

**CITY OF INDEPENDENCE
FINANCE COMMITTEE MEETING
MINUTES
SEPTEMBER 16, 2008 4:30 P.M.
COUNCIL CONFERENCE ROOM**

Present: Chairman Jim Crooks
Councilman Dave Grendel
Vice Mayor Jim Riley (left at 5:29 p.m.)

Also Present: Mayor Gregory Kurtz
Councilman Dave Grendel
Councilman Tom Narduzzi
Councilman Jim Piteo
Engineering Coordinator Don Ramm (arrived at 4:35 p.m.)
Finance Director John Veres
Purchasing Coordinator Bob Williams
Loren Guell

Chairman Crooks called the meeting to order at 4:31 p.m.

Chairman Crooks stated we have three items on the agenda for the Finance Committee meeting today. They are discussion of the Five Year Capital Improvement Plan update, discussion regarding John Kerezy and other various program and business development projects, and the gas well.

Chairman Crooks stated that last week at the Regular Council meeting, prior to Councilman Grendel arriving at Caucus, I talked about the framework we had come up with for putting together this Five Year Capital Improvement Plan. Mayor Kurtz, prior to the framework even being put together, began discussing it with the department heads.

Chairman Crooks stated I have had a couple conversations with the Finance Director and the Mayor regarding this plan. Council policy requires that we have this completed by October 31st, and, here it is, mid-September, so we need to get moving on this, and we have begun.

Chairman Crooks stated I have had conversations with the Finance Director to get this off the ground. He presented a one-page document, saying it is a framework for the Plan. It shows where we are at today and where we need to be on October 31st, and a summary of things that need to be done between now and then to accomplish it. I hope we can discuss this template. The idea is not to debate the figures today, there is going to be time for that, it is just to put the template in place--planning the plan, so to speak.

Chairman Crooks said I will go through this document and then have the Finance Director give an update because I know he has been working on this, as well. He passed out the document. Chairman Crooks said the first item on the document is the Finance Committee date, that is today. It was my intention to go over this game plan and the anticipated goal date for completion, which is October 31st, and that gives us roughly six and one half weeks to get this done.

Chairman Crooks said, from my perspective, there are a couple components that need to be addressed in planning this Five Year Capital Improvement Plan. The first one, which the Mayor had already begun movement on, and John has, in his role as Finance Director, is departmental projects and equipment. John sent a memo in the packets on Friday. I'm sure we all had a chance to see it. John, I'm going to ask you for an update on everything, in general, further on, but can you briefly explain what you gave to us in the packets on Friday.

Finance Director Veres stated that was a compilation of what I received from the department heads through Thursday of last week. Since then, I have received additional information that I have included in my binder and will update Council and the Mayor. At the next Staff Meeting, we are going to concentrate on capital, because this morning's Staff Meeting was concentrated on the emergency response to the weather over the weekend (extensive/long power outages from the high winds of hurricane Ike.) I will add to the spreadsheets and pass them out on Friday so they have something to look at in preparation for next Tuesday.

Mayor Kurtz said we are trying to get as much information and to guide the department heads as much as possible so they can think beyond their normal paradigm. Whether it be facilities, equipment, or personnel—long-term.

Finance Director Veres said, as they are giving me information, we can take it to the infrastructure or public building and lands spreadsheets, as opposed to their departmental capital spreadsheet.

Mayor Kurtz said I want the department heads to give deep thought to planning and ideas so that we don't miss something. We can always plug in numbers and reframe it once we have it, but if we don't have the right information going in, we are going to miss something. I have tried to change their thought process so that we can begin to think a different way, out of the box, rather than say this is the way we have always done it. That is why you will see this work in progress always changing.

Finance Director Veres said, it's acting as a sponge, right now, collecting all the information.

Mayor Kurtz said, if it is not in the right spot, or if it is not complete, it is because we are just trying to make sure we don't miss anything. A good example would be the Recreation Department. Their original paradigm was to think in terms of these finite resources and assets in Elmwood. I told him, you have to think Hemlock. We have 130 acres, and you have to think of that asset, and how we are going to look at that asset in the next five years, but also in the next ten, twenty and thirty years. Now, they will focus on that, and they will come back, and we will

think of something else. So that they are always thinking in areas outside their normal areas of responsibility. That is just one example.

