



City of Green

Central Administration
Building
1755 Town Park Blvd.
PO Box 278
Green, OH 44232

Meeting Minutes

City Council

James Ahlstrom - Ward 1
Bob Young - Ward 2
Ken Knodel - Ward 3
John "Skip" Summerville - Ward 4
Stephen Dyer - At-Large
Chris Humphrey - At-Large
Justin Speight - At-Large
Molly Kapeluck, MMC Clerk of Council

Wednesday, December 6, 2017

4:00 PM

Council Chambers

I. Call to Order

The Green City Council met for a worksession at the Central Administration Building, 1755 Town Park Blvd., Green, OH. President Humphrey presided over the meeting which he called to order at 4:01 p.m. and explained the reason for the work session.

II. Pledge of Allegiance - Was skipped

III. Roll Call of Council Members - Skipped

IV. Council Study Session

[2017-R69A](#) A RESOLUTION APPROVING AND ADOPTING THE 2018 ANNUAL OPERATING APPROPRIATION FOR THE GENERAL FUND AND ALL OTHER FUNDS FOR THE CITY OF GREEN, AND DECLARING AN EMERGENCY. Introduced 11/14/17 (amended December 12, 2017)

Sponsors: Gerard Neugebauer

Attachments: [2017-R69 Operating Budget](#)

[2017-R69 re Amended 2018 operating annual appropriation.docx](#)

[2017-R69 re Amended Exhibit A .pdf](#)

[2017-R69 re Exhibit B Annual Budget.pdf](#)

Mr. Humphrey referred to Mr. Schmidts memo attached to the budget. The income tax revenue for 2018 is estimated to be \$21,000,000. That number has to be submitted in July.

Mr. Schmidt explained as part of the budget process the City must submit their estimated revenue for the subsequent fiscal year to the Summit County Fiscal officer by July 2017.

Mr. Humphrey said historically that estimate has always been a conservative revenue number. He said the City budget numbers are also conservative. He pointed out when you look at the operating budget for 2018, the City maintains the six month cash reserve. If the city goes through a down time and not collecting revenue the way we had anticipated or had a natural disaster the City could continue operating and not be affected by the down turn. That operating reserve also helps the City in terms of their credit rating, which causes the borrowing cost to be considerably lower. When we got to refinance the bond issues that we have, with the bond rating we have, we have been able to save significant dollars moving forward in terms of interest expenses. Those dollars can be used to invest back into our City. When you look at the budgeting increases, year over year at the different budgeted categories, there will be some that stand out over others in terms of increases. Many of those categories are because, in the past, council has asked past administrations and it is now being implemented by this administration to look at each department as a cost center so that Council can understand when they are looking at the Parks budget, they are not only looking at basic operating expenses, what it cost to cut the lawn and empty the trash but also the associated labor cost that go into maintaining our Parks. When it is looked at this year it will be skewed because we are adding in things that were never accounted for in these specific budgets before. Now that we are accounting for them as a specific cost center, we are going to be able to look in 5 years and use next year, next year and the following year as a base line moving forward so we can have a true understanding on how much we are spending on Parks, Roads etc. One of the other assumptions that is built into this budget that Mr. Humphrey thinks is significant is health care, which is a big unknown from year to year. There is a 5% increase for health care budgeted in this budget. He asked Mr. Schmidt if he knew yet if it was going to actually be 5%.

Mr. Schmidt said there will be no increase in the health care costs for 2018 as previously thought. Mr. Humphrey encouraged the Administration, when they come back with some of the amendments that they reduce that by 5% so there can be an over all savings from this year to last year as opposed to carrying forward money that we will not be spending.

Mr. Humphrey said as Council looks at this next years budget, we look at the debt we are going to be paying down. The \$2 million Central Park Note, the \$424,000 lower interest service payments, 2018 vs 2017. As terms of the way the City is handling the Capital Budget, the City has \$803,000 in minor capital that is included in this operating budget. In years past the City has had a lot more things lumped into that minor capital. Those things are now in the Capital Improvement Budget vs. the Operating Budget. Mr. Humphrey said when you look at 2018, the over all Operating Budget is going to be around \$31.7 million. It includes a \$730,000 catch up payment for the new school compensation agreement. The City was able to reach

an agreement with the school for this past year and that represents a catch up payment that the City will be making this year that we didn't make in prior years and won't be making next year. This is a catch up payment to true up what the City did owe the schools. Also the repayment of the \$2 million Central Park Note. When you look at 2017 and compare it to 2018 this operating budget represents a 4.29% decrease over 2017. Once we take into the health care cost, it will obviously be a larger savings. In terms of how the Administration is approaching the budget that is helpful for the Council to realize they have really tightened up the budget process. In the past, the City might have had a million dollars budgeted for a specific department and we would only spend half of that. We are trying to get to a more closely one to one correlation between what is budgeted and what is actually anticipated being spent. Obviously, there are always going to be things that we can't anticipate but trying to get more to a one to one correlation between anticipated spending for the budget and what turns out to be actual spending for any given year. Mr. Humphrey pointed out that earlier in the year Council incorporated in an ordinance the spending procedures and how we go about requesting money to be spent within departments. If it is over a certain amount, how many people have to sign off on it and what the procedure has to go through to make sure that money is being carefully spent and it is budgeted to be spent. Any PO that is over \$1,000 the Mayor is reviewing and signing off on.

