

## CUYAHOGA FALLS CITY COUNCIL

### Minutes of the Meeting of the Finance & Appropriations Committee

November 10, 2014

#### Call to Order

The meeting was called to order by Mrs. Klinger, Chair, at 6:39 p.m. A quorum was present.

#### Approval of the Minutes

Approval of the minutes was deferred.

#### Agenda Items

#### Temp. Ord. A-100

An ordinance establishing annual appropriations of money for the current expenses, capital expenditures and other expenses of the City of Cuyahoga Falls for the fiscal year ending December 31, 2015, and declaring an emergency.

The Chair recognized the Finance Director, Brian Hoffman, who presented the budget of the Capital Projects Fund. Mr. Hoffman stated that the revenue side of the budget will reflect a \$1 million balance from 2014. Revenue consists of permissive monies, special assessments, a transfer of money from the income tax fund and transport fees generated by the Fire Department. A \$250,000 item is grant proceeds the city will receive from the state relative to storm clean-up, paying 75% of the City's costs.

The Chair asked why payments in lieu of taxes ("PILOT") for Portage Crossing are zero in 2015 when in the capital budget they were estimated to be \$762,000. In addition, PILOT receipts in out years are now estimated to be \$200,000 less than that amount. Mr. Hoffman stated there is "not a lot of basis" in the lower amount and the higher amount was a "ball park" figure. The Portage Crossing properties will be re-assessed in 2015 and the results will be put on the tax duplicate at that time. The estimate will be adjusted at that time.

The Chair stated that on the expenditure side, the big changes would be the increase in the asphalt and

concrete programs. The Chair asked why street equipment and vehicle purchases were reduced. Mr. Hoffman stated the \$373,000 that was included in the 2014 budget is a "ball park" estimate. This year the amount is based on actual requests, including a truck that will be given to the Street Dept. by the Water & Sewer Dept., causing a reduction in the budget amount. The Chair asked if there is a list of the Street Dept. vehicles that will be purchased with the \$197,000 item. Street Superintendent Charles Novak stated that the list includes a crew cab (\$75,000), skid steer (\$40,000), asphalt patcher (\$40,000), and a portable traffic light (\$42,850), which will be reimbursed by a safety grant at slightly less than 50%.

The Chair stated that Police vehicles are now in the Capital Projects Fund, rather than the Police Dept. budget. Mr. Hoffman stated that Police vehicles were purchased out of the General Fund because they did not meet the 5-year requirement for capital items. However, the administration now estimates that new Police vehicles purchased will meet this requirement. The Chair asked if existing vehicles are being kept over 5 years. Mr. Hoffman stated he believes the City is keeping these vehicles for 5 years, but would need to check. The Chair asked the Chief of Police to explain the purchase of equipment for a Police SWAT vehicle purchased in 2014. Police Chief Jack Davis stated that the City purchased a shell and is now seeking to outfit the vehicle with (inaudible). The Chair asked why the outfitting of the vehicle did not appear in the 5-year capital plan. Chief Davis stated (inaudible). The Chair stated that the City will be paying over \$100,000 for the SWAT vehicle over 2 years of expenditures, and asked if the City is looking at a mutual aid response as solution to the SWAT needs. Chief Davis stated (inaudible). The Chair asked how many times the SWAT vehicle is actually used. Chief Davis stated (inaudible). The Chair asked Garage Superintendent Don Williams how many police cruisers are owned by the City. Mr. Williams

responded "twenty-one." Mr. Hoffman stated that the City plans to have 20 cruisers on a five-year cycle.

The Chair noted that the City plans to spend \$50,000 on mobile data terminals, spread over 2 years, 2017 and 2018, and asked if this is because of costs have increased. Mr. Hoffman stated this cost is based upon a three year lease for payment and applies in 2016, 2017 and 2018. The lack of a cost number in 2015 is a typo.