Chairman Crooks said I wholeheartedly agree, and I understand that we have made this commitment to plan.

Councilman Grendel said we discussed a major renovation of the baseball area at the school, the field is not really in good condition, but that is not City property.

Mayor Kurtz said that is one of those areas, the entire school area. For example, today it was brought up about the bus garage and the administration offices for the schools. I, personally, don't think they should be there. I believe that there is a better venue for them, whether it is on school property or City property, and whether we expand the service garage and convert that to a bus garage. Who knows, but we are trying to pull ideas together, and nobody is excluded from the process.

Councilman Grendel asked if the school administration property is owned by the schools or the Federal government.

Mayor Kurtz said it is completely owned by the schools.

Councilman Grendel said when you think about municipal use, the City can think about what the City can do with that property in conjunction with the school.

Mayor Kurtz said that is exactly the thought process we want to promote in every employee, right now. John has the tedious task of taking information, and being given more information to put the spreadsheets together. Several comments were made that the information is constantly changing.

Councilman Grendel said we would need to get information from the school concerning their assets, etc.

Vice Mayor Riley said one of the things is land acquisition, we could plan for five years and not have it there, but, next year, if Luvison wants to sell some property, that could change everything.

Mayor Kurtz said we need to have some of the options spelled out to be a concrete plan, but then plans for Hemlock Hills may not be in the picture for five years, but we know it is an asset. Interaction with the schools may not take place in five years, but, at least, we know it is an opportunity that we have to potentially manage.

Vice Mayor Riley asked where does the Technology Center property end and the City's property start, in regard to the new parking lot they are putting in.

Mayor Kurtz said there is a 10-acre piece behind that which the City looked at purchasing in concert with providing an access road by Selig and coming around and out by Concordia, then

coming out at Stone Road or onto the property adjacent to the old city hall. That is one of the dynamics. He said we could spend the entire meeting playing “what if.”

Chairman Crooks said that is something we need to do at some point.

Mayor Kurtz said we should do that.

Chairman Crooks said we will get to it, it’s on the list. Moving along, departmental projects and equipment is the first aspect of the Five Year Capital Improvement Plan, and infrastructure projects is the second component.

Chairman Crooks said, Mayor, I know you are integrally involved in all of these processes, and Council has expressed an interest to want to play a role. Under infrastructure projects, we will try to separate these out—streets, new and current; sidewalks, new and current; storm water projects; utility projects; and streetlight and intersection projects. Does that comprise a full plate when it comes to infrastructure, and can we put a dollar amount next to each one of them?

Mayor Kurtz said you will have a composite of all the streets, and the condition of all the streets. Then, prioritization, in terms of repair or replacement. The sheets we have today will be updated by Don Ramm with the amount to replace and estimated cost, so we will have an idea of the millions of dollars in infrastructure that need to be planned out.

Councilman Grendel said I believe Brecksville has a map of all their streets, and it is color coded as to which ones are in dire need, and ones that are intermediate—five or ten years out, and ones that are brand new.

Mayor Kurtz said Don has assured us that is going to be on software, where each street is going to be identified with color and cost associated with it based on the condition.

Don Ramm said we have a survey from 2007 that we could use as a base for the condition of all the streets. It was in spreadsheet format, but, certainly, is something you can apply to a map.

Vice Mayor Riley stated he plans on calling a Streets and Sidewalks Committee meeting for that purpose. However, when things like Pleasant Valley come up, we have no control over County projects coming up. Whether it is on our Five Year Capital Improvement Plan, or not, we have to do it.

Finance Director said Don Ramm said our exposure there is \$195,000.

Don Ramm said right, from the westerly segment of Broadview to Route 21.

Chairman Crooks said any good plan has the room for flexibility when something like that comes up. Is there another situation like that which could come up?

Mayor Kurtz said Hillside Road. When you have all your capital items in place, there is always an unanticipated circumstance. It could be a challenge, emergency, or it could be a project

partially funded by other entities. You have to have that line item in there because the dynamics are always changing.

