

**Cuyahoga Falls City Council**  
**Minutes of the Finance Committee Meeting**  
**July 23, 2012**

**Members:** Diana Colavecchio, Chair  
Don Walters  
Jeff Iula

Mrs. Colavecchio called the meeting to order at 6:55 p.m. All members were present.

The minutes from the June 18, 2012 meeting were approved as submitted.

**Legislation Discussed:**

Temp. Ord. A-73  
Temp. Ord. A-74  
Temp. Ord. A-75  
Temp. Ord. A-76  
Temp. Ord. A-77  
Temp. Ord. A-78

**Discussion**

**Temp. Ord. A-73**

An ordinance providing for the issuance and sale of \$8,600,000 principal amount of Notes, in anticipation of the issuance of Bonds, for the purpose of revitalizing the State Road Redevelopment Area by acquiring, clearing and improving certain properties in that area, and declaring an emergency.

Mr. Brodzinski stated these are notes that were issued several years ago for the purchase of the State Road Shopping Center. This year, the City is rolling them over and will pay off the associated interest. He plans to continue going forward paying down on the notes. He estimated the interest on the new notes to be around .75 of 1%. Mrs. Colavecchio commented that this will mean a reduction over the life of the bonds. Mr. Brodzinski stated that last year, the City borrowed \$8.6 million. This year, they are just rolling that amount over and will start paying down more aggressively beginning in 2013.

Mr. Iula moved to bring out A-73 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

**Temp. Ord. A-74**

An ordinance providing for the issuance and sale of Bonds in the maximum principal amount of \$5,700,000 to advance refund certain of the City's outstanding Recreation Improvement Bonds, Series 2004, which were issued for the purpose of paying a portion of the costs of constructing and equipping a community recreation center, and acquiring real estate and interests in real estate therefor; authorizing execution and delivery of a Bond Registrar Agreement and Bond Purchase Agreement with respect to the Refunding Bonds and an Escrow Agreement with respect to the refunding of the Outstanding Bonds, and related matters; and declaring an emergency.

Mr. Brodzinski stated these bonds were issued in 2004 when the Natatorium notes were converted into bonds. There is an opportunity to refinance those bonds. The finance payment will still be until 2024 but the opportunity will provide a savings of \$500,000 over the life of the bonds under net present value. It is similar to refinancing a home at a lower interest rate.

Mr. Walters moved to bring out A-74 with a favorable recommendation, second by Mr. Iula. Motion passed (3-0).

**Temp. Ord. A-75**

An ordinance providing for the issuance and sale of notes in the maximum principal amount of \$3,100,000, in anticipation of the issuance of bonds, for the purpose of paying costs of widening State Road from Graham Road to Quick Road by constructing and installing sidewalks, bike lanes, curbs, storm water management improvements, signalization and street lighting and other improvements, and declaring an emergency.

Mr. Brodzinski stated that this year, the City anticipates borrowing \$2,265,000 for this project. It consists of notes previously issued in 2010, the balance of which is now \$300,000. They are requesting the additional amount as a result of not getting the grants the City applied for. ODOT will be looking for payment in October so this cannot wait until December. The City will be paying off the \$300,000 and will borrow a new piece in the amount of \$3,100,000. He will provide Council with the revised capital projects. The total cost of the project is estimated at \$9 million, with \$5.9 million coming from the State and \$3.1 million coming from the City. Mrs. Colavecchio asked about the reason for the increase. Mr. Brodzinski stated it was due to not receiving a grant the City applied for. The reason for the wording of "maximum principal amount of \$3.1 million" is because the City still has another grant request pending for \$1,135,000. If the City is successful in getting that grant, it will borrow \$1,135,000 less. If the grant comes in later in the year, they will address it at that point. Mr. Demasi is checking on it.

Mr. Iula moved to bring out A-75 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

**Temp. Ord. A-76**

An ordinance providing for supplemental appropriations of money for transfer to the compensated absences fund from the various funds hereinafter set forth, and declaring an emergency.

Mr. Brodzinski stated this is due to an anomaly that occurs when payroll is bi-weekly. Every 11 or 12 years, there will be a 27<sup>th</sup> pay. That should be occurring in 2016 when the first pay is on January 1. However, since that is a holiday, the payment will actually be issued on December 31, 2015. This will only affect full-time employees and some part-timers. They are anticipating what the approximate pay is in various departments for various funds. They will take one-third of that amount and will incorporate a second third next year and the third one in 2014. Then, when 2015 comes, the Administration will ask to transfer the monies back into the accounts. Mrs. Colavecchio asked if there will be another ordinance for the remaining two-thirds. Mr. Brodzinski stated they will just roll it into the annual ordinance. Mrs. Pyke asked if this fund already existed. Mr. Brodzinski indicated it did. It is a fund they use for paying sick leave and vacation cash outs.

