

THE CITY OF STREETSBORO, OHIO  
**FINANCE COMMITTEE MINUTES**

Monday, February 22, 2021

This Finance Committee Meeting was called to order on Monday, February 22, 2021 at 7:00 p.m. p.m. by Justin Ring, Chairman. Mrs. Field gave an invocation and then Mayor Broska led the Pledge of Allegiance.

**PRESENT:** Jon Hannan, Mike Lampa, John Ruediger, Jennifer Wagner, Chuck Kocisko, Julie Field

**ABSENT:** None.

**ALSO PRESENT:** Frank Beni, Law Director  
Tricia Wain, Police Chief  
Rob Reinholz, Fire Chief  
Caroline Kremer, Clerk of Council  
[by Zoom video conferencing:]  
Justin Ring, Council Members  
Glenn Broska, Mayor  
Jenny Esarey, Finance Director  
Bill Miller, Service Director  
Matt Glass, City Engineer  
Tony Burgoyne, GPD Group  
John Cieszkowski, Planning Director  
Patrick O'Malia, Economic Development Director  
Greg Mytinger, Parks and Recreation Director  
Shawna Lockhart-Reese, HR Manager  
Melissa Procop, Mayor's Executive Assistant  
Sarah Fagnilli, Assistant Law Director  
Tony Burgoyne, GPD Group

**MOTION: TO RECESS THIS MEETING TO GO INTO THE REGULAR COUNCIL MEETING.**

Moved by Mr. Ruediger, seconded by Mr. Hannan. Upon voice vote, **motion carried and the meeting recessed at 7:01 p.m.**

**MOTION: TO RECONVENE THIS FINANCE COMMITTEE MEETING.**

Moved by Mr. Ruediger, seconded by Mr. Lampa. Upon voice vote, **motion carried and the meeting reconvened at 7:05 p.m.**

## **Disposition of Minutes**

**MOTION: TO ACCEPT THE REGULAR FINANCE COMMITTEE MEETING MINUTES OF NOVEMBER 23, 2020 AS PRESENTED.**

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

## **Monthly Financial Report**

Ms. Esarey said the January financial reports had been distributed. The expenses were a little high in the Street Fund for Overtime for snow plowing, but that was normal for this time of year. She reminded everyone there were 27 pays in 2021. The General Fund expenses were above target at 18% and the Total expenses were above target at 17%, but often at the beginning of the year people put in POs for expenses for 6 months or more. General Fund revenues were below budget at 6.38% and Total revenues were also below target at 6.5% (target is 8.33%). Property taxes would not be received until next month and the revenue was a little down in income tax. Income tax collections should be at 16.66% at the end of February and it was only at 15.84%. She said we should wait and see how March comes in and then see if we need to make any adjustments.

Mr. Ring said this was the second month the revenue was down, which wasn't a trend yet, but if it continued next month, it would be. Although he had brought up a discussion about an amphitheater last meeting, he said Council needed to be cautious in any spending discussions and watch this revenue carefully. He appreciated Ms. Esarey's reports. She hoped that it was just the timing of things and that things would smooth about by March, but she wanted everyone to be aware of the situation.

## **Old Business**

### **Discuss Setting Aggregate Natural Gas Rate for October 2022**

Mr. Lampa said after the last meeting Mrs. Procop was to reach out and get other quotes from other brokers. He noted that the Buckeye Energy electric contract was to start March 2021 and run through March 2024 and the new gas contract would start November 2021 and run through October 2022, so those contracts were on different schedules.

Mrs. Procop said she met with IEC, a company out of Aurora. They seem to do a lot of the surrounding communities, but they would not go out to bid for pricing or give her a quote unless Streetsboro was entering into a contract with them for IEC to be Streetsboro's broker. NOPEC finally got back to her today and would be giving her pricing along with a progressive energy company out of Pittsburgh, so she didn't have numbers for Council yet, but those were some of the standards they had set for Streetsboro. She said it was entirely up to Council whether or not to move forward. Mr. Ring appreciated her efforts and had just wanted to see if Streetsboro could get any kind of comparison. He didn't want to sign a contract with someone else without even knowing what we could get when we know what we could get from Tom Bellish of Buckeye Energy Brokers. He was also concerned that commodities were increasing and didn't want to delay this much longer.