Mr. Schmidt advised the Mayor currently signs off on all purchase orders. He also advised that in 2018 he will not need to sign off on increases of \$500 or less.

Mr. Humphrey said that was a significant change from the past. You can budget, especially in a government accounting system, you blow through that budget and just request more money. But when you have a system set up where every single PO is being scrutinized that gives a spending discipline to the entire organization that lets everyone know there is not way to let anything slip past. The City will be more scrutinizing of every expense going forward. Not only do we have a carefully formed budget but he thinks when we look at cash flow coming out of the City and the way the dollars are being scrutinized as they go out, he thinks the citizens of Green can be very pleased that the City has implemented that kind of spending discipline.

Mr. Knodel pointed out that any expenditure over \$50,000 has to come back for capital expenditure, other than a contracted service, has to come back to council for additional approval and the competitive bid process has to be followed and come back to Council for approval. Just because Council approves this budget, it does not mean it is an automatic okay to go out and buy the equipment.

Mr. Humphrey wanted to focus on the combined statement of receipts, disbursements and changes in fund balances. If you don't understand anything else in the budget, understanding this page will serve you well to understand an overview of how the budget works. The fund balance of the beginning of the year, at the end of the year

and a six month reserve. How much indebtedness the City has and how much are we going to pay to service on the indebtedness for the period of the year and where is all the money going. When you look at the 2018 operating anticipated budget column, you go to the end and the number is \$27,631,064. If you take that number plus the borrowing expenses for the year, approximately paying down \$4 million of debt which is \$3 million in principle and \$1 million in interest you have to add that to the operating budget and if you add in the CIP expenses of \$10,002, 250. you get a good idea on what the City is going to spend. Within this anticipated operating budget a couple things stand out to him. First, the City will be spending over \$7 million as a City for our Fire Department in 2018. That is a big number, it is 25% of the City's operating budget, it probably doesn't even state fully the amount of money spend as a City because you have to look at the unfunded pension liability that is associated with that. It just shows that you have a big commitment in the City of Green, in terms of the safety of our citizens and what we spend on fire services. Obviously, before council currently is a budget for the Sheriff's contract and is a large number as well but not as significant as the 25% of the operating budget represented by Fire. The other amount that is a big number, when you look at Parks and Recreation, it is \$2,162,050. That number is a significant number when you consider the amount that the City is going to spend based on the 7.5% park fund that is going to come in. What our parks actually cost to operate and all of the labor that it takes to maintain those parks over a given year. Every time we add a capital expense to our parks, we are really adding an expendential expense moving forward in the future. Any building that we build we have to maintain over time. The amount it cost to construct the building is the lowest cost, the amount that it cost to take care of over time that is a significant expense.

Mr. Knodel said even though the Charter was changed approximately six years ago, the City has never taken that change in the Charter and reflected in the parks, where we have taken the 15% of that 7% is to be used for operations. The entire amount of the 7% is still going towards capital improvements. That should be dropping into the general fund and eliminating some of the excess money coming out of the general fund for operations of Parks.

Mr. Humphrey said timing is everything. That was passed at the last Charter change and at that time the City was ramping up into the period where Central Park was coming on line. That took a lot of oxygen out of the room, in terms of resources to construct that park, finish that park, pay off the note and everything associated with that. The City really hasn't been in the position to do that. Maybe moving forward we will be able to do that. He said in three years there will be another Charter Review and as a community that is a good time to decide rather or not we want that requirement to continue moving forward.

Mr. Humphrey said he talked with Mr. Schmidt had talked about the amount for the road resurfacing. One of the concerns Mr. Humphrey had when reviewing the budget was understanding how much the City is spending on the road resurfacing program for the City.

Mr. Schmidt said for both operating and capital budget the City was looking at \$1.7 million.

Mr. Humphrey said he thought in the past when they talked about grading the roads and trying to maintain the roads at a certain level, that we were talking at about a \$3 million level in order to maintain the roads at what they considered an acceptable level based upon the grading scale we have implemented. He knows, that also in addition to the resurfacing for 2018 it is not like we are spending on roads because there is significant expenditures for some of the roundabout projects and the engineering associated with future projects. He asked if the thinking of the Administration has changed in terms of how much the City needs to be spending year to year on the resurfacing.

