

**Cuyahoga Falls City Council  
Minutes of the Finance Committee Meeting  
February 1, 2010**

**Members:** Kathy Hummel, Chair  
Don Walters  
Carol Klinger

Mrs. Hummel called the meeting to order at 8:35 p.m. All members were present.

The minutes from the January 19, 2010 Committee meeting were approved as submitted.

**Legislation to be Discussed:**

Sub. Temp. Ord. B-71 (dated 1-4-10)

Temp. Ord. A-2

Temp. Ord. A-3

Temp. Ord. A-8

Temp. Ord. A-14

Temp. Ord. A-15

Temp. Ord. A-16

**Discussion**

Mrs. Hummel stated Administration requested that Council hold A-8 and A-16.

**Temp. Ord. B-71 (dated 1-4-2010)**

An ordinance authorizing the purchase of the BP Station located on the corner of State Road and Portage Trail and the sale of City-owned property in the State Road Shopping Center including the BP Station to Portage Crossing, LLC for redevelopment in accordance with a contract for sale of land for private redevelopment and a mortgage on that BP Station property, determining that such real property will not be needed for public use, that the purchase price is satisfactory, and related findings, and declaring an emergency.

Mrs. Truby stated she had nothing further to add to what has already been discussed other than she is confident with the financial analysis. Steve Rubin, COO of Stark Enterprises thanked Council members Diana Colavecchio, Ken Barnhart and former Council member Debbie Ritzinger for their participation and support on the committee that selected Stark Enterprises. He is hopeful that everyone will agree that this proposal is one that will be successful. It is important to note this process is an ongoing one. Everyone is excited to be a part of Cuyahoga Falls.

Mrs. Hummel stated she distributed to Council and Administration a rudimentary expense sheet for this project. These are expenses the City has made to date or will be making. The City's investment would be \$16,841,051. Her reason for doing this was to put all of the numbers in one place, and her goal was to be as transparent as possible for the residents, taxpayers and Council so they all know what they are getting. She is in favor of this project. The City needs some redevelopment on State Road. She expressed her concerns at previous meetings and they are on the record. It is good for the community. She just wants everyone to be aware of what is being invested.

Mrs. Klinger stated she would still like to see, on page 5, Council added to the approval process for the developer to get the six-month extensions. She feels it is a small, fair request. Mrs. Hummel asked if this should be amended in Committee and brought out with the change. Mrs. Truby stated she has previously addressed this and strongly recommends against that change. Everything that was presented to Council was a final result of negotiations. The developer needs time to negotiate leases and work with people.

She highly recommended against changing this. Mr. Rubin stated he understood Council's concern, however, for the company to undertake this kind of a project on a 12-month turn-around is difficult. They are not willing to undertake that. He urged Council to look at this as a two-year process. To expect everything to happen in one year in today's economy is too limiting to them. Mr. Arrington addressed Mrs. Hummel's question. He stated if Council wanted to dictate a special term in the contract, there would have to be language in the ordinance directing that. At that point, it would be up to the developer whether he would accept that condition. In the form of government that exists in the City, Administration negotiates these agreements before bringing them to Council. Council does not get involved in the negotiation of contracts. Regardless, there would need to be some language in the ordinance that would direct a certain condition Council would want in the contract. Mrs. Hummel stated that she and Mrs. Klinger believe it is within their prerogative to do that. She has heard everyone's comments from the rail and she does not anticipate that the amendment will pass.

Mrs. Colavecchio stated that in Section 6, there is a requirement that the developer make progress reports. She asked if there was a way that requirement could be used for Council to receive progress reports to keep apprised of the project. Mr. Arrington stated from a legal standpoint, once the developer gives Administration a report, it is public record. They could convey the report to Council. Mrs. Truby stated she would have no problem providing it. Mrs. Klinger stated that is what she had requested the first night this was discussed.

