

FINANCE COMMITTEE MEETING
held December 16, 2013
6:00 p.m. Conference Room

Present: Councilman Young, Councilman Clark, Councilman Tadych

Also Present: Finance Director Mahoney, President of Council Paul Koomar, Law Director Ebert, Councilwoman Karen Lieske, Councilman Clete Miller, Councilman Steve Lee, Police Chief Spaetzel, Assistant Service Directors Sears and Thomas, Operations Manager Landers, Chief Building Official Cheatham

Audience: Tom Henderson, Dick Majewski, Suzanne Graham, Conda Boyd, Lydia DeGeorge, Jeff Gallatin, Kent Silverberg, Paul Vincent

Mr. Young opened the meeting at 6:00 p.m.

Capital Improvements

Assistant Service Director Jim Sears presented a list of proposed capital improvements and the cost associated with each item. (Exhibit A attached). Mr. Sears discussed the items as follows:

Fire Station: \$15,000 Drywall ceiling in the garage area has several holes in it that need to be patched. The drywall tape is falling down and starting to fall apart. An amount of \$15,000 will be needed for these repairs, including the lighting work associated with the drywall replacement and painting. Mr. Tadych asked if the pressure cracks above the doors have been taken care of, and if everything works well now. Mr. Sears stated that the one ceiling that had dropped is being held up temporarily right now. When the roof is repaired, they will get into the attic to make the corrections.

City Hall: \$50,000. The entranceway to city hall has rusted jams and rusted doors. The contractor has recommended aluminum frames, with ADA doors and an ADA access button for the exterior doors. Another option would be a pocket door, similar to Walgreen's doors. A third option would be to extend the front landing and put an ADA ramp with a loss of 4 or 5 parking spots. Mr. Miller stated that his firm has done speed tables with a slight rise up which levels off to about 6 or 8 feet then tips back down, which can be conducive to a walkway. If you have handicapped parking they can use that as their formal aisle. This also helps when plows come through they are hitting a very continuous surface so they can go up and over it. It also helps to reduce speed in front of the building entrance. Mr. Ebert stated that there is discussion about moving the receptionists downstairs to increase security throughout the building. The logistics of that move will have to be worked out.

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Service Garage. There are two components. An additional \$100,000 is needed to meet the probable cost for the new transfer station. The balance of insurance proceeds is \$192,600. The probable cost is \$279,000. We are \$90,000 short of what is needed for the transfer station. Mr. Sears asked the feeling of the Committee members about spending the money on a parking lot. Mrs. Mahoney stated that the insurance money is currently appropriated to the Salt fund. Mr. Tadych noted that the salt storage barn needs to eventually be put into a permanent condition. Mr. Thomas noted that the transfer station is EPA mandated. Mr. Young stated that he envisions taking this, for the most part out of the Building Improvement Fund, which has a balance of \$1.9 million. Mr. Young stated he did not think that the cost for paving the parking lot could be taken from the Building Improvement Fund as it is not a building. Mrs. Mahoney will transfer the necessary funds from Public Improvements to the salt fund. Mr. Clark noted that the balance of the insurance proceeds was \$317,000, but money was spent for demolition (approximately \$120,000).

Hartman Field Lighting (\$150,000) Mrs. Lieske commented that the lighting of Hartman Field was discussed at a Parks and Recreation Commission meeting. The commission was told that the current lighting presents a safety hazard since some of the lights do not work. Mr. Young stated that he did verify the quotations as being fair. Mrs. Lieske stated that Mr. Enovitch has informed her that he is still putting his proposals for the 2014 Budget for Parks and Recreation together. It is expected that LED lighting would be more expensive but the payback would be quicker. Mr. Miller noted that the tennis courts have LED lighting and they have the same seasonal and evening use. The Hartman Field gets used three or four evenings per week in the summer. Mr. Tadych noted that summer hours are light until 8:30 p.m. or 9:00 p.m. Mr. Sears stated that he does not see anything in the quotation that refers to LED lighting. The proposal guarantees constant light levels, 30 ft. candles. Mr. Sears noted that the wooden light poles have been in place for at least 30 years. There is an issue with the electrical which needs to be addressed at some point in time. Mr. Clark stated that he realizes the lighting will have to be done at some point, and asked how essential it is to do it in 2014. Mr. Sears stated he knows there was an issue with the lights going out. Mr. Clark suggested going through the additional items and revisiting this item later.

