

**CITY OF INDEPENDENCE
FINANCE COMMITTEE MEETING
MINUTES
OCTOBER 28, 2008 3:00 P.M.
COUNCIL CONFERENCE ROOM**

Present: Chairman Jim Crooks
Councilman Dave Grendel
Vice Mayor Jim Riley

Also Present: Mayor Gregory Kurtz
Councilman George Klepacz
Councilman Tom Narduzzi
Councilman Jim Piteo
Councilman Anthony Togliatti
Finance Director John M. Veres
Service Director Dave Snyderburn (arrived 3:32 p.m.)
Engineering Coordinator Don Ramm
Human Resources Director Heather Glaze
Law Director Greg O'Brien
Economic Development Director Ron White

Chairman Crooks called the Finance Committee meeting to order at 3:10 p.m.

Chairman Crooks stated we have two items on the agenda today. We're moving forward on the Five Year Capital Improvement Plan. We have to try to put this together by October 31, which is this Friday. We've met a number of times now and had lively discussion on how we're going to plan for our capital projects from 2009 through 2015. We've had opportunities for people to speak as it relates to street projects, sidewalk projects, sanitary sewer project and storm water projects.

Today I'd like to address planned public lands and buildings capital purchases first. I want to make sure that Councilman Narduzzi has a chance to speak relative to buildings. He's spent a great deal of time going over the numbers and I know he has some input for today.

Before we begin, I'd like to put this whole plan into context if I can. Finance Director Veres in his most recent memo used the word in the course of his summary "typically." He says, "There is typically \$4,000,000 million to \$4,500,000 million available for Annual Capital Improvement infrastructure needs, with \$1,000,000 million to \$1,500,000 million being set aside for capital." I think that this is an important word because we might find ourselves in a position where this is an atypical year, or an atypical trend going forward. Officially our finance director has let us know that our revenues are going to be flat. Is that fair to say?

Finance Director Veres replied fair to say right now, yes.

Chairman Crooks stated, again, unofficially. I think typically if we set aside \$4 to \$4.5 million for capital projects in a typical year, and in the last couple of years our revenues have gone up, they have increased and we're referring to that as typical, we might have to take a serious look at tightening our belt if this ends up being a non-typical year. I want to make sure that that's clear for the record.

We can look at couple of different outlets for expenditures and one of them is the amount of money we invest in capital improvements. I think another expenditure is our general operating budget is and we are going to take a close look at that in the month of November as we work toward approval of the 2009 budget. We have this big bucket for capital projects. We have the operating budget and the money we set aside for debt reduction. I think those are all areas where the City spends money.

Finance Director John Veres has a figure on the second page of his most recent memo dated October 24th. We have a total capital budget of approximately \$5 million. If you look at his memo he says typically we're in the \$4.5 million range, which means from my perspective that we have to take a hard look at where our needs and our wants are in this document and be prepared to cut some things out if we don't need to do it in 2009 and push them off into the future. It's a hard reality but it's one that I think that I'm going to advocate (inaudible).

Chairman Crooks continued, in the month of November I think we'll take a hard look at the general operating budget. We've already talked on the record about some areas where we might have to do some trimming.

Chairman Crooks asked Finance Director Veres, \$5 million is your total capital budget right now? And you said you'd like to trim that down to at least where we've been in the past, \$4 million to \$4.5 million?

Finance Director Veres replied yes, that's correct.

That being said, let's begin with taking a look at publicly owned buildings that we own. The spreadsheet that we're going to be referring to is entitled City of Independence Five Year Capital Plan Publicly Owned Buildings & Land.

As we've done with other projects in the past couple of meetings we went down all of these items and asked for input from Don Ramm, the Mayor or Council Members who spent time with some of the department heads – is the expenditure in the budget a want or a need?

I'll turn the floor over to Councilman Narduzzi who will walk us through some of these publicly owned buildings and where he thinks we have some wants and where we have some absolute needs for 2009.

Councilman Narduzzi asked Finance Director Veres, on the replacement of six courtyard windows, is that coming from Tech Services Director Tom Avsec?

Finance Director Veres replied yes.

Councilman Narduzzi asked, and that's a must?

Finance Director Veres replied I don't know if it's a must.

Councilman Narduzzi stated we'll put a question mark by that one.

Chairman Crooks asked, which windows are these?

Finance Director Veres replied if you're walking into City Hall, they're on the left and right side as you're walking in.

Mayor Kurtz added they're pretty deteriorated. The bottom part of the casings are deteriorated and rotted out.

Councilman Narduzzi stated it's a lot cheaper than \$80,000.

Mayor Kurtz replied it's only a few windows too. If you look at it, you'll see that the casings are deteriorated significantly.

Councilman Narduzzi stated it could be just the sill replacement on the bottom. I'd have to look at them.

Next is audio/visual in Council Chambers. Is this to upgrade Council Chambers for presentations?

Mayor Kurtz replied yes. It will give us more flexibility when someone wants to make a presentation.

Councilman Narduzzi asked and we would do that in Chambers and the Caucus Room? We're showing \$6,500 for Caucus.

Mayor Kurtz replied that's part of the upgrade with the expansion. I believe we still have \$150,000.00 that has been encumbered for expansion of the caucus room. Obviously, audio/visual would be a key component of that. It would be more than \$6,500.00.

Councilman Togliatti asked did the (inaudible) included in the \$150,000.

Mayor Kurtz replied it would be in addition to the \$150,000.

Councilman Narduzzi stated since that's going to be long-term as far as chambers and the caucus room, can we move that down, or spread it out and removed it from 2009?

Mayor Kurtz replied I think this issue will realistically be determined by how fast we can put the plans together, agree on plans in terms of budget. Remember that when we talked about the

caucus room expansion we also talked to the finance director and determined that there may be additional space needed to expand along the entire north side of the building. That need hasn't gone away but we've slowed down the process of making commitments. I'm not sure that we'd even do this in 2009. If things stay tight and we're predicting flat revenues, it may be one of those projects that we hold.

Councilman Grendel commented could the money that's encumbered possibly be used for something of greater need?

Mayor Kurtz replied I think your point is greater need but once you use it someplace else it's hard to get it back.

Councilman Narduzzi asked did we use some of that encumbered money for the relocation of the tower?

Finance Director Veres replied no.

Mayor Kurtz stated I thought we put \$50,000 toward moving the antennas.

Councilman Grendel responded I think we were looking at doing it over two years – this year and next.

Mayor Kurtz replied right. We tried to get Verizon when they came in for permits to assist us in putting our antenna on the top of the tower.

Finance Director Veres stated there is \$50,000 for this year for communications.

Mayor Kurtz stated we haven't heard back from Verizon to see if they can assist us. They had space on the tower also, but then they also came in to change or modify their antenna.

Economic Development Director Ron White added, additional as well. There was new technology, plus they wanted to add about three or four more things.

Mayor Kurtz stated to answer the question the \$50,000 was outside the \$150,000.

Councilman Crooks asked are we going to keep the \$8,500 and the \$6,500 for chambers and the caucus room audio/visual upgrades for 2009?

Finance Director Veres replied there was an e-mail from Jim Gibbs with a short-term solution.

Mayor Kurtz stated to me, it would only be included if you could utilize or reuse whatever we buy for the permanent upgrade – something that can be reused.

Councilman Crooks stated that would only apply to the caucus room.

Councilman Narduzzi stated that's something that's going to be one system that's tied into one another.

Mayor Kurtz stated at some point you're going to have a major overhaul of the communication tools in the caucus room or in council chambers but I'm not sure it's going to this year or next year.

Councilman Narduzzi asked why don't we put it off then – both of them?

Finance Director Veres responded to 2010.

Councilman Crooks stated the next item is the City Hall Annex building. This is one that we have talked about, both on the Public Buildings Tour and a number of other times in terms of how we're going to resituate our engineering services.

Councilman Narduzzi replied I'm in favor of this build out – for \$70,000 and \$30,000 we started something that I think we now have to finish if we're going to do it the right way.

Councilman Grendel stated I think this is a must.

Councilman Narduzzi stated I think we should go forward with it.

Councilman Piteo replied I agree.

Councilman Klepacz stated, Mr. Chairman, I strongly oppose all of these expenditures where we build out the ? I'm not so sure about the copier. You may or may not recall that in my council remarks of February of 2008 when I opposed this particular position, I said exactly what would happen, that in fact, this was merely the first step to increasing our operating budget and the budget in general. Unfortunately, I hate to say I told you so, but I did. We are going to expand this and this is just the first step.

Finance Director Veres replied if you look at the expenses, it's not true.

Mayor Kurtz stated it's not true.

Finance Director Veres stated if you look at what we've spent on engineering and you compare it to what we're going to spend on engineering, it's an actual drop in the budget.

