

**THE FINANCE Committee held a meeting on Monday, March 25<sup>th</sup>, 2024 beginning at 6:20 P.M**

**Committee Members Present:**

CD: Chair Callahan, Mitchell, Schneider, Oswald, Lipian

Finance: Chair Tollett, Davis, Schneider, Cerra

Others: Armstrong, Stewart

Not in attendance: Siwierka

**Administration and Department Heads Present:** Mayor Brubaker, Safety Service Dir Pyanowski, Finance Dir Pileski, Asst Finance Dir Farrell, Asst Dir Strohsack, Law Dir Deery, Public Works Supt Conner, Water Team Leader Jacob, Community Development Dir Scott, Com Dev Manager Almobayyed, Engineer McKillips, Chief Pronesti and Police Chief Pelko

**1. Approval of the Finance Meeting Minutes from February 26<sup>th</sup> and March 11<sup>th</sup>, 2024** Motion moved by Mrs. Davis and second by Mr. Cerra to approve.

**MOTION CARRIES**

**2. The matter of demolition charges to be certified to The County Auditor's Office.**

Referred By: Building Official Farkas

Mr. Farkas was not in attendance at this meeting and CD Dir Scott spoke on this matter. Dir Scott said this is a list of 2 properties that were boarded up and secured and they were initiated by the EPD. Those addresses are 994 Salem and 1825 Lorain Blvd. It was noted that all notices had been sent. This is standard procedure.

Mr. Oswald asked if 1825 Lorain Blvd is the hotel? Mr. Tollett said yes.

It was explained that this was a board up that was initiated by the EPD because it had been broken into it. The property is not getting demolished at this time, this is for securing and boarding up only, which has happened numerous times.

**Motion made by Mrs. Davis, second by Mr. Schneider authorizing a resolution for 'said' list of charges to be certified as liens to the Lorain County Auditor's Office.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

**3. The matter of applying for the 2023 Project Safe Neighborhood Grant.**

Referred By: Police Chief Pelko

Chief Pelko said this is to apply for the 'said' grant which we apply for every year. The grant is to help combat violence and they collaborate with several agencies throughout Northern Ohio; Toledo, Youngstown, Cleveland, Akron, Mansfield, Canton. They would be eligible for \$30,000 and it's a total 100% reimbursement. They will use the funds for technology; in particular license plate readers. Emergency requested.

**Motion made by Mr. Cerra, second by Mr. Schneider authorizing an ordinance to authorize the Mayor to apply for and accept the 'said' grant, emergency clause.  
MOTION CARRIES COMMITTEE REPORT WRITTEN**

**4. The matter of going out for bids for the Elyria Public Safety Training Facility and being funded by the FBI.**

Referred By: Engineer Schneider *[This was passed by Utilities on 3/20/24]*

Engineer McKillips said this is requesting to advertise for bids for the simulation and the range buildings and other facilities there. The plans are almost complete and they want to get this moving and spend the money from the FBI. We have 2.7 million dollars from the FBI and are looking at 2.5 million as a cap for everything. They are close to that number. If we would need to go back to the FBI for more they will entertain that idea to increase the funds.

Engineer McKillips said some of the buffers are included in this phase. It depends where the price is at and how much dirt they will be able to obtain. The area will be secured and there will be fencing and they have looked into materials to use with the fencing to help with buffering. It was brought up that the City might put funds towards that.

Engineer McKillips said this is a reimbursement. When we get invoices, we'll forward them to the FBI, they'll send us the funds and then we'll pay the invoices. We do not have funds appropriated for this at this time. She met with Finance Dir Farrell and they will appropriate 2.7 million dollars into General Fund, Misc. Government, Capital Outlay.

To date we have spent about \$30,000 for design work and surveys. They are looking at starting construction this summer.

Engineer McKillips said they have submitted site plans for Design Review and received comments and they are addressing those at this time, if all goes as planned they'll be able to move forward and go out for bid very soon.

Mrs. Davis asked if the FBI has input in the design and who we hire for construction?

Engineer McKillips said they do not have input as who we hire, we go thru our regular process; we'll bid it out and look at the qualifications of those bidders and we usually go with the lowest and the best bid. The FBI has partnered with us for the design. They've sat in on meetings and review of plans.

Chief Pelko says they meet with the FBI to collaborate with them on what they want and what has worked for them at their other locations.

Mr. Schneider said many residents had concerns and we promised buffering, is that going to still happen, with dirt?

Engineer McKillips said they are taking as much dirt as they can handle. Yes, they will put an earth and mound around the facility. They are also looking at placing a special liner over the fence area to help buffer as well.