Recreation Offices, \$5,000. The offices haven't seen any improvement since the upgrade of the Bayway Cabin in the 1990's. The proposal is for replacing the carpeting and tiles, painting the offices, and repairing doors that are not locking by changing hardware. Mr. Young stated that there are two front open spaces in the downstairs of city hall. One space will be for the receptionists. Why isn't the other going to be the Recreation Department? He said we are paying for the heat and it is just empty space. At Bay Way Cabin, we are paying a portion of the utilities for the building. If Recreation was not in the building, 100% of the utilities could be picked up by Kiddie Kollege. Mr. Sears stated that originally there was a discussion about whether the office where Mr. Milburn was located could be cleaned out and used as a waiting room for city hall visitors with reception on the other side. We will never be 100% secure with the elevators and restrooms where they are situated. Mr. Young commented whether it makes sense to have the Recreation Department in a different building. Mr. Clark stated that a person's first focal point when they walk in the city hall door is an empty office on the left, and an empty office on the right. Mrs. Mahoney stated that the receptions will be moved to the office on the

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left, the office with the window. Mr. Sears stated that the Recreation Department will have to maintain storage somewhere.

Dwyer Center \$5,000-\$50,000. Mr. Sears stated that most of the improvements previously discussed have been completed, including wood floors and door closers. The second set of restrooms is currently ADA compliant. The restrooms need to be updated, although the tile is not too bad. The restrooms could be upgraded aesthetically for approximately \$5,000. If it is decided to make the restrooms wheel chair accessible, which is what was done with the other project, there will be a need for tile work and additional work. Mr. Young asked about window and door replacement at the building. Mr. Sears stated that this type of work would be included in an exterior 5-year plan. Mr. Clark stated that improvements need to continue at the Dwyer Memorial Center. At the request of Mr. Clark, Mr. Sears will provide a short-term, long-term plan of improvements at the Dwyer Center.

Mr. Tadych commented that more storage area might be an additional need at the Dwyer Center. Mr. Sears stated that they have discussed providing additional storage by extending the southeast corner of the building by an additional 12 to 15 feet.

Rose Hill Museum \$25,000 The exterior of the building needs to be painted. Mr. Young stated that there is also work that needs to be done in the front of the building. Mr. Sears stated that the cracks in the joints of the block face foundation are one of the biggest concerns. At some point in time the stone will be pulled out, matched, and re-set. It is actually the veneer that is pulling away. The building was last painted in 2001 at a cost of \$15,000. Specifications will be used that include historical preservation guidelines.

Aquatic Facility \$85,000 The fiberglass slides will need to be caulked and repainted. Mrs. Mahoney noted that there is a \$200,000 balance in the Pool fund. Proposals will be sought. It is believed the work can be done in the spring. Interior of the loop slide is \$22,300 for the work, interior of the speed slide \$11,200. Exterior of the loop slide is \$14,800. Exterior of the speed slide is \$8,000. The proposed amount includes additional painting at the pool site.

Mr. Tadych asked if it would be worth thinking about buying one slide every couple years. He noted that he encouraged the purchase of an additional slide at the time of construction of the pool. Mr. Sears will find out the cost of a new slide.

There are no issues with the Diamond Brite resurfacing that was done at the pool two years ago. That contract has a seven-year warranty.

The \$40,000 for the parking lot for the Service Garage will be removed from the estimated total of \$470,000 for the public improvements presented by Mr. Sears this evening. Mr. Young asked what fund the remaining \$430,000 would be taken from, and if the committee and Finance Director feel comfortable with appropriating this amount for these expenditures.