Councilman Klepacz replied but by the same token we would have had a drop in the engineering budget anyway because last year and in years previous to that we had a fantastic amount for all the major infrastructure projects that we did.

Finance Director Veres replied we're not talking about that type of service. I'm talking about the day to day engineering activities of the City – the drop in the engineering budget is a drop in the overall budget – period.

Councilman Klepacz replied right, but again, as I argued before, we could have handled that just the way we should have done which is to say, okay, this is the way you're going to approve these particular invoices.

Mayor Kurtz replied that's only part of the equation. We still have to have that service and it's cheaper for us to do it internally than it would be to hire an outside consultant.

Councilman Togliatti asked, do we know that for sure?

Mayor Kurtz replied there is clear evidence. For example, I think we're charged for inspections alone at a rate of \$39 per hour. I can assure you that when we use our own people it will be lot less than \$39 per hour.

Councilman Togliatti asked so we're planning on having an inspector on payroll full time?

Mayor Kurtz replied no.

Councilman Narduzzi commented you can have part-time inspectors and they bill per hour.

Several people speaking at once.

Mayor Kurtz stated the expenses will be certain. We'll know in-house exactly what we're spending on a monthly basis. We'll be able to control our expense and as long as the City exists we're going to have this service. We're actually shifting that cost and it will be less than what was traditionally being paid.

Councilman Klepacz responded I would argue that there are still other ways to do it and I'm still going to oppose this. This is nothing against Don Ramm. As I've said before, I think he's done a fantastic job but I oppose expanding that department, which is what we're doing here.

Mayor Kurtz responded we're moving from outside consultant to inside.

Councilman Klepacz responded I understand what we're doing.

Mayor Kurtz stated the Finance Director will articulate the cost of the savings involved with that. Also, it's consistent with our consultant who has looked at different options of doing his business, including selling his business, and we're in a position now where we're able to absorb some of that. It's more absorbing existing business rather than having him sell it to an outsider and have to deal with somebody else, or go out of business and we're holding an empty bag. I think it works out best for the City, for Elewski and for everyone involved. The City will be saving some money. If you have another plan, then you should tell us what it is, another option of how to deal with it. This isn't a service that is going to go away.

Councilman Togliatti stated the point I've raised in the past, and Dave Grendel also raised, is there is no point in reinventing the wheel. I think we need to research what other cities are doing

and how their engineering departments are structured and pick through the best points so we have a clear concise plan.

Finance Director Veres responded that was done four years ago.

Councilman Togliatti replied I haven't seen that information.

Mayor Kurtz stated there are three ways of doing things – an outside consultant like we have today, inside where you have a complete engineering department, which most of the major cities have, or a hybrid where you have your own skeleton crew and then for major projects you hire a specialist.

For special road projects there would be three, four or five consultants that could bid on it. If you have a bridge project, there are specialists for that. If you have erosion control, there are specialists.

Brecksville has an engineer and they hire outside consultants. That's the hybrid plan that we're looking at. We've had a number of years of business with Elewski. They decided to go on the market this year and look at what their options are for their business. It forced us to make a different option of how to go about business for 2009 and beyond.

The research that was done that Finance Director Veres was talking about was previous to my administration.

Finance Director Veres stated to Councilman Togliatti I'll try and get a copy to you.

Mayor Kurtz continued there was clear evidence that we have to go in a different direction.

Councilman Klepacz stated that's what I thought we were doing – when the position was created for Don Ramm we were going to do the hybrid thing. He would be the in-house engineer and then we would bid out the projects and hire consultants as needed.

Mayor Kurtz replied we will still do that. The original hiring of Don Ramm was to coordinate the communication between the building department, service department and engineering group. He's done a very nice job of that over this past year.

Councilman Klepacz commented no argument from me.

Mayor Kurtz continued, and I think the next logical step (inaudible). Elewski & Associates has changed their business model and based on their going out to sell and reorganize themselves, that's put us into a position where we have to protect how we go to business. I believe 2009 will be the transition year for that. Elewski has agreed to that so we're able to get our records in-house, transitioned, absorb parts of Elewski that are germane to the City of Independence and yet still develop at our own pace how we want to deliver those services. I envision a hybrid similar to what Councilman Klepacz outlined about going with an engineer, small staff and then we

would hire specialists, hire consulting engineers to do a major project. That is how I envision it today. If anyone has a better idea, I'm all ears.

Councilman Grendel asked will this plan include an assistant engineer for Don Ramm?

Mayor Kurtz replied yes. We would have another PE. Obviously, it's has been well documented that Don Ramm does a very nice job but he's overworked. We don't have enough time to take care of all the work that is being asked of us on a daily basis. Part of that would be looking at Elewski's people and seeing who knows our environment, who knows our culture, who knows how we operate. There is possibly somebody on his staff that may be interested in working directly with the City.

Councilman Grendel asked this build out will include having room for at least two?

Mayor Kurtz replied it's pretty much open. I think we talked about open cubicles that can be very easily modified.

The other big issue is the records retention portion. We would be able to have all the records brought over in an organized manner as a hardcopy as well as electronic. We have 32 years of records that need to be documented.

In our most recent discussions it's still the strategy, still the critical path we're going down.

Chairman Crooks asked what is the difference between build out and furnishings – build out \$70,000, \$30,000 furnishings?

Councilman Narduzzi replied build out would be finishing the white box, putting in ceiling tile, lights, structural walls. Furnishings would be modular desks, modular walls to create little cubicles and so forth.

Chairman Crooks stated that area is basically a bunch of shelves. There is a good deal of storage for odds and ends in one half and the other half is for the hardcopies. Councilman Klepacz, and please correct me if I'm wrong, I think you're opposed to the switch in our relationship with our engineering services. I'm wondering if you're opposed to upgrading an asset of the City that we have for the sake of upgrading because right now it's just open exposed walls. Are those two different things in your mind? I know that you're opposed to the engineering. I think that's clear. Are you opposed to spending the money to upgrade that whole section of that building? It's a nice building on the outside.

Councilman Klepacz replied my understanding is that you're going to be expanding the building, not just doing the interior.

Chairman Crooks replied no. It's the inside of the building. Are you going to be opposed to this in the budget? Are you opposed to spending the money to upgrade the facility? I don't know that you have to answer that now but I'm just trying to draw a distinction if there is one. We

would essentially be upgrading a facility right now that is otherwise underutilized. We would be making it nicer and usable for human function.

Mayor Kurtz commented the building was designed and built years ago. It was always conceived to be a building department and engineering department if the City ever chose to do something. That was the original intended use of it. It is not something new. It's just that it was used for storage and the final build out wasn't done because at the time it wasn't imminent. No one had a clear vision as to how we wanted to move forward.

Chairman Crooks responded all I'm trying to do is build some consensus on the upgrade of the facility, not the engineering issue. It is really underutilized.

Councilman Klepacz stated the issue is what does the term build out mean.

Vice Mayor Riley replied finish the interior would be a better wording.

Councilman Klepacz asked and the purpose to finishing the interior is to store documents?

Chairman Crooks replied no, to make it functional for human work, put modules in there so that people can work.

Councilman Klepacz replied, again, along with making these modules we're going to be adding personnel in addition to storing the records.

Councilman Grendel stated what I'd like to see is our vision of the engineering department, how it evolves and the personnel. I'd like to see in writing something to show what staffing we anticipate. Maybe we'll have Don Ramm as chief engineer and whoever would have the assistant position and whatever secretarial so we have an idea.

Mayor Kurtz replied Don Ramm is putting that together.

Councilman Grendel added and give us a couple of options so we can see various costs and what cost savings will be. I think it's important that we utilize that part of our building to the best of its ability. The cost is not going to get any cheaper in the coming years. Our engineer is already in-house and it wouldn't make any sense to delay that. But I think in conjunction with that we'd like to see what our vision of that department is both in the infant stages and as it goes on. We need to be able to get a handle on what we're looking at cost wise with personnel. We haven't seen much of that yet.

Mayor Kurtz replied no. Remember that 2009 is the transition year. That's where I think we have to stay focused. I think what the Chairman is trying to point out is in order to have flexibility in our transition period we have to get that built out.

Councilman Grendel replied I agree. I think that's a priority.

Mayor Kurtz stated if you do it toward the beginning of the year or end of the year, it doesn't matter as long as we know we're getting it done.

Councilman Narduzzi commented (inaudible) great strides already this year. We were being billed close to \$1 million for the last eight years. To date, I think we're at \$318,000 already billed, plus what we okayed at the last Council Meeting which was another \$14,000, so we're at \$328,000 plus Don Ramm's salary for the year. We are way under. We've already accomplished a goal that we set this year. This \$100,000 is a drop in the bucket compared to where we're going to go with this thing and what we're going to save long-term.