**Motion made by Mr. Cerra, second by Mrs. Davis to authorize the Mayor to advertise for bids and enter into an agreement for 'said' building project.  
MOTION CARRIES COMMITTEE REPORT WRITTEN**

**5. The matter of waiving Building Permit fees for the Public Safety Training Facility.**

Referred By: Engineer Schneider

Engineer McKillips said they are requesting waiver of all fees for the construction of this project. The Building Dept fees could run around \$30,000 and the water and sewer fees could be \$10,000 or less.

**Motion made by Mr. Cerra, second by Mr. Schneider to authorize the waiver of permit fees for the 'said' training facility.  
MOTION CARRIES COMMITTEE REPORT WRITTEN**

**6. The matter of entering into a Service Contract with Strollo Architects for services for the design of a new Central Maintenance Complex.**

Referred By: Asst Dir Strohsack *[This was passed by Utilities on 3/20/24]*

Asst Dir Strohsack began by saying that this project has been in the works for a long time, at least since 2018. The project deliverables were going to be the written final program of spaces and defining of the spaces. It will give the dimension floor plan and site plan. There will be a color graphics of a presentation to council. The biggest thing will be a statement of probable cause of construction. It will take all the information to give a probable cost to build the complex. If this goes through, the amount will be deducted from the final cost.

Mrs. Davis asked where this company is located?  
Dir Strohsack said they are out of Youngstown.

Mr. Strohsack said they did requests for proposals in 2018 and continued with this company in 2019 and then covid hit. This is the company they have worked with before and they are very familiar with this project.

Law Dir Deery said the referral indicates that funding will be determined by the Finance Dir. Has there been a not to exceed amount determined yet?

Dir Pileski said many years ago, with the approval of council, he was able to set aside some cash from the Sanitation Fund into a newly created Sanitation Capital Fund with the thought of using that money for partial payment for a new CMG Complex.

That money has been sitting in that fund for many years. There is probably around \$260,000 in that fund which is enough to cover this agreement and that would be part of the Sanitation share of the project because they're part of the facility. That appropriation will be discussed the appropriation amendments.

Law Dir Deery asked if there is a proposed contract amount?  
Dir Strohsack said it's \$175,000.

Dir Strohsack said this site is across from the current complex and is almost 14 acres that we own and is ready to be built on. All the departments across at the current complex will move there. Long term plan is they could use the existing buildings at the old complex and use them for cold storage and out of season equipment, which we now pay Lorain Port Authority rent. There are currently millions of dollars of equipment sitting outside and some mechanics work outside. The City has grown in the last 40 years and that small complex has stayed the same.

**Motion made by Mrs. Davis and second by Mr. Schneider to authorize the Mayor to enter into 'said' agreement for design services for the new complex at an amount not to exceed \$175,000. Emergency clause.**  
**MOTION CARRIES COMMITTEE REPORT WRITTEN**

**7. The matter of rescinding and replacing Ord 2020-136 ~ sewer calculation for acct holders who receive water svc from other sources and sewer svc from Elyria.**  
Referred By: Water Team Leader Jacob *[This was passed by Utilities on 3/20/24]*

Public works Supt. Conner said in 2020, an ordinance was written where Rural Water was supplying some Elyria residents' water and using our sewer. It was determined that we would have a calculation on how they were to get a credit for sewer for outside usage, because there weren't any private meters. We're now looking to rescind that. The costs have gotten very high. In the four years that Four Seasons Development has gotten sewer credits, it's added up to about \$257,000. Now, with new homes continuing to be built and they will get water service from Rural Water, it needs to be fair for everyone. It doesn't matter if you have water and sewer or sewer only, they should be able to receive a credit by having a private/outside meter installed.

Mr. Jacobs added that they would inform the builders that for residents to have a sewer credit, they would have to purchase a deduct meter/outside meter from the Utilities Dept. Existing customers that are already getting this calculated sewer credit would have up to 12 months to have an outside meter installed at their own expense. The office calculates the credit based on what went in and what went through the meter.

Mr. Jacob said we actually pay them to give us the read so we can bill the sewer charges. If they get a deduct/outside meter put in, Rural Water could read the meter and give both meter reads or we could read the meters thru our new meter equipment.

Dir Deery said that one of the arguments that was maintained by the council person for this ward was that these residents were unable to get a second meter/deduct meter. And perhaps there was an issue that Rural Water would not sell them that meter. But, is it correct to say that we are able to do this and once those meters are installed the resident would qualify for those credits. In other words, those customers can purchase a meter from us and have that meter installed on Rural Water's Infrastructure?

