

THE FINANCE COMMITTEE held a meeting on
Monday, February 27th, 2023 which began following the Joint Meeting.

CD MEMBERS PRESENT: Committee Chair Callahan, Mitchell, Oswald, Schneider and Lipian

FINANCE MEMBERS PRESENT: Committee Chair Stewart, Tollett, Cerra, Davis and Schneider

OTHER COUNCIL MEMBERS PRESENT: Corbin and Simmons

OTHERS PRESENT: Asst. Law Director Breunig, Mayor Whitfield, Safety Service Dir Lundy, Finance Dirs. Pileski and Farrell, Engineer McKillips, Engineer Schneider, Building Official Farkas, Fire Chief Pronesti, Police Chief Pelko, Asst Dir Calvert, Communications Supt Showalter, Community Dev Dir Scott

1. Approval of the FINANCE Committee Meeting Minutes ~ February 13th, 2022

Motion made by Mr. Cerra and seconded by Mr. Schneider to approve the 'said' meeting minutes.

2. The matter of a request for assistance with Building Permits for Rosewood Park Townhouses.

Referred By: Tara Strbo, Rosewood Park Property Manager

Building Official Farkas said this took place late last year when there was a storm and places lost heat and power. They had rec'd several complaints of the Rosewood Apartment Complex, they had no heat and lack of water. As inspectors went to investigate they discovered the use of many portable electric heaters. They also discovered that there were multiple electrical contractors on site rewiring many of the units. There were no approvals nor anything in the departments system. They made contact with the ownership and indicated that permits are required per Ohio Building Code, any kind of repair to an electrical system, especially one that is deemed hazard must be made per code and review as each of these buildings consist of 6 to 8 units and each unit has an electrical panel and each panel has to be independently inspected for compliance. Each one has to have an approval.

Mr. Schneider asked for clarification of what is requested.

Official Farkas said they are requesting to have just one basic fee to cover all of the units in each building instead of individually.

Dir Breunig said these fees are set by the Ohio Building Code that the City has adopted by ordinance. So, we would be varying from the standardized code that's in place Statewide by change those fees.

Official Farkas said it would complicate in regards to tracking if one permit was issued to the building, they would have no idea if something failed in a specific unit. And the fees are meant to defray some of the cost for the inspections and they would still be inspecting the units in the panels because they are all separately metered.

Motion was made by Mr. Schneider and second by Mr. Cerra to authorize one Building Permit for each apartment building instead of each apartment unit.

NAY = Cerra, Stewart, Tollett, Schneider, Davis

This matter did not pass and will not move forward.

3. The matter of disposal of 2 Police vehicles that are unfit for municipal use.

Referred By: Police Chief Pelko

Chief Pelko said they have a 2012 Chevy Tahoe with 116,000 miles and a 2011 Ford Crown Vic with over 134,000 miles and both are not cost effective to repair. They would like to dispose of these thru govdeals.gov or any other means.

Motion was made by Mrs. Davis and second by Mr. Schneider to authorize a resolution authorizing to declare the ‘said’ vehicles unfit for municipal use.

MOTION CARRIED COMMITTEE REPORT WRITTEN

Motion was made by Mr. Cerra and second by Mr. Schneider to authorize an ordinance to dispose of ‘said’ vehicles on govdeals.com or best means possible.

MOTION CARRIED COMMITTEE REPORT WRITTEN

4. The matter of a contract renewal with Cintas Uniform & Mat Company.

Referred By: Safety Service Dir Lundy

Dir Lundy said Cintas has been the matt and uniform vendor for a while and it’s working out for everyone. Cintas is part of the State purchase list and the City is not required to go out for bid on it because of that, the City still needs Council approval to enter into that contract. We’ve paid between \$55,000 and \$59,000 a year therefore the contract is in excess of the \$50,000 threshold. It will be a 3-year agreement with two one-year renewal options.

Motion was made by Mr. Schneider and second by Mr. Cerra to amend the committee report as it was previously read.

MOTION CARRIED

Motion was made by Mr. Schneider and second by Mr. Cerra to authorize the Mayor to enter into the ‘said’ 3-year contract with Cintas.

MOTION CARRIED COMMITTEE REPORT WRITTEN

5. The matter amendments to the 2023 Temporary Appropriations. *[Standing Referral]*

Referred By: Finance Directors Pileski and Farrell

There were none this evening.

6. The matter of the 2023 Permanent Appropriations.

[Discussion with Possible Action] [Standing Referral]

Referred By: Finance Directors Pileski and Farrell

Mayor Whitfield said he was hoping that they would vote this evening, but he does see it will be discussion with possible action. They proposed a conservative budget and still has some carryover funds that have been preserved. The only ARPA requests they have are carryover projects from before and a few listed today and additional investments in police and fire. They want to re-engage the community. A lot has changed since the initial proposal of ARPA when they were first received. There are a number of projects that have changed.

