

**SPECIAL COUNCIL MEETING
OF THE CITY OF BROOK PARK, OHIO
HELD ON TUESDAY, DECEMBER 20, 2016**

The meeting was called to order by Council President Astorino at 6:00 p.m. The Clerk called the roll and the following Members of Council responded:

SCOTT, BURGIO, SALVATORE, TROYER, POWERS, MENCINI

Also in attendance were Mayor Coyne, Service Director Cayet, Safety Director Byrnes, Finance Director Cingle, Building Commissioner Hurst, Law Director Horvath and Economic Development Commissioner Dolan,

Mr. Astorino pointed out there was limited power in the building.

**REMARKS FROM THE AUDIENCE ON THE ORDINANCES AND/OR
RESOLUTIONS THAT PERTAIN TO ITEMS ON THE AGENDA:**

Mr. Tom Greenlee

15841 Paulding Blvd.

Mr. Greenlee voiced his concern that the ordinance on second reading addressed more than one subject, and with the law director's memo stating Council, by vote, told the Mayor to bypass the Charter regarding the bidding process when they are under oath to uphold the Charter. He said the legislative authority forms the board, not the Mayor. The law director also said Ordinance No. 9960 authorizes the Mayor to proceed pursuant to Ohio Revised Code (ORC), and competitive bidding is not required. Energy conservation means to reduce energy consumption and has nothing to do with the price of energy consumption. It deals with the amount of energy to be consumed. Energy conservation measures are procured by the Charter and ordinances, not by Ordinance No. 9960. Why would Council not want the city to receive the lowest and best bid? Council ordered the Mayor to proceed, specified as 717.02 (c 1 c). ORC requires competitive bidding and at least three proposals. No energy conservation report is mentioned in the proposals, the ordinance or in the law director's memos. The legislative authority is to analyze proposals, vendors' qualifications and select the most qualified, Brewer-Garrett in this case, to prepare the report. After a review of the report, the contract is awarded to the vendor who will provide the greatest energy savings. The report is used to advertise for proposals, which was not done. The company chosen by the committee established by the Mayor was Brewer-Garrett to prepare the report for those bidding on the project. Brewer-Garrett sued Metro Health Systems for not bidding; stating that due to no competitive bidding Metro Health missed out on a four million-dollar savings. How much is Brook Park missing out of by not

Remarks from the audience on the Ordinances and/or Resolutions that pertain to items on the agenda only: cont.

competitively bidding? On March 3 during a presentation, Brewer-Garrett indicated they were working on their proposal and had been preparing for months. No other company seeking proposals had that information, ability, or background. Brewer-Garrett had favors, afforded to no other company, and never prepared an energy report to give to those companies.

Ms. Lavaine Cates
15499 Remora Blvd.

Ms. Cates objected to Council spending hours at Council meetings asking financial questions regarding the recreation center that could have been asked at the recreation meeting. She also questioned the expertise of those addressing the issue at the podium. Residents and seniors wanted the center to go forward since 2014 with more programs. People campaigned to do that, but Council is stalling. Pursuant to the contract, if something fails the city is not responsible. Four proposals from experts were received. The audience should have information when someone speaks at the podium to follow along, but she said, we want to hear from the company, architects and financial experts, not someone without a degree. The committee got proposal and chose Brewer-Garrett, which was the right choice. The Hometown News had articles for and against the bond issue. One stated new buildings were needed for our children, which also applies for the recreation center.

Mr. Mike Vecchio
14417 Park Drive

Mr. Vecchio said the bond issuance and the government raising interest rates, which will now cost the city more money, has not been addressed. The bond is the issue and needs to be expedited.

SECOND READING OF ORDINANCES AND RESOLUTIONS:

1. ORDINANCE NO. 10060-2016, AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS IN A MAXIMUM PRINCIPAL AMOUNT OF \$5,200,000 FOR THE PURPOSE OF PAYING THE COSTS OF INSTALLATIONS, MODIFICATIONS AND REMODELING OF CITY BUILDINGS TO CONSERVE ENERGY AS FURTHER DESCRIBED HEREIN AND TO PAY THE COST OF ISSUANCE FOR SAID BOND AND DECLARING AN EMERGENCY. Introduced by Mayor Coyne and Councilman Mencini

Remarks from the audience on the Ordinances and/or Resolutions that pertain to items on the agenda only: cont.

Motion Mr. Troyer, supported by Ms. Powers, to allow discussion.

ROLL CALL: AYES: Troyer, Powers, Mencini, Scott, Burgio, Salvatore. The motion carried.

Discussion ensued as to whether or not a motion was necessary since this was on the agenda.

Mr. Astorino said open discussion is for a Caucus setting and there was no Committee of the Whole. Council can move to discuss and then, as directed before, provide direction on what needs to be done.

Mr. Salvatore said Council is in charge and responsible for movement of legislation and the activity conducted at a Council meeting. So, if we want to discuss something on an agenda by a vote of Council we shall be able to do the same thing effective as of this meeting and move it forward, is that correct?

Mr. Astorino said no because of posting requirements to which Mr. Salvatore said it is on the agenda and already passed posting requirements.

Mayor Coyne said you are saying this meeting was not posted to which Mr. Astorino said it was posted and the Mayor did call the special meeting

Mayor Coyne said this issue is most important and requires discussion, but a motion is not necessary. Questions need to be answer especially since the public raised issues.

Mr. Astorino said the motion was to have discussion. It seems Council would support the motion, which provides what the Mayor requesting.

Mr. Troyer called the question.

Mayor Coyne had information requested by Council and experts present to address Council's issues.

Motion by Mr. Troyer, supported by Ms. Powers, to call the question and end debate.

ROLL CALL: AYES: Troyer, Powers

NAYS: Mencini, Scott, Burgio, Salvatore. The motion failed with a vote of 2-4.

Mayor Coyne said we have a recreation center to fix.

Remarks from the audience on the Ordinances and/or Resolutions that pertain to items on the agenda only: cont.

Mr. Troyer and Ms. Powers called for a point of order and Mr. Astorino told the Mayor he was out of order.

Mayor Coyne said he was not going to be quiet and said this a joke. It is in order to discuss what is on this agenda and the audience was allowed to do so.

Mayor Coyne asked that the Council be polled to determine if what you are doing is correct or not.

Mr. Astorino said a motion is before Council, which seems to have been supported by everyone, but for some reason Council does not want to end debate and vote. If you did not want to end debate, the four people should be debating. Please provide us with your debate; otherwise, the roll will be called. Any further discussion from Council?

Mayor Coyne said Council should move to remove the Chairman, as he has not learned how to preside over a meeting.

Mr. Astorino said Mayor Coyne was out of order and if he continued to violate Rule No. 9, he would be asked to leave the dais to which the Mayor said that would be a mistake and was unfair.

Mr. Astorino asked the Mayor to please leave and the Mayor refused saying Mr. Astorino was incapable of conducting business and the Pro-tem should take over.

Mr. Astorino asked the Clerk to call the roll on the motion.

The clerk called the roll on the motion by Mr. Troyer, supported by Ms. Powers, to allow discussion on the ordinance on tonight's agenda.

ROLL CALL: AYES: Troyer, Powers, Mencini, Scott, Burgio, Salvatore
NAYS: None. The motion carried.

Mr. Astorino said Ordinance No. 10060-2016 was open for discussion.