Chairman Crooks said there are also some utilities and storm water issues. He asked Councilman Piteo about that.

Councilman Piteo said I think there should be a combined meeting because some of the items I have seen on lists actually entail tearing up a street, etc. Also, because Vice Mayor Riley could look at the projects to see if there is something we can take off that list because down the road payment will be made by another entity.

Vice Mayor Riley said we have had street projects in the past, where we have had the water department do the sewers so that we don't end up putting in new asphalt and then a year later having to tear it up.

Chairman Crooks said it would be a good idea to have a joint committee meeting.

Chairman Crooks said that is what we envision for infrastructure. Next is number three, City owned facilities and assets. We have touched on that already. If we are going to plan for five-year capital, we can't exclude the buildings.

Mayor Kurtz asked department heads to also indicate that in their reports. All the existing facilities that one or more departments manage or control should be part of that. What you are going to see, for example, is the Civic Center. You are going to get different perspectives based on different needs. Community Services will tell you they need certain improvements, Recreation will say they need certain improvements. So, obviously, there will be some gray area when it comes to areas that are not mutually exclusive.

Chairman Crooks said even though there are multiple departments using a facility, they might have different numbers, the facility line item is separate from the departmental equipment and projects. Is that correct?

Mayor Kurtz said I explained to the department heads that the more information you can gather, and the more input there is, the easier it will be to get something approved, especially if Council is weighing in. Ultimately, they have the authority when it comes to a capital improvement project, or a long-term strategic plan. They are the ones that have to approve the funds.

Vice Mayor Riley said with the City owned facilities being assets, we not only have to decide on what improvements to make, but also what we may want to dispose of. Such as the pre-school property, the old middle school and the property across from the old middle school. The body shop was also mentioned.

Chairman Crooks stated, we have mentioned an opportunity for Council to get together and go through all these things, and get involved from a Council perspective. Everyone has an opportunity to weigh in, but the Chairman of Public Lands and Buildings Committee can help in the process of moving it forward.

Councilman Narduzzi indicated he would like to see a map of all the property owned by the City.

Finance Director Veres stated he has a list, not a map.

Mayor Kurtz said Don Ramm could put a map together based on a list that contains the City's resources and color code it to show government facilities, schools, national park, etc., and we could present that for discussion.

Chairman Crooks stated, the fourth component is land acquisition, and we need an assessment of what property the City currently owns.

Mayor Kurtz said we could also put together a list of potential acquisitions. Each of us may have ideas, and those potential acquisitions could be identified with slash lines, not colored. For example, the property next to the cemetery is one piece that is important, and areas around Downtown. There are a dozen of different areas.

Councilman Narduzzi questioned if we want to publicize that.

Mayor Kurtz said you run the risk, in publicizing that list, of raising the value disproportionate to its true value. When we put the list together we could have an executive session. When Don Ramm puts the list together, I will go over it with Don as to potential opportunities.

Chairman Crooks said this can work in concert with what Jeff Markley is doing by way of assessing the parcels of five acres or greater privately owned residential property.

Chairman Crooks said the fifth element is debt reduction. He asked the Mayor and Finance Director to weigh in as far as whether debt reduction is a formal part of a Five Year Capital Improvement Plan, and is regularizing a debt reduction policy something we should discuss.

Mayor Kurtz said there is a formal process we go through, and there is an informal process. You do bans as a form of funding. You can reduce those, that is a councilmanic recommendation of the Finance Director. The philosophy was to get bans, reduce them every year and get new ones for new different projects. That is a very important component. Not only the amount, but how much we reduce and in what areas. Some of it is formalized, some of it is more flexible, and that depends on balancing that with infrastructure improvements. It is a very critical and important point to make part of this.

Chairman Crooks said this summarizes the thoughts that we have talked about to date. If we were to look at a final Five Year Capital Improvement Plan what would the components be? I think it includes these five and, hopefully, when we are all said and done with this process we will have check marks next to each one of these.