Mr. Pickett explained how the \$3 million was arrived at. They looked at all the pavement they had and a reoccurrence interval of when they wanted to be resurfacing. If they were going to resurface every road with a certain return interval, they picked something like fifteen years, that is one of the ways they came to the \$3 million per year. Over time, the longer they have been able to collect data both on cost of maintaining the pavement and as they try more preservation treatments it should extend the lives. It is only over a long period of time and a lot of data gathering the City will decide that is the right number. They have to look at the condition of the infrastructure and there is also the functionality of the infrastructure. The City still has operational issues and are really not able to develop a picture of how many millions that should be on average. This year they are proposing two roundabouts that are totally self funded, no outside funding. He thinks the City has to be able to make those trade offs. He isn't saying we do not need to spend \$3 million a year but we aren't necessarily always going to be able to do that. He thinks because there is no easy way to look at which is more important between the condition of what we have pavement quality wise and the condition of the road network, meaning how well it is functioning. The City has to invest more heavily some years in capacity projects like the roundabouts and maybe a little less in the pavement condition itself. He reiterated there is nothing magic about that \$3 million. He thinks it was a pretty good target and if you look at the number of years the City has been doing that we are seeing the overall condition come up so he thinks the City is on the right track but because it is not an absolute kind of a calculation, the City has to be willing to consider spending a little less. He personally thinks it is a good decision. He thinks the City needs to address some of the other intersections that have operational issues and sometimes like

the ones being talked about, they don't rise to a level of reasonable significance or state level significance where we are going to get funded with those other programs. They are important to the City but they are not important to those bigger places where they are passing the money out. They don't solve problems where we can get federal funds for them.

Mr. Humphrey asked if Mr. Pickett was finding, like in the past we didn't do a lot of the strip patching, and maybe some of the alternative methods to doing a road as opposed to grinding it up and repaving the entire thing, which is a significant expense, are you find that because we are doing more of the strip patching and increasing the life, improving the over all quality that maybe the \$3 million figure can come down and still not see a large departcher from what we are looking for in quality moving forward.

Mr. Pickett said he does not think they have enough information to give them confidence to say that something like strip paving is going to reduce our need for annual committment. What strip paving does is, it lets the City target the needed areas and he explained what he meant. For the users it temporarily raises the condition level, doesn't last long but for a while it performs really well. Strip paving usually buys two to three years of good ride quality.

Mr. Knodel said he was part of the Council when they established this road grading program and they went through a big education process. He thinks it is beneficial to the City and gave th City a peramater on how to maintain the roads. The last two years we have had pretty moderate winters where our roads didn't get torn up that much. Last year we did not spend \$3 million on our roads, he believed we spend \$2.6 or \$2.7 million. He would like to know how many neighborhoods the City has not been in yet and the conditions of the neighborhoods. The main thoroughfares are done through State money or AMATS money for Arlington Street or Massillon Road and granted they need work. He said the neighborhoods suffer, especially in a severe winter. By cutting it back to less than \$3 million that we originally talked about and our consultanting engineers really gave us the idea it should be, he thinks is a misjustice to the residents of the community. He thinks it is a very good budget, the expenditures are really controlled but when he sees the revenue is up and was up last year and yet we are a flat or lesser budget projected for next year that we need to put more money in to roads. He suggested an amended ment to this budget as Council as a Whole or bring it to the floor of Council at the next meeting but he definately feel a \$1.5 million into roads and on top of that hired another engineer to be ahead of the game. That was the purpose of hiring that other engineer, where the City could be doing engineering to be ahead for the year. He is in favor of putting additional money into the roads for next year because we don't have the road survey back for this year.

Mr. Pickett said they have not chosen the candidates but when they rate the pavements they won't have that data soon enough to make the decisions. The data they have is not all that old. He understands Mr. Knodel's concern is they are spending less than what they said they would on an annual basis but that is an average commitment. There will be years they will make that up. Another thing he thinks is intentional and he thinks Mr. Schmidt would be better to explain it but the City is trying to reduce their debt because they will be having major projects coming up that will be significant. The City will be borrowing money to do Massillon Road North of I-77. He said it is important to reduce debt. We can't change our revenue but we can change what we spend. So spending a little less on resurfacing to trade off for the real needs, the capacity needs, is something we're going to have to face.

Mr. Knodel said a good portion of the Massillon Road North debt is going to be paid by the feds. Mr. Pickett said we are still going to have to borrow for our local share. Mr. Knodel said his point is, if you get into a hole on this road resurfacing program, eventually you are going to have to dig yourself back out and that is where we were 5 or 6 years ago when we entered into this consulting engineering our roads.