Motion by Mr. Troyer, supported by Ms. Powers, to have a back and forth discussion with Brewer-Garrett.

Mayor Coyne wanted to make a presentation and include them.

Mr. Salvatore asked for a point of order and said they are a part of the agenda because they are part of the process and no motion is necessary once again. They can make their presentation and at that point, Council can have their questions answers, just as was done with the first reading of the same ordinance.

Mr. Astorino overruled the point of order because they are not on the agendas as presenters. The meeting is for Council discussion so Council needs to make a motion to allow that, which has been made and seconded, like the discussion motion. If it is what you want, you need to vote for it.

Mr. Salvatore wanted to agree on a procedure that would be the same for all meetings because that is not how it was handled last time or the time before.

Mr. Troyer said this year we have voted to allow people to speak during a Council meeting. It is highly irregular to do that and is why we have the vote to allow it.

Mr. Mencini said it is a special Council meeting and we should have some type of presentation with a Q&A period. There is time for it since we started at 6:00 p.m. and that was his motion.

Mr. Astorino said a motion is on the floor and it sounds as though you are in support of the motion. Any other discussion on the motion to allow Brewer-Garrett too...?

Mr. Mencini said I said presentation also.

Mayor Coyne said the administration is making the presentation and they are part of it.

Mr. Astorino said seeing no further discussion on the motion we will call the roll to allow guests to participate in the Council meeting.

The clerk called the roll on the motion by Mr. Troyer, supported by Ms. Powers, to have a back and forth discussion with Brewer-Garrett.

ROLL CALL: AYES: Troyer, Powers, Mencini, Scott, Burgio, Salvatore
NAYS: None. The motion carried.

Mayor Coyne said answers were provided to several questions Mr. Astorino had along with the law director's response to the legal issues raised at the last Council meeting. Prior to making an amendment to further clarify the

ordinance he addressed insinuations and comments made earlier regarding Charter violations and his authority under ORC 717. All procedures were followed under State law. Regarding savings having nothing to do with it, the thrust of the bill was you would lose less energy and avoid the cost of using it. The savings must pay for the improvement, which is clear in the statute. Regarding Metro General Hospital, Brewer-Garrett challenged the process they felt was not fair to them. Four of the major energy assistance companies, energy performance service companies, responded to the Request for Qualifications (RFQ). Not one protested the qualifications or award of the point system in the entire process. We proceeded legally. The first energy audit was done at the recreation center in June, 2001, and nothing was done. Brewer-Garrett was selected for the preliminary review of the center. The last time major improvements were done to the center was in 1996. Demolishing and erecting a new building was reviewed and in retrospect that should have been done. The city cannot afford to pay for the operations of the center, subsidizing any more than we already are, with the general fund. We do not have the money in the existing capital improvement budget to undertake this project. To undertake it piece-meal would not generate savings that would pay for it. We analyzed both buildings and what it would cost to make improvements to both, which is a little more than what it will take to consolidate everyone into one building. The building we are in can have something go wrong on any given day with electrical or Heating, Ventilation and Air Conditioning (HVAC). Therefore, this is the best option. Interest rates, addressed earlier by a resident, are out of our control; however, if there are increases this project may not take place. It has taken time because a thorough analysis was necessary. We want as many things done as possibly under the provisions of the statute without endangering or crippling us in moving forward with other capital needs. We have met those requirements and any further delay will be the death of the building. He said if asked to justify this in competition with the city's other budget he could present a good argument. Amenities offered to the community made us different from anyone else because we could afford them. Now we must be smart about how we do them. Amazingly, people will attack the process, but provide no solution to the problem. We have a problem our citizens want solved and this is the best option. We expect questions, but at some point, decisions must be made and this case is not complicated. There are no structural changes, no additions and basically no floor plan changes. There will be partitions. No activity that takes place in the center will be affected by any improvements. The only issue is relocating the daycare center. We have exhausted everything and questions have been answered to everyone's satisfaction thus far. All legal issues have been addressed; therefore, if Council has specific questions Mr. Dolan is present to address them as well as representatives from Brewer-Garrett and the city's financial advisor, Mr. Stuczynski.

Mr. Salvatore addressed his questions to everybody involved in the project beginning with the law director. He asked what are we not in compliance with if anything and are we following any and all laws set forth in order to move this project forward. He requested written answers to the two questions by the next Council meeting.

Mr. Mencini asked Mr. Stuczynski to answer questions.

Mr. Matt Stuczynski

17172 Penney Pines Circle, Strongsville, Oh.

Mr. Stuczynski stated he represents the city as financial advisor.

Mr. Mencini thanked him for coming and said interest rates increased last week so how would further delays affect the obligation bonds and the project if it were delayed, say, until the end of January instead of tonight?

Mr. Stuczynski said since our last meeting the federal government, raised rates and interest rates have moved higher across all maturities we would be financing starting from year one to year twenty. Rates will increase for municipal bonds and we are higher today than we were last week at this time due to the interest rates. As they increase, it costs more to repay just as with a mortgage. In this instance we are the metrics for our debt service that are costlier today than they were last week at this time. Therefore, we have gone up a couple, five to ten basis points, depending on where we are at maturity. Keep in mind; we sell bonds over the course of 20 years. There is a principal redemption in every year, one through 20, and there is an interest rate assigned to that, so the debt service is higher today than it was last week.

Mr. Mencini stated for obligation bonds to which Mr. Stuczynski said, yes, general obligation bonds. That is to secure the full faith of credit of the community backstopping the repayment of the debt.

Mr. Astorino said if this passed last week, it takes 60 to 75 days to go through and Mr. Stuczynski concurred, but said the question was where are rates today?

Mr. Astorino said if this ordinance passed today, it would take effect and we would not get the rates from maybe 60 to 75 days from now and Mr. Stuczynski concurred.

Mr. Astorino asked for a guesstimate of what kind of cost increase that would be to which Mr. Stuczynski could not say off the top of his head, but the process starts after the legislation is passed and from there it would be

60 to 75 days. Or, the process could begin early and start moving forward with some of the documentation that is necessary in order to start the sale and to prepare for the sale of bonds. That would be the preparation of the official statement and could be done in advance of the final passage if the legislation were to be passed. It looks as though we are waiting in this instance to start the clock running after Council considers this legislation.

Mr. Astorino said the rate is set when the process is completed.

Mr. Stuczynski said that is correct about 60 days out. There are about 15 days between pricing where the rate is established and the bonds are sold to investors. Then a formal closing, where there is funding, so there are about two weeks between pricing and closing, which would not be set until 60 days out. You are looking at some speculation as to where interest rates are moving. Interest rates are expected to increase as we move into 2017. Prior to the predication of the expectations that the tax rate changes, that President-elect Trump has suggested, would make tax-exempt bonds less favorable to investors. Therefore, there are expectations of rates going higher in 2017.

Mr. Troyer thanked Mr. Stuczynski for coming and asked how many times interest rates have increased since May, 2015, to which Mr. Stuczynski said they go up and down daily, but the federal government raised rates once in December, 2015.

Mr. Troyer asked how much they increased since May, 2015?

Mr. Stuczynski said since November 4th, a couple of days before the election, rates increased almost 70 basis points from November of this year to today, and are up a little higher, five to ten basis points, from last week to this week. Therefore, from where we were the early part of 2015, it is an excess of those numbers. He did not know the exact number, but said interest rates were higher today.

