

FINANCE COMMITTEE MEETING
held October 24, 2016
7:00 p.m. Conference Room

Present: Councilman Dwight Clark, Chair
Councilman Tom Henderson
Councilman Dave Tadych
Finance Director Mahoney

Also Present: Mayor Ebert, President of Council Koomar, Councilman Marty Mace,
Councilwoman Karen Lieske, Councilman Paul Vincent, Fire Chief
Lyons, Recreation Director Enovitch

Audience: Denny Wendell

Chairman Clark opened the meeting at 7:00 p.m. and thanked everyone for their attendance.

2017 City Departments Capital Requests

Mr. Clark stated that on October 20, 2016 the Finance Department was able to review the Capital requests of the Police Department, Community Services Department, and Service Department. Today the focus will be on the Capital requests of the Administration, Recreation Department and Fire Department.

Recreation Department

Mr. Enovitch stated that he submitted the three following Capital project requests to Finance Director Mahoney.

Restroom Renovations

There have been issues at Reese Park with the women's restroom. The recommendation for putting some funds into the upgrading of the restrooms through all of the park facilities begins, most importantly, with Reese Park. With the help of the Service Department, the cost of these needed renovations is about \$25,000 per restroom. Specifically at Reese Park, they would upgrade the current structure by gutting it out, and putting in something similar to what is in place at the Family Aquatic Center. Its construction includes stainless steel appliances and it is virtually indestructible.

The park bathrooms are over twenty-five years old. They are all similar in nature. It is recommended that the doors at the Reese Park restrooms be relocated to the front of the building for better policing in an effort to avoid the issues that have occurred with vandals.

Mrs. Lieske asked if the restrooms by the soccer fields need to be more of an institutional quality given the amount of traffic with the soccer teams. Mr. Enovitch agreed. Mr. Clark asked if there

has been a lot of service cost, time and energy to fix things that have been damaged over the last couple of years. Mr. Enovitch stated that he does not have the dollar amount, but would make those figures available for Mr. Clark. The amount of people using the parks justifies the upgrading.

Mrs. Mahoney stated that she pushed the total of \$75,000 for the three parks to 2018 because we don't know how far Mr. Voll's proposal is going to go with Reese Park. It is evident that something needs to be done because Mr. Enovitch bought a porta-potty for the women's facility at Reese Park last summer. Mr. Henderson suggested starting at Bradley Road Park in conjunction with the project that was discussed at the Recreation and Parks Improvement Committee meeting earlier this evening. Mr. Enovitch noted that the Reese Park restrooms need to be addressed.

Mr. Clark stated that these restroom projects need to be done, possibly not all in one year. We will have to rely on the administration for guidance as to which will be a priority. Insofar as combining the restroom renovations with private projects, Mr. Henderson noted that he wouldn't expect people to be raising funds for the washrooms. That would fall more as a public provision.

Mrs. Lieske stated that we take such pride in our parks and recreation in Bay Village and this is the first she has heard that we had to have a porta-potty at Reese. We should not be placing porta-pottys in our parks.

Recreation Department Sign in Cahoon Memorial Park

Mr. Enovitch stated that he also submitted a request for an estimated cost of \$18,000 for an electronic sign to replace the manual board sign in Cahoon Memorial Park. Mr. Enovitch noted that information from the sign is sought after by residents. It is in the center of town, and a landmark in the community. It is hoped that a digital style sign that can be programmed offsite will be considered. Mr. Thomas looked into the cost a couple of years ago and it is about \$10,000 if the City did the framing of it. A dual sign is not needed; the sign can be angled. Mr. Clark noted the signs throughout the City that have been changed to digital, including the High School, St. Raphael's Catholic Church, the Board of Education, and the City Hall sign.

Mr. Clark suggested that perhaps the Schools would be willing to partner on a new sign, considering that the sign is across the street from the Bay Middle School. Mr. Enovitch noted that the sign in front of the High School was paid by private donations. Mr. Clark noted that the Board of Education sign was paid by Coca Cola Company.

In the event of a power outage, the sign would include a battery back-up. This would be useful in dispensing information in emergency situations. Discussion followed concerning the possibility of a generator.