Mr. Pickett said the City has under invested in paving for a much longer period prior to that. He does not believe we will fall into that. We had no way of measuring our success or lack thereof. We weren't grading the pavements or actually looking at their conditions. When they got bad we paved them and we prioritized well but we weren't looking ahead. He said there were expensive projects that were necessary to fund. He does not see them doing that again because they are actually measuring the condition and have some indicator of our success rates. Mr. Knodel asked Mr. Pickett if he was given an extra \$1.5 million would he be able to use it this year. Mr. Pickett said of course. He said if they were given the money now they would find a way to put into the pavement by next summer but that isn't really the whole story. There are other financial commitments they are going to have to make.

Mr. Knodel said he will not be one that has to answer to the residents regarding the conditions of the roads. Four years ago when he went door to door, that was one of the biggest concerns was the condition of neighborhood roads and he doesn't want to see that happen in another two years. The City has made great strides and he doesn't see moving backwards on the program. He asked Mr. Pickett to prepare for Council, prior to the approval of this budget what neighborhoods have not been touched during this current road resurfacing so that if they need to make an amendment to this budget they could do it prior to passing the budget.

Mr. Humphrey asked why they would need to make an amendment to the budget at this point. We will be scoring the roads again, if at any time in 2018 a neighborhood stands out in terms of not meeting a minimum standard, it could always be brought

back to appropriate from the general budget money that was not budgeted for 2018. He would rather see Council do that based upon objective data than take \$1.5 million and say make sure you spend it. He said to remember, to the extent that we do more projects in any given year those projects wear out at the same time. Part of this process is spreading it out so that you even it out to a certain reasonable number per year. He shares the concern but frankly thinks they have gotten with the road program to a point where the conditions of our roads are amazing. He talked about a year where the City spent \$5 or \$6 million because there were all these projects that had built up from the past.

Mr. Pickett said he believes we had a year where we were over \$10 million. He said there will be other times they have like that too. Some funding comes through AMATS paving program and we will be able to see some of our road improve through that program. That will boost what we do in that particular year. He said he felt our road were overall in good condition. He said he does not see any neighborhoods that have deplorable conditions. He said it is subjective. He said he thinks it is a fair argument that our pavement condition is raised to a level where it is pretty acceptable. Hew does not think it demands more investment right now.

Mrs. Carr said she works closely with Mr. Pickett regarding the roads. Advantages she has seen since she has been with the City is an excellent in-house crew and she thinks that is a huge advantage for the City of Green. She said they are going to try to stretch those dollars the best they can. She said the guys in charge of that have been strategizing over the summer on how to do it more effectively and more cost effectively. She believes last year was the first year the City worked with the County. She said today she sat with two of Mr. Pickett's employees with the County and went over thier pavement program and their timelines. She said there is a lot of different of different methods that the City can utilize that the City has not in the past. She said you can have \$3 million and not spend it effectively. She believes, from some of these methods through the County program we can actually use our money better and stretch those dollars further. She said they have talked extensively about motor paving. She is familiar with that process. She said it is at a lower cost but just as affective in terms of the paving. She said Mr. Pickett makes a great point in terms of pavement preservation. On your newer roads, if you do the right thing at the right time, you can extend them five or ten years. She said the City was much more aggressive in their crack sealing and rejuvenation. They have \$200,000 planned for that next year. It is not paving but in a sence it is because it extends the live of the pavements.

Mr. Humphrey said he was glad that Mrs. Carr brought up the in house because he thinks when they look at the road miles that we can do in house, we certainly can accomplish a lot more to the extent it can be done in house rather than putting it out to bid. The neighborhoods that have been done in house are fantastic. He does not

think you can tell the difference from in house and contractors.

Mr. Dyer asked Mr. Knodel if he was suggesting taking from some where else.

Mr. Knodel said he concurs with what Mr. Humphrey said about looking at it down the road but being at \$1.5 million now when the City felt that \$3 million was a realistic number is a concern of his. Maybe we are not putting enough into it regardless of what process is used. He does not want the City to get behind like they were years past. If he was assured the next Council and Administration will continue look at this and see if there is a need for additional money then he is good with that too. All he is saying is this was talked about, agreed upon it to move forward with this project and he is willing to fund it, if it needs to be funded. He told Mr. Pickett he was the engineer and it was his reputation and the Administrations reputation to answer to the residents of the community if in deed there is an issue.

Mr. Pickett said he is confident they will not let it slip over the long haul. He said they had to be willing to make concessions here and there but on the long haul they will keep the conditions up.

Mr. Humphrey addressed a memo provided by Mr. Dyer expressing some concerns with comparing 2015 to 2018. He said he has spent a lot of time looking into those numbers to be able to understand it. He said he has also met with Mr. Schmidt to discuss those concerns. He thinks to put some reality behind the concern, if you look at what the City actually spent in 2015, so money that was not just budgeted but money that was actually spent and then look at what was budget for 2018...typically we are spending under that conservatively...but lets assume for a moment we spend every dollar that we budget for 2018. When you are looking at the overall number, Mr. Schmidt, we actually going to plan to spend less in 2018 then we actually spent in 2015.