Chairman Crooks said I will open this to the Committee, members of Council and the Mayor. What are we missing when it comes to the components, or is this our charge for the next six and one-half weeks? If it is, then I know we need to continue down this path.

Councilman Grendel said the only thing, which is more of an administrative matter, is payroll, manpower, personnel.

Mayor Kurtz agreed, and said that still affects the budget process. There are two other components you made me think about now. Consultants and/or in house. We may have more employees, but we may have just shifted from a consultant to an employee, in order to get better information.

Finance Director Veres said you don't want this five-year plan to become our overall budget. Others agreed.

Vice Mayor Riley said I think you need to consider, for example, what is going on in the engineering department. First of all, that would fit under City-owned buildings, because you are going to add space there, but if you are going to say I need two more guys to work with Don, and a secretary or an assistant, that's three people. You need to keep that in your mind, as to where that is going.

Mayor Kurtz said that could be construed as a personnel budget increase.

Vice Mayor Riley added, but a decrease in cost.

Mayor Kurtz said that is not a key component of a capital plan.

Councilman Piteo said I thought one or two workers were going to be needed for the maintenance program with the new sewer truck. Is that something we should be thinking about?

Mayor Kurtz said that would be something for the budgetary process that we go through every year.

Councilman Grendel said we have been fortunate that the income has been growing every year, but if, down the road, income is leveling off or going down, that may affect this capital plan. Also, it could mean keeping the employees we have or cutting back. Council should be kept informed so they have a working knowledge of what is happening.

Vice Mayor Riley said with the new sewer truck, we are taking away from a vendor that we spent a lot of money on and we will be doing more in house.

Mayor Kurtz said there are certain aspects of the maintenance contracts you can't replace completely because we don't have all the specialized tools.

Mayor Kurtz said once we are done with all of this, maybe not even this year, but at some point we ought to go through an emergency exercise, budget-wise. If things turned, and we lost our biggest income tax payer, what would happen.

Councilman Grendel said I would also like to track with the engineering department, as we grow more in house, some figures so that we can show that we are spending more on in house

engineering but payments to the consultants we have had for years have been decreasing, too. He would like to see it in quantitative numbers.

Mayor Kurtz said the only variable thing is the amount you do.

Councilman Piteo said I would like to see that with a couple other things, as well, such as the sewer truck, maintenance crew, etc., to see if we are actually being cost effective.

Chairman Crooks said this reminds me of the conversation we had when we agreed to create the Financial Analyst position. This would be a great job responsibility for that person.

Finance Director Veres said I don't think a complete debt reduction policy should be part of the Five Year Capital Improvement Plan, but we should have a column to indicate how we propose to pay for the capital improvements, whether it be current revenues from that year or borrowed money. I don't think you want to mix the two.

Vice Mayor Riley asked what our current debt is.

Finance Director Veres said it should be about \$36 million. There are different components of the debt, and we structure them accordingly. The debt that is tied to the TIP areas, to long-term assets of the City, and to a TIP program that is going to pay you back over thirty years, principal and interest. You don't want to borrow short-term, so those aren't going to be paid off for 25 years. We borrow at 20 to 25 years.

Several people talking at once.

Finance Director Veres stated our annual bond debt issue, in principal and interest, is about \$2.5 million, that is what we pay every year.

Mayor Kurtz said there is a little bit more in interest than in principal.

Finance Director Veres said, right now, yes. The Rockside Road principal and interest adds up to about \$1 million, and last year we collected \$700,000, or so, in TIP revenue. More than 70% of that debt is already being paid down with additional revenue. If that grows and increases over the million dollars, then we start paying ourselves back with that extra money and then there is money available for other needs. That \$1 million annual debt is not going to change unless you borrow more money.

Mayor Kurtz asked when do you see that hitting \$1 million.

Finance Director said once the CAVS get on board, that's another \$100,000 to \$115,000.

Mayor Kurtz asked if that would be in three years.

Finance Director Veres said the schools were questioning that the value didn't increase from one year to the next even though they are up and running already. I would say next year they will be fully assessed.