Mrs. Mahoney noted that she scheduled the purchase of the sign for 2018. Mrs. Mahoney noted that she favors the proposal to share the cost with the Schools.

Bradley Park Playground

A new playground for the Bradley Road Park was discussed in the Recreation and Parks Improvement Committee meeting held earlier this evening. Five vendors have submitted proposals ranging from \$70,000 to \$90,000. Mr. Mace will speak to the Council of the Whole with the idea of asking the Bay Village Foundation for a fund raising effort towards a public private partnership to install a new playground. Residents have expressed willingness to move forward with an initiative to raise funds.

Proposals are inclusive for all ages, and are ADA approved. Features for ages from ages two and up are included and the cost is based on how many and what type features are included.

The playground at Reese Park was funded through a Nature Works Grant in the amount of \$50,000. Mr. Tadych stated that it is well received with the exception of wet mulch underneath the features being a source of complaint.

Mr. Henderson stated that he fully supports a public-private funding initiative for a new playground at Reese Park. When people contribute to a community project they feel more connected to it.

Community Gym

There has been discussion about retrofitting the Community Gym, with a schematic drawing laid out, probably four years ago. Mr. Clark tasked Mr. Enovitch to look at the project again. There is about \$56,000 in the Community Gym Improvement Fund and what we have right now is embarrassing to the City.

Recreation Director Enovitch stated that they have seven cardio machines, dumbbells from 5 to 50 lbs., and utility benches. Mr. Clark stated that the facility is woefully inadequate for what we would like to see. However, we do not want to recommend something the residents don't want. Mr. Clark questioned the possibility of setting up a task force for study and recommendations. Mayor Ebert agreed. The upper level of the Community Gym has been suggested in the past as additional space, but getting to it poses a challenge.

Mr. Henderson commented that we do have a private sector gymnasium in the middle of town, and there is a new gym going in at Bradley Road and Detroit Road. If we have enough private enterprises in town we don't necessarily need a public facility.

Mr. Clark stated he just wanted to get the matter of the Community Gym on the table for discussion. We talk about wellness for the residents of the City. We are not talking about building a new recreation center, but we should at least make the best uses of the assets we have.

Mayor Ebert stated that the Community Gym was an alternative to a fitness center at the new Police Station in order to save money and downsize the project.

Parks Garage

Mayor Ebert stated that the City needs to build a Parks and Recreation garage. There used to be a Parks garage in the lower level of the grounds near the Family Aquatic Center before the aquatic center was built. Parks equipment can be seen sitting in the parking lot. Every winter the equipment is sitting outside, getting rusty and weathered. It was always promised, going back to former Service Director Gordon Forsmark. Mayor Ebert stated that what should be considered would be a pole barn, something for the equipment to be housed in the winter.

Fire Department Capital Projects

Fire Chief Lyons stated that Mayor Ebert has said that we want to have open lines of communication and approach the managing of the City and emergency services in a partnership way. Chief Lyons is pleased to hear that, and brought a survey published by the Cuyahoga County Planning Commission published in January of this year. The survey indicates that the 96.8% of City of Bay Village residents are pleased with the services of the Fire Department. Of the Fire and Emergency Medical Services, 99.5% of the residents are pleased.

Fire Chief Lyons had submitted to Finance Director Mahoney five different Capital requests. Going forward, what the Chief would like to propose that those be looked at briefly, but what they are really asking for this year is only the first Capital request and that is to replace the 2007 ambulance. According to the vehicle replacement projection of the National Association of Vehicle Technicians, ambulances should be replaced every five to seven years.

