

CUYAHOGA FALLS CITY COUNCIL

Minutes of the Meeting of the Finance & Appropriations Committee

November 24, 2014

Call to Order

The meeting was called to order by Mrs. Klinger, Chair, at 7:42 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 Mr. Rubino, who stated (inaudible).

The Chair recognized The Finance Director, Mr. Brian Hoffman, who stated that he could prepare a five-year projection of the General Fund balance for the Council at the next meeting.

The Chair recognized Community Development Director Diane Sheridan relative to the budget of the Falls River Square Department.

Ms. Sheridan stated that overall every budgeted item is very similar to the past operations at the Falls River Square.

The Chair asked what is the long-term plan for the boardwalk, as it is in very poor condition. Ms. Sheridan stated that as of today there is no plan, but that the administration would be looking at that this in the coming year when there is a full staff. The Chair asked if a consultant would be hired to look at that. Ms. Sheridan stated that the administration will update the Council on that in the coming year.

The Chair noted that money budgeted in 2014 for training for the interactive fountain and for forklift training had not been spent. Ms. Sheridan stated that is correct. There are no plans to send anyone in 2015 either. The Chair asked if there are OSHA implications associated with not obtaining this training. Ms. Sheridan stated she would look into this and get back to the Chair tomorrow.

The Chair recognized Mrs. Pike, who asked how the City could not address the condition of the Boardwalk during 2015. City Engineer Tony Demasi stated the Falls River Square Dept. personnel have never approached him for assistance in the past. The full extent of the problem is unknown. Mrs. Pike stated she believes that that area is in such need that it must be addressed. Mrs. Pyke asked if funds are available for that. Mr. Hoffman stated that currently there are no funds that have been budgeted for that specific purpose. Once a plan is in place, a piece of legislation will be submitted to appropriate the proper funds needed for that.

The Chair asked who replaced Mr. Nace. Ms. Sheridan stated "No one yet." The Chair asked if it that position will be filled. Ms. Sheridan stated that options are being evaluated.

The Chair recognized Mr. Hoffman relative to the budget of the Human Resources Dept. Mr. Hoffman stated that the HR department does a lot with the health insurance fund and movement of the salary expense to the self-insurance fund from the general fund is a more realistic application of the time being spent managing and maintaining the insurance fund. The Chair asked whether it is the full salary or half of the salary. Mr. Hoffman stated it is one full salary and benefits. The Chair asked if the salary and benefits charged to the insurance fund would be allocated out to all departments. Mr. Hoffman stated this is correct.

The Chair recognized Park & Recreation Superintendent, Mr. Ed Stewart, relative the budget of the Park & Recreation Dept.

Mr. Stewart introduced Natatorium Director Lori Visner and Assistant Superintendent Megan Moreland.

The Chair asked Mr. Stewart to discuss the recruitment for the Assistant Park & Recreation Superintendent position. Mr. Stewart stated that a committee reviewed 48 applications and selected 10 people for interviews. The committee selected Megan Moreland.

The Chair asked why the Assistant Superintendent position was backfilled after Mr. Stewart was promoted. Mr. Stewart stated that future planning was not being addressed and too much work was being placed on a couple of individuals in the department. An assessment and report was prepared and the Administration agreed that the position should be filled. The Chair asked that Mr. Stewart's report be e-mailed to all members of council. Mr. Stewart agreed to do so. The Chair stated she is uncomfortable with the backfilling of deputy positions after the need for these positions was questioned by the Council in prior years.

The Chair asked about the sources and uses of grant money in the revenue side of the Parks budget. Mr. Stewart stated that there is no grant revenue in the Park & Rec budget.

The Chair recognized Mrs. Pike, who asked who is getting the new office equipment. Mr. Stewart stated that last year all the computer needs were put into the capital projects and this year the \$1,250 that is budgeted is for a PC reserve in case there is a need to replace a computer.

The Chair recognized Mr. Stewart relative to the budget of the Recreation Levy Fund. Mr. Stewart

stated a couple of the purchases usually made out of the capital projects fund have been moved to the Rec Levy Fund. There is also included the canoe livery at Riverfront Parkway, depending on receipt of a grant. Repairs to the Highbridge Glens and Babb Run parks are included. These projects are 75% funded by the state.

The Chair asked if this is the grant revenue in the amount of \$193,000. Mr. Stewart responded "Yes."

The Chair asked Mr. Hoffman what fund balance is being targeting. Mr. Hoffman stated that the intent is to match the revenues with expenditures in this particular year.