Chairman Crooks said I want Council to have an answer to Vice Mayor Riley's question and I hope that this is the beginning of a way to answer it. What is the plan for paying down the debt? The Finance Director may have a plan, the Mayor may have a plan, and he wants Council to have a venue to weigh in on that. I want to do that in an upcoming workshop, possibly in October, whether it is a Finance Committee meeting, or a Council Workshop as a whole. Regardless of whether it is part of a five-year plan, the debt reduction has to be part of a five-year plan.

Finance Director Veres said if you say you are borrowing for all the capital items, then I'm not going to recommend that you borrow for everything, because then you are increasing your debt. So, it is a part of it, but a debt policy is a separate matter.

Councilman Narduzzi said I think all he is looking for is a five-year plan on how we are going to pay that debt back.

Discussion regarding debt reduction ensued.

Chairman Crooks said this is a topic that could be an agenda item in and of itself, and we could do that in the next six weeks, if we have to, and we will, because I want to and we will make sure that is on a Finance Committee agenda.

Chairman Crooks said the last thing I want to talk about concerning the five-year plan is the timetable. We have six full weeks to move forward on this. We have a Council Workshop scheduled, but we are supposed to talk about results from the senior housing surveys. That is the only thing on the agenda, but I'm going to ask that we add one more thing to that agenda, and it is that Council will have the opportunity to weigh in on all these things and have that one-hour brainstorming session. If Council and the Mayor do not object, my sense is let's get Council's input from the outset. The Finance Director is already knee-deep into this, and let's let him continue to work through this meeting with department heads, and so forth. Then it gives Council a good five weeks to have their own respective committee meetings. I would prefer to get everybody's input, as a whole, upfront, and I would suggest we do it next week at a workshop and run through everything so we have a chance to play what if.

Finance Director Veres said I plan to give an update on a weekly basis, and I will give the Committee the updated version of the spreadsheets.

Councilman Narduzzi asked if they would be opposed to having a committee day, and pick a Friday from 11 a.m. to 5 p.m. involving all the committees and bring all the department heads in for an hour or two, just like you do for budgeting for Finance. If everybody is here, you can take care of a lot of stuff in one day.

Mayor Kurtz said through this process you will be able to answer 90% of the questions, and, hopefully, I can answer the other 10%, but that's not a problem.

Chairman Crooks said that idea has gained some traction. Let's do it in the next six and one-half weeks. Let's have that Council Workshop next week and see what we might need to do. If there are a lot of questions, then maybe we will do that.

Chairman Crooks asked if anyone else has any updates on this. There was no reply.

Chairman Crooks stated, for the record, John, I know your office has been real busy because of the CAFR and this five-year plan. Thank you.

Chairman Crooks said, next on the agenda is John Kerezy to continue various public relations projects.

Mayor Kurtz said I want to clarify something. John Kerezy has been used as support and preparation for the various aspects of our community newsletter. Everyone has seen the difference in terms of the name, in terms of how we deliver information. The goal has been to continually improve and provide good information to our residents. John Kerezy supports all of our programs and all of our departments in that process. The newsletter is our primary information provider. When we put this together, it was to have someone help the departments and help the programs that we support through our departments. He provided some support through the newsletter process.

Mayor Kurtz said I want to do two things. One is to clarify that the cost associated with that is going to be increased because we are providing that support through that vehicle. The second is that I want to make sure that if Council doesn't have any problems with that, or concerns or issues, that I can be flexible enough to move in another direction. It is working well. Now, when we put a program in the newsletter, we try to educate the people so that they can participate or understand what we are trying to accomplish with that program. In the past it was, here is a program.

Mayor Kurtz said what we are trying to do with John Kerezy is to get information out to the people, and get information back from the people, so that it is dynamic in terms of how that operates. It used to be just collect information, throw it into the newsletter and go. Now, if a department or a program needs to be upgraded, or we need to get clarification, or we see an opportunity to announce that program better, or to get better participation in that program, we use that component of our newsletter contract.

Mayor Kurtz said I think what brought this to light was the 25 & Alive program, which is featured in our newsletter and is a component of that. It wasn't clear if we were still within that framework of the newsletter or if we were going beyond the newsletter and going into a development beyond the scope of the newsletter. That is why we brought it up.