Mr. Troyer said, no rough idea, to which Mr. Stuczynski said he would be wrong to guess and he would not unless he was told there was a reason to do so.

Mr. Troyer said, so substantially more than that 70 points, to which Mr. Stuczynski said he was not going to say substantially, but would say they were higher than they were in early 2015.

Mr. Troyer said we were told these are RFQ's and most everything was done in May, 2015. If this would have moved and been processed that summer, we would have definitely had a better rate than we are getting now.

Mr. Stuczynski said if the question is if we would have started the process in 2015 and completed it in 2015 would rates have been more attractive than they are today, the answer would be yes.

Mr. Mencini said if purchasing a car or house you would have been better off as well. Could you explain obligation bond rates going up on a daily basis? They tend to fluctuate.

Mr. Stuczynski said you are providing a security pledge of your general obligation to the investor, which is the full faith in credit to repay the debt. When you do so that improves the interest rate to yourselves because it is the highest form of security pledge you can provide to the investor. However, those rates move daily and the matrix are representative of spot rates for the general obligation interest rate or general obligation bonds for a specific maturity and the interest rates representative at those maturities are moving every day. He said he used three spot-rates. They are moving up and down every day and are moving higher throughout the course of November into December. They change every day and have moved higher since then.

Mr. Mencini considered himself a passive investor that would keep his money in the bank if rates were increasing. He did not know if he would go towards obligation bonds as time goes on in 2017. He said he might stay away from bonds if rates keep going up because he may invest a little bit more and keep his money more in the bank.

Mr. Stuczynski said general obligation bonds the city issues are tax-exempt, which makes them attractive. They are fully backed by the city and are tax-exempt. The tax-exempt status has been very meaningful over the past number of years for investors who wanted to protect their income or are at income levels where tax-exempt dividends are to their benefit. That is the attractive nature. As interest rates rise and we have concerns about tax-rates impacting tax-exempt bonds, tax-exempt bonds become less attractive. As the tax rates are lower, tax-exempt bonds become less attractive. That is part of the reason that tax-exempt rates have gone higher since the election. Other expectations around the economy, both U.S. and globally, are other reasons why they have gone higher.

Ms. Powers said Mr. Stuczynski mentioned something about 7% when Mr. Troyer was talking and he speaks as though the market will keep going up.

Stock market reports are up one day and down the next. How can you predict this will go up and we have to buy this today or we might have to pay tomorrow? We might buy this today and make a better deal next week. Is it not just as likely either way?

Mr. Stuczynski said if the question is, am I predicting interest rates are going higher, the answer is I am not.

Ms. Powers said he was talking as though they will continue to increase so is it not just as possible that they will decrease.

Mr. Stuczynski said that could happen on any given day depending on what happens around the world. Regarding her reference to 7%. What he was referencing was 70 basis points or seven tenths of one percent. It is possible that interest rates could go higher. He was suggesting the trend we have encountered over the last year. The question was where were rates last year, where are they today and what is the trend line that there are expectations that they might go higher. They very well could go lower, but the current trend is they are going higher based upon world economy and on the potential change in tax rates. He said he was not speaking about stocks but was addressing interest rates as it relates to tax-exempt bonds.

Ms. Powers said he referenced the election and upcoming change of power as being influential as far as rates increasing. They could just as easily go down. She asked Mr. Stuczynski what he would predict when looking back when there has been a presidential election year. How is it between the election and January 20? Is it usually a volatile time for the market? Does it usually go up or down?

Mr. Stuczynski said he is not an economist and would not predict interest rates, which would be wrong of him. He is just sharing information that has been very transparent over the last year as far as trends in interest rates and what seems to be impacting interest rates going forward based upon information we all have the same access to. He has no unique perspective on that. The only thing requested of him is the question of what happens if interest rates go higher and what is the impact on debt service. The debt service would go higher. It would be wrong to make a decision based on his predictions of where interest rates go. That is not what he is going to do. I will provide the consequences of waiting and if interest rates go up, run that calculation. He also was not prepared to provide a complete analysis of what has happened post elections and said it is unlikely that there is a clear trend. That happens infrequently and going back 100 years to gather that data to get a reasonable sample size is probably not a good predictor of anything.

Ms. Powers said if interest rates go up, he would adjust accordingly.

If they go down would the same statement apply to which Mr. Stuczynski said if they go down, he would make the counter-argument. Debt service would be lower and savings would be higher. Savings being the differential between debt service and projected energy savings from the project. Therefore, that is exactly right. If interest rates went lower, we would save more.

Ms. Horvath said when Council considers an ordinance they should ask three questions: Is it legal, can we afford it and is it good for the city? She deferred whether it is good for the city and if we can afford it to others and would address only legal issues. On the 12th, she presented Council with an opinion and also presented one today. The issues addressed in the opinion dated the 12th dealt with certain sections of the Charter, whether or not it was appropriate and legal, and did we proceed in a lawful manner regarding those Charter provisions. We discussed that at the last meeting and had a concurrence with bond counsel that we were proceeding properly. There was a question concerning the ordinance authorizing the Mayor to prepare and draft the RFQ. Her opinion addressed why she felt that was appropriate and legal, and why the process is appropriate. We are proceeding in a lawful manner and have not violated any procedures. She spent time with bond counsel and Mr. Dolan looking at the legislative history in this matter. We discussed with bond counsel, her opinion. We received either late yesterday or earlier today, an email from her with suggestions she thought would be helpful to clarify the ordinance before us. Last time, after the first reading, we had several amendments to that ordinance. There is also an opinion detailing with what she thinks would be in order and what would be helpful in ways to amend this ordinance to make sure there is no doubt whatsoever that the process was appropriate. She hoped everyone had the amendments before them. They are very simple. She suggests we refer to the fact that we have filed the report from Brewer-Garrett with the Council office, which to her knowledge was done earlier today. There seems to be some confusion as to whether or not Council previously received it, but it was filed this morning. The other amendment will say that Council accepts the recommendation of the RFQ evaluation committee. With those two simple changes that would assure that, we are operating in a lawful manner and we are fine and can answer the question of whether it is legal with a yes. She directed Council's attention to her letter concerning those memos for those amendments and the opinion of the 12th, which you received today. She would not discuss the bidding process because people are present that know that process better than she does. She would answer questions concerning the memos.

Ms. Powers said the law director needs to present information earlier in the week to the Clerk of Council so she can get it on the agenda on Friday so agendas are ready for pick up on Friday evening or late afternoon. Ms. Powers said she comes in either Friday or over the weekend to pick up her packet to study it and usually does not come back. Sometimes she calls the clerk to ask if there is anything she needs to know. There was a memo from Brewer-Garrett time-stamped at 11:52 a.m., December 20, which is today. There are two memos from the law director dated December 20 at 3:45 p.m. We should not be expected to sit down at a meeting with four, five or six pages of materials to study between the time we arrive and the time the meeting starts. Getting things to us timelier would be appreciated.

Mayor Coyne said what was received today provides further documentation and clarification of what was received at the November 12, 2016, special council meeting. It is the project summary and general trade mechanical and is more specific. It was received in another form on November 12. This report was addressed before the recreation commission at a public meeting and was also addressed before the public at a community meeting at the recreation center. What was received today was already received in a different form and you now have the certification that Mr. Chambers performed.

Ms. Powers asked the Mayor if he reads documents prior to commenting on them even if he received them previously. Whether or not you had it last week, if you receive it new today, you are looking at new information you are supposed to read before commenting on it.