The Chair asked Mr. Hoffman to explain the computer software upgrade of \$650,000. Mr. Hoffman stated this reflects an expenditure in 2016. The Chair asked if this is a multijurisdictional piece of software. Mr. Hoffman stated he would report back with that information.

The Chair recognized Mr. Weinhardt, who asked if the software upgrade includes relocation of the I.T. Dept. Mr. Hoffman stated this is software for the safety forces and is unrelated to the equipment in the basement.

The Chair stated that the Fire Dept. will purchase a new rescue squad as well as a new fire engine at a cost of \$500,000, which was not in the capital plan previously. Mr. Hoffman stated that the Fire Chief would review the department's vehicle purchases. Fire Chief Paul Moledor stated (inaudible).

The Chair asked the Mayor to review the planned rebuild of Fire Station #3 in 2016. The Mayor stated that the City will conduct a study on whether to rebuild or refurbish Station #3. The City has not seen the School Board's plans for expansion. The City does not know if Station #3 fits within their plans. Station #3 has some foundation problems. The Chair noted that the budget contains no money for a study. Fire Chief Paul Moledor stated (inaudible).

The Chair asked Mr. Hoffman to review the remaining capital projects. Mr. Hoffman responded with

municipal building upgrades (\$80,000), which is unchanged, traffic signalization is the same, the radio system upgrade, which will take place in 2018, and the parking deck infrastructure (\$250,000). The Chair asked which parking decks will receive the work. City Engineer Tony Demasi stated that all of the \$250,000 will be spent on the red deck. Mr. Hoffman continued with tree trimming and weed cutting. Cemetery windows is included in this year's budget. Community Development Director Diane Sheridan stated that \$19,375 will be spent along with a \$20,000 historic preservation grant to replace windows in the chapel at Oakwood Cemetery. The Chair asked if the City owns the chapel at Oakwood Cemetery. The Mayor stated that an association operates the chapel, but it is owned by the City.

Mr. Hoffman continued with foundation repairs at the Street Department building, and \$75,000 for half of the cost of a concrete floor at the City complex. The other half is to be paid out of the storm water fund. Traffic signal controller upgrades are included as well as \$100,000 for relocation of the computer room. The Chair asked where the computer room will be relocated to. Mr. Hoffman stated it will go to Conference Room B on the second floor of the municipal building. The chair asked if this amount includes HVAC and fire suppression. Mr. Hoffman stated that it does. The Chair asked Mr. Hoffman to explain the gas fueling system. Mr. Hoffman stated that the budgeted amount of \$40,000 in 2014 was insufficient to cover the cost, which was quoted at \$62,000. \$18,000 of the money was used to replace the heating system in the garage instead. \$21,500 was used to replace the card readers, and the remainder of the work will be done in 2015. The Chair asked for an explanation of the underground storage tank ("UST") remediation work. Mr. Demasi stated this relates to work done in 2011 to remove 2 USTs, and this item is needed to install another ground water monitoring well in order to obtain a "no

further action" letter from the EPA. This cost is \$8,200.

Mr. Demasi reviewed the street construction work in capital projects budget, including \$150,000 for the remaining City share of Graham Road, which is scheduled for completion in July, 2015; \$20,000 for internal charges for monitoring the State Road project, which is scheduled for completion in 2015; and \$20,000 for internal engineering relative to design work for the rebuilding of Howe Ave. from the railroad tracks to Buchholzer Blvd. scheduled for 2017.

Mr. Hoffman reviewed the Park & Recreation portion of the capital projects fund, including the park levy fund, which receives income tax dollars. For 2015 the amount accumulated in this fund is over \$1 million and will be reduced as the City moves costs and projects into the levy fund. \$136,000 is for play equipment and a van to be purchased for the parks department. The Chair asked which parks would receive the play equipment. Parks Superintendent Ed Stewart stated the parks are Price, Kennedy and Gault (remainder inaudible).