Supt Conner said it's her understanding that those are PIT meters and that everything would be a deduct meter and it would be in their resident where it would be read. They did speak with Rural Water and they're not interested in selling private deduct meters to residents, so we would take that on.

Mr. Jacob said we would still have to pay Rural Water for their reads so we know what to bill the sewer. Then the resident would get the credit on the deduct/outside meter.

Supt Conner said they want to get this out the sooner the better. The first reads that they are based on sewer credits are June reads, which would be usage in May and June. Residents will receive letters which will explain the time frame to install a deduct/outside meter, stating after that time the sewer credit will disappear.

Mrs. Davis asked if they can be installed by the homeowner?

Supt Conner said the homeowner can purchase from EPU and have a plumber install it and then our service worker will make sure it's installed properly and lead the line to the outside box.

Supt Conner said we're currently getting billed for 641 accounts from Rural Water which doesn't include the new homes being built.

**Motion made by Mrs. Davis and second by Mr. Cerra to authorize to rescind ECO 937.20 for calculations of sewer credits and authorizing an ordinance for sewer credits to homeowners via deduct meter. Emergency clause requested.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

## **8. The matter of the distribution of the Opioid Settlement Fund.**

Referred By: Councilman Phil Tollett

Chair Tollett said it was brought up recently that the Opioid money had begun to come in last year, it's a little more than \$150,000. The City will receive money annually for the next 18 years, but the amounts will be different. When the settlement money first was announced, Judge White sent a letter about using a portion of this money to fund the Muni Drug Court. It's a rehabilitation program that lasts one year and the Judge request funds from the Opioid settlement to maintain this program. There was also a request from the Police Dept to use for drug enforcement to use for vehicles and other miscellaneous items this could be used for.

Chair Tollett thought we could split this money 80% for Police and 20% for Courts. They did not want to make a specific purchase after speaking with Finance Dir Pileski because they don't want to put an exact dollar amount because what comes in annually will not be the same every year.

At this time there is \$153,000, and that amount needs to be distributed.

Fin Dir Pileski said they did appropriate everything they had in the budget at that time. They may have to re-appropriate that because they just put it in operating and maintenance. They may have to create new funds for police and muni recovery court.

Dir Deery asked if they are looking to allocate money we already have or future money or both?

Chair Tollett said both, current funds and future funds in a percentage manner.

Dir Deery said at the time this class action was filed and attorney Brian Balser did all the work on this and there was a lot of data that was submitted at the time by Chief Whitely and Chief Benton because the settlement stated that political subdivisions, [cities] needed to show what the economic impact of the opioid crisis was on cities and first responders. She checked with Attorney Balser and Muni Recovery Court would be appropriate to receive the money. They were able to recoup this money due to the fact that it was the data from our police and fire that was submitted to show overtime that was needed, Narcan, wear and tear on vehicles, there were thousands of pages that were submitted. A question was brought up if some of this money be used for our ambulance bill.

Mrs. Davis asked why the Fire Dept is not included in getting some of this money?

Finance Dir Pileski said we have roughly \$150,000, but that represents two years, the annual payment will be around \$75,000 to \$80,000.

Mr. Oswald said Mrs. Davis brings up a good point as far as the Fire Dept. and maybe they should get a percent of the funds if they went on calls along with the Police Dept.

Chair Tollett said the Fire Dept also responds to overdose calls. He said he personally looked at using these funds for Drug Enforcement, which is why he proposed it the way he did. If it's the wish of the committee, we could add the Fire Dept to receive a percent.

Mrs. Davis asked who is paying for Narcan?

Chief Pelko said they get those from the Health Dept. at no charge.

Dir Pileski said if we get the Narcan from Lorain County Health Dept. we do pay the Health Dept an annual fee, per Ohio Revised Code, because we closed our City Health Dept. and the County Health Dept oversees those issues in Elyria. We pay somewhere around \$70,000 per year for their services.

Mrs. Davis's recommendation is to give the Fire Dept 10 or 20 percent of the funds.

Chief Pronesti said they respond to every 911 call that has anything related to a drug overdose. Paramedics can give Narcan intravenously through an IV. Their drugs are supplied through UH. They don't pay for them, but as far as cost of vehicle wear and tear and staffing, they can always use funds for that.

Mr. Cerra asked if that 80% can be on an 'as needed basis' to which department needs it at that time? There could be many possibilities going forward.

Dir Pyanowski said given the amount that is being discussed which is \$75,000 to \$80,000 per year, maybe it would make sense to give each one third percent, which would be about \$25,000 each.