Mayor Coyne said all kinds of background information goes into any kind of report. We provided, in a form that is exactly what you have right now; this is backup documentation. He said to answer here question, yes, he does read things, but he was saying she had them since November 12 and there were public presentations before that time, so there is nothing new in there.

Mr. Troyer said Council received about five pieces of information today; one delivered late this morning stamped 11:52 a.m. He took it from his Council mailbox at 3:30 p.m. and found a couple memos from the law director at 5:30 p.m. The piece received this morning does provide a little more information, and is information he did not receive previously. It is part of what he requested for scope of work and gives slightly more information, but is still not what he was looking for, which was drawings. The Mayor mentioned there was no change to the floor plan. Then what are we doing with the community room by adding Council Chambers and what is being done with daycare? Are you using their floor plan and will that work for City

Hall? What are we doing and what is going into it? He said he wanted a written drawing showing how it is going to look and a more in-depth explanation of what is going to be done.

Mr. Troyer said that perhaps Brewer-Garrett could comment. He said the Mayor said we had this information and he can speak later if he wants to. Regarding scope of work, the Mayor said we had the information since November 12 and it is basically the same information, perhaps a little more in-depth. On page five of eleven pages, it says Brewer-Garrett will install a new spray urethane foam SPF roof system on all roof sections of the community center. The Mayor is saying this was presented at the recreation center meeting to the community and to us on the 12th, but at last week's meeting, we got an additional \$600,000 for the roof. It shows here that it was on there on November 12, now we are saying we are adding \$600,000, to include the roof.

Mayor Coyne said there is no floor plan change for Council Chambers. The existing stage will become the podium and will be improved. A wall will be erected behind it with space for the caucus room. It will be a dividing wall, not necessitating an architect's rendering. There will be electrical upgrades and those kinds of things. There are no changes to the basic area of the community room except for new flooring. The type of flooring is yet to be determined. The kitchen remains the same and the flooring will probably be improved. The next area will be subdivided between the Council Clerks and Mayor's Court because Mayor's Court will convene in the community center. The room will probably subdivide Council Chambers and Mayor's Court by a wall because we have to secure documents but is not a complicated requirement. There is no change structurally or in the floor plan of that particular area. Hallways will be carpet tiled in some areas and retiled. There will be painting and new doors throughout. In the center itself, existing offices up front where the recreation director and her people are, will remain the same except for painting and lighting improvements. All ductwork stays and new units will go in. The gymnasium remains as is except for lighting. The rest of the building is the same, but some ceiling tiles may be replaced. It is lighting and flooring. Some lockers may be removed to facilitate a lounge. There will be new showers. Steam and sauna rooms will be improved. On the roof, he said what had to be done and provided pictures. The issue was how much could be put into the roof that would qualify for the savings. Therefore, in revisiting that, how can we maximize that to improve the areas, not only with the spray, but how can we improve the areas so we do not have to come back in 20 years, and we did that. Council on the 12th inquired about that. We did that and added it to the plan. He said you are making faces and I do not know where you were, but he remembered some Councilmembers raising questions.

Therefore, you did have this. You had a summary of the projects and this provides some background information for it, but it is merely a narrative of what you have in the summary. Nothing more, nothing less. It is a narrative behind the numbers. The pools are separate and audio-visuals of Council are separate because we could not fit those into the mode that we believed in, in conforming to the energy conservation project. Those are not in this contract as they are separate and will be addressed in this year's capital.

Mr. Troyer said this is going to cost us more to which the Mayor said it is not if you heard his explanation.

Mr. Astorino reminded the Mayor that Councilman Troyer had the floor.

Mr. Troyer requested drawings, an idea of how things will happen and how they will look, and a list in writing. Time was spent on the bonding. He was in favor of how that works and it is a no-brainer. His concern was about doing it right to avoid issues and being aware of what we are getting for \$5.2 million dollars. It started at \$4.3, \$5.2 and is up to somewhere between \$7 and \$8 million once it is paid off. Doing the project correctly is important so we get the kind of recreation center we want. He did not have contract documents or proposals and ORC 717.02 requires three proposals for Council's review with specifications, description of work, dimensions, details, locations of the work, and an energy conservation report. He said that perhaps Brewer-Garrett could point out where the report is in the event he overlooked it, as he does not have it, proposals, or specifications. We were given generic sheets not specific to Brook Park.

Mr. Wilbanks of Brewer-Garrett said the report is the document that is the big packet. When we were asked for an energy conservation report by Ohio State University, Kent State University and the City of North Ridgeville, that is what this is.

Mr. Troyer asked what in the document was specific to Brook Park.

Mr. Wilbanks said as the customer you think we have copies of this sitting at the office and just throw them in there. This is tailored to your request. When we go to project management this is specifically how we plan to run and audit your job.

Mr. Wilbanks said that is the financial and these are the request for proposal (RFP) questions to which we were to respond. We have been scrambling around trying to provide the additional information the Mayor requested, which is the subsequent information we have been told that you want. You

can sit at the office for two weeks and get an earful of information about Brook Park if you want. Consider what this project is about and the delivery method, which is in the design...

Mr. Astorino asked for name and address.

Mr. James Wilbanks, Brewer-Garrett, 6800 Eastland Road, Middleburg Hts. Ohio.

Mr. Wilbanks said as a design build project, the design in build are done simultaneously for more efficiency. It creates less conflict and enables us to react to concerns or changes more economically and efficiently. The drawback is, and the reason it does not follow the typical bid-spec model you and members of the audience describe, is there is no set of drawings and it is not specked out from day one. That process starts after we are selected and under contract. The contract dictates what we can and cannot do and what our obligations are. Legally it is binding on us to satisfy the confines of any scope of work in a design build methodology. If we get it wrong the error, responsibility and financial burden is on us. We put ourselves in that position because we are in control of the designing of the building of the project. That is the benefit and description of that process.

Mr. Troyer asked what about contract documents and the proposal for the project to which Mr. Wilbanks said contract documents were submitted.

Mr. Troyer asked if that was in the document as Mr. Wilbanks said the whole thing was the energy conservation report. He asked Mr. Wilbanks if he saw any proposals in the paperwork he had.

Mr. Wilbanks said he did not remember every page of the proposal and would have to review it.

Mr. Scott said he would visit Mr. Wilbanks' office and get more specifics to questions instead of taking up Council time to which Mr. Wilbanks said that would be arranged.

Mr. Wilbanks said quite a few presentations were made in front of various groups and at Council meetings, and the majority provided a description of the floor plan. As to how Council Chambers will be handled, it is impossible to put every piece of information into a proposal in a two-inch binder. What one Councilperson is looking for may be different from what another one is looking for so when putting the binders together we satisfy the requirements of the RFQ and proposal documentation. Tons of supplemental information

goes into that and it is impossible to put everything into a single binder that we are going to reproduce and submit as part of our response.

Mr. Scott said being in commercial construction, he understands exactly what Mr. Wilbanks is talking about regarding design build and that drawing everything is impossible.

Mr. Mencini said he was with them from the beginning and was around the recreation center in the 90's for the other project and would leave it up to others on how that went. He said he had confidence in them and this project. He thought the recreation center was starting to move a little and he wanted to keep going because it is going to be a big asset to the community, now and in the future. Regarding the floor plan, is the process that far along and if so, could that be displayed for the public.