They will hold off on those ARPA funds, they have a stack of major projects, but if the levy doesn't pass, the ARPA funds will help keep the City running.

Chair Stewart asked Mayor Whitfield to go over what some of the changes are.

Mayor Whitfield went over some of those changes are; cemetery and an additional salary, there's a need for capacity. They had to suspend some funerals. Maintenance manager needs skilled help. HR asked for an increase in their Diversity, Equity, Inclusion work. He deferred to Finance for the rest.

Dir Pileski said number 2 is in case he has to transfer from one muni court fund to a couple others that were running and close to being over appropriated, which will add \$126,363 to muni court transfers out in case that needs to be done. Number 3 is a request from muni court for ARPA money revenue replacement in the amount of \$205,438. Number 5 is 2016 .50 income tax fund, Economic Dev Dept reducing operating & maintenance by \$16,408 as open purchase orders at the end of the year were accounted twice. In the half percent income tax fund, capital needs dept., adding \$100,000 for replacement light poles on RT 57., which have to be replaced when they are hit and break down. Next is an upfit for a Street Dept. truck that was ordered, it's for a plow package/salt box. Next is the law enforcement trust fund, they're holding onto some money that has to be segregated into a separate fund for a Federal audit requirement and adding \$78,118 to transfer out under law enforcement trust. There will be a request to create that fund. Next is Sanitation, adding \$334,160 for reimbursement to Water & General Fund, which is done every year, per ordinance and reducing Capital Outlay in the Sanitation Fund by \$400,000 for a new side-loader truck. The money isn't there and he's trying to pay off a \$350,000 note that was issued a few years ago. He wanted to remind the committee that they bought 3 garbage trucks last year; 2 out of 2016 .50 percent income tax fund and one out of ARPA. We subsidized the Sanitation Fund Capital needs last year with special revenue funds, close to a million dollars. WWPC Fund is the fund that he's accounting money for with Bond proceeds that were issued a while back and we need to spend those completely down. Some of the sewer projects will be taken from that Capital Fund. There is one change not on this sheet is in Judge Bennett's office adding \$72,229 to Salaries & Wages and in Judge White's office adding \$44,151 to Salary & Benefits and that's to move existing personnel from Special Funds and back into the General Funds. These are the changes from the document that was passed out at the last Finance meeting.

Chair Stewart thanked Dir Pileski and Farrell and said they know the Mayor is trying to hold out on Capital Improvements. They need to look at the Fire truck with reference to the lead time, which is 3 years. Much needs to be considered.

Mr. Tollett ask Chief Pronesti if we ordered a new ladder truck, will it take 3 years from the time it's ordered before we would get it?

Chief Pronesti said that is correct. He would like to get the same type of truck that they have now, same type of aerial. That company said it would take 32 months and it's like that all the companies that produce fire apparatus.

Mr. Tollett said the cost is at \$1.7 million, is that correct?

Chief Pronesti said yes, that is the vicinity for the price.

Mr. Tollett said that the current truck is 14 years old and it was in for repair when there was that issue with bricks falling off of the building of the Sus-L business.

Chief Pronesti said there are standards on apparatuses and by the time we get the new one, the current one won't even be worth putting into reserve and we do need a reserve aerial. And the longer we wait, the more the prices will go up.

Mr. Tollett asked also asked about the radios, we had that agreement which was rescinded that agreement. Now Lifecare will be changing to the new radios, is that accurate?

Chief Pronesti said a few weeks ago, the owner of Cleveland Communication, Mr. Close stated that out of his own pocket, he was going to do some infrastructure improvements to enhance the reception for the Harris radio system. What will happen is the departments that have the technology with the radios currently will be able to instantly go onto this system. Lifecare received a grant with Vermilion Fire last year and they've received the radios and it's been indicated that they will jump on it. Chief Pronesti said that everyone has to understand that it's not just going to the system, it's being able to communicate with departments that are on that system. This is a problem that we're going to have to face financially because he doesn't see the County agreeing to move forward on this.

Mr. Tollett said they're looking at \$300,000 for a complete radio replacement?

Chief Pronesti said, yes, probably \$300,000 to \$350,000, it depends how much they would replace immediately. He said he's being forced to purchase these, because of all of the departments that they can't communicate with.

Chair Stewart asked if there is any value to current radios we have?

Chief Pronesti said the current radios we have now are utilized by the Police Dept., so they will be able to use them, but someday soon they will need to upgrade. The entire City will need that radio system.

Mrs. Davis asked if we can trade in the current ladder truck?

Chief Pronesti said we don't want to trade it in because there is value in it to hold its reserve status. That truck carries ground ladders that cannot fit on other apparatuses. Those ground ladders are used on big colonials in the Heights area where other ladders can't reach.