Mr. Hoffman continued with \$30,000 for landslide repair on Steels Corners Road. The Chair asked about the AMATS-approved project for Steels Corners Road. Mr. Demasi stated this is design work necessary to repave Steels Corners Road from State Road to Wyndham Ridge Road, scheduled in 2016. The Chair asked about reconstruction of Sylvan Road. Mr. Demasi stated that petitions for this were received from residents through Councilman James. \$50,000 in 2016 is for the design of this project.

The Chair asked about repair of the pavers on Front Street and which section would be scheduled for 2015. Ms. Sheridan stated she would report back with that information.

The Chair recognized Ms. Pyke, who asked if the City is considering opening the Front Street mall to traffic. Ms. Sheridan stated the City will perform a study of that issue in 2015 using CDBG funds.

The Chair recognized the Mayor, who stated that the asphalt paving budget will be increased from \$1.7 million to \$2 million, and if petroleum prices continue to trend down, the City could pave the most linear feet of roadway ever in 2015.

The Chair asked about the schedule for the paving program. Mr. Demasi stated that the streets are currently being evaluated and a draft list has been produced. A final list will be available in February.

The Chair recognized Mr. Colavecchio, who asked if there is a proportional correlation between the price of oil and the number of linear feet of paving the City will be able to achieve. Mr. Demasi stated there are many cost factors in the paving program other than oil.

The budget of the Street Dept. was presented by Mr. Novak. The Chair asked about the increase in expenditures for tools and equipment. Mr. Novak stated that the City will acquire better plow blade cutting edges. The Chair asked about the changes in personnel in the Street Dept. Mr. Novak stated the Stockkeeper has retired but will be replaced. Personnel will remain at 28 employees.

The budget of the Sanitation Dept. was presented by Mr. Novak. The Chair asked about the purchase of refuse containers. Mr. Novak stated there is \$55,000 for the purchase of 1,000 yard waste containers, and \$78,000 for 1,500 trash containers. The original containers now need to be replaced after 10 years of service. Containers are replaced as they break. The Chair asked if the 1,500 yard waste containers purchased in 2014 have been distributed. Mr. Novak stated they were fully distributed as of September.

The Chair asked if there is a wait list for yard waste containers. Mr. Novak stated that a wait list was attempted when the yard waste carts were first purchased, but so many customers changed their minds or failed to respond that the list was abandoned. The department now distributes them on a first-come basis. The Chair asked if the cart can be requested online. Mr. Novak stated they cannot. The City is open to looking at that.

The Chair recognized Mr. Weinhardt, who asked if the \$25 deposit required for the yard waste cart is ever returned, and what the City does with the money. Mr. Hoffman stated the money is collected into an interest-bearing account.

The Chair recognized Mr. Colavecchio, who asked if the carts are automatically taken out of service after 10 years. Mr. Novak stated the 10 year period is the replacement warranty expiration, not a replacement date. If they are working condition they remain in service.

The Chair asked about the vehicle parts and repairs purchases. Mr. Novak stated there is \$70,000 for vehicle parts, the same as 2014; repairs have been reduced \$5,000 over 2014. Vehicle repairs are expensive and unpredictable. There are 11 packer trucks, 8 of which are deployed every day. 2 new packer trucks will be purchased and added to the fleet in 2015. The older trucks will be kept in reserve for backup and will be scavenged for parts when necessary. The Chair asked if it is the City's policy to buy 2 new packer trucks every year. Mr. Novak stated that this has been the City's policy for several years, in order to fully automate the fleet.

The Chair asked about money for tools and equipment. Mr. Novak stated that there is \$5,000 for tools and equipment, including a pressure washer.

The Chair asked about the contractual services line. Mr. Novak stated this is the same as 2014. The Chair asked about the change in temporary labor from 2013 to 2014 and going forward. Mr. Novak stated that the street department uses full-time sanitation employees for winter projects such as holiday clean-up, and these positions are backfilled using temporary labor.

