

Cuyahoga Falls City Council

Minutes of the Finance and Appropriations Committee Meeting

March 15, 2004

Members: Mr. Flinn, Chairman; Mr. Barnhart, Vice Chair; Mr. Gorbach, Member.

Mr. Flinn called the Finance Committee to order at 6:26 p.m. All members of Committee were present. The minutes from March 1, 2004 Finance and Appropriations Committee meeting were approved as submitted.

Legislation this evening (second readings): Mr. Flinn grouped the bonds issues and read together.

A-49	An Ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$10,000,000.00 for the purpose of paying a portion of the costs or constructing and equipping a Community Recreation Center, and acquiring real estate and interests in real estate therefore; authorizing execution and delivery of a bond registrar agreement and bond purchase agreement with respect to the bonds and related matters; and declaring an emergency
A-50	An Ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$6,935,000.00 to advance refund the city's outstanding various purpose bonds, series 1995 maturing on and after December 1, 2006, which were issued for the purpose of paying a portion of the costs of constructing a new parking deck and acquiring real estate necessary therefore, improving and rehabilitating the Municipal Building and constructing an addition to the Municipal Building for use by the Police Department, renovating the city's Brookledge Golf Course, expanding and improving the Municipal Natatorium and Recreation Facility, improving portions of the City's Street System by reconstructing pavement base, reconstructing intersections, constructing curbs and sidewalks and appurtenances thereto, as necessary, and improving the Bailey Road bridge, by resurfacing approaches and the deck and appurtenances thereto, as necessary, and related improvements, and improving the recreational facilities in the City by acquiring, renovating, equipping and otherwise improving an existing driving range located adjacent to the City's Brookledge Golf Course: authorizing the call for optional redemption of certain of those outstanding bonds; 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 advance refunding of the outstanding bonds, and related matter; and declaring an emergency.
A-60	An Ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$7,000,000.00 to advance refund the City's outstanding various purpose bonds, series 1997-1 maturing on and after December 1, 2008, which were issued for the purpose of paying apportion of the costs of improving the recreational facilities in the City by constructing the Water Works Family Aquatic Center; improving the municipal waterworks system in the high pressure water district and constructing sanitary sewer lines; authorizing the call for optional redemption of certain of those outstanding bonds; 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 advance refunding of the outstanding bonds, and related matters; and declaring an emergency.

Joe Brodzinski indicates these bond ordinances are for refinancing. The bond rating presentation in Chicago with Moody's indicates the city demonstrates we are credit worthy. The State of the City economy, debts outstanding, and general finances/management strategies are looked at by Moody's when determining this rating. On Dec 9, 2003 we issued notes mainly for the Natatorium, and now we wanted a mini rating with Moody's (MIG1) on our short-term financial notes. The three bonds issues debt is around 8- 8.1 million dollars. We will look at about 3.46% interest rate, which is phenomenal for this. When you factor in cost of issuance and cost of debt, you look at 3%. We are at 3.3% currently and if the rates change this week, we may not refinance this week. We have one shot within 10 years for a refinance. Since it is a 9.6% savings, this is a "no brainer" for us. On the two refinancing issues, we are looking at over \$920,000 in savings. Doug Flinn acknowledges the Moody Report is great news for the city.

The committee recommends bringing out Temp. Ord. A-49, Temp. Ord. A-50 and Temp. Ord. A-60.

A-51	An Ordinance authorizing the Director of Public Service to amend the contract with McCoy Associates to provide professional testing services for the storm water evaluation study in the City of Cuyahoga Falls, and declaring an emergency.
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Valerie Wax Carr, Service Director, indicates that McCoy and Associates is into the second phase of it's testing, and they have targeted some areas that need additional testing. This includes TV inspection of Sanitary Sewers, Smoke Testing, and Dye Testing. Currently, this is not representation of the whole city but it a sampling of analytical data with similar hook ups that will help us. Peter Bell indicates the initials tests will look at the sanitary sewers and our systems. It will take 20-30 days for testing. The residents have not been notified until City Council approves the additional testing and the costs. Valerie indicates we will work with the residents to educate them on the process of our infrastructure. McCoy did not retest anything that has been done in the last five years.

Mrs. Hummel wonders if this will only test the city facilities or if it will assess the resident's lines as well. Mr. Bell indicates that both situations will be assessed where needed. Mrs. Klinger questions how we are being billed. Peter indicates the charges are based on linear foot of the tests. Mary Ellen Pyke questions how the basement drains are being tested and how they can smoke causing alarm to residents. The camera work is being subcontracted out through another vendor, but McCoy is there during testing.

Mr. Gorbach questions if the different tests have different linear foot costs, i.e. TV Test, Smoke, & Dye. Mr. Bell confirms that each test does have a different cost and acknowledges that we may need access or cooperation with residents during this testing. Mr. Bell states that some of the problems may be with the residents and their hook up. We will handle this delicately and educate the residents. Mr. Walters wonders if these tests will provide a whole city report. Valerie indicates this should give us a whole city report.

Mr. Flinn would like to cap Line 22 to state, "not to exceed \$63,000".

The committee recommends bringing out Temp. Ord. A-51

A-52	An Ordinance authorizing the Parks and Recreation Board to enter into a contract or contracts, according to law, for construction of a restroom facility near the water Works Ball Field Complex, and declaring an emergency.
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Dick Pierson indicates that this is the fifth year of construction and we have filled the fields & put up fences and have secured five bids for restroom installation. Upon completion, the soccer program will be opened up for this. The fields will be open for the High School Softball program next year. This doesn't include concession stands but does include electric installation. Mr. Pierson indicates that we lost a year due to "turving" that vandalized the fields last year. The summer storms didn't affect the fields too badly. Doug requests a cap at \$125,000 on this Ordinance.

The committee recommends bringing out Temp. Ord. A-52

A-53	An Ordinance authorizing the Park and Recreation Board to enter into a contract or contracts, according to law, for the purchase of chemicals for Water Works Family Aquatic Center, and declaring an emergency.
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Mr. Pierson indicates this is the annual purchase of Pulsar Chlorine for wading pools and at better price than last year. It is mandated by State Law to maintain these types of pools.

The committee recommends bringing out Temp. Ord. A-53

Finance and Appropriations Committee Meeting adjourned at 7:52 p.m.