

CUYAHOGA FALLS CITY COUNCIL

Minutes of the Meeting of the Finance & Appropriations Committee

November 9, 2015

Call to Order The meeting was called to order by Mrs. Klinger, Chair, at 7:15 p.m. A quorum was present.

Approval of the Minutes Approval of the minutes was deferred.

Agenda Items

Temp. Ord. B-89 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, 2016, and declaring an emergency.

There were no questions from the prior week's budget hearing.

The Chair recognized the Finance Director, Bryan Hoffman, regarding the budget of the Capital Projects Fund. Mr. Hoffman stated that the 2016 Capital Projects Budget includes a 5-year projection. The administration increased acquisitions for the Street & Sanitation Dept. to address vehicle needs. There will be a \$1.3 million fund balance at the end of the year, which will provide flexibility to deal with the planned improvements to the Front Street mall area. \$2 million is retained annually for street resurfacing through 2020. There are no note proceeds coming into the fund this year as outstanding notes have been converted to bonds. Capital leases for dispatching equipment continue during 2016 and 2017. Major upgrades to the regional dispatching center are planned for 2018. \$800,000 is provided for Police software upgrades to replace the AS400 system.

The Chair asked if capital leases will be considered for the equipment to be acquired for Street & Sanitation. Mr. Hoffman stated that a street sweeper is under discussion. The equipment for Street & Sanitation includes two 5-ton dump trucks, \$225,000

each, a 1-ton crew cab dump truck, \$72,000, an asphalt paver, \$175,000, grinder attachments for a skid steer, \$7,000, retrofit a Water Dept. truck for use in the Street Department, \$16,000, replacement of a "hot box" patcher, \$40,000, and the street sweeper, for a total of \$810,000. The Chair asked if these are all replacement purchases. Mr. Hoffman stated that the dump trucks and the paver are replacements.

The Chair asked about the Police Dept. MDT replacement and software replacement, and specifically if the in-car video replacement is different from the software upgrade. Mr. Hoffman stated they are different projects. The in-car video system is to be replaced only because its software is no longer supported by the vendor.

The Chair asked about the firing range. Mr. Hoffman stated that the range will be paid for by pooled funds from a large seizure of cash from a drug case, a portion from the Capital Projects Fund, a portion from the FOP and perhaps another source. The Chair asked if this involves constructing a building. Service Director Eric Czetli stated that a building will be constructed on the parking lot at Station 5. The drug seizure money can only be used for the Police Dept., so it was determined this would be a good use for that money. The City will save the money it currently spends to send its officers to other ranges for mandatory training, and will defray the cost of the building by renting it out to other police agencies for their training. The Chair asked if there are any firm commitments from other police agencies to use this proposed facility. Mr. Czetli stated that no written commitments have been given. Captain Perry Tabac stated that other agencies are reluctant to commit to using a facility that has not been built. Many agencies, like Cuyahoga Falls, are finding it difficult to schedule adequate range training time at the facilities that exist in the region, and the ranges that do exist cannot accommodate training appropriate for law enforcement purposes. The Chair stated that the City is considering spending almost \$1 million on this facility without a plan for maintenance, staffing and environmental remediation/lead disposal. Mr. Czetli stated that "state-of-the-art" environmental controls

are part of the design of this facility, he is comfortable with the proposal to maintain the facility through user fees from other police agencies, and the City will not be required to hire staff to operate the facility. The individual user agencies will be responsible for this. Scheduling and cleaning can be performed by existing City staff. The Chair stated that she will not propose modification of the Capital Projects budget, but the administration should bring letters of intent from other police agencies to use this facility before seeking Council's approval to move forward with construction. The Chair recognized Mr. Mader, who stated that a joint effort by municipalities to create this facility may prompt the state legislature to provide financial support, and asked whether the administration has researched this possibility. Mr. Czetli stated that he has reached out to some state representatives, but has not heard anything back. The Chair stated that avoidance of \$6,500 in annual training expense does not justify a \$1 million building. Police Chief Jack Davis stated that the City is limited in its options because the noise created by a less expensive outdoor range would generate neighborhood complaints. Mr. Czetli stated that as the project becomes further developed, a justification will need to be made. The Chair recognized Mr. Weinhardt, who asked what the anticipated utilization rate of this facility would be. Chief Davis stated the City would use the facility 40% of its available time. Mr. Weinhardt asked if the \$500,000 in the Capital Projects Budget is the total cost of the building. The Chair stated that \$500,000 is coming from the Capital Projects Fund and \$400,000 is coming from another fund. Mr. Czetli stated this is correct. The Chair recognized Mr. Colavecchio, who asked if there will be any noise problem with an indoor facility. Chief Davis stated it will be very quiet. Mr. Colavecchio asked if there is any problem with lead collection from an indoor facility. Chief Davis stated there is no problem collecting the lead.