Mr. Schmidt explained there is usually a carry over amount from year to year as part of the budget which is a couple million dollars and that is hard to know at year end, depending on how money is spent. If you actually look at the budget and anticipate that occurring, even if you take a million dollars off, it will be less than what was spent in 2015.

Mr. Humphrey compared it to looking at most households or businesses and you ask them if you are spending as much or more in 2018 then you were in 2015, the answer is probably going to be yes because of increased cost because across the board I am being charged more for goods and services. Mr. Humphrey thinks it is very significant that the City can say we plan to spend in 2018 less money than was actually spent in 2015. There is not many government entities that can say that. There is not many non government entities that can say that so he thinks it is a significant thing.

Mr. Dyer clarified that the 2015 numbers there was a one time \$4.6 million excrow transfer that was included in the budget. Mr. Schmidt said he was not counting that as part of his figures. Mr. Dyer said he came up with the City spending almost a million more than in 2015 based on the current budget. Mr. Schmidt said that was correct because Mr. Dyer was comparing the 2018 budget to an actual number for 2015. He said typically there is a carry over amount from the budget to the next year that is not actually spent. He said he has gone back years and analyzed there has been at least a \$3 to \$4 million carry over from one year that is not actually spent. This year we were able to get back \$2.8 million as part of a supplemental appropriation measure working with various department heads. He is anticipating \$1 million carry over for 2018. Mr. Dyer asked if they should communicate to the residents that the budget is actually \$2 million less than what we are spending. Mr. Schmidt said that past history has shown that we don't typically spend the budgeted amount. Mr. Dyer said what we are saying is that the budget numbers are not really the numbers, we are anticipating that we are going to spend more than what we actually spend. If we are that confident that we are not going to spend that much money then why are we budgeting for that much money. Mr. Schmidt pointed out the budget is down from last years budget by 5%. We are cutting back on that budget amount, trying to get more realistic on what we think we are going to spend.

Mr. Humphrey said that was the first time he heard someone complain that we are spending less than what we are budgeting. He thinks most people would be happy about that fact. Most residents understand that when you have spending discipline and you are looking at every single purchase order and having your Mayor look at every single purchase order that has an affect all through out the organization so that people are very careful, if they know the Mayor is looking at a purchase order then they are not going to be submitting purchase orders for frivolous items. He said there are 146 pages to the budget. The City looks at what the revenue is going to be and we project it in June. That number is never going to be accurate. What you think you are going to collect in June is not what your experience is not going to be what you collect in December. What you anticipate you are going to spend for 2018, you may be over or under a little bit. There is a lot of moving pieces and parts. The important thing is we are an organization and not many government organizations can say this, we are living below our means. In such a way that we are able to invest in roads and road projects and significant projects, we can build central park, we can have significant infrastructure projects, we can spend \$10 million a year in capital improvements, we can have some of the finest parks that anyone has in the State of Ohio and we can still be running with a six months reserve. To him that is nothing but positive.

Mr. Dyer said he is not disagreeing that living within your means is positive. What he is trying to encourage is the most transparent budget for the people of Green so they

have a good idea of what we are actually going to spend. If what we are actually going to spend is \$2 million less then why wouldn't we put out a \$28 million budget than a \$30 million budget. Mr. Humphrey asked how that benefitted the City. Mr. Dyer said because it is more accurate for the people. They have a better idea of what we are going to spend. His other concern is back when the citizens of Green passed the 1% income tax increase, at the time it was anticipated it would raise \$6.5 million a year. Prior to that passage, the City said it was going to put \$1 million into the schools and make up for the lost fire and EMS levy and put \$650,000 into the parks and that leaves the City with \$2.3 million to spend on operations and capital projects. No one voted for that levy for the City not to spend it to improve the lives of the people of Green. He loves the parks but he also knows we are way down on personnel in the parks. He also knows it would also be nice to expand the crack seal bid. Right now, according to the November financial report they just got there is almost \$9 million in unencumbered funds. That is almost a 50% increase over the amount that we anticipated the 1% increase would raise. That money is not going towards projects that would improve the roads, the parks, infrastructure. He has heard in the community a lot of concern about wifi service. We could address a lot of those concerns. Mr. Dyer said as somebody who was in a legislative capacity during the great recession when it was a rainy day and we used the rainy day fund to offset loses because we were losing \$250 million every month in revenue. He understands the importance of having a rainy day fund, so he doesn't say we shouldn't have one but residents are starting to express concerns with him that they voted to increase the income tax to do projects and provide services that would substantially improve the lives of the residents of Green and what we are doing right now is we are saying isn't it great that we not doing that. He wants the City to start looking seriously at what our citizens need and then seeing if the budget and actual spend amount is meeting those needs. The City needs to start looking at meeting the needs of the residents rather than meeting the needs bankers. He is more concerned about that as a general rule. He said he will not hold up anything any longer than it needs to be. He has given to all the directors and everyone on Council, you can look at it. The amendments would end up spending less and doing more on crack seal, concrete repair and park maintenance. He thinks the City needs to seriously think about the fact that the City is essentially not spending more than the income tax increase was anticipated to raise when the voters of Green passed it. We need to start thinking about that and make sure we are meeting the needs of residents. While he thinks it is great that we can talk about how much cash we have on hand, he thinks it would be a lot better to say we have hyper speed low cost wifi available to every citizen, you have side walks through every area that needs it, you have roads that are the envy of northeast Ohio, you have Parks that are fully staffed and programmed. He thinks that is also beneficial and he thinks we need to strike a balance. He thinks we are too obsessed...Mr. Humphrey said with financial responsibility. Mr. Dyer said no that he was confusing financial responsibility with being cheap. Sometimes financial responsibility also means meeting the needs of residents. He thinks it is incredibly financially responsible to invest in the