Mr. Lipian said that is a concern, because he's one of those residents who lives in the heights area and he would like them to have that capability to be able to use those large ground ladders when needed. There are many two-story colonials in Eastern Heights.

Chief Pronesti said he did a quick query of the amount of money that they put into the ladder truck now and it's around \$30,000 in the last 5 years. He also called some other city departments that have the same age aerial that was bought in 2009. They have all put a lot of miles on it. They are serviceable, it's in service, we just need to get it into reserve status so they can continue to get life out of it.

Dir Lundy said it's important that we hold the County accountable, they made a commitment to the communities and the message to County Commissioners should be to honor their commitment to the City of Elyria. Also, they're in litigation now. He understands the Chief's concerns and he has the same concern, there is a point where we should hold the County accountable to the commitment. If there's a window of time where we can take a look at it and see how it will work out. Their strategy is to divide and conquer. We do have an uphill climb.

Chief Pronesti said that some communities are creating an ordinance or resolution asking to hold the County accountable. He recently found out that the company that did the mission critical have backed out totally of doing anything with the County. So, we would be starting from square one. He worries about the safety of his men every time they go to another city and he wants to hold the County accountable because there was a deal in place.

Chair Stewart asked for clarification that they have appropriated \$4,463,610 of ARPA Funds?

Dir Pileski said, yes that's correct. And there's \$7,814,124 left to appropriate.

Dir Farrell said the blue column with the amount of \$4,463,610 is the amount that was presented at the last Finance Meeting. They've added the \$205,438 from Muni Court requests.

Dir Pileski gave a breakdown of what's appropriated; Public Health Community Violence Dept - \$114,844, Negative Economic Impact Home Beautification Program - \$250,000 (carry-over from last year), Negative economic Impact Essential Svcs - \$231,141 (carry-over also), Revenue replacement for Muni Court - \$229,611, Revenue replacement Fire - \$1.5 million, Revenue replacement Police - \$1.5 million, Revenue Replacement Parks & Red - \$250,000, Revenue Replacement Streets - \$241,452 (trucks carried over), Revenue replacement Misc. - \$200,000, Negative Economic Impact Essential Svcs Capital \$150,000 (carry-over of the Neighborhood Alliance Kitchen) These total \$4,669,048.

Chair Stewart asked what the \$200,000 for Professional Services is?

Mayor Whitfield said most of these can be used to strengthen the General Fund and Misc. General Government is like a catch-all for what doesn't fit with other categories, there real one to look at is Operating & Maintenance. Anything that would have traditionally been spent out of Misc. Gen Gov could be used instead of tapping into the General Fund. The Essential Services piece are carryovers based on agreements that have already been signed and carried over to this year.

Mr. Tollett asked if we have all the proposed budgeting for ARPA and after that we have \$7.3 million in ARPA Funds available, is that correct?

Dir Pileski said after what he just read off of what's appropriated, there's still \$7,814,124 left to appropriate.

If we were to add an additional half million to police & fire, \$1.5 million to sanitation to allow to purchase 3 new trucks and freeze sanitation rates, 2 million to pay for the needed improvements for fire dept (radios and trucks), all this totals \$4.5 million and that would still leave us \$3.3 million in ARPA funds to carry thru the year as a back-up in addition to General Fund carry-over.

Dir Pileski said that is correct.

Mayor Whitfield said his thoughts is to reengage the community to make sure they have a voice, this is a once in a lifetime opportunity. We need to be thoughtful about this and where will the City be in 4 years. Some of these are maintenance things and there are creative ways to pay for those. Once the budge is approved he wants to work on a Financial Package that would cover a new fire station or a satellite station, police evidence building, City wide swimming pool, community center, CMG. There are many investments that need to be made as a City. He sees the ARPA as a down payment on the future.

Mrs. Davis asked Dir Pileski what the Misc. funds are?

Dir Pileski said part of that was to pay Whit O'Brien which is a consulting company that is coaching on what we can spend ARPA Funds on. Other things would be street lighting, professional services. He doesn't have an itemized list. Though last year they appropriated \$500,000 and didn't use any of it.

Mrs. Davis asked about replacing lights on RT 57 and there's been one laying down at the corner of Furnace & Lake Ave for 5 months. Are they included in these light poles?

Dir Pileski said that came from Larry Showalter who is in charge of traffic lights and communications. The amount requested was \$50,000 for replacement light poles. Other streets may be covered by Ohio Edison.

Chair Stewart said this has to pass by March 30th. If anyone has questions, be sure to speak with the administration or the finance directors regarding what's being presented and it will be moving forward to the next Finance Meeting for approval.

**Mr. Cerra moved to adjourn the Community Development portion of this evening's Finance Meeting and that motion was seconded by Mr. Tollett. The meeting adjourned at 9:05 P.M.
MOTION CARRIED**

*Respectfully Submitted by,
Colleen Rosado, Secretary/Administrative Assistant
/CMR*