Mr. Wilbanks said that could be provided and we are that far, but one of the benefits of the design build process is we are never done. We are done when the process is finished, the conditions and construction is built, and the owner is satisfied. The biggest thing our project managers deal with daily are subtle changes. You have this floor plan done today designed and costed and you have to keep in mind, when it comes to construction, unless you are making a significant material change, square footage is square footage. We are going to have a Council Chambers and have an idea of how it will look. Wanting a table with four chairs instead of three is not talking about a difference in cost, just a different way of doing it. If you wanted to cut the entire room into 15 different small offices that is material change. We have an idea of what we think satisfies the requirement and there were discussions with other members of the city about what those requirements may be. We do not consider ourselves done with engineering and doing architecture until we are finished with the project.

Mr. Mencini said one of his suggestions would have been a before and after tour of what is proposed and the final product. When remodeling your kitchen and suddenly realizing it needs gutting, similarly, this building was built in the '70's so there will be some unexpected issues.

Mr. Astorino said the Comprehensive Annual Financial Report (CAFR) mentions the two buildings square footage is 16,880. Some drawings show the center and roofing divided into sections. City Hall will be put into the areas that are now the daycare, the community center and the front office. The square footage is a little over 13,000 square feet, so we are losing about 3,700 square feet of office space.

Mr. Wilbanks said another way of looking at it is ergonomics and development and how space is programmed. Furniture is now built for more

efficient use of square footage. A new school has to accommodate the same 40 students in 75% less square footage than we used to have. That square footage is valuable. We must utilize ergonomic planning and different ideas behind systematic planning in an approach that is different than was used when these facilities were built. Your furniture will look different when the center is complete. One way to view it is reduction of square footage verses more efficient use of that square footage.

Mr. Astorino said Mr. Wilbanks heard residents saying Council is against this issue. It is a \$5-million-dollar project so it is appropriate for Council to ask questions. He said all he has hear is we are overcrowded and he was just asking for an explanation.

Mayor Coyne said when addressing square footage some departments will no longer need vertical files and will store things off-site with access on demand. There may be less square footage better utilized but not that much. We brought operations to City Hall, which worked fine. Our major demand for space is in the tax department where the space is not planned well, as it was an old jail. Mr. Wilbanks says there will be better use and sufficient operating space.

Mr. Burgio said Council will always have questions since there is always something to consider, which is a good thing. Many have been answered, especially regarding the bond issue and interest rates. He said he would attend the meeting with Mr. Scott and Mr. Wilbanks. He thanked the law director for her information and all those working on this. What she said sums it up; is it legal, can we afford it and is it good for Brook Park.

Mr. Astorino said working off the summary the project price is \$4.9 million dollars. City Hall and Council relocation is \$3.1 million of that quote. To fix the center with the roof, etc., is \$1.8 million dollars. The \$3.1 is dealing with these buildings.

Mr. Wilbanks said this goes back to the earlier discussion of being able to provide that discreet level of detail in that line item being challenging. Regarding the \$3.1 million affiliated with the City Hall relocation, part of that is furniture and cubed walls and that kind of thing that makes that facility able to house this activity. The square footage that is going to be occupied in the future by Council Chambers, by the various activities currently housing those two buildings, that is where footage currently at the center, new HVAC, is needed and new lighting systems are needed. The \$1.8 is the balance left after City Hall is relocated. If you do not relocate City Hall, that \$1.8 million would go up because you still have HVAC systems well beyond their useful life and electrical and lighting systems, in some cases, not up to

code. For a project with this diverse scope, we are concerned with overall price and being able to satisfy each requirement for the amount agreed upon, which is our guarantee. As far as how you want to break the dollars up it is one big project. Where we stop with the City Hall upgrades, corridors, painting and putting in new flooring and ceiling lights; is that part of the City Hall's relocation or part of the center's upgrade. We have to draw a line of demarcation.

Mr. Astorino said that did not answer his question.

Mayor Coyne said the original analysis at the center was HVAC was \$1.9, lighting was \$246,000, and general trades was \$896,000. City Hall at 15,000 square feet for HVAC alone is \$294,000 and that building is not worth \$294,000. The lighting was \$30,000 and general trades \$370,000 so it was \$695,000. Council was a little bit less at \$658,000. Therefore, you had over \$1 million, \$1.2 million for the City Hall and Council complex to be improved. You still have to do those. Putting it into one building maximizes the ability to control energy usage and savings to pay for the project. These buildings are probably less energy efficient than the recreation center. To say \$1.8 million will solve the problem at the center is not necessarily correct. The aggregate of the buildings was \$4.4 million. Everything into the center was \$4.3, over \$100,000 savings, just in the improvements but it does not maximize the savings.

Mr. Astorino said that information was not provided to Council and copies should be made for Council to which Mayor Coyne said it was part of the presentation.

Mr. Astorino asked Mr. Wilbanks why he chuckled to which Mr. Wilbanks said he has provided all the information and is being looked at as though he did not to which Mr. Astorino said it did not make its way to Council. Mr. Wilbanks said he does not work for the city and cannot control that situation.

Mr. Astorino said he understood but 717.02 requires the legislative authority's involvement and he has not worked with that body, only the administration. He said he was looking at a document he was being told about because a question he had...

Mayor Coyne said he would find it.

Mr. Astorino asked Mr. Wilbanks if his company actually reviewed how much it would cost to fix this building with HVAC and lights, how much it would cost for the building across the way, and how much was slated for...

Mr. Wilbanks said the comparative analysis the Mayor read was prepared by his company.

Mr. Astorino said when he asked that question last week, specifically to all of Council and the administration, he was not provided with that answer. This is a second reading and information is not being shared with Council to make a decision...

Mayor Coyne said that was not true that Mr. Astorino was provided with a slide with the numbers to which Mr. Astorino said he was not talking about the numbers...

Mr. Astorino said Mr. Wilbanks calculated the recreation center pool closure into his projected annual savings. The pool has been closed for a couple of years. Do we still have utility costs for that and lighting? When did you estimate these cost savings?

Mayor Coyne said it was in the slide. Energy Conservation Project Improvements of City Hall and Council Chambers and is exactly the same thing to which Mr. Astorino said it was not as it does not give him...

Mr. Astorino said for the recreation center pool closures you have an annual savings projected of \$2,596 for natural gas and electricity of \$29,725 for a total annual savings of \$32,321. When was this estimate made from?

Mr. Wilbanks said the utility data provided as part of the RFQ-RFP and sent to everyone, bridged the time of when the pool was closed, when it was still active and when it was not. From an energy conservation perspective, we account for what was happening at the time of the utility data that was provided to us. We can operate off any baseline. In looking at a baseline today, ten days from now something different will be going on. Our analysis is done on what we accounted for at the time we received the information.

Ms. Powers said Mr. Wilbanks said he does not have blueprints, but does a rough sketch. Council's number one responsibility is about how money is spent. This project went from \$4.2 million to \$5. something million with no explanation of what happened to the other million dollars. She asked what the cost difference would be between keeping the three buildings open verses crowding everyone into one area and calling it a recreation center when it takes up so much of the space that the recreation center uses for other things. There are other buildings where some offices could be if these were to be closed, or could make more space if there is not enough space at City Hall right now. One department could move to another building where there is more space. Mr. Wilbanks took a rough drawing of the space and

Council was, supposedly, told four other companies submitted estimates, which were not presented to Council. The management chose not to share that with Council. As the legislative body, Council is the watchdog that should know what is happening with the money. The audience has asked where they are, well, Council did not see them either. Tonight we are being asked to decide on \$5 million, which by the end of the payoff will be at least \$7 million. The Mayor needs to provide Council with some time and answers before we go further since we do not have enough information to agree to spend \$5 million. Tax dollars and taxpayers run this city. Everything is paid for by taxpayers, the same as any other city, but we owe them more than just saying we are going along with the Mayor and that is what is best for you. We are supposed to base our decisions on facts and figures.