Mr. Lampa said this was brought up because he had asked Mr. Bellish to go for pricing starting in November 2022 because we already had a gas price of \$2.78 from November 2021 to October 2022

and he knew the commodities were going up. Council needed to allow Mr. Bellish to go out to bid before the prices go up. Mrs. Procop said the rates were still very aggressive right now, so waiting a little bit longer was probably fine. Progressive Energy said they don't contract as brokers, the City would just have to contract with the energy company, they just manage the City's contract with the energy company.

Mr. Lampa suggested allowing Mr. Bellish to lock in a price for 2022 before it starts going up. Mr. Ring agreed. Mrs. Procop said she thought Mr. Bellish was going to request a cap of \$2.75 for October 2022, which was cheaper than the current \$2.78. She would just need approval from Council indicating that was an acceptable rate, and then the City could move forward with Mr. Bellish.

Mr. Ruediger asked Mr. Beni if a vote was needed or just to indicate to Mrs. Procop that she had a green light to go ahead and proceed. Mr. Beni said "just a green light." Mr. Ruediger said unless anyone felt differently, it seemed Mrs. Procop had a green light to move forward.

### **New Business**

Mr. Ring said the Fire Chief had requested on Thursday to add an item to tonight's agenda regarding the fire station contingency fund, so Mr. Ring would add that to the end of the agenda tonight.

### **T-6993 Amend Ord. No. 2021-11 to add Sonic Wall Licensing Renewal**

Mrs. Procop said this unfortunately wasn't added to the exhibits when Council passed the ordinance regarding TTx goods and service last month. It was budgeted so she requested that it be approved tonight so she could make the payment.

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

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

### **T-6994 Purchase Police Body Armor**

Chief Wain said body armor was an integral part of the uniform the officers wore on a daily basis. Due to the amount of armor the department planned to purchase this year for the sworn officers it had reached the threshold limit for Council approval. In addition to the standard body armor for the uniformed officers, there was a need for additional armor for Sgt. Leidel, who was on the Metro SWAT team. The total cost for the replacements for 6 officers as a contractual obligation for the expiring gear, a new patrol officer, and the SWAT replacement with a ballistic helmet and trauma panels that go inside the body armor was \$11,373.53. This had been budgeted for 2021 in #101-11-5271.

Mrs. Field asked if there was only one Streetsboro officer on the MetroSWAT team. Chief Wain said there were three current officers on the SWAT team, two were in the tactical unit and their gear would expire at a different time. It was a five year expiration date.

Mr. Lampa wanted to know what happened to the expired gear. Chief Wain said most of the officers kept it as a spare for training or in their personal cars or homes to have armor if something should

happen while they were off duty. Mr. Ring wondered what liability the City would have if an officer used expired equipment even if they were off duty and it failed. She couldn't say the City would have any liability. As officers they had a duty to act, even when they were off duty, whether they had gear or not, and they felt something was better than nothing.

**MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING AS EMERGENCY LEGISLATION.**

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

T-6995 Purchase and Upfit Three Police Cruisers

Chief Wain said starting about 2003 the department got onto a rotation schedule to replace three cruisers every year to keep the police fleet in a fresh mode with good working vehicles. It kept the maintenance costs low and kept the officers in safe vehicles. This year Lebanon Ford did not get the State bid as they had in past years, but they were able to slightly beat the State bid price. Last year Lebanon Ford had preordered police cruisers for this year and had them available. The Ford plant that manufactures the Interceptor was currently shut down to one shift because of a shortage of parts. The Police Department had reached out to a few other dealers and no one could beat Lebanon Ford's pricing. The total price was \$128,912.69 which was slightly less than last year's total, and that did not include the \$33,000 that was estimated for the trade-in of the three 2018 SUVs. She didn't expect the trade-in estimate to change because Lebanon actually had the trade-in cars already on their lot and she didn't expect the condition or milage to change. The trade-in estimate was higher than it had been in the past.

Chief Wain had asked the City's Chief Mechanic to come to the meeting tonight to help explain why the three year rotation schedule was working so well for the department for the last dozen years. She said Chief Powers had stated last year how proud he was of the fleet Streetsboro had, which she agreed with because it was a high priority to keep a safe fleet for the officers to be able to depend on.

Hall Public Safety would cost \$30,426.92 and Graphic Expressions would cost \$2,659.77. This was all budgeted and preplanned for 2021 in the #401-11-5741 Capital Fund-Cruisers.