Mr. Walters asked what the school board's authority was. He asked when will be they be voting and could they cut the percentage. Mrs. Truby stated she has been speaking with Dr. Holland. There is a work session with the board in mid-February. There would be a formal board vote so probably it would not come back to Council until March. Mr. Walters asked what would happen if they were not in favor of the split. Mrs. Truby stated they would have to adjust the City's numbers based on that. They are getting a \$245,000 increase. She thinks they will be in favor of the project. They are not investing in the project. Mr. Walters stated he agrees that the schools will reap more but he was just wondering how they will view this. Mrs. Truby stated the superintendent felt good about the numbers. Mr. Walters stated he is in favor of this opportunity. The City will get a beautiful product from Stark Enterprises. He was not involved in the negotiations nor should he have been. He has no way of knowing if the City could have negotiated a better deal. It is Council's job to question the results and there are a lot of legal issues that go with it. He is in favor.

Mr. Ihasz stated he is in favor of this project. He appreciated the sheet that Mrs. Hummel prepared. The only thing concerning him is that the City is purchasing and paying for the street public improvements and public parking.

Mrs. Pyke asked if anyone has looked at the infrastructure under the shopping center. Mr. Demasi stated that the storm sewers were private and now they are the City's and then they will be private again. They know where they are. Everything is mapped out. All of the utilities are mapped and will be provided to the developer. Mrs. Pyke asked if the relocation of the pipes would be at the City's expense. Mr. Demasi was not sure. Mrs. Carr stated they have to look at each scenario to see where the benefit is. Mrs. Pyke asked about the condition of the pipes. Mr. Demasi stated that most of the storm sewers will be ripped out and new ones installed. That would be done by the developer's contractor.

Mr. Barnhart stated he is in favor of this project. He thanked Mrs. Hummel for the numbers she supplied Council showing the breakdown of money to be paid by the City. This project is important and will be a financial benefit to the City and the community. The City will also have a first class development it can be proud of.

Mr. Mader stated he, too, is in support and echoes Mr. Barnhart's and Mr. Ihasz's comments. He appreciates diligent members going into such detail, however, after all of the time spent and the process, if the City does not move forward, it would be remiss. This is a good project to move forward with that

will be an asset to the community. The City cannot let details stop it from getting to where it wants to go. It is a big financial commitment by the citizens but the result will be similar to the Sheraton. Mrs. Pyke stated that on two separate occasions she has heard comments that Council is getting caught up in details. She is proud of a council getting caught on details. It is important. She considers that part of her job. She hoped she was not getting reprimanded for doing her job.

Dan Horak, 431 Thomas Court, stated it sounded as if at least seven members were in favor of this. He thought about what kind of retail business Cuyahoga Falls does not have and he felt the City needed a movie theater. He also said that this project will not be creating jobs but will be creating competition.

Pauline Larson, 431 Thomas Court, stated that everyone seems to be impressed with the Sheraton being a success. She talked about plans. She stated there is a Front Street Mall plan but what is there is not on the plan. She has the development plan for State Road. Development is starting at the State Road Shopping Center. It looks at each parcel and what would be done to each parcel. It mentioned that it would be easier for the City to acquire the parcels because the people will not do what the City wants them to do. The last page has a standard for what kind of people we are selling to in a retail situation. She looked at the amount of money the City is paying and the amount of money Mr. Stark is putting in. It does not make sense to her. Mr. Stark is not investing enough money. Mrs. Hummel stated she wished they all had a crystal ball. The money will be paid back to the City within 30 years, and the project will benefit the schools. The City owns the property and it needs a commitment to proceed with something. Mayor Robart stated that the Sheraton pays \$50,000 a month to some form of governmental agency. It has become one of the most prideful points in the City. No one has every piece of every detail. A lot is built on the credibility of Stark. In the end, the City will have a project that the community will love. It will expand the tax base and there will be a spin-off on State Road. They City knew going in that it was making an investment. This needs to get moving. Mrs. Larson stated she gets the feeling that the people in Cuyahoga Falls have a fear and distrust of not know what is going on. Mrs. Hummel disagreed. Council is not involved in the negotiations, and there is now a contract. That is what has been discussed over the past three Finance committee meetings. Council members raised their concerns and are making their best decision based on the facts before them now. The City needs this parcel developed.

Meta Salter, a resident, stated it appeared that this development is a done deal. She wanted to say she is opposed to it. She believes the community could be better served by more developments like aging in place. That would be a better service to the community than retail.