The Chair asked what fund balance is being projected for 2014. Mr. Hoffman stated that he is projecting a fund balance of about \$943,000. At the end of 2015, he is projecting to have a balance of \$892,000.

The Chair asked which shelter is to be replaced. Mr. Stewart stated it will be the Big Cuyahoga shelter.

The Chair recognized Mrs. Pike, who asked if the \$227,000 for the pond is coming from CDBG. Mr. Stewart stated that the money is for Babb Run from the May 12th storm and Highbridge Glens. Mrs. Pike asked what work is being done with this money at Highbridge Glens. Mr. Stewart stated it is for the storm damage as well. Mrs. Pike asked what damage was done at Highbridge Glens.

Mr. Stewart stated there was quite a bit of erosion on the boardwalk and there is a need to repair some of the pilings. Mrs. Pike asked if this work is related to problems with the bridge when it was built. Mr. Demasi stated that this work is all storm related.

The Chair recognized Mr. Stewart relative to the budget of the Leisure Time Fund. The Chair asked if the revenue plan for the Natatorium assumes flat revenue from 2014 to 2015.

Mr. Stewart stated there is a reduction of \$205,000 in revenue. The Chair asked how much revenue is predicted for the whole year for 2014 Nat revenue. Mr. Stewart stated the 2014 revenue forecast is about \$135,000 under the 2014 revenue budget.

The Chair asked how much Nat revenue is projected to decrease for next year. Mr. Stewart stated that 2015 Nat revenue is projected to be \$70,000 less than the projected actual revenue in 2014.

The Chair recognized Mrs. Pike, who asked how many exempt employees are employed at the Natatorium. Mr. Stewart stated 4½ employees are exempt. Mrs. Pike asked why these employees are classified as exempt and not hourly. Mr. Stewart stated these employees are full-time managers. Mrs. Pike asked for a list of the names of the exempt employees at the Nat. Mr. Stewart agreed to provide a list.

The Chair asked if there are any improvements planned at the Natatorium for 2015. Mr. Stewart stated there is budgeted \$150,000 in the line items for equipment and maintenance/repair. The Chair recognized Ms. Visner, who stated (inaudible).

The Chair asked Mr. Stewart to report on the findings of the study of the Lazy River at Waterworks. Mr. Stewart stated that a geotechnical firm was hired and provided suggestions on how to monitor the situation. The Department is closely monitoring the settling. The Chair asked if there are any plans for improvements to the pool. Mr. Stewart stated "Not this season." Refinishing the main pool will be considered in a few years. The Chair asked how much the refinishing will cost. Mr. Stewart stated it would come close to \$500,000 to refinish the main pool.

The Chair recognized Storm Drainage Utility Superintendent Russell Kring relative to the budget of the Storm Drainage Utility.

The Chair asked Mr. Kring to explain the allocation of his salary. Mr. Kring stated he is allocated half to sewer and half to storm water. The Chair stated that the premise of the fund was to handle big projects that could not be done with general fund dollars. It is good to see the allocation but disappointing that a half million dollars is absorbed by salaries. The Chair recognized Mr. Demasi, who stated that the benefit of having this many employees in the fund allows the City to do a lot of the work in house, such as catch basin cleaning. Before, the City would have to hire contractors to do that kind of work.

The Chair asked Mr. Kring to explain the \$35,000 expenditure for dam removal. Mr. Kring stated there is some erosion around the bank where an outfall, originally at water level, is now 8 feet high. Bank restoration is required. The Chair asked if this work will be contracted out. Mr. Demasi stated it might be able to be done internally.

The Chair asked if there is a specific purpose for the storm sewer infrastructure line item of \$100,000. Mr. Kring stated this is miscellaneous work mostly involving repair of sewer laterals.

The Chair asked about the line item for Vancouver/Galt Box Culvert replacement, and whether this is the actual replacement cost or the design work. Mr. Kring stated it is for design work.

The Chair asked about the line item for Woodward Creek. Mr. Kring stated that a consultant has just finished up a study on the watershed. Mr. Demasi stated that the Woodward Creek project could be both design and construction. The report is still being reviewed. The Chair asked when that assessment will be made. Mr. Demasi stated that his office will go

through the prioritization process and work with the administration and see what is appropriate. It is expected that some guidance will be available sometime this winter.

The Chair asked about the Graham Road storm sewer upgrade project. Mr. Kring stated this involves a house that will be purchased and razed by the City. This expense is for the sewer work to be performed after the house is razed. The Chair asked if the state grant revenue of \$192,000 is for the purchase of the house. City Treasurer Paul Novelli stated (inaudible).