Vice Mayor Riley stated he has no problem, if you have somebody helping you out as far as the PR and getting more information.

Mayor Kurtz said the whole goal, and I think you have seen it, is to overhaul every aspect of that newsletter, slowly but surely. It is meant to be more user friendly to our residents. Whether it is a recreation program, Civic Center, Fieldhouse or combination school program, we are trying to have another set of eyes look at it from a professional standpoint, rather than depending on just the department head to give information. We are not just here to throw out information, we are here to try to inform people so they can provide feedback and participate in those programs, whatever they are.

Mayor Kurtz said I just want to make sure I clarified that. Offering our ability to upgrade how we present information and how we get feedback for information was one of the key components as to why we picked this group to do the newsletter. One, we know it has been successful so far, and we are happy with it, but I think the Law Director also wants to make it clear that Council is informed as to how we are doing this so that there is no misunderstanding.

Vice Mayor Riley stated, it is my understanding that John Kerezy was part of this package with the newsletter.

Mayor Kurtz stated there is a line item component in the newsletter that says that, but I just want to make sure that everybody knows when you see a new newsletter unfold, you are also seeing a different way to present information. That is where it takes on a whole different dimension. We are trying to upgrade each program. John Kerezy participates in the development of 25 & Alive through an interaction between 25 & Alive, the schools and the Court. We have asked him to do that, but I want to make sure everybody is on board and understands what we are doing.

Finance Director Veres said, from a legal standpoint, you have talked with Law Director O'Brien, do we need professional services?

Mayor Kurtz said Law Director O'Brien is going to get back to me on that. In other words, the question is how clear were we in the process to make sure that we are still following the rules.

Councilman Grendel said, in the past, did we have a different contract?

Finance Director Veres said we had a PR contract.

Mayor Kurtz said we don't have that right now with anyone, but we still have that line item in our newsletter contract, a development line item, which was the major cost component of the newsletter. That is his expertise, whoever it was before, now, or in the future. What we are doing now, is we are actually overhauling each component of the newsletter. There are two things, additional cost and Law Director O'Brien said to talk about it at the Finance Committee meeting to get clarification so if, in fact, there still are concerns, we will introduce another piece of legislation.

Vice Mayor Riley stated we used to have the newsletter contract and then a separate contract for the PR.

Mayor Kurtz said Ron White has expressed an interest in doing some more publications for our business community, like we have in the past—the Advantage, the Restaurant Guide, etc. So, obviously, we are going to need some support on that. We need to know that there is a budget item that was put in place that is going to have to be modified. I don't want to just take the liberty without Council supporting that to move forward just because of the cost item.

Finance Director Veres asked, wasn't there the other component, that would authorize the Mayor to enter into a contract through a resolution because it is over \$7,500?

Vice Mayor Riley asked, do you need us to do anything today?

Councilman Grendel said, I think we should be consistent.

Mayor Kurtz said it is professional services and I'm not sure how the Law Director wants to do it. The first question the Law Director had was does Council support the concept of what you are doing. So I said I'll put it on the Finance Committee's agenda. We have this situation with 25 & Alive, and I said we should put it on the agenda, have a discussion, and make sure there is no misunderstanding of how we are using this contract, and if we need clarification or if someone is not comfortable, we can always come back and modify.

Vice Mayor Riley said, like Councilman Grendel said, we should be consistent with what was done in the past. Craig Johnson's firm did the newsletter, but then he also did the Restaurant Guide, etc. Yes, if you want to have what's best, I have no problem with that.

Councilman Grendel said we can adjust the budget as you see fit.

Mayor Kurtz asked Finance Director Veres, is there a preference as to how you want to do it?

Finance Director Veres said no, like Councilmen Riley and Grendel said, you have to have a separate resolution for PR/other enhancements.

Chairman Crooks said I want to give Councilman Narduzzi and Councilman Piteo a chance to weigh in. They are not on the Committee, but are on Council. I know it has been done that way in the past. Obviously, I am in the communications business, so I understand the importance of unifying one single person in the communications effort. If you have multiple people doing it, then the message and what you are trying to do gets diluted. He indicated a one-point person is best. It seems like John Kerezy is helping us out with the seniors.