In 2007, the Fire Chief at that time, Chief Jim Sammon, and then Lieutenant Chris Lyons, were having discussions about the Fire Department's lack of a strategic plan for purchasing the equipment they need to provide the services that are so important to the residents of the City of Bay Village. The results of that series of discussions was to try to look at a way of coming up with a revenue stream whereby the Fire Department could provide the funding for purchasing its own equipment. The equipment needs are often expensive and the result is that the expenses are very high. Chief Sammon brought a proposal to Council which was the Emergency Medical Services (EMS) billing. The end result was that the administration and Council thought it was a good idea and adopted EMS billing in March of 2008 and began collecting in June of 2008. Finance Director Presley, at that time, made a recommendation that although he wasn't sure what kind of revenue stream this would generate, we put the money into the General Fund for the time being and then look later at putting the money into a line item for expending for Fire Department equipment. The revenue stream was relatively stable for the first four years and in the last five years there has been an increase in EMS billing resulting in relatively stable EMS revenue of about \$250,000 to \$260,000 per year.

Chief Lyons asked Council to review an equipment master list of the equipment the Fire Department purchases. The first section has listed the apparatus, which are often very expensive, and the second section lists a variety of types of equipment used for firefighting and EMS, which are also often very expensive. A brief description of the equipment, the year it was purchased, the vendor or manufacturer, expected service life, recommended replacement year, cost, and a total year cost for each type of equipment. Twenty year cost for replacement of equipment is about \$5 million. EMS revenue stream for twenty years is \$5 million. Chief Lyons noted that the service is essential to the governing of any city.

To summarize, what Chief Lyons is asking Council to consider would be to take that original idea of EMS billing as a revenue source and to transfer it from a General Fund revenue source into a Fire Department Equipment revenue source that could be used over a twenty-year span to save up for, spec out, bring to Council, ask for approval, and then make purchases based on that revenue.

The last page indicates that the actual General Fund budget for the Fire Department in 2007 when EMS billing began was \$2.070 million. Fast forward to 2016, the General Fund budget for the Fire Department is \$1.385 million. The difference in that ten year period is \$684,000 and adjusted for inflation is about \$800,000 that has been eliminated from General Fund expenditures for the Fire Department. This was done through eliminating three full time positions, and transferring two or three individuals from the General Fund to the Emergency Paramedic Unit, based on the levy's ability to generate more funds.

Mr. Clark expressed appreciation for the summary and the detail. He stated that the City does not appropriate revenues, but they appropriate expenditures. This is less of a legislative discussion than an operational discussion. Nonetheless, it is good to have the background because as the cost of Capital equipment increases, we have to make sure we slide in the highest priority when we can afford to do so.

Mr. Clark asked if the ambulance to be replaced in 2017 would have any residual value. Chief Lyons stated that the ambulance to be replaced was purchased in 2007. An additional ambulance was purchased in 2008. Chief Lyons deferred to Fleet Manager Scott White's evaluation to see which ambulance should be replaced. Chief Lyons put the 2007 in as a placeholder because it is the older of the two ambulances.

The biggest issue found with the ambulances is that over time, no matter how much maintenance is done or how much money is put into them, the suspension systems are the first thing to give out. The EMS squad transports quite a few elderly folks who have the types of injuries and ailments which that suspension issue really affects. The EMS squad frequently goes out on a dislocated or broken hip type of call. When someone is riding in the back of an ambulance that is bouncing up and down that causes excruciating pain. The two options are to allow that person to have to experience that pain, the other is to call medical control and get authorization to administer morphine. It is very challenging to give people pharmaceuticals that they really don't have to have. It creates complications for them, including cardio complications.

Mr. Clark asked the percentage of ambulance calls per year versus calls with fire trucks. Chief Lyons stated that about 72% are EMS runs. Mr. Clark asked Fleet Manager White's opinion on the need to replace one of the ambulances. Finance Director Mahoney stated that last week Fleet Manager White talked about a rusted out fuel system and the suspension on the 2007 ambulance.

Chief Lyons stated that the last used ambulance sold by the Fire Department was sold for between \$12,000 and \$13,000. We could expect a similar return if the used ambulance is sold and it would be beneficial also to learn the trade-in value. Mr. Clark tasked Fire Chief Lyons to get estimates on the replacement of the 2007 ambulance. Mr. Henderson and Mr. Tadych expressed agreement, noting the importance of the vehicle and the EMS service to residents.

Mr. Tadych asked how many times both ambulances are out at the same time. Chief Lyons stated that the rate of double squad runs is about 15%, including both City runs and Mutual Aid runs. Chief Lyons will verify that information after checking the records.