Mr. Ruediger said he had questioned the short rotation schedule in the past, but had received a good explanation last year. He asked if these prices were lower than the budgeted figure for 2021 since the price was actually slightly under State bid. Ms. Esarey said \$163,112 was budgeted for 2021 but that included money for an administrative police SUV, but the department was actually able to get the administrative police SUV in 2020 because there was some money from trade-ins done in 2020.

Mr. Ring mentioned that old cruisers were sometimes used by other departments. He wondered if there were old cars in other departments that could be replaced with these newer outgoing 2018 cruisers. Chief Wain said it was discussed with the Service Department last year and they said they didn't have a use for any more SUVs, but if another department had a need, she was willing to do that. They had just offered them as trade-ins because they could get a significant amount of money for them. Mr. Ring thought another department getting 4-5 more years out of these cars might be worth the \$11,000 trade in price to keep them.

Mr. Mytinger said the Parks and Recreation SUV had been acting up lately, but he would defer to the City Mechanic on the best use of these vehicles. Mayor Broska said he wouldn't mind getting a newer updated vehicle; he was also starting to have issues with his current vehicle. Then the old cars could be sold, auctioned, or traded. He could talk with the department heads and let Council know if the departments could use all three or a couple of the old police vehicles. Mr. Ring thought it might be better to use an old police vehicle and give up \$11,000 of trade in value instead of replacing the old worn out staff vehicles with a \$40,000 new vehicle.

The other Council Members agreed because even if the old 2018 police vehicles had some wear and tear and may not be suitable for the emergency needs of an officer, they would be usable for the transportation needs of some of the departments. Even without these trade ins the Police Department was still underbudget for 2021. Ms. Esarey noted that it was not good to keep the old cars once the departments started using the used police vehicles because it made the insurance high to keep cars that just sit around and do nothing. Mr. Lampa commented that the 2018 police vehicles would have newer safety features the old department cars didn't which might help with insurance discounts.

Mayor Broska noted there were three pool cars that were shared between Planning and Zoning, Economic Development, and the Zoning Inspector. They were older SUVs but were low milage and well maintained. Mr. Miller agreed it might be good to replace some department's vehicles with these 2018 police vehicles, and then trade in the department's vehicles instead of trying to auction them.

Mr. Hannan noticed the design on the police cars had changed last year. He wondered how many police vehicles still had the old design. Chief Wain explained there were 9 marked police cars and 2 K-9 cars, which were on a separate replacement schedule, so it might be two more years until all the police cars had the same design. Along with the Mayor's vehicle and a Parks and Recreation Vehicle, Mr. Hannan suggested an old Service Department vehicle be replaced.

Mr. Beni said this legislation authorized the City to trade in certain vehicles, but the City did not have to. If Council wanted to trade in different vehicles, the legislation would need amended later to specify the VIN numbers of the vehicles to be traded. Chief Wain said Lebanon Ford had the 2018 police vehicles on their lot and was very interested in them, especially since the Ford plant was down to one shift, so if the City were to make some changes, it should be done soon and not wait.

Mr. Ring suggested passing this legislation as is so Chief Wain could continue with the purchase of the new vehicles and then at the next Service Committee meeting there could be legislation regarding the trade-ins.

**MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING AS EMERGENCY LEGISLATION.**

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

T-6996 Amend Res. No. 2021-16 Ratify 2020 Online Auction

Chief Reinholz said this was the ordinance needed annually to approve online auctions of equipment. This came up with the sale of the SCBAs in 2020, and Chief Reinholz didn't realize it needed to be renewed every year. This was to allow the sale of the SCBAs online in 2020. Mr. Beni added that the figure that was given to the Law Department included the charges that were incurred by the buyer to the internet auction company and was not money the City would have received, so this corrected the amount to show what the City actually received.

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

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

T-6997 Employ Legal Counsel for Defense of the City

Mr. Beni explained the City was involved in some litigation with Sahbra Farms; it was a mandamus action filed compelling the City to file an appropriation for a temporary regulatory taking issue that the City was vigorously opposing. However, he and Mrs. Fagnilli had been in contact with Margaret Beck, the attorney mentioned with this ordinance, who specialized in this type of case. These regulatory taking issues were rather complex and they felt it would be in the City's best interest to contract with someone who specialized in this area. Mrs. Fagnilli had done a lot of interviews and conversations with Ms. Beck and was very confident that she was the right person for the job, so Mr. Beni asked Council to approve hiring her. Mr. Ruediger said this was regarding pending litigation and most of the details were discussed in executive session, so he was willing to move forward.

**MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING AS EMERGENCY LEGISLATION.**

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

Discuss AECOM Water Rate Study

Mr. Lampa this was talked about at the last Service Committee Meeting and Ms. Esarey had been asked to provide the water bill increases for the proposed 3% increase [see attached]. Mr. Lampa said although the cost of the water projects was a lot, this Council had to fix what was handed to them. The infrastructure was failing and Council had an obligation to the City and the residents to provide them with decent quality water. He said his household water bill (which was relatively high) would cost him about \$28 extra per year, so he didn't see how the City could not do this.

Mr. Ring thanked Ms. Esarey for putting the report together because it was good to visually see the impact a water rate increase would have on the residents. He said the infrastructure repair was a need, not a want, and had to be done, and if it could be done with a minimal rate increase (unlike the aggressive water rate increases suggested in the water study) the City owed it to the residents to do that; to improve the water system with as minimal a financial impact as possible. Mr. Ring said the next agenda item, following this discussion, was to allow GPD to nominate the City's projects for a revolving loan. It didn't, at this point, contract anything other than that process, for now. There was still time for some more discussion. He felt with interest rates potentially going up soon, it was imperative to get this process started now if the City was actually going to move forward on these

projects. Those discussions could still happen later, but the City only had until March 3, 2021 for GPD to get the nomination submitted. Whether the City moved forward with the project or not, this step of the process was critical.

Mrs. Field agreed. She remembered years ago the water quality was a really big issue, then the City did the water study, and got the results of the water study. She said this was at the point now where the City needed to start acting on it and make changes for improving things. She agreed to start this process; it did not lock the City into anything, but she thought the City needed to start the ball rolling. She thought the small increase of a few dollars more a month was well worth it to get a better quality of water. Water was a very important aspect that impacted the quality of life for people and the City needed to act on this.

Mr. Miller commented that there was a significant price difference between the AECOM study and GPD because the AECOM study had included a lot more projects than just these immediately critical ones and there would still be more needed after this point, so the City would need to raise the water rates again at some later point to complete the rest of the projects in the water study. This was not just a one-time fix for everything, there would have to be some more water rates changed in a drastic manner to follow the AECOM water study.

Mr. Ring said he understood this discussion today was not the totality of projects required, however these were some of the most critical projects that were listed that needed to be done first. To be able to get that large of a percentage of critical projects completed in a short period of time would allow the City to focus on the less critical projects and maybe spread those out a little and take a little more time to get those done because they were not as critical, but may become more critical over time.

Ms. Esarey confirmed the \$450,000 and proposed 3% water rate increases in her spreadsheets would not accommodate everything the water system would need. Although today's discussion was about low water rate increases now to accommodate the loan for roughly \$450,000 a year, she wondered if Council may want to look at the AECOM study further and look at AECOM's recommendations of higher water rate increases, or a base fee, or raising the water rates a little bit up front. She emphasized that this proposed 3% increase was not the end solution and the City would have to revisit this again to be able to accomplish everything the City needed to do for the water system.

Mr. Ring understood and felt those conversations were going to be important, but his thought was if the City could increase the water rate minimally to accommodate a large portion of these critical projects up front, then the discussions of how the City would structure the financing or how it would structure income for the rest of the projects could have more time because those projects were less critical. He agreed there would certainly have to be some additional funding in the future, whether it was a flat fee which was proposed in the water study, or a one-time large increase, or a couple small increases over time would all have to be discussed. This proposal today would buy the City time for those discussions/decisions but still get the most critical projects done.

Mayor Broska said doing this proposed project would take a huge amount "off our plate" so when the City did need to finish the other projects listed in the AECOM water study, the City would not have to take such a big increase in water rates 2-3 years down the road. When we get these critical

items done, there were others that were needed, but if we get these going now, 2-4 years down the road we may have to increase water rates another 2%-3% in order to accommodate these projects needed in the future one at a time. He said if we don't do this now, they are not going to get done, ever, because no one really wanted to put a 6%-12% water rate increase on the water customers, but if we do this now with just the extra 1% and then maybe another 2%-3% more in a couple years, it would be much easier. It would be around only \$28 extra per year (for the larger usage residents) for the proposed increase which was easier to absorb than a 6%, 8%, 10% or 12% increase all at once to try to take care of all the projects that were needed. Mr. Ring noted the AECOM water study had recommended in one of their scenarios a 12.75% increase every year for five years, which would be quite a large increase; the Mayor had just mentioned a one-time 6%-12% increase.