Mr. Wilbanks questioned the origin of the term "rough sketch" and said physical drawings have been part of the slideshow presentations, which are rough in the sense that there is always malleability and change, not in the sense that there is no definitive plan. As long as everyone accepts that, we have a plan ready to go, but something will be tweaked here and there. That is the idea of what makes it a little rougher.

Ms. Powers said if Council had seen four different proposals with four different prices and one had been chosen, she would still say tweaking should not happen because it should be close enough that we do not have to consider a one-million-dollar change.

Mr. Troyer said someone remodeling a kitchen for \$20,000 would ask questions about what they are getting for the cost. That same concept applies to this project. He wants to know exactly what it is going to be. He said he understood the financing, but wanted to know exactly what we are getting and what will cost more later for what we are not getting. What will be the additional cost to finish the project that will have to come from capital? Swimming pools are not included in the \$5.2 million, but the hand out and slides show pools. Mr. Wilbanks is following the City of Brook Park Energy Efficiency Project Request for Qualifications.

Mr. Wilbanks said he follows that and what was done for approximately 30 to 35 other public entities to which Mr. Troyer asked, all under 717.02, and Mr. Wilbanks said not all of them, but some.

Mayor Coyne said there would be a fixed price for the improvements they must live up to. We will pay no more than that. They must guarantee the functionality of the improvements to conform to the savings. If they do not, they pay us. The RFQ's were available for everyone to review. Pools are outside the scope of this contract since they do not conform to the energy

savings and they would be part of the capital improvement project. Audio visual, or lack of in the Chambers, would not be part of this improvement and would have to come out of capital improvement. Under this design built, they must meet the contract requirements and if they do not, and that is where the advantage is in the design build and under this section of the State law, they must conform and meet their guarantees or they pay us. If they find a piece of equipment not functioning to perform to generate the savings, they have to replace it at their cost, not ours. This is the best way. When we did the recreation center before independently, it was a disaster. The provisions under this state bill are to address those things and is why we are proceeding in this fashion. Otherwise, we could not do this project.

Mr. Mencini asked Mr. Wilbanks if Brook Park residents worked for his company to which Mr. Wilbanks said they did and he would check with Human Resources as to how many.

Mr. Mencini said that was good to hear and thought it was more than two. He said he knew the project was not going to be cheap or be everything that everyone wanted. He asked Mr. Wilbanks if he had done a similar project to in the past to which Mr. Wilbanks said he had. Mr. Mencini asked how the relocation, finished project and space worked out.

Mr. Wilbanks said each project is different and no one is ever 100% happy. When doing this type of reprogramming work, the design build methodology allows a user group greater influence over the process. The outcome is more positive than through traditional means.

Mr. Mencini said he understood the roof for the pool could be a tough project.

Mr. Wilbanks said when talking about a tweak, a change, a major material change, we are not talking about the roof is going to cost more. The roof is in the scope, which will be executed for the dollars we say it will be executed for, and the balance is on us. Tweaking is when you want a different color carpet or to change paint color from one room to the next. These things change throughout the design and construction process. HVAC performing the way it should, to heat and cool the space adequately, that is not a tweak, but a definitive contract guarantees. Tweaking is when the user group allowed to interface with this construction process is able to make some of those material decisions. Where cost is not the concern, it is the look, fit and finish that is the concern. Those are the types of things that change numerous times on a project like this depending on how much influence the Council allows and what user groups happen. We came back to the idea of having a committee. We have done \$20,000 projects, \$42

million projects and everything in between and have worked with every kind of user group imaginable. In negotiating scope, finalizing decisions and terms is hard enough doing it one on one and very difficult to do with an entire Council. The entire idea of various public entities forming committees is to get that user group down to a workable size that the construction or design crew can interface with, make these decisions, and take those recommendations to whatever definitive body there is. That is what we are typically used to seeing in this process and it is commonplace. Regarding finish, look, paint colors and those types of things, that is not our decision. We will make a recommendation. If you do not want to make that decision that is fine, we will make it for you. However, at the end of the day there are many things like that that need influence and that is where the scope adjustment comes in. It is not an adjustment to the price and it is not the quality of the finished product. It is an adjustment to the user interface, the look, fit and finish of what you are going to be satisfied with having. That is where the changes come in.

Mr. Mencini said what happened in the 90's is past history and we do not want that for this project.

Ms. Powers said it is hard to think of everything to cover, but regarding cost and maintenance, Brewer Garrett maintained the city's equipment for about twenty years, so why is it falling apart? Her personal system is 28 years old and going strong. Both her personal heating and cooling are serviced once annually to save on one service call. She is just as concerned about saving the city's money as saving her own. If a part may not last a year, she can have it replaced or wait and risk having another service call.

Mr. Wilbanks said residential and commercial grade equipment is very different. If recommendations were not acted on for whatever reason, those repairs were not executed, which reduces the life expectancy of equipment.

Mr. Astorino said in the cash flow analysis, the maintenance contract is \$35,714. The current contract is for \$21,270. Is that for the same amount of buildings or is \$35,714 just for the recreation center?

Mr. Wilbanks said the current contract was a banded. The original contract was \$47,000 and encompassed equipment for the Chambers and recreation center. Going from what it was up until 12 months ago...

Mr. Cayet said Brewer Garrett started preventative maintenance under Mayor Elliott. It continued a few months at a time and the contract was extended, hoping that most problems would be solved with what is being

worked on tonight. Three or four different outfits submitted bids. Brewer Garrett was the cheapest. We were happy since they know the equipment and, hopefully, we will move forward with what we are discussing tonight. Currently the maintenance contract covers the safety and service buildings, recreation center, City Hall and Council Chambers. The city has a three-year contract with them and, hopefully, we will not have to worry about as much preventative maintenance at the recreation center, this building and at City Hall. We are here in the dark with no heat, which will be the case tomorrow due to faulty wiring; the situation is not safe.

Mayor Coyne said it is cheap on monthly contractual and heavy on part and labor for repairs. It is not maintenance and checking filters and things like that. We are only 24 hours away from disaster on any given day.

Mr. Wilbanks said the structure of the contract is currently different than it once was. With the buildings open in today's condition the \$47,000 contract is necessary, but during the process of trying to get something that could get you by with the current situation, we were asked to provide a contract structured a little differently and more cost effective but with more risk onto the city. We are suggesting as part of this arrangement that if we do not have to take care of the equipment in these two buildings, because we moved these functions to the recreation center, the cost of maintenance, regardless of how you structure it, is going to be different because the amount of equipment we are taking care of is condensed.

Mr. Astorino said the \$35,000 is not just for the recreation center to which Mr. Wilbanks said it was for all the buildings.

Mr. Troyer said we are taking credit for the \$47,000 and adding back the first year of the \$35,000.

Mr. Wilbanks said the costing is incurred through the operational cost of the project.