Vice Mayor Riley stated I think Councilman Klepacz and Councilman Togliatti should look at what Finance Director Veres says it will cost to employ these people and insure these people. Then we have some true numbers in front of us.

Chairman Crooks stated all I'm trying to do is make this a facility issue not a personnel issue. I think that's what we're here to discuss.

Mayor Kurtz responded right, because it won't transition until the second half of 2009 at best. It won't be anything if we don't build this out.

Councilman Grendel stated we really need to do this.

Councilman Togliatti stated and going hand in hand with this build out we have a considerable amount of "stuff" that needs to be relocated.

Mayor Kurtz replied it's already gone.

Councilman Narduzzi stated a lot of that goes to the auction.

Several people speaking at once.

Vice Mayor Riley stated all of it wasn't auctioned. Some of it was moved to Tech Services.

Mayor Kurtz stated the entire area has been cleaned out but for the physical records. Those are going to be reallocated based on the final design of the building. All the work is on the inside of the building. None of it is on the outside.

Chairman Crooks stated we'll bring this to closure and move onto the Civic Center. We'll have discussion on the personnel issues at another time. By way of enhancing an underutilized part of a beautiful building, I think we need to do it.

Next on the agenda is the Civic Center. Vice Mayor Riley made a comment before the meeting started. We have a number of boilers here on the list.

Vice Mayor Riley asked why these boilers keep going. We replaced it at the outdoor pool. We probably did something with that when we upgraded the pool.

Mayor Kurtz responded you may recall that Tech Services Director said earlier in the year that a number of the old boilers are starting to go. He was going to replace the boilers on an as needed basis. He was going to use the pulse(?) boilers that were still functioning in some of the other buildings. Eventually we'll phase out the pulse(?) boilers and have all new. We have a bank of boilers in some of the facilities. It doesn't mean that they're all bad but as he replaces them he'll replace them all. The ones that he can salvage and use someplace else he will do that until we eventually replace them all. I'm not sure if he said it was a five year program or how many years it was.

Chairman Crooks asked and this is the first phase of that?

Mayor Kurtz replied he already started replacement this year.

Chairman Crooks asked so replace outdoor pool boiler and replace outdoor whirlpool boiler will be kept in?

Mayor Kurtz replied yes.

Chairman Crooks stated next is the field house kitchen upgrade. I've never been in the kitchen of the field house but it's a brand new facility. Why would we have to upgrade the kitchen?

Finance Director Veres replied I'm not sure.

Mayor Kurtz replied I don't know.

Councilman Piteo stated they have children's programs there – daycare and day camps, summer activities.

Councilman Narduzzi commented it must be for equipment I would think.

Economic Development Director Ron White stated there is an existing kitchenette. This must be upgrading that to do more of what they need. Mary Stayanchi would be able to respond to that.

Councilman Grendel responded this could be something we can wait a year on.

Chairman Crooks stated I think it's more of a want than a need. Unless anyone knows of an outstanding issue right now where the current kitchen isn't servicing I propose that we bump it.

Councilman Piteo stated as a side note, parents who put their children there do pay a fee. It's not that it's an expensive fee but nonetheless they do pay for some amenities there or programs there. I think that's what this involves. They have after school care there and summer care there.

Councilman Narduzzi asked Finance Director Veres if he remembered what it was for?

Finance Director Veres replied I'm trying to look at it.

Service Director Snyderburn stated it may have been a sink. I remember going in there as soon as it was done and saying it wasn't right. The \$33 million was already spent.

Chairman Crooks stated speaking to Councilman Piteo's point, that what we have to determine. If people are paying fees and they're expecting whatever – baking cookies, drinking water, it could be a safety issue.

Councilman Narduzzi commented it could be sanitizing dishes or a dishwasher.

Chairman Crooks stated let's find out as soon as we can the importance of the need.

Councilman Narduzzi asked who would follow up on that to see exactly what this involves and if we need it?

Chairman Crooks asked who would be the best person to answer that?

Councilman Piteo replied Mary Stayanchi.

Councilman Grendel added or Natalie Buc.

Chairman Crooks asked Finance Director Veres if that was something he could check on.

Finance Director Veres replied I'm trying to look at the information I have and I don't see anything.

Chairman Crooks stated let's move onto Day Lighter skylights for \$65,000. The kitchen upgrade will be tentatively bumped.

Councilman Narduzzi asked if it was for the gym area or the classrooms and everything.

Councilman Klepacz asked what is this? What are they and where are they going to be?

Councilman Narduzzi replied they're skylights on the roof and ceiling. It lets natural light in from outside. They're electronic. It's a green product but it's actually controls the lights that are in there now. When it's bright outside it shuts the lights off. When it's dark outside it puts more power to the lights, which makes it brighter.

Councilman Klepacz asked is there construction involved here. Are we tearing holes in the roof?

Vice Mayor Riley replied you would have to.

Councilman Klepacz asked so you're tearing holes in the roof and expanding the skylights?

Vice Mayor Riley replied put them in.

Several people speaking at once.

Mayor Kurtz stated there is nothing in there now.

Vice Mayor Riley stated when that facility was being built Vern Blaze brought up about putting windows on both sides. They said we didn't need them. I would say that unless this is going to save us a substantial amount of money for electricity then this can wait.

Councilman Togliatti responded from our public lands and buildings tour with Tom Avsec he discussed putting these same Day Lighter skylights in the Old Rec. He looked at the Ashland University figures and they were saved a considerable amount of money.

Councilman Narduzzi added it's approximately a five year payback.

Vice Mayor Riley commented I'm not a big fan of skylights because of leakage.

Mayor Kurtz replied they've come a long way.

Vice Mayor Riley responded that's if they had been put in there initially. This is cutting into the roof.

Councilman Narduzzi stated if you go to 2010 there's another \$50,000 for lighting upgrades.

Chairman Crooks stated we have \$115,000 in two years for skylights and a lighting upgrade. Do we need both?

Vice Mayor Riley replied I talked to Bill Furman and there is a problem with those lights. If you break a bulb and somebody looks at it, it could be very damaging to the eye. There is an issue with those lights.

Councilman Narduzzi stated they have a gas inside that can actually burn.

Chairman Crooks commented we've had the high school baseball team in there and it's terrible. This could be a safety related issue. It's difficult to see.

Councilman Narduzzi stated it casts shadows.

Chairman Crooks stated I don't think this is an issue that's going away.

Vice Mayor Riley stated maybe Tom Avsec and Bill Furman should get together. Maybe we don't need to install skylights and new lights. Maybe we can do one or the other.

Councilman Piteo replied I think they're hand in hand. The skylights will work in conjunction with the new lighting he wants to put in. That's what Tom Avsec is saying.

Councilman Narduzzi replied I believe that's true.

Vice Mayor Riley asked why wouldn't it be together then?

Councilman Grendel asked, do the skylights have to be done before the new lighting?

Economic Development Director Ron White stated in our green discussions we've talked about introducing skylights to save on the usage of light fixtures and electricity so we don't have to use them during parts of the day when you might normally use lights. This is all seasons. We've discussed about using it at the Old Rec and the field house. I don't know if they necessarily work together other than they compliment in the sense that you use skylights when you don't need to use the lights and vice versa.

Councilman Grendel commented that field house gets utilized mostly in the wintertime when it's dark.

Finance Director Veres asked during school don't they have them on all day?

Economic Development Director Ron White replied yes of course. They're on whether it's light or dark outside.

Councilman Narduzzi stated I think we need to look into this more carefully and come up with a savings amount with some exact numbers. If we are going to do this, you take the \$115,000 and plan it out for five years and figure on doing it in 2013. To spend \$55,000 this year for something we don't have savings figures on and another \$50,000 next year is crazy. That's a brand new facility which really bothers me.

Vice Mayor Riley stated in addition to what we're going to spend doing this, I'd like to know if we void the roof warranty by cutting a hole in it.

Councilman Klepacz responded good point.

Vice Mayor Riley stated I'd like to know what kind of leakage guarantee we'll receive.

Chairman Crooks stated isn't the roof leaking already over there?

Councilman Piteo replied they've been up there to repair it.

Vice Mayor Riley commented if we cut a hole in it I don't want to find out that the warranty is voided.

Councilman Piteo asked didn't Tom Avsec say that replacement bulbs are so costly in the field house that they don't replace them right away. I thought he said that at one of his presentations.

Councilman Narduzzi replied very possible. You can tell which ones were replaced. They're much brighter. I think the life expectancy is only about a year and a half.

Chairman Crooks stated why don't we bump this one? If we can combine the two, get more information and we'll regularly look at this over the course of our strategic planning efforts as Finance Director Veres wants us to do, we can budget this out over time. How does that sound?

Councilman Narduzzi replied perfect.

