

Cuyahoga Falls City Council
Minutes of the Finance Committee Meeting
November 16, 2009

Members: Don Walters, Chair
Debbie Ritzinger
Carol Klinger

Mr. Walters called the meeting to order at 6:30 p.m. Mrs. Ritzinger was absent.

The minutes from the October 26, 2009 and November 2, 2009 Committee meetings were approved as submitted.

Legislation to be Discussed:

Sub. Temp. Ord. B-124 (dated 11-16-09)

Sub. Temp. Ord. B-125 (dated 11-16-09)

Discussion:

Sub. Temp. Ord. B-124 (dated 11-16-09)

An ordinance authorizing the Director Public Service to enter into a contract for the purchase of one international cab and chassis for use by the Sanitation Division, and declaring an emergency.

Chuck Novak stated this was budgeted in the sanitation fund for \$60,000 for a used rear loader, however they could not find anything in that price range. They had found one for \$125,000. So they started to look into the cost of a new unit and found it did not cost much more than the \$125,000. They looked at the State bid and International dealer. This company will hold the price through the end of the year at which time there will be a \$7,000 increase starting January 1. It would be best for the Sanitation Division to purchase the new cab and chassis with the money budgeted and then move other money around. Mr. Walters confirmed this was just for a cab and chassis. Mr. Novak stated they will put in for next year for the rear load and body, which would be approximately \$75,000. The total for a whole unit would be \$155,000. They are looking at between \$125,000 and \$135,000. This will be replacing the 1994 unit, which is currently being used as a backup. They have not purchased a rear loader in six years. There are currently five units. They are used for yard waste and bulk items such as furniture, appliances—whatever doesn't fit into the cart. Mr. Walters stated that the change necessitating the substitute was in Section 3 with the addition of the dollar amounts. Mr. Brodzinski commented that the money will come from savings over budget and costs estimated last December and cost of disposal. They will move money out of Other. Mrs. Klinger asked what the overall cost for disposal was that Mr. Brodzinski was estimating in the disposal account. Mr. Brodzinski stated it was about \$180,000. Mr. Novak stated it is currently \$194,134.94. They had set the budget just before they set the current contract. If they stayed with the then-current company, the load price would have been \$8-10 per ton higher. The new bidder gave them a good price. In fact, the second lowest bidder was \$10 per ton more. Mrs. Klinger asked if it was due to the tonnage being down or the lower rate. Mr. Novak stated that tonnage was slightly down but it was mostly the rate. Mrs. Klinger asked about maintenance on the vehicle. Mr. Novak stated he spoke with the mechanics and operators and they were comfortable. There was nothing out of the ordinary as far as chronic maintenance issues. They've had \$3,600 in maintenance costs to date. Mr. Walters stated the City had been going to Fountain Street and now goes to Twinsburg, and commented about the added mileage to go to Twinsburg. Mr. Novak stated they used to take it to Fountain Street and, from there, it would go to Republic. Now, they take it directly to the new site in Twinsburg. They are driving a little farther but that is more than made up for in disposal cost. Mrs. Hummel asked if the disposal cost would still offset it as the gas prices creep higher. Mr. Novak stated they had looked at that when they opened bids last year. Fuel cost was even higher then than it is now. Mrs. Hummel stated there is no appreciative increase, if any. Mr. Novak stated that was correct. Mrs. Hummel was concerned about

spending money on the unit now but having it sit until the rear loader part was purchased. Mrs. Pyke asked if the unit could be used to plow. Mr. Novak stated it could be equipped to do so. Mrs. Pyke asked if the City purchased it now but did not get the rest of the unit until next year, what would be done with it in the meantime. Mr. Novak stated if it were purchased now, they would go out to bid for the body so they could get it early in the year. They are really only looking at it sitting for a couple of months.

Committee recommended bringing out Sub. Temp. Ord. B-124 (dated 11-16-09.)

Sub. Temp. Ord. B-125 (dated 11-16-09)

An ordinance authorizing the Director of Public Service to enter into a contract for the purchase of 2008 Curbtender demonstrator for use by the Sanitation Division, and declaring an emergency.