community so that you have great streets, great parks, great infrastructure, you have great development. He thinks it is absolutely fiscally responsible to do that. Simply not spending money and calling yourself fiscally responsible is a little simplistic. Being fiscally responsible means being responsible to meeting the needs of the residents and if you are not meeting the needs of the residents so that you can call yourself fiscally responsible because you are not spending money, he doesn't t

2017-R70.A A RESOLUTION APPROVING AND ADOPTING THE 2018 ANNUAL CAPITAL APPROPRIATIONS FOR THE CITY OF GREEN, AND DECLARING AN EMERGENCY. Introduced 11/14/17 (Amended December 12, 2017)

Sponsors: Gerard Neugebauer

Attachments: [2017-R70 Annual Capital Budget](#)

[2017-R70 re Amended 2018 Capital Annual Appropriations.docx](#)

[2017-R70 re Amended Exhibit A 2018 Annual Capital Projects.pdf](#)

Mr. Humphrey pointed out the CIP is in the books starting on page 9. The total amount listed for capital projects is \$10,002,250. He asked if there was going to the CIP.

Mr. Schmidt said there are going to be two amendments to the Operating budget. Under the street construction fund there is two pieces of equipment being purchased, the gradal and the street sweeper. The service just got notification and the actual cost of those vehicles. The gradal will be increased by \$40,000 so it will go up from \$300,000 to \$340,000. The street sweeper will increase by \$25,000, going from \$225,000 to \$250,000. Those items will be included in the supplemental capital budget that Council will receive next week.

Mr. Humphrey said in terms of the amendments to the operating budget, he knows one is adding \$50,000 to the CIC where we just transferred the two properties with the schoolhouse and the property adjacent to the old Chapel Hill Christian School. Having a funding source for the CIC moving forward, should there be opportunities for us to utilize those funds over the next year. He asked in addition to that what are the other areas of amendments.

Mr. Schmidt said there was one other increase of \$35,000 that the planning department has two vehicles that are under a lease agreement that will expire in August of 2018. They will have to buy out those two vehicles which total \$35,000. They forgot to include that as part of their operating budget initially.

Mr. Knodel asked if they were one year leases. Mr. Schmidt said they are three year leases. He said the buy out is actually \$16,000 each.

Mr. Knodel asked if they are taking the schoolhouse and turning it over to the CIC effective with the legislation to be passed next Tuesday, the expenditure for work done at that schoolhouse should be taking out of the budget because it will not be paid for out of City funds.

Mr. Schmidt said that was correct but it is subject to Council's approval. There was \$15,000 for the East Liberty Schoolhouse can be taken out.

Mr. Humphrey asked if that was marketing expenses.

Mr. Wiethe explained it was a mixture. He said they will need to do a new survey and consolidate those properties. This will cover a few of those services. If it is transferred they would like to transfer the whole...they would need to do a transfer to do it. There will be a few smaller cost related to that. He said it might be closer to \$5,000 to make that happen.

Mr. Humphrey said as long as there is being an amendment, Mr. Schmidt why don't we pull out that \$15,000.

Mr. Wiethe said what he was saying was there was a few things left to do to make that transfer happen. Mr. Humphrey asked when the transfer will happen. Mr. Wiethe said a survey must be completed and they need three competitive costs that they do not have yet. He asked if they wanted to amend that budget, leave them some money to do the survey documents to do any of the other legal services that they need to make it happen. He said \$5,000 would be adequate.

Mr. Schmidt said if it was left at \$15,000 it could always come back to Council as one of the supplemental appropriations to reduce it.