Mr. Lampa asked about the total cost for all the needed projects. Mr. Burgoyne, GPD Group, said they had estimated a total cost of around \$7.6 million based on the AECOM water study and the priority projects and one secondary project identified. These projects would replace the old fiberglass and old ductile iron water mains and adding a few new waterlines to potentially loop lines. Mr. Lampa noted that any new waterlines may add new customers to the water system to potentially bring in new revenue for the Water Fund. He added that the AECOM water study was done in 2019 and had six scenarios. The City had already not done anything for a whole year. Mr. Lampa did not want to do a flat fee as had been proposed in one of the scenarios.

Mr. Burgoyne explained there was a deadline of March 3, 2021 to file these nominations for the project with the Ohio EPA, Department of Environmental Financial Assistance with the Water Revolving Loan Fund for current interest rates which were historically low. Mr. Ring repeated that what Council was looking to do tonight was only to allow GPD to file for the nomination of our projects to see if they'll be accepted.

Mr. Lampa said he did not like taking on debt at all, but this Council was dealt these cards and had to fix it for the residents, and Council could not wait to do this because the interest rates were so low.

Ms. Esarey noted that with the AECOM water study, when they were doing scenarios, it was important for her, that the City not take on debt. So the reason some of the AECOM scenarios might have higher rates in the beginning is because she thought it important that the City not take on debt to accomplish these projects because the City had enough debt and she didn't want to add to it. She'd prefer to be able to pay cash and not pay interest. She understood the interest rates were low right now, but didn't know what the interest rates might change to when the construction was going on. Mr. Ring understood and appreciated that Ms. Esarey was financially conservative. He said, while this was debt, it was not bond issued, and it was from a self-sustaining fund and should not impact the City's General Fund or Capital Fund. With the rates so low, and provided they stayed low, until the City could lock it in, the amount and impact of the interest over the life of the loan was very small compared to any type of bond rating the City might get today. He realized it was debt and there would be some interest; or the City could pay cash for it, but with a large financial impact to the residents with an up-front 12.75% water rate increase for five years (almost doubling the rates), which he really did not want. This all with the understanding that the City would still need to complete other projects and would have to discuss other income. This would take care of the large, critical projects and allow the City some freedom/time to try to come up with additional solutions.



He agreed with Mr. Lampa and Mrs. Field that the City had been looking at this for a long time and it was time to act on it and get stuff going.

Mr. Kocisko asked Ms. Esarey to restate her concerns. She said she wanted Council to know that although the spreadsheet of water rate increases she provided would cover the \$450,000 needed for the loan, it would not cover the money that was needed for all the projects listed in the AECOM water study; the City would need to raise rates further after this initial proposal. She had also wanted Council to know the reason AECOM's scenario recommendations for water rate increases were a lot higher was because she had said "no debt." The City did not know what the interest rates would be when the loan actually came through, in addition to the other projects that would need funded.

Mr. Kocisko said there were also other issues that would be in front of Council soon. He was concerned about being able to do a City Hall, and be able to handle the other issues that would come before Council. He mentioned the new gas tax from 2019 that was to bring in about \$400,000 annually, which it did not in 2020 because of people not driving due to the COVID-19 pandemic. Ms. Esarey said it was down about \$80,000 compared to what was budgeted, and there was not enough data in 2021 to know how that revenue source would do in 2021. But that was separate from the Water Fund. Mr. Kocisko said he was looking at the big picture. He said 8-15 years from now automobiles would be electric and the City would need to figure out how to buy the electric vehicles and how to refuel them. Borrowing money was cheap today, but it would go up. So it may be the right time to do a project now, but where do we stop buying projects, including a City Hall. The City was already applying an annual 2% increase to the water rates, and now Council was considering adding another cost. He wondered if there was any more information Council could get before making a decision on the vote to submit the projects for nomination by the March 3, 2021 deadline because this may not be the right time even though the interest rates were cheap. Mr. Kocisko commented that any increase, no matter how small, was an impact to the water customers.