The Chair asked if there will be any change to the storm drainage fee for next year. Mr. Hoffman stated there is no anticipated change to that fee.

The Chair recognized Mr. Pallotta, who asked (inaudible).

The Chair recognized Mrs. Pyke, who stated that the original purpose of the Storm Drainage Utility was to assist residents with storm flooding problems, and asked if the \$100,000 for the storm sewer infrastructure is the money that is used to assist residents. Mr. Kring stated (inaudible). Mrs. Pyke requested a list of how many residents have been helped in the past year and the cost of each of those projects. Mr. Kring stated (inaudible).

The Chair recognized Water Superintendent John Christopher relative to the budget of the Water & Sewer Dept.

The Chair asked Mr. Christopher to report on the painting of the water tower. Mr. Christopher stated (inaudible). The Chair asked if the project came in under budget. Mr. Christopher stated (inaudible).

The Chair asked Mr. Christopher to review the capital projects for the Water Department. Mr. Christopher stated (inaudible). The Chair asked for the timeline for both projects. Mr. Demasi stated the Second

Street waterline project will be bid this winter and the construction will begin mid-March and the project will last 4 to 5 months. The Graham Road waterline is in design right now and should be ready to bid in early summer in 2015 and that project should take 6 to 8 months to complete.

The Chair asked if the City is intending to issue bonds for that project. Mr. Hoffman stated that he is planning on a note purchase of \$1.8 million and that is essentially \$750,000 of additional debt being issued to the Water Fund going into 2015. It is anticipated that this debt will be rolled into some type of bond.

The Chair requested a projection of the debt for 2015.

Mr. Hoffman said he would provide that.

The Chair asked for clarification on the amount to be rolled into bonds: the full \$1.4 million or \$750,000. Mr. Hoffman responded he will evaluate this next year considering interest rates before he makes that decision.

Mr. Christopher stated (inaudible).

The Chair asked if an old truck will be passed on to another department or if it will be scrapped. Mr. Christopher stated (inaudible).

The Chair asked about the tandem axle truck. Mr. Christopher stated (inaudible). The Chair asked about the valve insertion machine. Mr. Christopher stated (inaudible). The Chair asked if this is on a trailer. Mr. Christopher stated (inaudible).

The Chair asked about staffing of the Plant Operator I and II positions. Mr. Christopher stated (inaudible).

The Chair recognized Mrs. Pyke, who asked Mr. Christopher if he is buying special tools since he is increasing his tools and equipment budget from \$16,478 to \$40,000 this year.

The Chair stated utility patch is \$100,000, up \$25,000 from last year, \$4,000 for overhead door repairs, \$20,000 for water plant building repairs as necessary, \$12,000 for water tank inspection, \$55,000 for water well inspection/repair, up \$15,000. The Chair asked why water well inspections are up. Mr. Christopher stated a proper inspection costs \$25,000 and the Department would like to do 2 inspections each year.

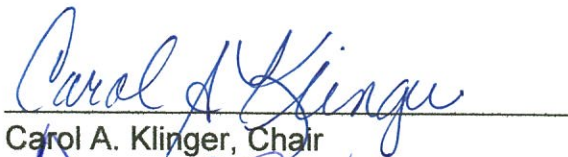
Mrs. Pyke asked why tools and equipment was \$16,478 in 2014 and in 2015 the Department is asking for \$40,000. Mr. Christopher stated this relates to replacement pumps and motors in the water plant that will be repaired.

The Chair asked Mr. Hoffman to explain the increase in sewer revenue. Mr. Hoffman stated that the City sends all of its sewage to the Akron water treatment plant. Fees have been increased to the City and by ordinance the Service Director can pass the increases through using a calculation.

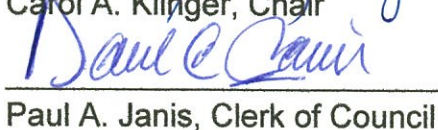
The Chair asked Mr. Christopher to review the capital projects for the Sewer Dept. Mr. Christopher stated (inaudible). The Chair asked if that really covers the costs, or if the cost is actually double that. Mr. Christopher stated (inaudible).

The Chair asked about the miscellaneous sewer pump repairs. Mr. Christopher stated (inaudible).

Without objection, the Chair adjourned the meeting at 8:43 p.m..



Carol A. Klinger, Chair



Paul A. Janis, Clerk of Council