Finance Director Veres stated I have the answer - \$14,300.00. They currently have a small freezer that they use for the after school program. They had to borrow a second freezer from the Civic Center for the summer camps this year. Two freezers take up too much floor space so they would like an upright freezer which is part of that dollar amount as well as ice machines and they would like to extend the countertop.

Councilman Narduzzi asked are there any freezers in the old middle school?

Director Snyderburn replied no.

Councilman Piteo stated I'm confused then. I talked to Mary Stayanchi about this. In the Community Service Department they have a field house upright freezer and they're asking for \$3000.

Finance Director Veres replied you can cross that off then.

Councilman Piteo asked which one do you want to take it out of – public lands or community services?

Finance Director Veres replied why don't we leave the \$3,000 in Community Services? To me, the kitchen upgrade would be the countertop (inaudible) furnishing improvement.

Vice Mayor Riley commented an ice machine is a couple thousand and then there's a countertop.

Finance Director Veres responded it depends on the size of the ice machine. Ice machines can run between \$5,000 and \$8,000. I don't know how large of a machine they're looking at. I think the \$14,000 should at least go down to \$11,300 because of the \$3,000 being under Community Services.

Councilman Narduzzi stated I still think we should look at that closer.

Vice Mayor Riley stated it's a want as opposed to a need.

Chairman Crooks stated so let's leave the \$3,000 in the Community Services budget and take out the \$14,300 in the kitchen upgrade for 2009.

Finance Director Veres asked move it over or take it out completely?

Vice Mayor Riley commented when we built this field house and moved some of the programs there we weren't supposed to end up duplicating everything we had at the Civic Center over at the field house. It wasn't supposed to be some fancy kitchen in the field house. I think we're falling into the trend of doing that.

Chairman Crooks responded well then clearly it's a want.

Councilman Grendel stated let's keep the freezer under Community Services and remove the other for now.

Councilman Piteo asked are we renting out the field house for various functions as well? People pay for services at the field house and I don't know the extent of what we're supposed to do there. We pay to upgrade it to a certain standard or we don't use it.

Councilman Narduzzi replied they do rent out the field house. I don't know if they're renting the rooms.

Councilman Piteo stated they're renting the field house and the rooms. When the kids were changed from the Civic Center to the field house it was supposedly for safety reasons.

Chairman Crooks stated I guess the question is, is it unserviceable to the people who are using it right now? What I'm hearing is it's not unserviceable.

Councilman Piteo responded if you ask the people who work there, it's unserviceable.

Chairman Crooks asked do you know that for a fact?

Councilman Piteo replied yes.

Vice Mayor Riley stated I voted against renting out the field house. We built that for our residents.

Councilman Piteo responded I can't go back in history. All I can tell is what they're saying now.

Vice Mayor Riley commented it's growing and tearing into our budget. If you have to cut somewhere, cut an ice machine for some guy who comes in and rents the field house for a weekend.

Mayor Kurtz commented I'm not so sure it's just for the outside users.

Finance Director Veres replied they said it was for summer camp.

Mayor Kurtz stated many of our kids are involved in our programs.

Vice Mayor Riley responded but we have an ice machine in the Civic Center.

Mayor Kurtz responded it's not always that easy.

Vice Mayor Riley replied I understand. If we had this extra money, that would be fine. But we're looking at making cuts and I'm saying to have the camp counselors walk over to the Civic Center with a cooler, fill it up and carry it back. We drank out of a garden hose in the summer when I was a kid.

Councilman Grendel stated have them get some costs on an ice maker.

Councilman Togliatti stated they can get some ice trays and make ice.

Several people speaking at once.

Mayor Kurtz stated we can look at some of these items during the course of the year as it's more appropriate. We don't need to have them in right now. Remember that the budgets always have to be flexible.

Chairman Crooks stated to Councilman Piteo, I think your point is well noted. It sounds like the consensus is to move forward without this in.

Councilman Klepacz asked what did we do with the \$65,000 for the skylights?

Chairman Crooks replied we took it out pending more information.

Let's move down to the service department building. We had a chance to see both of these items on the public buildings tour.

Councilman Narduzzi stated I would love to see the body shop moved. Do I think we have to do it this year for \$75,000? I don't think it's something that fits into our budget for this coming year.

Finance Director Veres stated in 2007 we encumbered \$75,000 already for the body shop. My suggestion would be to move this \$75,000 into 2010.

Councilman Narduzzi asked, this is an additional \$75,000?

Finance Director Veres replied yes. I don't know if we need \$150,000 but I talked to Tom Avsec this morning about that and he said it depends on what they want to do. One hundred and fifty thousand dollars would cover everything. I don't know what he means by that.

Mayor Kurtz stated we can get the first phase done if nothing else with the \$75,000 that has already been encumbered.

Councilman Narduzzi stated so we could use the encumbered \$75,000 for 2009?

Finance Director Veres replied correct.

Councilman Narduzzi replied that's fine with me.

Councilman Klepacz asked so we have to build a new body shop at the Service Department?

Councilman Narduzzi replied phase one might be using a bay that already exists at the service department. The goal would be to expand the building that's in the back now creating a body shop and a storage facility.

Councilman Klepacz replied I think it's a good idea. Put everything in the same location.

Chairman Crooks stated so we're going to use the \$75,000 we have encumbered for this year and move the \$75,000 in 2009 into 2010?

Finance Director Veres replied correct.

Chairman Crooks stated next is \$15,000 for undercarriage and side body wash.

Service Director Snyderburn stated we talked and we probably could do it in house for less. Tom Avsec had come up with a system. I'm sure it would be a lot less money than \$15,000. We did want to put everything in stainless. We want to do it because you can obviously wash the upper part of the equipment but it's tough to get underneath. It would be nice to pull it over there, turn a valve on and wait three minutes for everything to be cleaned. It does prolong the life of our vehicles.

Councilman Narduzzi stated we'll move that to next year.

Chairman Crooks stated we'll move onto the Technical Services building. We have \$4,200 for a lighting upgrade and \$18,900 to replace a boiler.

Mayor Kurtz responded we have to make sure our buildings are safe.

Chairman Crooks asked how about the lighting upgrade?

Councilman Narduzzi replied I don't know what it entails but it can't be many lights for \$4,200. I don't know if they were for the office area or the back section.

Director Snyderburn replied I think it all has to do with going green. It would be replacing all the fluorescent fixtures with more energy efficient fixtures.

Councilman Narduzzi responded it might be a good test that we could track and see exactly what we're saving.

We'll be keeping these two items in.

Chairman Crooks stated the final item is \$75,000 for the Mapleshade Cemetery roadway.

Vice Mayor Riley asked don't we have some money left?

Mayor Kurtz replied that money is already encumbered.

Vice Mayor Riley stated is there a chance we could do that this year along with one of the roads off Valley Belt? The money is encumbered.

Mayor Kurtz replied the money was encumbered for the City Hall parking lot.

Vice Mayor Riley stated since we're not going to do it does anyone have a problem?

Councilman Narduzzi asked weren't we going to do some drainage?

Vice Mayor Riley stated if we do it, the whole cemetery will have new roads. This is purely a grind overlay.

Several people speaking at once.

Mayor Kurtz stated we might be able to do it this year.

Vice Mayor Riley stated Anthony Allega looked at it and gave a price.

Several people speaking at once.

Mayor Kurtz stated it's encumbered for this year. We may do it this fall yet if we have the go ahead.

Vice Mayor Riley asked does anyone have a problem with it?

Mayor Kurtz stated it has to be approved anyway.

Finance Director Veres stated you can do a motion in the Workshop later tonight.

Councilman Narduzzi asked could we get the street going down while he's there?

Mayor Kurtz replied (inaudible) do something on that because we use it all the time for emergency vehicles. We should upgrade that. One of the problems is that we don't want to put too much into it because of the slippage.

Councilman Grendel asked so we're using the money that was set aside for the City Hall parking lot?

Mayor Kurtz replied the City Hall parking lot, the \$150,000.

Councilman Grendel asked do we then need to put in the parking lot for next year if we're moving this?

Chairman Crooks replied if we determine it needs to be done.

Several people speaking at once.

Vice Mayor Riley commented when they were here we wanted it done.

Councilman Grendel stated everything else in the area has been upgraded.

Councilman Togliatti asked are the cemetery roads worse than the City Hall parking lot?

Councilman Grendel replied yes. They're pretty bad.

Chairman Crooks stated the question was are the cemetery roads worse than the parking lot. I know the cemetery roads are pretty bad from my estimation.

Chairman Crooks asked Director Snyderburn if he agreed.

Director Snyderburn replied they're absolutely terrible.

Mayor Kurtz asked which is worse?

Director Snyderburn replied Mapleshade Cemetery is worse than the City Hall parking lot.