Mr. Clark and Mr. Tadych will need further time to study the proposed lighting improvements at Hartman Field. The other items on the list are essential. Item No. 5, the Recreation Offices, needs further review by Mr. Young with Mayor Sutherland regarding a possible move of the

recreation offices to city hall. A decision will be made as to whether the project cost will be bonded out or paid from the Public Improvements Fund.

Mr. Lee noted that he attended games at the Hartman Field where the leftfield bank was not working. It is difficult for the players. If you compare it to a lot of other communities that have multiple lighted fields, we only have one lighted baseball diamond in Bay Village and if that one is not lit properly it is embarrassing in comparison to our neighboring communities. Games have to be shuffled around because our lights are not working.

Mrs. Lieske asked if the travel teams pay to use Hartman Field. Mr. Lee stated that it is his understanding that the Travel Baseball Program does pay and they pay in some of the proceeds of the Fourth of July tournament. Mrs. Lieske suggested discussion to determine that current revenue stream. Mr. Young suggested that Mrs. Lieske continue this discussion in her Recreation and Parks Improvement Committee.

Mr. Sears will investigate the possibility of repair for the lighting.

Revenue Sources

Mr. Young discussed the fact that there is \$1.9 million in the Building Improvement Fund. In addition, the city has the capability of bonding out significantly more debt as we take in over \$1.9 million in our Bond Retirement Fund and average only \$1.4 million in annual payments. There is also over \$4 million in cash in the Bond Retirement Fund. It is hoped to leave at least \$160,000 in the General Reserve Fund to pay for emergencies such as that which occurred with Hurricane Sandy. Mr. Young would like to put \$700,000 in the General Fund to bring it back to a two months worth of fund balance by writing and paying off a note to the 'bond Retirement to match the \$690,000 that we took from the General Fund to pay for capital expenses. This would put the city in a more stable position.

Mrs. Mahoney stated that she is estimating that the budget for 2014 at this point in time is approximately \$400,000 negative, not taking into account the fund balances at the end of 2013. Mrs. Mahoney presented the possibility of using the following revenue sources:

- Increase the Refuse Collection Fee
- Change the credit on Municipal Income Tax collections to .85% from the current 1% - \$600,000 revenue increase annually
- Sewer Capital Fee
- Increase cable television fees from 3% to 5% - \$100,000 revenue increase annually
- Increase the millage collected for Emergency Paramedic Unit to the full amount authorized by the levy – Would not realize revenue increase until 2015
- Property Tax Increase – Collect the full 9 mills authorized rather than the current 8.26 mills. This would not generate additional revenue until 2015

Mr. Clark suggested increasing the expected 2014 budget amount of municipal income tax revenue to \$5.55 million. (An additional \$100,000)

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Mrs. Mahoney noted that 2013 will end with a \$1 million General Fund Balance. This is the second year of the three year property tax valuation cycle.

Mr. Young stated that his suggestions for increasing revenue would be to increase the millage from 2.25 mills collected by the Emergency Paramedic Unit levy to the full amount of 2.50 mills authorized by voters in 1986. This would eliminate the need to transfer \$100,000 from the General Fund to the Fire Pension fund each year. His second suggestion would be to increase the cable fees to the full extent of 5%, and to increase tax revenue by \$100,000 as well.

Recreation Director Enovitch spoke briefly regarding the Hartman Field lighting. He stated that the lighting has been failing for years and the current equipment is outdated. Work on the lighting has been under consideration for the past 8 to 10 years. The lighting is running without two full rows of lighting. The major issues are power surges and transformers. Mr. Young noted that there are ways to minimize power surges that might add to the cost. Mr. Clark commented that the issue is not whether to fund for lighting work, but when to do so.

There being no further business to discuss the meeting adjourned at 7:10 p.m.

Michael A. Young, Chairman

Joan T. Kemper, Secretary