Chuck Novak stated that next year, the Sanitation Division is looking to continue automation with recyclables. They would be purchasing a new curbtender and have been fortunate to find a demonstrator just being available for purchase. It is available for a \$67,000 savings over what he expects to pay for a new one. \$212,000 would be the cost for a new fully automated unit. The savings would come from the disposal costs. He feels it makes good sense to purchase this right now to realize the savings. Mr. Walters stated the City had done a testing area and that this would also mean moving forward with carts. Mr. Novak stated they've had good results in the two testing areas. Less than one percent of those residents had concerns and have had decent participation. They are keeping track to make sure this is worthwhile. Mr. Walters asked if the carts would be 96 gallons or a smaller size. Mr. Novak stated they are taking feedback from residents so the size has not yet been determined. Most prefer the larger container because it will hold more, including cardboard which does not fit into the current recycle bins. Currently, all of the routes are handled by two trucks with two people. Automating will allow them to go to one-man operations. Mr. Walters stated that cart purchases would be a large expenditure in addition to purchasing the trucks. Mr. Novak agreed. He added that currently the City pays \$42 per ton for dumping refuse but recyclables is only \$6.50. If they have larger containers and those containers get filled, that will help to reduce the amount of refuse. Mr. Walters stated the purpose of the substitute was to include the dollar figures in Section 3. Mrs. Klinger asked what the sanitation fund balance was anticipated to be at the end of 2009. Mr. Brodzinski stated he does not have that number but estimated it would probably be between \$75,000 and \$100,000 greater than projected. Mr. Novak stated that after current encumbrances, the fund balance is \$956,577. Mrs. Klinger asked if this this type of vehicle was in the current fleet. Mr. Novak stated they have the same automated bed but the cab and chassis are from a different vendor. Mrs. Klinger asked if there were any maintenance issues in the existing fleet, such as the same things breaking down often on a similar piece of equipment. Mr. Novak stated there are not too many. The only difference is the way it dumps out the trash. They had issues with a cylinder that pushed the trash out but replaced it so that the trash now dumps out.

Mrs. Klinger asked about a foreman's position that has been filled in Mr. Novak's department. She asked if it was filled from the outside. Mr. Novak confirmed it was. He also confirmed that a current employee had applied and that both of the applicants took the civil service test. Mrs. Klinger stated that given everything with the layoffs and potential layoffs, it would make more sense to move a current employee into that position. Mr. Novak stated they wanted the best person in the position, not just for short term but long term as well and they found that person from outside. Mrs. Klinger felt that with the City possibly having to layoff employees, a different choice should have been made.

Mrs. Hummel stated she has not received any feedback from any residents regarding the testing of automated recycling yet it was stated there has been decent participation. She asked about going to every other week for pick-up. Mr. Novak stated they offer two different sizes of carts and what they have seen warrants looking at picking up every other week, but he does not know if they will. Mrs. Hummel asked if the cost of the containers would be the same as refuse. Mr. Novak stated it would be about \$50 per container. There are approximately 16,000 – 17,000 accounts in the City. They would phase it in as they did the trash pickup. Mrs. Hummel asked if there will be some kind of report on this. It was not budgeted and is really a new

program. She recognizes the City is talking about \$67,000 in savings but she is not familiar with this since it was not budgeted. Mrs. Carr stated they had an opportunity to purchase the equipment and wanted to get it. It costs over \$42 to dump trash in the landfill and recycling is only \$6.50 per ton. They decided to test with two different types of neighborhoods. There are just some residents who simply will not recycle. They have received a lot of positive feedback from those who do. Most think they will never fill the 96 gallon cart with recyclables, however, most carts have been at least half full. They've found that people start getting into a better habit of recycling when they have more room to fill. Going this route will also eliminate the green bags so there will be some savings there albeit a small one. Mrs. Hummel asked what kind of vehicle was being used in the test area. Mr. Novak stated they are using a fully-automated truck. They've had it in operation for a week and a half. It could also be used for trash. Mrs. Hummel asked how many hours were on it. Mr. Novak stated he would have to check. Mayor Robart apologized for not having put out any prior information to Council. This is a major change for the City, and there are a lot of incentive programs that can be built into this. Once those incentives are introduced, he feels the recycle containers will fill up and trash containers diminish. This will be a phenomenal first step in the right direction. Mrs. Carr gave a brief explanation of the incentive programs. There are companies out there who will measure how much recyclables are in the bins and that resident earns points. The points can then be turned into a coupon, such as so much in recyclables will get a \$10 gift card to CVS, for example. She stated that the City has not made any commitments. She added that the City will be auditing residents to make sure the people receiving the \$2 credit are, in fact, recycling. Mrs. Hummel asked for the website regarding this program and a list of other cities already using it. Everything that's been said sounds great but Council is being asked to approve \$145,000 in expenditures on something they do not have reports or statistics on. She does not feel she has enough information to vote on this not knowing where this has been successful. She wasn't questioning anything; she just wanted to read about it. She asked for the information before next Monday. Mr. Walters confirmed that the new truck would be used for refuse now and then move to recycle. Mr. Novak stated that one truck will not suffice to serve the whole City but it will be used to get through the initial part. Mrs. Carr added that because the truck could be used either way, it is a good investment. They hope to use it for recycling. If the program does not work out, the truck will still be used.