The Chair asked about the purchase of body cameras in 2017. Chief Davis stated the Department is looking into grant funding, and will buy enough cameras for a shift; not one for each officer.

The Chair noted that the budget delays the rebuild of Fire Station #3 another year, and asked if this project will be delayed indefinitely. The Mayor stated that a study concluded that the building is safe and the City is still considering its options. The City does not want to make a commitment to this project as yet.

The Chair asked Fire Chief Paul Moledor to review the Fire Department's capital request. Chief Moledor stated that the City will buy an EMS unit every year. Administration vehicles will be purchased for the fire marshals. New MDTs must be purchased due to software non-support, and a new roof is needed at Station #2. The City plans to purchase a "Lucas System" chest compression unit for each of its EMS squads. Exhaust capture systems will be purchased for one fire station with the intent to complete all stations eventually. This is not code-required but is good practice. Paving at Station #4 is included. Modems for the Department's heart monitors must be purchased due to present modems being obsolete.

The Chair asked Mr. Hoffman to explain the remaining capital projects. Mr. Hoffman stated that bridge work is continued at the same dollar amount. City Engineer Tony Demasi stated that money for parking decks is included as it is every year. The Chair asked which parking deck would receive the most work in 2016. Mr. Demasi stated the Blue deck will be reviewed but this could change. Steels Corners Road will be resurfaced from State Road east to the corporation line. \$300,000 of this \$375,000 project will be paid through AMATS. \$5,000 in contingency is provided to finish the State Road reconstruction project. \$80,000 is included to continue design work on the Howe Avenue reconstruction project. \$1.2 Million is scheduled in 2017 for the City's share of construction. \$40,000 is provided to address a landslide condition on Steels Corners Road near A-P Road. \$230,000 is provided to repair a collapsed storm sewer outfall and riverbank on the east bank of the Cuyahoga River just north of Broad Blvd. Mr. Hoffman stated that money for repairs to the City building is for plumbing work. \$40,000 is provided for replacement of network switches on the City's communications system.

\$185,000 is provided for roof replacement at the Technical Services Building. Mr. Demasi stated that Riverfront Parkway Boardwalk repairs are included. Mr. Hoffman stated that money for the Falls Theater is meant to stabilize the building. \$9,500 is provided for new flooring at the Falls River Square Pavilion. Money for public improvements at the Lot 107 development project is included. \$87,000 is included for Phase 2 of the Chestnut Trailhead project, which includes the trail itself and fencing. Tree trimming and weed cutting is increased in this year's budget from \$20,000 to \$30,000. Improvements to the Garage Building are included, which will pay for a vehicle lift and doors. The Chair asked how much expense has been planned for environmental remediation at the lift. Garage Superintendent Don Williams stated that he requested a quote only for replacement of the lift. The Chair asked if it will be a "smart lift." Mr. Williams stated that it will be. The Chair stated that the cost estimated for the lift replacement is very high even if it includes remediation. Mr. Williams stated he obtained two quotes and the second estimate was higher.

The Chair recognized Mrs. Pyke, who asked if the \$87,000 provided for the Chestnut Trailhead is coming from the CDBG Fund. Community Development Director Diane Sheridan stated it is not. Mrs. Pyke asked if the CDBG Fund would be a more appropriate source of funds. Ms. Sheridan stated that CDBG funds are decreasing. Mrs. Pyke asked if the City has pursued designating the Falls Theater as a historic site, in order to leverage other funding. Ms. Sheridan stated that the City is working on this.

There were no questions regarding the proposed budget of the Street Department.

Regarding the proposed budget of the Sanitation Dept., the Chair asked if Sanitation rates will change during 2016. Street/Sanitation Superintendent Charles Novak stated that rates will stay the same.

Regarding the proposed budget of the Garage Department, the Chair asked if the City has been satisfied with the termination of the NAPA contract. Mr. Williams stated the City is required to purchase

the parts inventory, but has been satisfied with the process.

