

Cuyahoga Falls City Council
Minutes of the Finance and Appropriations Committee Meeting

July 10, 2017

Members: Carol Klinger, Chair
Russ Iona
Mike Brillhart

Mrs. Klinger called the meeting to order at 6:33 p.m. All members were present.

The minutes from the June 5, 2017 and June 19, 2017 Finance Committee meetings were approved as written.

Legislation Discussed

Temp. Ord. B-47

Temp. Ord. B-48

Temp. Ord. B-49

Discussion:

Temp. Ord. B-47

An ordinance providing for the issuance and sale of Notes in the maximum principal amount of \$6,500,000, in anticipation of the issuance of Bonds, for the purpose of paying the costs of improving Front Street, Second Street, Oakwood Drive, Stow Avenue and Broad Boulevard between certain termini, including the improvement, construction and installation of sidewalks, bike lanes, curbs, pavements, waterlines, sanitary sewer lines, storm sewer lines, storm water management systems, signalization, street lighting, turn lanes, and all related improvements and appurtenances, and declaring an emergency.

Mr. Bryan Hoffman, Finance Director, stated that if Council passes this ordinance tonight, the notes are scheduled to be priced on August the 1st and sold on August the 15th. There is nothing new contained in these ordinances and everything is within the budget or the previous Council ordinances that were passed for Front Street and the parking decks. This ordinance is the \$6.5 million borrowing for that contract. This will be the first portion of the contract. There will be a second note sale in 2018. By separating it into two parts, they can take advantage of interest savings from the time period of a couple months in between; also, by keeping the sale of notes under \$10 million per year, they can take advantage of better interest rates.

Mrs. Klinger stated that Mr. Hoffman has passed out a revised debt schedule, because, as discussed at budget time, they did not have dollar amounts in the budget for going out for debt, but knew if the project went forward, it would be funded with debt. She asked Mr. Hoffman what interest rate they're anticipating on these notes. Mr. Hoffman stated that they're anticipating a 1.25 yield on all their preliminary numbers. Mrs. Klinger asked for an update on the overall project timing and costs. Mr. Hoffman stated that he and Mr. Anthony Zumbo, Service Director, have had numerous meetings every week to make sure that they are still on the proposed budget and timeline. So far, they are both on budget and on timeline. Mrs. Klinger stated that this is not just a general

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obligation debt. There are various funds that are hit with these notes, because they are using water funds and electric funds. Some of this will also be packaged up into the Enterprise Fund.

Mr. Brillhart moved to bring out Temp. Ord. B-47 with a favorable recommendation, second by Mr. Iona. Motion passed (3-0).

Temp. Ord. B-48

An ordinance providing for the issuance and sale of Notes in the maximum principal amount of \$500,000, in anticipation of the issuance of Bonds, for the purpose of paying the costs of improving the City's storm and sanitary sewer systems by constructing and replacing storm and sanitary sewer lines, manholes, service connections and laterals on 18th Street between Ohio Avenue and Phelps Avenue, together with all necessary appurtenances thereto, and declaring an emergency.

Mr. Hoffman stated that this ordinance would be under the same rules and the same interest rate amount as the first ordinance. The only difference is the purpose of this ordinance is the sanitary sewer line under 18th Street.

Mr. Iona moved to bring out Temp. Ord. B-48 with a favorable recommendation, second by Mr. Brillhart. Motion passed (3-0).

Temp. Ord. B-49

An ordinance providing for the issuance and sale of Notes in the maximum principal amount of \$3,000,000, in anticipation of the issuance of Bonds, for the purpose of paying the costs of constructing, reconstructing, improving and rehabilitating the City's Green Parking Garage, Blue Parking Garage and Red Parking Garage by the construction, improvement and installation of concrete and masonry, the waterproofing of the existing structures, the construction of drainage upgrades, the acquisition and installation of electrical and lighting upgrades, and the acquisition and installation of new elevators and the modernization of existing elevators, and all related improvements and appurtenances, and declaring an emergency.

Mr. Hoffman stated that this ordinance is the same as the last two. It is for the parking deck portion in the amount of \$3 million. Mrs. Pyke asked if these will be the only notes taken out for the parking deck. Mr. Hoffman stated that the ordinance amount for the contract for the parking deck is scheduled for \$3,775,000. They are scheduled to open bids for the parking deck on Wednesday and will know the exact amount then. Whatever amount is left over, they will sell notes next year with the rest of Front Street.

Mr. Brillhart moved to bring out Temp. Ord. B-49 with a favorable recommendation, second by Mr. Iona. Motion passed (3-0).

The meeting adjourned at 6:41 p.m.