Mr. Humphrey said he felt that was the better way to go. He asked if there were any other questions on the CIP. He said Council did pass the CIC legislation at the last meeting. He asked Council to keep in mind the way that legislation worked, the money, if we sell one of those properties, the money comes back to the City, it does not go back into the CIC.

Mr. Knodel said he saw the email in regards to the Heavy Rescue Truck. We have a rescue truck and he asked the Chief to go through it with them. He said the City has had a Ford Rescue Truck for quite a few years that has suffice for heavy rescue. In this capital budget we have \$750,000 for a heavy rescue truck (page 8). He said it seems to be an extreme difference from what we have now for a heavy rescue truck.

Chief Funai said when you consider the age of the truck and all the NFPA standards that have come in place since the time that one was built, yes it is an expensive truck. It is absolutely in line with what heavy rescue trucks are going for in today's market. There is no extras or build ups. That is the cost for a fire apparatus built to the specifications. Things that you are picking up that the current rescue truck is that we are building into it a pump. Fifteen hundred gpm pump and a 500 gallon tank of water. The existing truck has a 100 compressed air foam system. One of the uses of that truck is it does the extraction for motor vehicle accidents. We have that limited amount of fire fighting capability in case there is also a vehicle fire. This is an improvement and does add significant cost.

Mr. Knodel said it is more the cost of the body that is taking this up from what we have now. The GVW of the truck is not that great. It has a rear axle of 40,000 and the front at 22,000 so it is not that heavy of a truck. He asked if there was any other community in Summit County that has a truck like this.

Chief Funai said he doesn't know others inventory well enough to tell him that but this is an extremely typical heavy rescue truck.

Mr. Knodel asked if this was a truck, that if joining forces with other fire departments that we could regionalize and use.

Chief Funai explained the concept of regionalization is absolutely always a possibility; however, with regionalization comes travel time. Twenty-five years ago when we got the current truck there was commitment made to the velocity that we were going to try to build out our capacity to initiate a rescue. In the fields of building collapse, trench, confined space, high angle, hazmat those are the kinds of specialized equipment that are carried on this truck. Yes there is a county team that has some vehicles and equipment that could respond with firemen from around the county to pick up the equipment and come to Green to assist Green with the call; however, we made the commitment that we were going to be able to start any of those rescues on our own with our equipment, with our people, with our training because we don't like to wait for all that stuff to arrive. He gave an example from two years ago at the airport. He explained this is a commercial chassis and yes it is a significant upgrade to go to a custom chassis. With the commercial chassis, the wheels are out in front and you sit behind as opposed to when you see a fire truck when the driver is actually over or in front of the front wheels, which helps them get into tighter spots. It has a more significant frame and with that a bigger engine, transmission and all those components that go with that because we are making another 25 year commitment. The current truck is over weight and it is not the safest vehicle out on the road. He said there are things that go with it and yes it is an upgrade to what they have that comes with it.

Mr. Knodel said he understands what the Chief was saying but this is not a first line response vehicle to any emergency.

Chief Funai said it goes to all motor vehicle calls. They use it to block traffic and explained how it is used.

Mr. Knodel said he sees that this is a federal grant funded item. He asked if they anticipate purchasing this truck if they do not get the Federal Grant.

Chief Funai said he does not anticipating getting the truck if they do not get the grant. He said he would have a conversation with the Mayor and if he was feeling brave enough he would come back to Council to ask for an additional appropriation. He said he would not say that Council will not see him. The plan at the moment is to go for the Assistance to Fire Fighters Grant and hopefully fund it that way.

Mr. Humphrey asked if the \$675,000 net of the grant or that is the total purchase price and we are hoping to defray part of that with a grant.

Chief Funai explained the total purchase price is around \$750,000 and it is a 90/10 split. He said 10% would our portion. The \$80,000 from us is a little more than 10% and the rest would be the Federal Grant.

Mr. Knodel asked if there were any other manufacturers of this Vehicle and would it be going out for competitive bid.

Chief Funai said it was and it would go out for bid. He said you see a Pierce Impel Chassis. In 2009 when the City received the last Assistance to Fire Fighter grant and we bought the two fire engines which are the primary engines out of each station. They are both Pierce Impel Chassis. They are making an attempt to standardize the chassis that we have in our fleet to help with maintenance and up keep.

Mr. Knodel said he can see the usefulness and the cost on the tanker truck, he is just concerned on the cost for this one. If he was representing ward 1 and knowing they are in need of a satellite station there is a trade off or a partial trade off.

Chief Funai said this budget represents his opinion and there can be opinions on the level of the vehicle that we could purchase to do this job. He feels what they have offered is the middle of the road choice. There are much nicer trucks out there but they are trying to take advantage of what they have already established and get those safety enhancements and meet those NFPA recommendations for a current modern truck. To not have repeat that we got by with what we had, and yes we got by with it for 25 years and we can continue to get by with something scaled down and yes they

could and they don't want to and he doesn't think they should have to and he doesn't think the citizens would want them to. He does not feel anyone can find anything on this truck that is out of line or excessive.