Regarding the proposed budget of the Utility Billing Dept., the Chair asked Mr. Czetli to discuss the Johnson Controls contract. Mr. Czetli stated that the City has been exploring solutions to the problems with the automatic meter reading ("AMR") system. Law Director Russell Balthis stated that the City is in discussions with the attorneys for Johnson Controls and will provide a report for the Council before the end of the year. Mr. Czetli stated that "Aclara" and "Ridge" are subcontractors to Johnson Controls and that Johnson Controls has "walked away" from the contract. The City has terminated Ridge's involvement. The City has a contract with Aclara, which supplies the meters. There are 3,200 meters which have failed, and which must be read manually. The budget request includes money to hire two part-time meter readers for this purpose. There is currently one full-time meter reader on staff, but he is largely responsible for service turn-ons and disconnections. Without meter reads, the City must estimate bills, which is an undesirable situation. The City's long term strategy is to upgrade the technology and replace only the components which have failed. The backbone of the system is in place. Mr. Balthis stated that the meters themselves are recording properly but are not sending data to the system. Once the meters are manually read, bills sent to customers based on these readings are accurate. The Chair stated that it may take a number of years to replace the failing components. Mr. Czetli stated that this is accurate if that is the course that the City takes. The negotiations with Johnson Controls will affect this. Changes in technology may also affect how the City proceeds. Once the system is operating properly, one full-time and one part-time meter reader will be adequate for this function. The current budget request for personnel will allow the City to adequately read meters manually, in the interim.

The Chair recognized Mr. Rubino, who asked if switching from manual meter reading to the AMR system has been "worth it" overall. Mr. Czetli stated it was not necessarily a bad idea, but it was not

correctly implemented. Mr. Rubino asked if the AMR system has cost more than originally intended. Mr. Czetli stated that it cost the City \$17 million to install the system. The savings were obtained from eliminating employees. Mr. Rubino asked if savings were not guaranteed by the contract. Mr. Czetli stated the City has not realized those savings. The Chair stated that the first reports from the company compared the City's costs to industry benchmarks, not the City's actual costs. The actual savings, if any, could not be discerned. Mr. Czetli stated that the City's immediate concern is to eliminate estimated bills. The Chair recognized Mr. Weinhardt, who asked how the City will handle customers who receive large catch-up bills that are sent after a period of low estimated bills. Utility Billing Manager Zach Jones stated that the City will allow customers to enter into extended payment plans on a case-by-case basis. Six months is the longest payment plan that the City will permit. The City waives penalties in these situations. Mr. Weinhardt asked if customers are made aware of the availability of a payment plan. Mr. Jones stated that customers will ask. Mr. Weinhardt requested that customers be made aware of the availability of a payment plan without first asking.

The Chair noted that the Utility Billing budget reflects \$180,000 in savings from changes in credit card activity, and asked how much the City is saving overall. Mr. Hoffman stated that the City overall is saving \$280,000.

The Chair recognized Mrs. Pyke, who asked how customers can determine from their bills whether the bill is estimated or actual. Mr. Jones stated that on an estimated bill, a small "e" is printed next to the number of days in the cycle. Mrs. Pyke recommended that customers be made aware of this. This would permit the customer to request an actual reading. Mr. Jones stated that the City accepts manual reads called in or sent in by customers. The back of the bill provides a place to write it down. Mrs. Pyke asked how many total meters there are in the system. Mr. Jones stated there are approximately 50,000 meters including water and electric. The vast majority of meters not properly sending reads are the

electric meters, and these are the bills being estimated. Failure of transmission of reads from water meters is not a significant problem. The Chair recognized the Mayor, who stated that the use of manual meter readers as provided for in this budget will ensure that no customer has more than one estimated read without receiving an actual read in the following billing cycle.

The Chair referred members to the Law Enforcement Trust Fund as further source of funding for the firing range.

The Chair referred members to the permissive tax fund as another place in the budget where capital expenditures are provided for. Mr. Hoffman stated that this money used for the same purposes as the Capital Project Fund.

The Chair asked Mr. Hoffman to discuss a new fund appearing in this budget, the State Road Public Improvement Tax Increment Equivalent Fund. Mr. Hoffman stated that this fund receives the incremental tax revenues received from the Portage Crossing development. The fund will receive an estimated \$481,000 after 22% is paid to the schools. The money in this fund will pay the debt service on the bonds issued to pay for the public improvements to the Portage Crossing property.

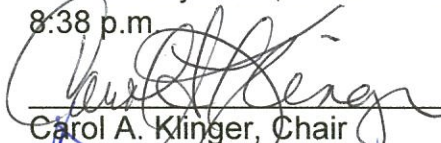
There was no opponent testimony. There was no public comment.

Without objection, Temp. Ord. B-89 was held in committee.

Non-Agenda Items

None

Without objection, the Chair adjourned the meeting at 8:38 p.m.



Carol A. Klinger, Chair



Paul A. Janis, Clerk of Council