Chairman Crooks asked so we're using money that's already encumbered for the cemetery, thereby eliminating the \$75,000, or are we bumping it to 2010?

Mayor Kurtz stated if we do the cemetery with the money we put in place for the parking lot, it doesn't go away for 2009. We still need the parking lot done. We have more than \$150,000. I think the last bid we had was \$170,000 and the price is going to go up. It could be at \$200,000.

Councilman Grendel asked even with the cost of oil coming down?

Mayor Kurtz replied that's such a (inaudible) situation. I can tell you that the cost of asphalt has not dropped right now proportionate to oil or gasoline prices. We're going to bid in January on our maintenance contract anyway. We'll have a better handle on it then. The point is that something doesn't go away because we've reallocated it.

Councilman Narduzzi asked so you want to keep the \$75,000 in here?

Mayor Kurtz replied we need to put \$175,000 in somewhere for the City Hall parking lot. Then we have everything done in this area.

Councilman Narduzzi asked can it be a three year process?

Mayor Kurtz replied we patched the one really bad spot. It's as much the maintenance program as anything else. It's waited this long. I think we can look at how the bids come in next January. It will give us a better idea of where we're at with all these projects. I wouldn't even venture to predict what is going to happen with pricing. If companies are slow, it means pricing is very aggressive. The cost of oil has skyrocketed. That means product cost, which is a good portion of this, is going way up. I wouldn't want to predict. I just know there are a lot of hungry contractors out there right now.

Councilman Klepacz commented oil was down again today.

Vice Mayor Riley asked can we prepare the bids for asphalt and concrete.

Mayor Kurtz replied we're going to change our bid specs for next year and make them more competitive, more realistic, to what we actually bid. The bid specs haven't been changed for years. We're going to change them to near what we actually do so it should make us very competitive.

Chairman Crooks stated so we're going to remove the \$75,000 for Mapleshade Cemetery and we need to add for the parking lot. Is that what I'm hearing?

Councilman Narduzzi replied yes.

Chairman Crooks asked can we do it over two years?

Councilman Narduzzi replied we have to encumber something this year.

Vice Mayor Riley responded that would go under City Hall.

Councilman Narduzzi asked so we had bids for \$170,000 for this year?

Finance Director Veres replied yes.

Councilman Narduzzi asked so do we have to go \$85,000 and \$85,000?

Finance Director Veres replied we could do that. In that section of our current 2008 budget there might be appropriated money that was encumbered other than the \$150,000 that we're reallocating for the cemetery road and Valley Belt.

Vice Mayor Riley stated in 2010 it shows replacement of the pavement at the service department. If you're going to do something in 2009, and put some money in 2010, maybe we could get a better price by combining the City Hall parking lot with the service department parking lot.

Chairman Crooks stated so the plan now is to put \$85,000 and \$85,000. Is everyone comfortable with that?

Councilman Narduzzi replied it's something you're not going to get away from even if it's a maintenance issue.

Chairman Crooks asked is there anything else as it relates to public buildings?

Councilman Grendel asked about the \$250,000 coming out of EMS billing. I thought the EMS billing was going to be used for capital?

Mayor Kurtz replied this is capital.

Councilman Grendel responded but I thought it was for equipment.

Mayor Kurtz replied we kept it broad enough where we could use it for any type of safety force whether it be police or fire, whether it be equipment, a facility or a facility upgrade. We keep it very broad with the understanding that we'd have some flexibility. We need flexibility.

This is a nice concept. First of all, it's not revenue that we have.

Councilman Grendel responded it's new revenue.

Mayor Kurtz continued and it's a percentage of that revenue. I think it's a good start. It's nothing that can't be changed or modified.

Vice Mayor Riley asked so it's just a heading you gave it? If we would need a rescue squad or a police car, we have flexibility.

Mayor Kurtz replied we have flexibility.

Councilman Narduzzi asked do we know approximately how many square feet of pavement for the service department. We have \$90,000 to redo that. We have \$170,000 to do the City Hall parking lot.

Councilman Piteo replied I think there are some drainage issues in the City Hall lot.

Director Snyderburn commented it's quite extensive at the service department. Some of that is concrete too.

Several people speaking at once.

Director Snyderburn commented City Hall parking lot includes the police department, fire department and it goes out to the road. It's a much larger area than the service department.

Councilman Narduzzi asked is it concrete driveways too?

Director Snyderburn replied yes.

Mayor Kurtz added and there's some drainage work at the City Hall lot. It's a lot more extensive than the service department.

Several people speaking at once.

Councilman Klepacz asked where are we putting the money for the dog park? I don't see that on here. We have talked before about locating it behind the t-ball field. We can put a fence around it. Director Snyderburn has the equipment to level it. All you need is a fence with a pole to hold plastic bags and a few benches for people to sit.

Chairman Crooks asked Director Snyderburn if it was feasible from his perspective.

Director Snyderburn replied yes.

Several people speaking at once.

Councilman Piteo stated large breed to small breed.

Economic Development Director Ron White replied a lot of them are going that way.

Several people speaking at once.

Chairman Crooks stated this has been a concern that has been brought to my attention a number of times. Councilman Klepacz has brought it up and I believe Councilman Togliatti said he received calls about a dog park. Is it feasible from a practicality standpoint and, Mayor, do you have any objection to it? What kind of cost is associated with fencing off an area so it can be restricted solely for dogs?

Mayor Kurtz replied I observed the dog run that Cleveland has by the baseball diamonds in Tremont. It's a matter of committing the space, some resources and also donations. Then you have to determine to what extent you want to provide this service – from a gated area to an area where you have some detention. It all depends. It runs the gamut. I was actually waiting to see what Brecksville was doing with theirs and I was going to piggyback off of theirs. They have a committee that has been researching this. So I was waiting until they finished their plan and I was going to ask for a copy of it. Why reinvent the wheel?

Vice Mayor Riley commented Coke or Pepsi will sponsor a scoreboard. Maybe Biljack or somebody will pay for putting up a fence.

Councilman Klepacz responded I like that idea.

Chairman Crooks asked what kind of fence is being talked about.

Mayor Kurtz replied a chain link.

Councilman Narduzzi asked how big an area are we talking about?

Director Snyderburn replied 75' x 100' or 75' x 75'. That's 6,000 square feet. Do you want it bigger? What size do you want?

Councilman Klepacz replied that's why I like that spot over there. Actually, we could make it bigger if we had a little bit more land. I like that location because we already have the parking. There are no residents there.

Councilman Piteo asked are there standards for dog parks, how many animals per square foot?

Several people speaking at once.

Mayor Kurtz stated we'll call Brecksville and get a copy. We'll have parameters, dimensions, costs, options.

Councilman Klepacz state the simpler the better.

Chairman Crooks asked is there so much of a cost that this would be something we'd have to stick into a capital plan?

Mayor Kurtz replied it all depends on what extent you want to provide a service. It could be pretty basic or pretty elaborate. I don't have a cost. I was waiting to see what Brecksville came up with and present it to Council.

This plan is in pencil. Council ultimately has the flexibility to modify this during the course of the year or if something changes. We're trying to create a framework so we can go into 2009. Then if we need flexibility, we have flexibility.

Chairman Crooks asked Councilman Klepacz if he was comfortable waiting for Brecksville's plan.

Councilman Klepacz replied I'm very comfortable with that.

Chairman Crooks stated I've written down some figures as it relates to public lands and buildings, the costs that we have either cut out until further information or bumped into 2010.

We have \$8,500 and the \$6,500 for audio/visual upgrades to Chambers; \$14,300 for the kitchen upgrade at the field house; \$65,000 for the skylights in the field house; \$75,000 for the body shop and \$75,000 for the cemetery. That brings us to a total of \$244,300 that we lopped off today. Then you add the \$85,000 over two years, the first year being subtracted from the \$244,300 is approximately \$159,300 that we've been able to cut out today. Is that correct?

Finance Director Veres replied yes.

Chairman Crooks stated the next item on the agenda is to go through the streets and start cutting in that area. We also need to take a look at some of the other sections of this five year plan and

go to work to see if we can push some of the items into next year. We'll begin with major streets and sidewalks projects. Right now we have approximately \$5 million for total capital. We've cut out \$159,300 just now by going through the public lands and buildings. We have to go another \$750,000.

Vice Mayor Riley stated if you look under Major Street Resurfacing, we have Chestnut Road and Hillside Road east (Rt. 21 to the top of the hill). If we looked at these two and had to make a choice, I think we'd all agree that Hillside Road is the most dangerous of those two. Chestnut isn't even close to being as unsafe as Hillside.

Councilman Narduzzi asked if you move Chestnut Road over, are you going to move the bridge over and the sidewalk?

Councilman Grendel commented we had talked about doing that together.