Chair Tollett asked if the committee members would agree with this? Everyone has agreed and Chair Tollett asked for a motion.

**Motion made by Mr. Cerra and second by Mrs. Davis to authorize the Finance Director to distribute the 'said' funds; 33.33% to Recovery Court, 33.33% to Fire Department and 33.34% to Police Department.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

## **9. The matter issuing of a one-year general obligation bond anticipation note.**

Referred By: Finance Directors Pileski and Farrell *[Standing Referral]*

Finance Dir Pileski said in June we have 5.83 million in one-year general obligation bond anticipation notes that are maturing. 5.2 million of the 5.83 is the Chestnut Commons Connector Road which is a TIF project backed by special assessments, but there is no TIF revenue coming in as yet because there is no development and the special assessments don't kick in for another two or three years.

It's his recommendation that they roll over the entire 5.2 million dollar note and re-issue for the same amount. The interest that we pay will recoup when we start collecting tax increment financing payments. They will roll over the entire 5.2 million. There is a \$330,000 dollar note for the pumper truck that was purchased 2-3 years ago. He's been paying \$110,000 a year down on that note from the 2016 ½ percent income tax fund. His recommendation is to pay down another \$110,000 and roll \$220,000 into a new note. The final maturing note is for a side-loader garbage truck which we purchased 3-4 years ago. There is \$300,000 maturing and paying \$50,000 out of the Sanitation fund, it's recommended that we pay \$50,000 out of existing monies in the sanitation fund and roll the note for \$250,000 for one year.

Chair Tollett said because of the work Dir's Pileski and Farrell have done, our Bond Rating has increased and it's because of what they do to help save the City money.

Mr. Oswald said he thought the TIF was guaranteed, why isn't the person paying for this and why are we rolling that payment over?

Dir Pileski said it's backed with special assessments which will kick in if there is no development and no tax increment financing, TIF. But in the agreement, the special assessments didn't kick in for around 5 years and it was extended last year when they settled part of the litigation that the City was involved in. We still have 3-4 years before assessments will be coming in, but hopefully it will develop and we'll get TIF's soon. Once construction starts and buildings are built, we would start collecting immediately. Once this is passed it takes 30 days to go into effect, per Ohio Revised Code.

**Motion made by Mr. Cerra and second by Mr. Schneider to authorize the Finance Director to issue the 'said' bond note.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

**10. The matter of Amendments to the 2024 Permanent Appropriations.**

Referred By: Finance Directors Pileski and Farrell *[Standing Referral]*

Dir Pileski said there are 3 items to clean up the 2024 permanent appropriations.

- Earlier we discussed the FBI facility and there is an increase of 2.5 million in the appropriation, but according to Engineer McKillips, we're getting 2.7 million so we will go ahead and appropriate the 2.7 in Capital Outlay and will raise the estimates in the General Fund for the grant money that's going to come in.
- In the water fund, water miscellaneous department, we left out appropriation for reimbursements to the general fund so he's amending the permanent to add \$775,000 to the water fund for reimbursements.
- In the Sanitation Building Capital Fund, appropriating \$175,000 for the item discussed earlier for the design work for the new CMG complex and that's coming out of the fund that was created many years ago and the money is there.

**Motion made by Mr. Cerra and second by Mrs. Davis to authorize the approval of the discussed amendments to the 2024 Permanent Appropriations.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

**11. The matter of amending Elyria Codified Ordinance 176.01 to update the method which appointments are made to the Financial Review Board.**

Referred By: Law Director Deery **[Finance and Rules Committees].**

Law Dir Deery stated that there were previous meetings where the committee approved the appointment and establishment of a current Financial Review Board. Her office looked at 176.01 as it stands, it became apparent that the way that board would be appointed is at least unwieldy and she had a conversation with the Mayor and Attorney Craig. There were changes proposed which is the reworking of that provision as far as how it would work better.



It will remain as five members, which will be bipartisan and the four members would remain appointed by Council and the fifth would be appointed by the initial four members of the board. The term and eligibility requirements would remain the same. Hopefully we will be able to move forward and get this Financial Review Board set up.

**Motion made by Mr. Cerra, second by Mr. Schneider authorizing an ordinance amending ECO 176.01 of the Financial Review Board.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

*Chair Tollett asked for a motion to adjourn this evening's Finance meeting.*

**Motion made by Mr. Schneider and second by Mrs. Davis to adjourn this evening's Finance Committee Meeting at 7:20 P.M.**

**MOTION CARRIES**

Respectfully Submitted by,

Colleen Rosado, Secretary/Administrative Assistant