Mr. Ring said Council didn't have the time, GPD needed to get everything together and ready for the submission. There was not another meeting before the deadline. He said there had already been two meetings on this topic, and this did not commit the City to any project or funds right now, only committing to the application for the nomination for the RLF, the City may still not go through with it. He understood the City would have a lot of expenses coming up with various different projects, but this project would not affect the General Fund or the Capital Improvement Fund, it only affected the Water Fund and the water projects and water department. There was time to discuss the projects, but there was no more time to meet the deadline for nominating the project if the City had any inkling of wanting to move forward with the project.

Mr. Hannan asked, even though the authorization for nomination did not commit the City to do the project, when would the City have to commit and make a financial decision. Mr. Burgoyne described the timeline: nominate by March 3, 2021; between March 3 and fall 2021 the State would provide a PDP which identified all the projects that would be funded; and then around September 2021 the City would start the loan application process; prior to that the City would like to have a design in place to know the principal amount it would actually be asking for; after the loan process, start to bid the job, get permitting underway, by January/February 2022 bid the project because the loan was not locked in until there was actually a contractor's bid price which would be the amount of

the loan with any additional needed fees including the fee to enter into the agreement with the funding agency. Once those approvals were authorized by City Council and finalized, then construction would begin, probably about spring 2022. With the improvement project being about 33,000 linear feet of watermain replacement or extension it would probably be a construction duration of one to one and one-half years. The first debt payment would probably be about the middle of 2023. If the City took out a design loan to pay for the design costs prior to finalizing the construction loan application, it would be financed at 0% interest. It could be paid off in 5 years maximum at 0% interest, or for more time, it could be rolled into the construction loan and paid down off that interest rate for the construction loan. This was not a competitive process; every loan application that came through the State Department of Environmental Financial Assistance was financed; he had never seen a loan request not granted. It was only the competitive situations for grant type money (principal forgiveness) where the requests were sometimes denied, but Streetsboro was not a community that would qualify for that. Mr. Hannan supported the proposal that had been presented. He said since it was about 6 months until it would need to be finalized, that it should continue to be discussed and not just fall through the cracks, so things would be clarified and ready to go when the time came.

Mrs. Field appreciated all the comments and good discussion tonight. She felt this was not a “want” it was a “need” and had to be prioritized. She felt most of the funding scenarios presented in the water study were not ones the City would pursue. She commented that she thought one of the reasons the water study was done was so the City could apply for grant money, and she wondered if those channels had been pursued yet. She said she was ready to move forward with what had been proposed tonight to get the ball rolling, and there was still time to work on the subject.

Mr. Burgoyne said because the water system was an enterprise fund where the City charged rates for service, and because of the City’s socio-economic statistics (poverty rates, median household income, etc.) the City did not qualify as a hardship community or a small community (Streetsboro is a standard community), so it would be very challenging for this City to be in a situation where grant type funding would be awarded, so that’s why the loan programs were available. He suggested exploring the Ohio Public Works Commission funding source option, but the City had historically done very well with OPWC for road infrastructure improvements and he recommended keeping the roadway funding with OPWC instead of the water infrastructure improvements that were underground and “out of sight and out of mind.” Mrs. Field was disappointed and frustrated to hear that response because it was said one of the very reasons the City invested in doing this water study was to be able to apply for grants to accomplish some of these projects. Mr. Hannan clarified that the City could apply for the OPWC grant, but then would be competing against itself with a road project, and the City would rather continue its success with the larger road programs. Mrs. Field was still ready to move forward. Mr. Ring clarified that the City did not have until fall 2021 to make the decisions, some financial decisions needed to be made a little sooner, especially the design phase.

**MOTION: TO FORWARD THIS TOPIC REGARDING THE AECOM WATER RATE STUDY TO THE MARCH FINANCE COMMITTEE MEETING FOR FURTHER DISCUSSION.**

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

T-6998 Nominate and Apply for Water Supply Revolving Loan Account

After the discussion on the previous agenda item, most of Council wanted to move forward with 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-6999 Go to Bid and Enter Contract for Trash and Recycling

Mayor Broska said the administration wanted to start the bidding process. He said the Council Members were aware of what Portage County Recycling wanted to do. The administration would have to get RFQs ready. After the administration reviewed the RFQs, they would have to go through the Planning Commission, and then the Planning Commission would give a recommendation to City Council. Mr. Beni said he had used a similar ordinance from the past, but thought someone may want to make a correction.