***Committee recommended bringing out Sub. Temp. Ord. B-71 (dated 1/4/2010).***

**Temp. Ord. A-2**

An ordinance authorizing the Director of Public Service to enter into a contract or contracts, according to law, for the purchase of certain materials, supplies, equipment and services for use by the Electric Department during 2010, and declaring an emergency.

Jeff McHugh stated this is their annual requirements ordinance to purchase materials and supplies they use throughout the year. The change in the budget sheet was to the cost of light bulbs. They reviewed their inventory and needed only \$15,000 so they reduced the appropriations under "Other."

***Committee recommended bringing out Temp. Ord. A-2.***

**Temp. Ord. A-3**

An ordinance authorizing the Director of Public Service to enter into a contract or contracts, according to law, for the purchase of certain materials for the Sanitation Division during 2010, and declaring an emergency.

Mr. Novak had sent a letter to Council. This legislation is the annual requirements ordinance. \$40,000 is for green bags and \$300,000 is for carts to support the automated recycling program. They have been talking about automation for sometime now. They started looking at it 12 years ago in an effort to control costs. Manpower will go from four-man to two-man routes, which will reduce injuries. He is expecting an increase in recycle tonnages of around 25%, but they should save \$25,000 in disposal costs. A larger cart size will help give people more room for their recyclables. A lot of recycle material has been getting thrown out. They started the pilot program in 2009. Normally, there is 50% participation in any given week. Carts have an I.D. tag in the handle of the cart. There will be software on the truck that can tell if a person participates each week, every other week, or not at all. They go to bid in May and after the fall cleanup, which is mid-September or October, they will begin distributing carts. Once they start getting numbers on who is recycling and what the City's savings are, there will be ways they can pass the savings onto the customers. Mrs. Carr stated they have had to remind people what can be recycled. The top of the cart will have a sticker that shows what can be recycled. Mr. Novak stated they kept the same cart body and color. They just changed the color of the lid to distinguish it from the trash carts. They will probably keep the color blue. They will do some advertising in the local paper. They will also have a handout when the carts are rolled out. Mrs. Pyke asked whether the seniors on the smaller trash cart program would get a smaller recycle cart. Mr. Novak stated they would. Mrs. Colavecchio asked if this program would be extended to commercial customers down the road. Mr. Novak stated they talked about it. They have been getting questions from commercial users about wanting to recycle but those users are not the City's customers. Mrs. Klinger asked if there was an increase in participation in River Estates. Mr. Novak stated the drivers know which houses recycle consistently and noticed that the carts were becoming more and more full. Mrs. Klinger stated that until the carts are rolled out City-wide, they will not know if they hit this 25%. Mr. Novak stated it could be done by route. Mrs. Carr stated with the awards program, the City needs to show 25%. Mrs. Klinger asked how much the software will cost. Mr. Novak stated that the current estimates are around \$1,500 plus the hardware for the truck, which varies with different vendors. It will cost \$5,000 to \$8,000 to equip the truck with a reader and computer.

***Committee recommended bringing out Temp. Ord. A-3.***

**Temp. Ord. A-14**

An ordinance authorizing the Mayor to enter into a contract or contracts, according to law, to allow New Cingular Wireless PCS, LLC access to the City's Water Tower at Indian Mountain Park and property, and declaring an emergency.

Mr. Arrington stated that AT&T would like to use the water tower for cell equipment. This is similar to the leases the City has with other companies throughout the City. It is a \$2,500 option to use it the first year. They will pay \$1,800 per month after that.

***Committee recommended bringing out Temp. Ord. A-14.***

**Temp. Ord. A-15**

An ordinance levying special assessments for the repair or replacement of sidewalks and drive approaches in the district known and designated by this Council as a Sidewalk Repair District for the year 2009 containing all necessary streets, alleys or public roadways within the corporate limits of the City of Cuyahoga Falls, and declaring an emergency.

Mr. Brodzinski stated the City needs this ordinance prior to sending out bills for last year's sidewalk work. \$88,000 is outstanding. They will give 30-days' notice. They will not certify until around August. Mrs. Hummel stated this is fairly standard. Mrs. Pyke asked if 12 linear feet covers 50% of the cost. Mr. Brodzinski stated it did. Mr. Brodzinski stated he would get Mrs. Pyke a list.

***Committee recommended bringing out Temp. Ord. A-15.***

Meeting adjourned at 10:00 p.m.