had not been budgeted in 2020, but the money was available from the carryover of unused money from 2019. City Council had asked that the money in the City Hall Architectural Services line (\$422,250) be moved into the Paving line, so that was included also.

The Clerk mentioned that the ordinance listed an Exhibit “B” but that item would actually be handled at a Special Finance Committee Meeting to be scheduled for March 9, 2020 and would not be included here, so the ordinance needed to be amended to remove the mention of Exhibit “B.”

MOTION: TO AMEND T-6795 AMEND 2020 ANNUAL APPROPRIATION [#2] TO ONLY INCLUDE EXHIBIT “A.”

Moved by Mrs. Field, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

MOTION: TO MOVE THIS TO TONIGHT’S REGULAR COUNCIL MEETING AS AMENDED.

Moved by Mrs. Field, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

Citizens’ Comments

None.

Announcements

A Regular Council Meeting will immediately follow this meeting.

Mr. Ring wanted to schedule a Special Finance Committee Meeting along with the other Council Meetings on March 9, 2020 to discuss the fire station and Service garage finances. Ms. Esarey noted there would also be a budget amendment and legislation for architectural services from GPD. The Clerk clarified that once the agenda was created and distributed, they could not add to a special meeting, but until then it could be revised if other items arose.

MOTION: TO SCHEDULE A SPECIAL FINANCE COMMITTEE MEETING ON MARCH 9, 2020.

Moved by Mr. Hannan, seconded by Mrs. Field. Upon voice vote, **motion carried.**

There being no further business to come before this Finance Committee, and upon motion by Mr. Hannan, seconded by Mrs. Field, this meeting adjourned at 8:27 p.m.

ATTEST:

Caroline L. Kremer, Clerk of Council

Justin Ring, Chairman