Mr. Hannan said he was approached by Bill Steiner, Portage County Solid Waste Management District Director, who basically said Portage County was looking to downsize the Recycling District and they wanted to end the contract with Streetsboro. And because the Streetsboro trash service contract was ending in July 2021, he said Portage County would continue to service Streetsboro until Streetsboro could get a new recycling provider. Mr. Hannan said if both contracts ended at the same time the City could get a company to do both trash and recycling. So the City was looking for a new recycling provider.

Mrs. Field said Mr. Hannan had let her know a few days ago about the situation. She added that she had not wanted to go with Portage County Recycling for this very reason; she had thought "the writing was on the wall;" she was frustrated. Mr. Hannan said Portage County had said they could continue to provide service to the City but they would have to raise the rates and cut the service to every other week. Mr. Ring added that because Portage County wanted out of the contract, as soon as Streetsboro found someone to provide the recycling service, Portage County would release the contract without issues. They had also agreed to other things like allowing the Streetsboro customers to keep their recycling bins without charge, which Streetsboro could use in their bid proposals to save money.

Mr. Lampa asked about the process where Planning Commission reviewed the bids and made a recommendation to City Council. Mayor Broska said it was set up that way, and he didn't know why. Mrs. Field said City Council did get a choice; City Council had gone against the Planning Commission's recommendation the last time. Mr. Lampa wondered if the lowest and best bidder would agree to use the recycling bins Portage County had agreed to give Streetsboro, or would they want bins with their own name on them? Mayor Broska said it would save everyone quite a bit of money to keep the bins Portage County already provided.

Mr. Hannan noticed the legislation presented said the Mayor was authorized to create specifications, advertise for bids, and enter into a contract, but it didn't mention going through Planning Commission or going to City Council. He thought the legislation should clearly specify that City

Council would also have to approve this. Mayor Broska said that's the way it should be. Mr. Beni suggested changing Section 1 and the title to read "enter into a contract, with approval of City Council."

**MOTION: TO AMEND THE LEGISLATION TO SAY "WITH COUNCIL APPROVAL" IN THE TITLE AND IN SECTION 1.**

Moved by Mr. Hannan, seconded by Mr. Lampa. Mr. Kocisko wondered why it needed to go through Planning Commission and then come to Council, because Council is going to hear everything the Planning Commission already heard at their meeting from the contractor. Mr. Hannan said Mrs. Kremer looked into it earlier this week and franchises and grants were to go through the Planning Commission according to the Code or the Charter, and Mr. Hannan didn't know if that could be changed. Mr. Kocisko said Council wouldn't make a decision until it understood what it was going to cost the taxpayers. Council Members could attend the Planning Commission meeting to ask questions. Upon voice vote, **motion carried.**

**MOTION: TO MOVE T-6999 AS AMENDED TO TONIGHT'S REGULAR COUNCIL MEETING.**

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

T-7000 Authorize Letter of Arrangement w/Auditor of State for 2020 Audit

Ms. Esarey said she'd received the Letter of Arrangement from the Auditor on February 2, 2021. The 2020 audit would be performed by the Auditor of State's Office. The City had been in a 5-year contract with Mr. Zupka and since that contract was completed, the State decided to bring Streetsboro back in, which was not unusual. The fee was \$30,340 and included the cost for the single audit, which was required because the City received so many federal monies between ODOT, CARES, etc. The single audit was another level of information within the City's financial statements and audits. Because she had just received this Letter of Arrangement, and they were actively conducting the audit, she asked that Council put this up for emergency passage tonight. Usually she preferred to give Council more time to consider a request. This was planned in the 2021 budget and was coming in under budget.

**MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING AS EMERGENCY LEGISLATION.**

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

T-6992 Amend 2021 Annual Appropriations [#2]

Ms. Esarey said Exhibit "A" was presented and she highlighted a couple things. \$50,000 was appropriated in Exhibit "A," but the City was looking to get the receipts and expenses for the Sahbra Farms case, so it was a net effect of \$0. The legislation to hire Margret Beck to handle the case was not to exceed \$75,000, but \$25,000 had already been budgeted for the year. The sale of the bonds was also included in Exhibit "A." She had been working with the City's municipal bond adviser and expected to get about \$6,055,000 from the sale of bonds because the City was using \$200,000 from

the 304- Fund to pay down on the Bond Anticipation Notes. She had wanted to make sure this was all very clear on what was being paid. The City would pay the \$164,000 for the interest and also \$200,000 on the bonds.