Mr. Tadych stated that maybe the “recommend replacement year” should be “recommended replacement years.” Chief Lyons stated that he is trying to implement a system where we are not purchasing equipment in concurrent years. The last two fire engines were purchased in 1995 and 1996. That strains the budget of a city in a way that is not reasonable. The Chief is trying to extend the replacement year of the back-up engine and eventually get to a point where we are purchasing the engines at a greater distance apart from each other, more like ten years apart.

Mr. Henderson stated that one thing he likes about this plan is seeing the numbers balanced at the bottom. The Police Department lists their vehicles with how the cars line across the years. It is also like the Street Improvement plan with a \$700,000 per year number and the reason for it. As far as the concept of rolling it into a zoned fund rather than the General Fund, the correlation that comes to mind is how the pool works that way. Mr. Henderson stated that the one concern he would have is the standards used for expected service lives. We are not a big city fire department, and these are based on national standards. Mr. Henderson asked Chief Lyons how confident he is that these service lives are appropriate for a city like Bay Village. Chief Lyons stated that he feels confident, having taken the furthest of each of the ranges which gives a little bit of a buffer in terms of being careful and good custodians of our funding. Also, the other consideration is that while we are not a big city like Chicago Fire Department and running multiple thousands of runs per year, the fact is that given Northeast Ohio climate conditions, there is not a good way to prevent the corrosion that naturally happens. If you were to visit our Fire Department and look at our fire trucks they look brand new. We have a very good way of taking care of them, but the under carriages do end up corroding. The fuel line in an ambulance after eight or nine years begins to corrode. The approach would be to use the recommendations as a base line and try to get as much life out of each of our vehicles as possible. We do that now and Council can be assured that if we change the system and add a mechanism of funding we would do the same approach. As a Fire Chief that would be managing those funds, it would be important to get every last drop of life out of the apparatus knowing that only a certain amount of money would be available each year.

Fire Chief Lyons stated that he can fully appreciate and understand Mr. Clark’s statement that Council does not appropriate revenue. He noted that he has talked to Mayor Ebert and Finance Director Mahoney and they are very supportive of the project. Chief Lyons comes to Council out of the spirit of the new open communication and partnership. The reality on the detail side if we did decide to change the approach is that it would require Councilmanic action. Mr. Koomar noted that when the EMS billing began it was addressing the recession of 2009, 2010 and 2011.

Mr. Tadych stated he wants to go back to the subject of “recommend replacement.” That is for our vehicles, even though it is a generalized statement that it should be replaced at this point. When you start putting a vehicle on this side, and a recommended on this side, it means that this is recommended for this vehicle. Mr. Tadych stated that he thinks if this was a hyphenated date, between this year and this year, it would pertain more to us as a City. Mr. Henderson noted that

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our use is totally different than a major city. To put one year there and extend that year it would be more beneficial to see what it would really do for Bay Village.

Mr. Koomar noted that it is his understanding that some of the Fire Department vehicles could take advantage of the vehicle washer to be purchased for the Service Department. That would also help in managing and laying out those purchases.

Mr. Clark stated that he appreciates the work the administration has done. We received the first draft of the Capital Budget that is much more realistic and within our expectations financially to do so. Mr. Clark would like to be in a position to present the first draft of the budget in November.

Mr. Clark noted that there was not an opportunity to discuss computer replacement this evening with Finance Director Mahoney. Mr. Koomar stated that he knows Ruth Popovich has done a really nice job of putting in the replacements for the computers, and there is a server that is needed this year. Talking with Bailey Communications, it appears we are getting more on a schedule that addresses the useful life of our systems and repurposing for other departments. Finance Director Mahoney stated that she is awaiting quotations from Bailey Communications. The main project she would like to do is Dover Center Road Tennis Court Wi-Fi and Bradley Park Wi-Fi. She has put \$65,000 in the budget to do so.

Mr. Vincent asked if we have reached out to AT&T or any big vendor that might have an interest.

There being no further business to discuss, the meeting adjourned at 7:45 p.m.

Dwight Clark, Chairman

Joan T. Kemper, Secretary