Vice Mayor Riley responded the bridge and the sidewalk is a current safety issue. The rest of the road is in decent shape. It was a wish to do it at the same time.

Chairman Crooks responded so it was a wish to do it. There was no cost savings.

Vice Mayor Riley replied no. I think different contractors would be doing it.

Chairman Crooks stated it's so torn up over there right now.

Finance Director Veres asked isn't the bridge cement anyway?

Mayor Kurtz replied right.

Councilman Piteo asked so we want to move Chestnut Road over?

Councilman Grendel replied yes.

Finance Director Veres asked do we want to touch on the sidewalk issue on Brookside?

Chairman Crooks stated so we're going to move \$250,000 from Chestnut Road from 2009 to 2010.

Mayor Kurtz asked and the reason is?

Vice Mayor Riley replied because we're trying to get down to the \$4 million mark.

Chairman Crooks added and it doesn't pose as big a safety concern as Hillside Road between Route 21 and the top of the hill going east.

Councilman Grendel commented we can probably use the same logic with the sidewalk.

Chairman Crooks responded speaking on the sidewalk, Finance Director Veres has an update as it relates to the Brookside sidewalk improvement that we had talked about at the last Finance meeting. We have \$200,000 currently budgeted for Brookside, Eastview and Sprague.

Chairman Crooks asked Finance Director Veres to share his thoughts.

Finance Director Veres replied Bob Williams and I were going through this yesterday. He mentioned that Councilman Crooks (inaudible) and the Mayor that we can really phase that in three years from the I-77 bridge to the first turn, then from the turn west and then from that turn to Sprague. It would be maybe \$75,000, \$50,000 and \$75,000.

Mayor Kurtz replied I said that at the last meeting.

Finance Director Veres stated so the \$200,000 changes to \$75,000.

Chairman Crooks stated \$75,000, \$50,000 and \$75,000 is 2009 through 2011.

Finance Director Veres replied right, so that's \$375,000. We're halfway there.

Vice Mayor Riley commented keep in mind that not all of that has to come out of streets. This is a big city and there is a lot of money spread throughout the list in other places.

Chairman Crooks stated in all fairness to the streets projects this is an investment in the future. Are there any other eminent street or sidewalk projects that we could delay? Or could we turn to a different part of the capital plan?

Vice Mayor Riley asked about Sprague. Is that a total cost?

Councilman Togliatti replied we were talking about stopping points but I don't think we ever determined stopping points.

Vice Mayor Riley asked is that \$100,000 a stopping point?

Councilman Togliatti replied yes, because there are two more (inaudible).

Chairman Crooks stated I think we need to determine that. We never determined the stopping points. Maybe we can ask Don Ramm his opinion.

Chairman Crooks stated to Don Ramm, I'm sure that since we only met a week ago that you probably haven't had a chance to hear any feedback from the other communities. Let's just say that the other communities aren't going to participate and we're going to go with the \$370,000, and I think the group is in somewhat agreement that there is a safety issue on Sprague Road. We'd like to figure out a plan for putting in sidewalks. Can we logically determine a phased approach – first stretch in 2009, second stretch in 2010 and the third stretch in 2011?

Engineering Coordinator Don Ramm replied yes. I just divided the total footage by one third and it came up to be about 2,500. I laid that out and started from Route 21 west. I played around

with it a little bit. The first phase was about 2,800 feet. It gets us up over the hill and down to the first big culvert where that house sits real low. That seemed like a good physical feature to stop at. That ended up being around \$140,000 for 2,800 feet.

Director Snyderburn asked Don Ramm, does that include any waterline replacement?

Engineering Coordinator Don Ramm replied no. This is straight sidewalk.

Director Snyderburn stated before you put sidewalks in, look at the waterlines – anyplace you're going to put sidewalks.

Vice Mayor Riley asked are the waterlines in the street or in the grass/ditch area?

Director Snyderburn replied on Brookside they're in a ditch area. I don't know about Sprague. I'd have to look.

Councilman Piteo commented there are a lot of fire hydrants in the right-of-way on Sprague.

Councilman Narduzzi added there is a lot of stuff happening there. You have culverts and you have poles.

Engineering Coordinator Don Ramm replied we dealt with a lot of those things on Stone Road.

Vice Mayor Riley stated maybe we could talk to the residents and acquire more right-of-way to avoid all of that.

Councilman Klepacz commented if I recall correctly, most of those front yards are deep.

Councilman Piteo commented it was also suggested to look at the bike trail concept for Sprague Road.

Engineering Coordinator Don Ramm replied I looked at that a little bit. You're looking at approximately an eight foot asphalt path. Ten foot is standard but that's only when you need to drive emergency vehicles on it. Being that it's going to be somewhat close to the road, there would be no need for 10 feet. Eight feet would be around 1.4 or 1.5 times the cost per foot.

Chairman Crooks asked Engineering Coordinator Don Ramm so you're saying if we were to phase it, just the first phase would be 2800 square feet.

Engineering Coordinator Don Ramm replied lineal feet.

Chairman Crooks stated from Route 21 to approximately the Ward residence.

Councilman Piteo replied yes.

Chairman Crooks asked and to complete that phase we're looking at \$140,000?

Engineering Coordinator Don Ramm replied right.

Chairman Crooks stated so if we're all in agreement, we need to change that to \$140,000 for 2009 for Sprague Road. Does that add to the total cost or does that just take away from the next phase?

Don Ramm replied it just takes away. The next phase I had going up to just west of I-77. That's another logical spot. That would be only 1800 feet so that would be \$90,000 for the next phase.

Mayor Kurtz asked so we're changing the first phase to \$140,000.

Councilman Piteo replied yes.

Chairman Crooks added and the second phase to \$90,000.

Vice Mayor Riley asked what about the third phase?

Engineering Coordinator Don Ramm replied it's then back to \$140,000. It worked out to be 2800, 1800 and then 2800 feet.

Councilman Narduzzi asked when is the bridge work going to be done over Sprague Road? We wouldn't want to put in sidewalks if they're going to be working in that area.

Vice Mayor Riley asked if a letter had been sent to Brecksville yet.

Engineering Coordinator Don Ramm replied not yet. I looked at the footages. Brecksville had about 2,000 feet at the far eastern end by Route 21. The remainder of the 5,400 was Broadview Heights.

Vice Mayor Riley commented if the mayors don't respond, maybe we could do a letter to those residents to see if they're interested in sidewalks on their side of the street. That might get the message to the mayors' ears.

Engineering Coordinator Don Ramm stated I haven't approached anyone yet.

Mayor Kurtz stated on Sprague Road I thought we were talking about having the trail type of sidewalk.

Councilman Narduzzi replied it would be more money.

Mayor Kurtz stated it's more money but it's more realistic. It provides a greater service. And if other communities participate, that may still be the best critical path. So you're saying that this would be a minimum, or a maximum to us if we just do a traditional five foot sidewalk. If we do something wider and other communities participate, then the cost to us would be the same? Is that what you're saying?

Engineering Coordinator Don Ramm replied if you ask them to split it 50-50, no matter what you do it would lessen our cost by half. It depends on their level of participation and which version you go with.

Mayor Kurtz stated I'll follow up on that and make sure they respond.

Chairman Crooks stated so if we're looking at street and sidewalk projects, to summarize, we're looking at postponing Chestnut at a cost of \$250,000 and postponing the full project of Brookside Road sidewalks for \$75,000, as opposed to \$200,000. That's a total of \$375,000 that we cut out. We gave back \$40,000 for Sprague Road. We're looking at \$335,000 saved in streets projects by really only postponing one major project and phasing in more accurately the two sidewalk projects.

Vice Mayor Riley commented if you look at the top six projects, those were projects we had to do because of the timing with the county. We want to have those three sight corrections done. We need to do the intersection. We had to budget that because of the federal money. It was the same thing with the Old Rockside Road Bridge and then there is Selig Drive as Ron White and the Mayor have talked about. We might receive a \$75,000 grant for the Chestnut Road Bridge and sidewalk. If we do receive that, I'd like that to go back into the streets and sidewalks budget so we don't lose that money. I don't think there is anything else we can cut here. Does anyone else have any opinions?

Mayor Kurtz stated I'll reiterate again, this is in pencil. We all know there are changes. We all know things come up and opportunities present themselves and we have to make an adjustment.

Councilman Klepacz added and we know there may be emergencies.

Mayor Kurtz replied that's right.

Chairman Crooks stated well then my suggestion would be that rather than force us to have to cut anymore to meet Finance Director Veres' figure, that we go two pages ahead and we take a look at the sanitary and storm water projects, and perhaps give Councilman Piteo a chance to adjust some of these.

Councilman Piteo stated I received a memo today from Don Ramm regarding his priority list. At a quick glance it increased a little bit. Some of these projects are high priority.