On Thursday, February 18, 2021 Chief Reinholz contacted Ms. Esarey and she had emailed Council regarding the potential for adding Exhibit “B” to tonight’s legislation to add \$20,000 for the fire station to increase the owner contingency. The budget amendment could be done tonight, but Chief Reinholz would bring legislation forward in March to amend Ord. No. 2020-116, which was the original owner contingency ordinance with a limit of \$75,000. With the POs that were already open, \$75,000 had already been encumbered, but Chief Reinholz felt there was a need for up to \$95,000. Mr. Ring said a discussion on the fire station owner contingency from Chief Reinholz had been added to the end of the agenda tonight.

**MOTION: TO AMEND T-6992 TO INCLUDE EXHIBIT “B.”**

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

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

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

At the beginning of the meeting the Chair had added this item to the agenda.

Fire Station Owner Contingency Fund

Chief Reinholz explained that after last week’s Thursday construction meeting he had approached Derrick, the new project manager, about any unexpected costs and found out there was about \$10,000 worth of outstanding bills with contractors (masonry cold weather work, foundation reinforcement, the primary electrical service, etc.). They had taken it all out of the Construction Manager contingency, so the CM contingency had dropped down to about \$9,000 + \$2,100 for test survey work for the concrete/asphalt, but it may end up being a little short. There were a few other items that has arisen too, so he was asking for \$20,000 and hoped there would be some money leftover that would come back to the City. There had not been time to get legislation prepared for tonight’s meeting, so this was a discussion item (along with the appropriation amendment just discussed) with legislation to follow at the next Council meeting.

Mr. Ring, who attended the Thursday construction meetings, said he as well as the Chief were frustrated with some of the items the City has had to pay for because of design flaws that arose. Mr. Ring said these additional costs were not extravagances, but things that needed to be done and were out of the Fire Chief’s control. Mr. Ring supported giving the owner contingency what it needed to finish the project.

Mr. Lampa wondered why some of the mistakes weren’t going back on the builder. Chief Reinholz said it was explained to him that the owner contingency was 1.98% and it usually was 4% of the total cost. They had met with the architect a couple of weeks ago about all the things that were missed and they explained that there would be oversights on the project, that’s why there was a

contingency fund. Mr. Ring added that the builder had not made mistakes, they built it according to the design/plan, but the designs were wrong in a couple of things, so the City had to pay for that. He said it's on us or our engineers to make sure the designs were right, and of course things would change or come up, so a contingency was needed, but some of it was a little frustrating. Mr. Lampa said he appreciated the Fire Chief keeping a watch on all this.

Before the building was built, Mr. Kocisko had said it was his experience that there was always a need for a 10% contingency, which may seem high, but things always arose that no one expected. Mr. Kocisko said he'd attended most of the Thursday construction meetings and thought they had caught most of the issues, and he hoped there would not be much more since they were close to completion.

Mrs. Procop didn't think the City should have had to endure all the costs that arose, but it did. She commented that the project was too close to completion to not put money in place to cover any issues or other things that might still arise.

**MOTION: TO MOVE THIS TO THE MARCH 8, 2021 SAFETY COMMITTEE MEETING AND THE MARCH 8, 2021 REGULAR COUNCIL MEETING.**

Moved by Mr. Ruediger, seconded by Mr. Hannan. This was to add \$20,000 to the owner contingency fund. Upon voice vote, **motion carried.**

**Citizens' Comments**

Mr. Hannan asked a few questions about the proposed change in the recycling service. As a homeowner without a lot of space at the house, he wondered what he'd have to do with the recycling bin if the new provider did not want to use the Portage County recycling bins. Mr. Ring thought it would be included in the RFPs for the new provider to use the Portage County bins or remove them at their own cost. Mayor Broska thought it would be extremely silly for the new provider to not use the existing bins. Mr. Hannan also mentioned that some customers were allowed to keep the smaller 35 gallon bins, and that needed to be considered in the new RFPs too. Mr. Lampa commented that his sister lived on Gerald Drive for a year now and had the smaller 35 gallon bin, but four times in the last year recycling did not pick up her bin because it required a different truck.

**Announcements**

A Regular Council Meeting will immediately follow this meeting.

There being no further business to come before this Finance Committee, and upon motion by Mr. Ruediger, seconded by Mr. Lampa, this meeting adjourned at 8:57 p.m.

ATTEST:

---

Caroline L. Kremer, Clerk of Council

---

Justin Ring, Chairman