Chairman Crooks stated, I have two questions, and I think you have answered the first one, in part. You said there are various public relations projects, one is 25 & Alive. If we do get some sort of a line item or an amount, would there be some project attached to that dollar amount? Secondly, what would that contract be?

Mayor Kurtz said, let me give you an example, looking down the road. Two things, there is an economic development situation and Ron White needs some tools to be able to go out and market for new opportunities. The preliminary feedback we are getting from the senior survey,

is this in house program development—no place like home, or call it what you want to call it—is going to get traction. It needs to be developed, unfolded, presented and it's going to take manpower and people a lot smarter than me to help coordinate all of that. Business development or product development would be a component, and a way, through the administration and through Council, if you want to hire John Kerezy for product or business development, as a line item, I have no problem with that. I think that may help us. All I want to be is legal, everybody wants to do what is right. We know what we have to get done, I just want to make sure I have the tools to do it.

Chairman Crooks asked Councilmen Narduzzi and Piteo if they have anything, and are they comfortable with it.

Councilman Narduzzi said I am comfortable with PR, and I understand the necessity to funnel it to one person, so that nothing gets blown out of proportion. Basically, what you want to do is add to John Kerezy's job description and his benefits.

Mayor Kurtz said it gives us flexibility in terms of business development, we need to have tools in the toolbox to be able to say we can develop a piece of literature earmarked for our office building group. Or we are looking at scheduling a venue with a group of businesses, an economic roundtable, and then having the real estate brokers in this area because they feed us. So we need to have the tools to help assist us in bringing in new customers to fill our vacant spots.

Councilman Narduzzi asked if each of these would have their own price tag.

Mayor Kurtz said it's almost like a time and materials job, where we are working on one thing today, then tomorrow we are working something else. You are limited by a number, but it is piece meal, like time and materials, as much as anything.

Ron White said what I have worked on so far with John Kerezy and Tom Day has been an electronic format so I can cut and paste, and put on something to make it individualized for whoever I'm going to, whether it is a marketing group or an individual. I'm going to have that, with our statistics on the back of it. On the front of it, I can craft it.

Mayor Kurtz said, exactly. We mentioned earlier in the year that instead of talking about all the facts to the people, we would just put a fact sheet together. We will tell them how much garbage we pick up, how many people we have employed, a fact sheet about the community. We are going to put that together for our newsletter. Again, they help us develop it, our people feed information, they use an expertise to put it all together, they print it out, put it in the newsletter and it's done. Normally, it would be under this contract, a normal exposure to this contract that we have been comfortable with now.

Councilman Grendel said I'd like to do what we did in the past. A resolution for a contractor with a set number. This way we have the flexibility, if you need to come back, for whatever reason, and we trust that you are going to use it the best way possible. In the past, Ron showed us how much each publication would cost.

Vice Mayor Riley said because you are using John, our newsletter cost is pretty high. If you break it down, you can see where the costs are.

Mayor Kurtz said if we do a business development, product development contract the same way, would you be comfortable with that? The replies were yes. Is anyone uncomfortable with that procedure?

Councilman Piteo said not at all, I'm in sales, I understand exactly what you need to sell a product.

Mayor Kurtz said to the Chairman, if you want to do this through a Committee vote, we might even be able to have something together for the Workshop.

Councilman Piteo said, will get updates on it, will we see products?

Ron White said in the development phase we can share with you what we are working on.

Mayor Kurtz said in your update, Ron, you will have line items in there as to a symposium, business roundtable, etc.

Ron White said I will provide that through the administrative updates. I can share that with Council as we move along in this development.

Mayor Kurtz said what we normally do is when we have a final product, and we ship it out, you each would get one in the newsletter.

Moved by Riley, seconded by Grendel, to authorize the Law Department to draft legislation to authorize obtaining marketing/business development professional services. Voice vote 3 yes/0 no.

Mayor Kurtz said the Law Department can put that together, fill in the blank as to who it is to and, hopefully, it will be in your packet and if Council is comfortable with it, they can deal with it next Tuesday.