Engineering Coordinator Don Ramm passed out copies of the Utility Priority Projects memo.

Councilman Piteo stated after a quick review I've come up with the Old Rockside evacuation/storm improvement and the Oakwood and 6621 Pleasant Valley channel gabions. These are the only projects not on Don Ramm's list.

Chairman Crooks replied let's take a look at those since you bring them up. We have \$23,000 for Oakwood and Beachwood storm water. Then we have the Pleasant Valley channel gabions for \$21,000. We have about \$44,000. Can you explain these to us?

Director Snyderburn stated the Beachwood/Oakwood backyard was probably on the list from the 2006 flood. There are some issues in the backyards of Oakwood. Again, these are individual addresses. We haven't done anything. We don't have to go in there and do them. We've been addressing backyard drainage little by little since the flood and prior to the flood. I haven't received a lot of calls. I've done a lot of drainage issues in the Beachwood area and Great Oaks. I tackle them one by one. As far as the Oakwood/Beachwood issue, it's probably putting in a main over there and connecting it to one of the catch basins. That's probably what it was but I'm not sure. It was on the list year after year.

Vice Mayor Riley stated that flood was a major issue. Have there been any problems since? One of my issues is, and I think Councilman Klepacz has brought up in the past that when he had a water problem in his yard he took care of it.

Chairman Crooks stated it goes to the issue of us being a public body and going onto private property. I know we've done that in the past but looking at places where we have to trim, we have Dalepoint with some pretty hefty costs. I don't know if we can trim that. That's affecting a number of residences. If there is a place to cut, it looks like these would be the ones. Does anyone else agree?

Councilman Narduzzi replied I agree. I would take care of a community issue before taking care of a single resident issue.

Councilman Piteo asked so we can remove those from the list?

Chairman Crooks replied unless anyone has any major objections.

Councilman Piteo stated the last one was the Old Rockside Road evacuation/storm improvement. There is \$100,000 on that. I'm not sure if that's being moved somewhere else. It's still on the Capital Improvement Plan but it's not on Don Ramm's priority list.

Finance Director Veres replied unless it's under Old Rockside Road storm sewer upgrades.

Councilman Piteo replied I took that to be the Old Rockside Road storm sewers at the bottom of the page.

Engineering Coordinator Don Ramm stated it's all the same. That storm sewer improvement has to be beneficial to that entire area regardless of the ramp.

Finance Director Veres asked so you're saying where the ramp would go is where the storm sewer needs to be?

Engineering Coordinator Don Ramm replied some part of it. That's the upper end of it and then it heads north.

Councilman Piteo asked so this is still a project that needs to be done?

Engineering Coordinator Don Ramm replied yes, the storm sewer project.

Mayor Kurtz commented the ramp would be just to the west (inaudible) building.

Director Snyderburn stated Commerce Park Oval.
Several people speaking at once.

Councilman Grendel stated the Old Rockside Road Bridge River Bank Stabilization was number one on Don Ramm's list but it's not on the Five Year Capital Plan.

Councilman Piteo stated the top three were rather confusing to me as well. It was explained to me that the stabilization has to be done because there is a need for it, but that maybe if we fix the bridge in total, we won't have to do it. There may be some money available.

Engineering Coordinator Don Ramm replied yes, the grant. The new bridge being built would rectify this problem. The problem is that that's at least a year or two away if you get the grant. If you don't, it's certainly something that needs to be addressed sooner rather than later.

Councilman Piteo stated we're rolling the dice if we don't fix it.

Vice Mayor Riley asked Engineering Coordinator Don Ramm, if there's a storm tomorrow and it wipes that bridge out?

[Tape turned – conversation lost]

Chairman Crooks stated working off of Finance Director Veres' sheet we're going to add \$50,000 in here and add a line item for bank stabilization at the Old Rockside Road Bridge.

Councilman Piteo replied yes.

Vice Mayor Riley asked, does that fall under storm?

Councilman Grendel replied storm drainage.

Vice Mayor Riley asked Engineering Coordinator Don Ramm if the bridge is washed out tomorrow, are there federal funds to replace that?

Engineering Coordinator Don Ramm replied I think it would probably be eligible. It's what do you do in the meantime?

Finance Director Veres commented if a storm washes it out.

Councilman Piteo stated Finance Director the list says Rockside Road Central Section Water Quality Treatment 2009. Can we use some of the money from the Rockside Project to take care of this – TIF money or anything?

Mayor Kurtz replied that's the water quality that we need to mitigate. I believe some of it was handled with our Elmwood Park and Wisnieski Parkway project. We need to do that as part of soil water and conservation for when we redid the central section of Rockside.

Finance Director Veres asked but wouldn't that be part of the project?
Economic Development Director Ron White stated it was supposed to be.

Mayor Kurtz stated it was supposed to be and we still have to do it.

Finance Director Veres stated we can pay it under the TIF.

Mayor Kurtz replied yes it could.

Chairman Crooks asked so should we add it to this project?

Finance Director Veres replied that \$4 million to \$4.5 million includes the TIF improvements. It still needs to be added somewhere. It's paid for out of the TIF as opposed to paying for it out of the Street Resurfacing Fund.

Vice Mayor Riley asked are we prepared with the property values going down throughout Cuyahoga County, if our major landowners on Rockside requested reevaluation of their land and the value was decreased, are we prepared for something like that? TIF is based on an increase.

Finance Director Veres replied it's based on the increase and it's based on (inaudible) least affected property.

Mayor Kurtz stated TIF only brings revenue when something is built so that would be the newest evaluation and the most accurate. What you're going to see, and I think the point is well made, is that we could see an anomaly and our duplicate could go down five or ten percent because of across the board evaluation changes. That will primarily affect older properties, residential properties.

Vice Mayor Riley stated and that could affect the schools quite a bit too.

Mayor Kurtz stated but their levies are fixed dollar levies. They get the fixed dollar amount but if the duplicate goes down, we passed a 1.2 mill levy for the Civic Center that went down to .05 because valuation of the duplicate went up. When the duplicate goes down that means the levy stays the same so each taxpayer will pay a little bit more on their tax bill. Seventy percent of that is still paid for by the business community. It is very real and it's something that needs to be looked at. The school should really explain that to the people because it's going to happen.

Councilman Grendel asked can that project we did off of Granger be used for water quality?

Finance Director Veres replied (inaudible) we paid for that out of the Northwest Quadrant TIF.

Councilman Piteo asked is \$50,000 the lowest possible number?

Engineering Coordinator Don Ramm replied that was just a number I threw out there just knowing that it cost us around \$10,000 to \$12,000 to do what we did out here on Wisnieski and also thinking that if there had to be some property acquisition or easements granted for building something off the roadway on some property we don't own or have rights to.

Mayor Kurtz stated some wetland mitigating (inaudible)

Chairman Crooks stated we have this draft here from Don Ramm and it's very clear that a number of these projects on this memo are in John Veres' plan. So instead of going through each one of Don Ramm's suggested priorities why don't we look at what we have left under storm in John Veres' memo and see if we can move any of those.

We have Old Rockside Road Evacuation Storm Improvement. We have Dalepoint and the Dalepoint Storm outlet. We have to do some trimming here.

Chairman Crooks asked Director Snyderburn can the Dalepoint projects be spread out? Are we in a dire situation?

Councilman Piteo replied according to Don Ramm's list, and I know that Dave Snyderburn probably hasn't seen it yet, but the Dalepoint area is down to number eight on the priority list compared to everything above it. So Dalepoint moved down to priority number eight on Don Ramm's list.

Engineering Coordinator Don Ramm replied I have it for 2009. I still think it's worthy of 2009 but that's where I put it when you look at the other projects such as the bridge job and the other projects that were ahead of it.

Chairman Crooks stated so the Dalepoint storm replacement is \$400,000. Does that reference the Dalepoint and the Dalepoint Storm Outfall in Finance Director Veres' memo for \$360,000?

Engineering Coordinator Don Ramm replied yes. Dave Snyderburn and I walked the outfall. The outfall didn't look too bad so what used to take up two line items, two projects – an outfall and a sewer, I looked at the storm sewers and tried to condense it all into one storm sewer replacement on the street itself.

Chairman Crooks asked so as it relates to Finance Director Veres' memo, we can make that one and make it \$400,000?

Engineering Coordinator Don Ramm replied yes. The total cost is actually a little bit higher than the \$360,000 total. It went up a little bit.

Chairman Crooks asked so the question is can we spread it out?

Engineering Coordinator Don Ramm replied that's pretty much a self-contained project.

Several people speaking at once.

Finance Director Veres stated not by project but we're putting \$100,000 aside next year and do the other \$200,000 in 2010 and then do the whole project in 2010.