Mr. Troyer said we are guaranteeing cost verses savings and this is not free. We will be spending \$5.2 million. According to this program with the tax-free bonds which is a no-brainer to do it that way and guaranteeing the cost is going to be this much and we will save this much overall and this is going to work, is your guarantee. Is there any guarantee on functionality, how everything is going to work? He was concerned with this being right for people at City Hall and with Council Chambers. In addition, will the community room be as usable as it is now when the project is complete.

Mr. Wilbanks said in the contract documents everything is designed to actual ash rate standards, which dictates the standard for indoor air quality, temperature ranges and humidity ranges. We are contractually obligated to design a system that can perform and meet the expectations and outlines within that standard. It is on us if it does not and we will have to do whatever it takes to make sure it operates within those parameters. In addition, the energy savings guarantee ensures the system has to not only comply with the indoor air quality standards and what it is supplying, but also comply with doing that in the most efficient way possible to meet the compounds of the guarantee.

Mr. Troyer said you are guaranteeing functionality to which Mr. Wilbanks said he was.

Mayor Coyne said there is no adverse effect to any activity of the community room or interruption in the ability for the room to be used with the exception of meetings, which take preference.

Mr. Troyer asked what, "create an opening and masonry wall for new door opening", was to which the Mayor said it is an opening for the caucus room.

Mr. Wilbanks said path of exit and entry is egress and there are code requirements for how many you have to have for a particular space based on the space's usage. It is an interior wall providing two points of egress in order to get to an exit. Our documents guarantee no matter what we do it must comply with code, specifically, Life Safety Code. All those things have to be brought up to code, fire alarm, whatever modifications we are making, have to comply with all code requirements.

Ms. Powers asked about each area having its own thermostat to which Mr. Wilbanks said some areas are a large open zone and multiple thermostats in those locations makes no sense. To put one in every single space is not cost effective but we put multiple temperature sensors throughout the spaces so those can provide a consistent temperature throughout the space.

Ms. Powers said do the current buildings operate on just a thermostat to which Mr. Wilbanks said in most cases, yes. There is a unit and there is a single thermostat for that unit.

Ms. Powers asked why the bathroom and offices were warm when the Chambers is cold if they operate off the same thermostat to which Mr. Wilbanks said the bathroom is boiler fed. He felt a valve was either too far open or failed to open.

Mayor Coyne said when the Council Chambers was improved it was designed by the city engineer, not an HVAC expert, and it has always been a problem. Commissioner of Economic Development Dolan said he has 17 years of municipal experience as an attorney and this process has been followed legally. Mr. Astorino stated the legislative authority was not involved in the process, which is a misunderstanding of the process Council envisioned to participate. In January, 2015, when legislation was introduced, Council was involved. The legislation was thoroughly discussed at caucus and Mr. Troyer participated in a large part of that discussion. That culminated in March 3, 2015, when Council moved the legislation to the regular meeting from its caucus and Mr. Troyer moved to suspend the rules. Everyone voted in favor except Mr. Salvatore who then moved to pass the legislation. It passed unanimously to authorize the administration to proceed to issue an RFQ, after they heard Mr. Wilbanks' presentation on energy conservation measures and a better method of saving money and paying for the improvements out of energy savings. The ordinance authorized the administration to issue the RFQ so it was prepared, issued and evaluated. Mr. Astorino says that was Council's role, but it was not. Authorship and issuance of the RFQ was delegated by Council in 2015 to the administration and it was done properly. The evaluation was done properly and to suggest that Council has no role right now in the evaluation is not accurate. All the proposals have been returned and Council has all the responsive proposals. If Council disagrees with something regarding the recommendation of Brewer Garrett, it should be pointed out. That is what the process is for and is legislative input. There is legislation before Council for a bond and to let Brewer Garrett move on, which is selection by Council. Council has not been excluded and this has been discussed ad nauseam. Discussing this tonight is Council's participation and selection. Authorizing the city to move forward is selecting a process by which to do so. The next step is for Council to select whether we do a bond and do this if it is good for the city and it is affordable. Brewer Garrett answered the question. It is paid for out of energy savings. Is it good for the city? Mr. Mencini thinks so. The idea that Council was excluded under 717.02 is not true. Council has been involved from initial authorization of the RFQ, to review of the recommendation of the RFQ committee, to bond financing, and to the evaluation of Brewer Garrett. Three attorneys have provided legal opinions and everything was executed properly. If you do not want to do the project that is a different issue. Council started the process and has been engaged in it for several meetings. The engagement of Council, the purpose of Council and, the legislative authority action, is what is taking place tonight. If Brewer Garrett is not the right choice or the evaluation and recommendation is somehow faulty, then say so and tell us why. Council has had all the information for a long time. The legislative authority's role is taking place as we speak and that is Council's participation in the process. The executive authority signs the

contracts and was authorized by Council to do this project. Mr. Astorino was not here for the initial legislation and discussion, nor was Mr. Scott. However, Ms. Powers and Messrs. Mencini, Burgio, Salvatore, and Troyer were. Council's vote will answer the question, is it good for the city, which will be based on Brewer Garret's analysis.

Mr. Troyer said Mr. Dolan said 717.02 has been followed and everything has been done properly. Therefore, in his legal opinion, the legislation does not need to be amended.

Mr. Dolan said the proposed amendments suggested by the law director are clarifications and he reiterated his previous comments.

Mr. Troyer repeated his question to which Mr. Dolan's response was that the amendments being proposed add further clarification. However, he believed the legislation was sufficient as is, but the amendments do not harm it. They further clarify it.

Mr. Salvatore said we have heard tonight that this is legal and he is sure the finance director will certify that we can afford it. Council will decide if it is good for the city during third reading next Tuesday and the amendments are in order.

Mr. Astorino read 717.02 as it pertains to Council analyzing proposals and vendors' qualifications to select the most qualified vendor. He then said he was not aware of Council doing that. He read an excerpt from the March, 2015, minutes that did not reflect that the above was done by Council. Council did not review any energy conservation report and was not provided with any proposals from three vendors. Those things were never presented to the legislative authority.

Mr. Dolan said Council was provided with proposals from Honeywell, Brewer Garrett, Trico and a fourth, he did not recall, in early November. Council had the evaluations and responses. He said Mr. Astorino was not on Council when the authorization was originally issued. This Council did not reserve any right to review the RFQ's. It was delegated to the administration to draft and issue and in it, the terms and conditions of the RFQ's stated the manner by which they would be evaluated. That is part and parcel with what the Council did. Council did not restrict anything, but said issue an RFQ. Council did not tell the administration there were limits on the terms of conditions of the RFQ. Accordingly, the RFQ was designed, defined and issued to have an independent panel selected by the Mayor to review the

RFQ. This Council delegated its authority on March 3, 2015, and we acted accordingly. This legislative body is engaging in the process. You have the reviews and the proposals.

Mr. Astorino said Council did not delegate any authority to which Mr. Dolan said Council did.

Mr. Astorino said the question from the Councilman in the minutes was, "Mr. Higgins stated we are going to need qualifications and start out with the recreation center project stand alone and Council can move from there".

Mr. Dolan said the language of the legislation authorizes the Mayor to proceed without restriction or qualification and that is the defining document.

Mr. Astorino said an ordinance authorizing the Mayor to advertise for RFQ's for an energy efficiency project is all he was authorized to do.

Mr. Dolan said he was authorized to draft and issue an RFQ.