The Chair asked about the City's trash contract. Mr. Novak stated the City is finishing the first year of a 4-year contract. The price will go from \$42.75 in 2014 to \$44.03 in 2015 and 2016.

Mr. Novak stated the City has partnered with a company known as Simple Recycling to provide curbside recycling of textiles. This program will be deployed in December. This will keep textiles out of landfills and save on tipping fees. Simple Recycling will pay the City \$0.01 per ton of material. The City hopes to reduce its waste stream by as much as 5%. The City hopes to generate \$15,000 in fees from Simple Recycling and save \$30,000 in tipping fees.

The Chair asked who will pay for the program costs. Mr. Novak stated that Simple Recycling will pay for the program. The Chair asked if other cities are running this type of program. Mr. Novak stated Bath Township is doing so.

The Chair recognized Mrs. Pyke, who asked about the split of costs between Street and Storm Water for the concrete floor. Mr. Novak stated the split is between Street and Sanitation, not Storm Water.

The Garage budget was presented by Garage Superintendent Don Williams. The Chair asked about Personnel changes. Mr. Williams stated the Superintendent's position is returning to full-time. This position was made part-time in 2012 to try to save money. Service Director Eric Czetli stated that the administration has been paying people to work out of class to supervise due to lack of a full time



superintendent. The NAPA contract responsibilities will be taken over by a full time superintendent as of the contract expiration in March 2015. The NAPA contract will be eliminated. The Chair asked why the NAPA contract expenditures remain in the budget. Mr. Hoffman stated the NAPA contract is budgeted for three months in 2015, and this line item has been reduced from \$91,351 to \$32,900. The Chair asked about the other departments that have NAPA contract charges. City Treasurer Paul Novelli stated (inaudible). The Chair asked for the net increase in employee and benefits costs for the personnel change. Mr. Hoffman stated he would provide this information. Mr. Czetli stated that providing a full-time superintendent will eliminate the need for NAPA and will allow the City to perform vehicle repair work in-house that was previously outsourced. Mr. Hoffman stated that the City was paying for parts from NAPA at 10% over cost plus employee and overhead charges, amounting to over \$90,000 annually. The net effect of the changes will save the City money. The Chair asked for a revised budget for Streets and Sanitation reflecting the elimination of NAPA contract charges. The Chair asked for an estimate of the savings that will be accomplished by the elimination of outsourcing work.

The Chair recognized the Mayor, who stated that a full-time superintendent will allow for better preventive maintenance which will save money in the long run. The full time superintendent will maintain the good things that NAPA accomplished.

The Chair asked if the Garage would consider "hot shot" delivery of parts. Mr. Williams stated he would look into that and other services.

The Chair recognized Mrs. Pyke, who asked if NAPA knows of the City's plans. Mr. Czetli stated that the City has met with NAPA. No final decision has been made, but the purpose of the NAPA contract has been accomplished by getting the City's parts

inventory under control. The City has software that will do what NAPA does. The full time superintendent is intended to allow the City to manage its vehicles as a fleet, which has not otherwise been the case. The availability of parts delivery also eliminates the need for NAPA.

The Chair recognized Mr. Czetli regarding the budget of the Utility Billing Dept. Mr. Czetli introduced Zack Jones, manager of the Utility Billing Dept. He was previously employed by First Energy.

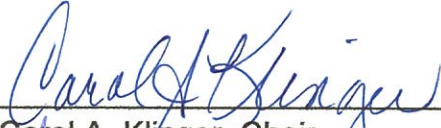
The Chair asked that Report 21 be modified to report on past due accounts for the Utility Billing Dept.


Non-Agenda Items

None.

Adjournment

Without objection, the Chair adjourned the meeting at 8:11 p.m.

  
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Carol A. Klinger, Chair

  
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Paul A. Janis, Clerk of Council