Ron White said, in the past, with the previous vendor we had established to use for development of these kinds of things, they were named. I found that to be a difficulty, because if we ran across a specialty that we needed or wanted to do, that budget would not be allowed to be used for another vendor, it was just for that vendor.

Discussion ensued as to whether to tie a name to that legislation. Ron White said with Qwestcom we may not have a problem because they have a pretty broad range.

Chairman Crooks stated the last item on the agenda is gas well.

Mayor Kurtz said the City has been approached for use of our municipal properties for a gas well in the area of the Square and Stone Road. The physical location of the gas well would be on

Kyle Scharton's property with access off Stone Road. The City's property would make up the 20 acres. We would get our pro-rata share of revenue from that well. I want you to think about that because I have to give a response back. If we are going to do something, we have to do it legally. It is through Bass Energy, the same vendor that we used on the wells with the school. They have acquired enough signatures now to proceed forward, with or without the City, but, obviously, they would like to do it with the City.

Councilman Grendel asked if they will need the City's property for anything, such as ingress and egress.

Mayor Kurtz said no, they won't. They won't need the Square area. There is also the possibility of doing another one using the old middle school property. That well head would be somewhere between Marotta's property and the City's property, either back by the water tower on Marotta's property, or on the City's property at the edge of the football field.

Chairman Crooks asked if the gas well would go on Scharton's property.

Mayor Kurtz said yes, the physical location.

Councilman Narduzzi said some by the old middle school are hesitant, if they put a well in.

Mayor Kurtz said that is why it may go on Marotta's property and the City would still participate.

Chairman Crooks asked if the residents on Stone Road know about it.

Mayor Kurtz said a lot of them signed, and are part of it.

Vice Mayor Riley said he has to leave, but names are needed for the Senior Advisory Council by next Tuesday.

Mayor Kurtz asked if there are any problems with the gas well. The reply was no.

Mayor Kurtz, directed to Ron, said we will put together for Friday's packet a summary of the proposal and then we can discuss it next week.

Councilman Piteo said he just read an article in the paper about 17 wells.

Mayor Kurtz said there are 17 potential wells to be drilled in Independence. That's a possibility. I know that there have been a number of drillers that have been going out and searching to try and lock up the minimum of 20 acres. So, that could be.

Ron White asked if anyone knows how many we have today already in operation. We have well over a handful, maybe 7 or 8.

Chairman Crooks asked if there is anything else. There was no reply. He said we will see more information on the Five Year Capital Improvement Plan as we go forward.

Councilman Grendel said I do have one thing. The Fieldhouse has been in operation for a few years. It would be nice to know about all the different events we have had there and what is the revenue we have received. Last week there was a fencing tournament there from Michigan. It would be nice to know.

Mayor Kurtz said it is not a moneymaker, it is a service provider, but it helps offset expenses. Another thing is, I just was approached today about using our assets in concert with the schools for attracting more venues that use larger lecture halls or larger rooms for different interests or non-profits that come from around the country for annual events; that we may be an attractive feature because they could use the school's auditorium, the middle school auditorium, the Fieldhouse and the resources in our area. This may be an opportunity. Rather than go to a university, they could use the high school resources. I'm not sure it will materialize, but I want to bring it to your attention that this may be an opportunity for us to utilize our resources.

Ron White said he would put together, with Bill Furman's help, a report on our history that will show what has been done, excess capacity, etc., for Councilman Grendel.

Mayor Kurtz said this is all part of a growth process. It's a new asset we are trying out the best way to use it and still provide a service to the community—that is number one. We have to always remember our primary mission—service to the community.

Councilman Grendel said Bill Furman has always done a great job there.

Ron White said Bill has marketed it well and has taken advantage of opportunities. Chairman Crooks asked if there is anything else. There was no reply.

Moved by Crooks, seconded by Grendel, to adjourn the Finance Committee Meeting. Voice Vote: Yes 2 /0 no; motion carried.

There being no further business to discuss, the Finance Committee Meeting was adjourned at 5:33 p.m.

Gayle Rudary, Pro Tem Clerk of Council