Mr. Walters moved to bring out A-76 with a favorable recommendation, second by Mr. Iula. Motion passed (3-0).

**Temp. Ord. A-77**

An ordinance authorizing the Director of Public Service to enter into a third modification of Contract No. 6347 with URS Corporation, for professional design engineering services related to improvements to State Road from Graham Road to Steels Corners Road, and declaring an emergency.

Mr. Demasi stated they completed the plans for the State Road widening project. This modification was needed for plan updates due to right-of-way negotiations. Minor revisions were requested by some parcel owners. Also, the City redesigned the northeast corner of State Road and Bath Road to accommodate that owner. All right-of-way negotiations are completed and were certified on June 1. The City settled with all but nine, which are in appropriation. ODOT is now working with utility companies to relocate their utilities

and plans to bid the project in November. Construction can then begin in December or January. Mrs. Colavecchio stated she received an email from a constituent questioning the reasoning behind putting a bike and hike trail in the road. It was discussed during the charettes that they be constructed on the west side of the road so it would tie into the existing trail. Mr. Demasi stated this project is for bike lanes and pedestrian sidewalks. That is different from a bike and hike trail.

Mr. Iula moved to bring out A-77 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

### **Temp. Ord. A-78**

An ordinance authorizing the Director of Public Service to enter into a contract or contracts, according to law, for overhead line clearance services including tree maintenance, tree and brush removal services, and mowing, for a period not to exceed two years, and declaring an emergency.

Mike Dougherty stated this is for the regular tree trimming contract that is negotiated every two years. It is necessary for the reliability of the system to keep trees away from power lines. Bid requests were mailed to six companies and three or four companies also picked up packets. Asplundh was the only bidder so it won the bid. The City has worked with them for 20 years. Asplundh has not increased its prices in the last two contracts. The costs are increasing in this contract by 5.6%. The current contract ends on October 31. The cost falls under the Electric Department. Mrs. Colavecchio asked if it covered trees that died. Mrs. Carr stated those trees are handled under a different contract by the Street Department. Mrs. Colavecchio commented that a 5.6% increase is not bad since there have been no increases in the last two contracts. Mr. Walters asked if any follow-up was done or back-up documentation requested to make sure the number of man hours submitted were accurate. Mr. Dougherty stated there is a schedule on where Asplundh is expected to trim. The Operations Superintendent keeps tabs on where they are and what they are doing. They submit man hours in a monthly billing. They are also trying to do a three-year trim. Mr. Rubino asked if the 5.6% increase was competitive since Asplundh was the only bidder. Mr. Dougherty felt that it was and added that Asplundh's current bid was lower than the second lowest bid submitted two years ago. Mrs. Pyke asked if there was any type of emergency contingency if there is a storm. Mr. Dougherty stated they call the company out when there is a storm but pointed out that his department is limited by the annual budget. Mrs. Pyke asked what she should tell people who are irate about the way the trees are trimmed. Mr. Dougherty stated it would first need to be determined it was done by the City. There have been instances when another tree company went through and just cut trees. Also, other utilities do trimming. If the work is done by Asplundh, the residents should contact the Electric Dept. Mrs. Carr stated the City has used this company for quite a few years. For the last 15 years, the City has received a tree line award that recognizes utilities for trimming properly. She pointed out, however, that what the City defines as proper and what the resident defines as proper is different. A v-cut is the proper way to do it. In the state of Ohio, only the City and FirstEnergy received the award. She is aware that residents do not always like what the City is doing. She stated that Council should refer any complaints to her office. Mr. Dougherty added that Asplundh also has an arborist on staff to make sure the cutting is done properly. Mrs. Pyke asked how it was determined that the yard in which the trimming is being done is the correct yard. Mr. Dougherty stated they do not enter upon people's properties. They stay in the right-of-way. If they have any need to go onto a property, they would get permission from the homeowner or property owner.

Mr. Walters moved to bring out A-78 with a favorable recommendation, second by Mr. Iula. Motion passed (3-0).

Mrs. Colavecchio stated she had brought up the news last week that the City received a Safer Grant to hire firefighters and that the Mayor was going to give an update this week. Mr. Brodzinski stated that, as of right now, Mr. Moledor was looking at the requirements and rules before formally accepting. It is

slated to hire four firefighters over a two-year period. The Mayor was still waiting for clarification through FEMA and Mr. Moledor before accepting. Mrs. Colavecchio asked if they are thinking that the City will accept the grant. Mr. Brodzinski stated that is correct. Mrs. Colavecchio asked what the timeframe was. Mr. Brodzinski stated it depends on the process, such as physical education testing and civil service testing.

The meeting adjourned at 7:25 p.m.