Engineering Coordinator Don Ramm commented it really lends itself to being contracted, mobilized and constructed all as one project.

Finance Director Veres replied that's what I'm saying we would do but we would encumber \$200,000 in 2009 and not do anything.

Chairman Crooks stated and push it to 2010 to spread the cost out.

Chairman Crooks asked are we going to have a major safety concern? Are people's lives going to be put at risk?

Vice Mayor Riley commented Don Ramm is looking at it from an engineering standpoint but Dave Snyderburn looks at it from the complaints and calls that he receives when it rains.

Director Snyderburn commented if you get four or five inches of rain down there and people will be screaming.

Finance Director Veres stated it's been raining the last two days. Did you get any calls?

Director Snyderburn replied no. You won't get it unless there is a lot of rain. What I'm telling you, especially with Dalepoint, is the storm sewers are shot. I'm not going to sugarcoat that. It comes down to the money.

Chairman Crooks asked does anyone have any major objections to doing \$200,000 in 2009 and \$200,000 in 2010 and then doing the project in 2010?

There were no objections noted.

Finance Director Veres asked can you do that in early 2010? Is there a construction season for storm sewers?

Director Snyderburn replied no. You can do it anytime you want.

Chairman Crooks stated so basically we've combined Dalepoint and the Dalepoint storm outfall and made it a total cost of \$400,000 - \$200,000 in 2009 and \$200,000 in 2010.

Several people speaking at once.

Chairman Crooks asked Don Ramm is there anything else on your list that we need to do that we don't already have a plan for? I see the Old Rockside Road storm sewer upgrade is \$300,000 on your memo. We have the Kingscote rear yards berms/dikes at \$20,000.

Councilman Piteo replied that would be a new one on the list.

Finance Director Veres asked is that a similar situation to the Oakwood/Beachwood and Pleasant Valley projects?

Engineering Coordinator Don Ramm replied this came out of the study that was done by Hydrosphere. There is some flooding in that channel. There are three or four homes that really get nailed. It's probably something you could move to a maintenance contract versus a five year capital plan. It was a direct flooding issue so it's on the list.

Finance Director Veres responded you have \$150,000 set aside in your maintenance contract that we haven't allocated to any projects.

Vice Mayor Riley stated on this list we have Dalepoint, Dalepoint storm, Dalebrook and then in 2012 we have Montello. If you had all those up, you're at \$1.1 million. Could we do better by doing them all at once than going each area separately?

Councilman Narduzzi replied I think he gets his numbers by a square foot price.

Engineering Coordinator Don Ramm replied the Dalebrook replacement was an actual. I tried to do a real detailed estimate because it was a replacement project. The Montello easement is also a replacement because they're so bad, but the majority of the (inaudible) need to be cleaned and lined. That can be phased out.

Several people speaking at once.

Vice Mayor Riley stated but if we clean and line, that's not digging up.

Engineering Coordinator Don Ramm replied that's trenchless technology.

Mayor Kurtz stated but Dalepoint has to be dug up.

Engineering Coordinator Don Ramm replied right. Those pipes you can't salvaged.

Chairman Crooks stated so we're pushing the \$20,000 for Kingscote.

Vice Mayor Riley stated Kingscote is a relatively new development. Why is there a water problem there?

Finance Director Veres replied our engineer.

Vice Mayor Riley asked about the Errors and Omissions insurance.

Finance Director Veres replied somebody approved that subdivision.

Mayor Kurtz asked we're not going to (inaudible) go over all of these now are we?

Chairman Crooks replied we're almost done.

Finance Director Veres stated I think we're within the \$400,000.

Councilman Piteo stated with all due respect, I know you two haven't had a chance to look at this list but from what my engineer is telling me there are far more on this list than we're even looking at right now. There is far more need for the storm and sanitary in the City right now. If you want it brought to your attention, here is the list. If you want to just keep the list that Finance Director Veres has then I think we've whittled that list down as far as we can.

Mayor Kurtz stated (inaudible) because if, in fact, we close on the deal for the St. Maron's property, one of our obligations is at least the east end of drain water.

Councilman Piteo replied Don Ramm has that on the list.

Vice Mayor Riley stated if you added up the 13 projects, you'd be around \$2.2 million.

Councilman Piteo responded \$1.1 million – the first 13 off of Finance Director Veres' list.

Several people speaking at once.

Councilman Piteo stated I'm just making you aware of how much you have to spend in the next couple of years. There's a lot of need there.

Mayor Kurtz stated I think this is a very good draft.

Chairman Crooks stated we've cut out \$23,000 and \$21,000 for Oakwood and Pleasant Valley – the private property issues. We added per Don Ramm's memo \$100,000 and \$50,000 for the work near the Old Rockside Road Bridge and for the water quality in the central section of Rockside. We're able to consolidate the Dalepoint issues to a \$400,000 cost and spread it out over two years and will do the project in 2010. We saved \$160,000. We're looking at roughly \$618,000 that we cut out.

We've been discussing these things for two hours. Do we want to let Finance Director Veres go ahead and summarize the cuts that we made today?

Councilman Grendel stated I think we'll be good. We're in the ballpark. Depending on how the money comes in next year we might have to whittle it down some more.

Vice Mayor Riley stated Councilman Grendel mentioned to me that maybe some of the department heads have something that they might be able to cut.

Chairman Crooks stated the next step after this capital plan is to take a hard look at the operating budget. The Mayor has already asked the department heads to cut ten percent of their budgets. In the past we've had budget hearings in preparation of approval of the budget but I think a good

part of those budget hearings in the past have been what we've discussed in this capital process that we never had to do before. Hopefully those budget hearings will now be a little bit more condensed. They'll simply be discussing operating.

Mayor Kurtz stated and traditionally Council doesn't spend much time on the operating budget. The majority of the time was spent on the capital budget.

Councilman Grendel responded we might be able to cut some capital too if we need to. That's usually where they make their case on how badly they need something.

Mayor Kurtz stated I still think you're going to need to have department heads at least explain the rationale and detail behind their requests for departmental capital.

Councilman Narduzzi asked can you force them to spread their spending out over the course of the year instead of everyone doing it in the first and second quarter. That would give us a chance to look at it.

Mayor Kurtz replied there are some items that are bid out and they traditionally do them first quarter but there are also some items that can be second quarter. When you get to the third quarter you pretty much are looking into the next year. You could do some second and third quarter but that would be the extent of it I would say. The fourth quarter is usually a catch up or finish up.

I think the fact that you're going through this exercise is going to make it very much more efficient in terms of when we have the discussion with the department heads because you're already going over it. Actually you're doing something different. You're going to put the ball back in their court, which traditionally they have to explain to Council. Now, Council is basically taking this, giving it back to them and telling them to be prepared to further explain in detail. Also, they're going to have to understand when Finance Director Veres finishes up and I give it back to them that we've made some adjustments already and shifted a few things around so they're going to have one more shot at the apple, so to speak, before we finalize something.

In terms of the operating budget, we'll keep paying down our debt as agreed, which is somewhere between the \$1.5 million and \$2 million range. We'll look at that again. That has to be factored into our overall budget. In the operating budget there is no room for excess. I've basically told the department heads that there is no room for excess. We're going to look at productivity. We're going to be very realistic about our budget.

The goal is to hold our own in terms of revenue. If we're able to hold our own in terms of revenue, that is a good starting point. You see what is going on in some of the neighboring communities and communities throughout the county. The goal is to hold the line. If we can find ways to save through our operating budget, we will. Some of those items will be discussed in terms of personnel and hiring replacements for both safety forces. We're in that situation right now. Again, our goal is to hold our own. If we can do that with revenues, then at least that's a starting point. We already talked about capital reduction. We already talked about operating reduction so that is the goal for 2009. I think it's a year that we just have to hold our own.

Chairman Crooks stated with that being said, I'll ask the Committee if they're comfortable with asking Finance Director Veres to summarize the cuts and changes that we've made.

Councilman Grendel replied I am because I think when we have the department heads come in we'll see where we're at. If we have to slice a little bit off of their requests, we might be able to do that and save some more money at that point. We've done a pretty good job, as much as we can at this point.

Mayor Kurtz stated the bottom line is we're going to build out budget based on flat, no additional revenues. Then we can make adjustments based on that so we won't be behind the 8-ball. We'll be prepared to deal with the 8-ball if it comes our way. That's basically how we're approaching the 2009 budget – flat revenues, tight expenses and manage our operating budget. We've cut our capital budget and will maintain our debt reduction structure.

Moved by Riley, seconded by Grendel, to adjourn the Finance Committee meeting. Voice vote: 3 yes/0 no; motion carried.

There being no further business to discuss, the Finance Committee Meeting was adjourned at 5:02 p.m.

Susan E. Kurshuk, Clerk of Council