Mr. Knodel said he is trying to look at this from a different angle. He has asked the highway and service department to prepare list of vehicles they have. No where in this budget do we have anything for the highway department. There are five - 5 ton snow plow trucks that are 19 years old. There are two - 10 ton snow plow trucks that are 11 years old and there is one 10 ton truck that is 16 years old. With that being said, the two trucks that Council authorized for purchase this year and still haven't received. There is nothing in the budget to replace any of these and some have very high mileage. He doesn't think to many of us are driving around with 19 year old vehicles. Especially in a snow plow truck and you are trying to maneuver around vehicles and plow snow. He has concerns with the safety of some of these vehicles. If indeed there was money in the budget for this year to purchase any amount of snow plow trucks they would not see them until 2019 because that is the build out time. By not having them in this budget and going until the end of 2018-2019 this City will not see new equipment for the road department until 2020. He believes that is going to put our highway department and snow plows in jeopardy. He would like to see Council amend this budget to at least put some money into it for some snow plow equipment.

Mrs. Carr said she would not debate the numbers because they are true in terms of the age. She said they went through the complete list of needs with her superintendents and mechanics and the gradal and street sweeper came to the top as well as a mechanics vehicle. The mechanics vehicle, because of some savings, they were able to buy this year. She is pleased to see the gradal and the street sweeper are in the budget and it appears that you are going to leave them in the budget because they are two essential pieces of equipment. Her next choice would be either a 5 ton or a tandem are probably what is most needed right now. She thinks they can get through another season but she is not going to lie they are old vehicles and they will be the next things on the list.

Mr. Knodel said the question that he is really presenting, that Council needs to be aware of, is getting through this snow season and not getting them into a budget until 2019 means that you have to go through three more seasons.

Mrs. Carr referred to New Franklin and how they will be leasing some trucks. She said they got theirs last week and Green is still waiting for ours. She promised they are keeping an eye on demos and things they want to move because they are a year old and if a hot piece of equipment comes up she has no problem going to Council.

Mr. Knodel said he would like to make an amendment to this budget and at the very least amend it to put in \$500,000 to start the process of getting the chassis and getting ready to put the equipment on for 2018. Mr. Knodel said you could possibly by two trucks for the \$500,000. The trucks sitting in the lots do not have the speck of the speck of equipment on it that we have for our City trucks but at least you would have the chassis on order. The build out of the bodies is what usually takes the amount of times. He also suggested the City go into a government lease with a dollar buy out at an equitable interest rate.

Mr. Humphrey asked Mrs. Carr if it would be better for the City to see how the equipment is operating, go into a lease, if we get into a situation where we need to be and then go out to the market to purchase a piece of equipment like that or would it be better if we have to do this in a year or two anyway go ahead and commit the funds now.

Mrs. Carr said she likes the fact that we have a little flexibility, if something would come available that matches the city's needs she thinks that Council is open to looking at that and if the money would be available that is something they could discuss. She said the lead time is a long time, it is going to be a long time no matter what. She said she would rather try to work with some of the vendors for demo equipment that we could get faster. Nothing against the current vendor that we use for our build outs but she would like to look at other options as well.

Mr. Humphrey asked Mrs. Carr to take a look at it and at the next meeting come back with a recommendation.

Mr. Schmidt said as part of this process we need to do a balanced budget and the only way to purchase those two vehicles out of the Street Construction Fund would require an additional transfer out of the General Fund. He advised if they waited until next year, as the year end close process goes, we could always come back to Council and appropriate those monies needed to purchase those items.

Mr. Humphrey said that was a good point and it has been done in the past.

Mr. Knodel said there is only three, maybe four main body companies and they are all behind right now for the same reason. The build out of these trucks are very labor intensive. It isn't like putting a body on the back to spread salt. He said it is great to see if something is available but the bottom line is, if you want it the way you want it, you are going to wait.

Mrs. Carr said the current trucks on order, one is expected to be delivered this week and the other one is about two weeks behind that one. She sees the light at the end of the tunnel.

Mr. Humphrey thanked administration for coming to the work session. He advised they will be moving on this budget at the last meeting of the year next Tuesday.

V. Adjournment

Mr. Humphrey adjourned the meeting at 5:52 p.m.

NOTE: This meeting was not video recorded. These minutes will represent the permanent record of this meeting.

ATTEST: _____ DATE: _____

APPROVED: _____ DATE: _____

Upon approval by City Council, this official written summary of the meeting minutes shall become a permanent record, and the official minutes shall consist of a permanent video recording, in accordance with Green City Council Ordinance 2014-12, adopted on November 25, 2014.