Mr. James requested that everyone on Council receive the information requested by Mrs. Hummel. Mrs. Pyke asked about the color of the new bins. Mrs. Carr stated that the containers in the test areas are the same color as the trash carts except for the color of the lid. The lid is also labeled "Recyclables Only". There are two schools of thought on the color. One is that the drivers are used to looking for the current blue color, and the other is that the containers be a tan color which looks more natural. Mrs. Pyke asked if residents could opt out. Mrs. Carr stated in one of the test neighborhoods, one person did not recycle so the City pulled that resident's \$2 credit. There were also two residents in the other neighborhood who just wouldn't recycle. Mrs. Pyke asked if the City would become strict with residents who do not take their carts back. Mrs. Carr stated they would. Mrs. Pyke stated she had to go so far as to have Mr. Novak remove a parking sign because a resident chained their cart to the sign. Mrs. Klinger stated she would like to see a buy-back and ROI on this. Mr. Barnhart asked if there was a list of recyclable items for customers so they would know what could be placed in the recycle bins. Mrs. Carr stated they have one in-house but there is also one on the City's website. Once they get the new carts, there will be a list stamped on the side of the cart. Mr. Walters asked what happens if someone uses the recycle cart as an overflow when their refuse cart is filled. Mr. Novak stated that where the refuse trucks dump, there is a certain threshold of what the landfill will allow. If it goes over that threshold, they will not accept the load for that price and it will be billed at a higher rate. Mrs. Carr added that the recycle bank system incentive also has a sensor that will detect that situation before it is even dumped into the truck. Mr. Novak also pointed out that the vehicles are equipped with cameras so the drivers can see what is dumping out. Mr. Walters asked if the \$2 credit has ever changed. Mrs. Carr stated it has not been changed for quite awhile and they will be looking at that, as well.

Committee recommended bringing out Sub. Temp. Ord. B-125 (dated 11-16-09).

Other Business

Gary Merton, Jr. of Norton, Ohio, is a Sr. Sgt. in the Police Department. He is speaking on behalf of Police and Fire Department employees. He recently attended a meeting of the Civil Service Commission to speak on a change to language in the Civil Service Rules. Currently, the rules state that an employee who is laid off or demoted can be called back to their original position within one year. They would like that language changed to three years. While that would be a positive change for an employee, it is also an advantageous one for the City. There would be a significant savings for the City by rehiring someone over having to spend money to test, train and certify a new employee. The current Civil Service rule was adopted in 1994. The Ohio Revised Code states the employee would have three years to be called back unless the municipality establishes a different timeframe. Most other agencies in the State are between two and four years. He is asking for support from Council and from the Mayor on this language change. Mr. Walters asked about the pros and cons. Mr. Arrington stated that Sgt. Merton and other members gave their presentation to the Civil Service Commission. Mr. Arrington has asked the Commission to hold its decision until he had an opportunity to research the issue. He is looking at the pros and cons and will have his recommendation to them within the next couple of weeks. He cannot comment on it at this time. Mr. Walters stated that everything Sgt. Merton has asked appears to be valid. Now would be the time to address it if need be. He is in favor of this request for a language change. It is usually called "recall rights" for a laid-off employee. He would be willing to sponsor a resolution for the Civil Service Commission to adopt the three years. Mrs. Pyke asked if this was a decision to be made by the Civil Service Commission. Mr. Arrington stated it is solely on the Civil Service. It makes its own rules. Mrs. Klinger stated she appreciated Sgt. Merton coming forward. The only question she had was whatever certifications the particular position would require, that the employee must maintain that certification throughout the time he/she was laid off. She hoped the Civil Service Commission would take that into consideration. She added she would be happy to co-sponsor a resolution along with Mr. Walters. Mrs. Pyke and Mr. James indicated they were also interested in co-sponsoring the legislation. Mr. Walters stated he would be sponsoring a resolution urging the Civil Service Commission to apply the three years. Any Council member can add his or name as appropriate.

Meeting adjourned at 7:23 p.m.