Mr. Astorino said the law director came up with an opinion that says it was expressive authority....

Mr. Dolan said he thought she provided that opinion several times.

Mr. Astorino said there is no express authority provided in that document. It is very general.

Mr. Dolan said he begged to differ.

Mr. Astorino said he could not argue the law but could read the law that says the legislative authority shall analyze proposals and the vendors' qualifications. This Council has never performed that.

Mr. Dolan said that is not in the ordinance. The ordinance authorizes the administration to issue and advertise an RFQ, which means the administration drafts it, defines its terms, and evaluates it, if the terms of the RFQ so provide. That is what the 2015 Council authorized. To sit here after the fact and say it did not, is disingenuous.

Mr. Astorino said it is not written in the ordinance or in the minutes. For Mr. Dolan to add it in...

Mr. Dolan said Mr. Astorino was adding something else in that is not there either.

Mr. Astorino said he was not adding anything in, but was saying this was all he was authorized to do and Mr. Dolan is the one adding things in. He is saying they gave him this, they delegated that, when there is no proof that...

Mr. Dolan said this Council authorized the administration to proceed.

Law Director Horvath agreed 100% with Mr. Dolan's analysis and said in discussions with bond counsel, she also agrees. She said not to throw the baby out with the bath water, as a great deal of work has been done. Three attorneys agree this is appropriate and Council's participation, the legislative body's participation, is occurring tonight. She agreed that Council delegated the procedure for the RFQ to the administration and, in the event that Council wishes to enhance the approval of that process, they can make the two amendments suggested by bond counsel. Then Council has its legislative stamp of approval on the ordinance and can move on to the other two questions of can we afford it and is it good for the city.

Mayor Coyne said he did not know of any city that has done this that has the Council evaluate and Mr. Higgins was service director under him and in the City of Parma. He said he doubts the legislative authority reviewed. They authorized just as they authorized the mayor to do other things and in the specifications, it is very clear what must be conformed with. What is important is they shall submit their response to the RFQ. The qualifications would be evaluated according to criteria outlined in Section 3 of the document. It outlines it and it was advertised according to law. The city will select it and in almost every situation, the city is the administration. It is not the legislative authority. For this, the legislative authority gave that authority to the administration, to make that selection. The final step is that a formal contract will be entered into. We proposed that to you when it gets in its final form through the bond financing. Therefore, everything that would be required has been done. He said he could ask Mr. Wilbanks or Mr. Joseph, who have probably done 50 of these, if that is the normal process. If you feel what we have done is not proper, that we are not acting in the best interest of the city, or you find we have violated the code or Charter, then speak to that. Several things were discussed in the minutes of the meeting that he reviewed. He did not see anything saying Council wanted to do anything with this except when we came back and finalize it that they would have approvals. They were thinking about looking at other buildings, the safety buildings. There were simultaneous discussions how the service contracts were going to go forward. They proceeded and put together an evaluation process that may be more astringent than might be required. We

not only conformed to the law, but with the full intent of it and we think that it moved forward. The ultimate authority is bond counsel. Can this process conform to State law so bonds can be issued because the people buying those bonds will be sure they are and there is suggested language in here? He agreed with Mr. Dolan that it is not necessary, but if bond counsel feels more comfortable with it, and if you do not believe that what we have done is correct, that the evaluations are not fair and the end product is going to be what the citizens demand, then do not vote for it. There have been many challenges to the legal authority. We can all read the law and it is the application and interpretation that is important by those that hang shingles on their walls. Ms. Jennifer Roth from Tucker, Ellis said in the beginning that it conformed. Questions were raised and we wanted to be sure everything was done properly without challenge. However, at some point if you just are not going to accept professional opinion, whether in engineering form or in legal form, then, he said he did not know what we would do about that. He asked Council to approve the amendments tonight, put it on third reading and if there are additional questions, we will get them answered. We can either move this forward or defeat it next week. Then we would have to make other capital decisions. We would have to make emergency capital things for any things that have to be done, such as, for tonight's faulty wiring situation. There is no coordination of the controls as Ms. Powers mentioned about thermostat being in every room. It is difficult when several people reside together in a home with more than one thermostat. He said he did not believe there would be a challenge. It was thoroughly legally reviewed and there is no question from the evaluation in savings and improvements that the citizens will enjoy the outcome. It provides the only means that make sense to getting this done.

Mr. Astorino referred to page 19, 10(b) of the legislation and asked Mr. Cingle to explain if the bond is being paid for by property taxes to which Mr. Cingle said there would be no property taxes levied as bonds will be issued to pay for the capital improvement.

Mr. Astorino questioned if language referring to property taxes being levied was needed in the ordinance to which Mr. Cingle said that language is probably boilerplate language and deferred to bond counsel.

Mr. Astorino said the language, as it stands, and if passed, it says a tax will be levied.

Mr. Stuczynski said the proposal is to issue bonds as the general obligation. If there is failure to pay, for whatever reason, from existing cash flow, you will have an obligation by way of your general obligation pledge to levy taxes, which means your current taxes will be redirected from operating

expenses to pay debt service. Debt service is primarily the number one priority in Ohio as it relates to the revised code uniform debt act and it is statutory. Before anyone is paid, debt is paid first. That is standard language in any obligation pledge authorizing legislation for it.

Mr. Astorino said coming from the current taxes we collect is not what this language says to which Mr. Stuczynski said that is exactly what it says.

Mr. Astorino said in addition to all other taxes.

Mr. Stuczynski said all other taxes that otherwise might be voted on for operation, directly for an operating levy, directly for an operation, for example, if you have a levy for fire or police, that is what they mean by "otherwise". All revenues of the city are dedicated to repay the debt. Those currently levied, not additional taxes. This is not an unlimited tax. It is a limited tax based on current taxes levied. There is no wherewithal for you to levy additional taxes to pay this debt. It comes from existing taxes.

Mr. Mencini asked Mr. Stuczynski how many times he has seen this to which Mr. Stuczynski said it is rarely called upon, but in the instance where someone fails to pay, the existing taxes levied for other purposes not otherwise restricted by a vote of the residents are available to pay back the debt.

Mr. Mencini said so this is standard language to which Mr. Stuczynski said it is standard language in the general obligation pledge and it rarely happens.

Mayor Coyne said they are the first predator in line or they cannot sell bonds. That is why the bond market in cities was challenged for a while, whether people would buy them anymore. It is boilerplate and means existing taxes; they have the first right to be paid through exiting revenues.

Mr. Stuczynski said all revenues of the city including existing debt. No new taxes can be levied to pay this off.

Mr. Troyer asked if this was only property taxes or all taxes to which Mr. Stuczynski said property taxes and all revenues of the city.

Mr. Troyer said if income taxes were raised and designated for a certain item, there could be an instance where we would have to, even though designated for something, use that money to pay back the bonds to which

Mr. Stuczynski said he was not sure what Mr. Troyer meant by designate, but all of it is. Primarily, they are looking for existing property taxes. That

is what the general obligation pledge reinforces. It is the commitment to take existing taxes to pay debt service when there are no other revenue sources. Many cities use income tax to support the repayment and all resources are designed to repay debt in the instance of failure to pay.

The clerk read the proposed amendment from bond counsel on page two (a).

Motion by Mr. Salvatore, supported by Mr. Mencini, to amend.

Mr. Troyer said two attorneys have just said the legislation is fine as is so this is fixing and approving things after the fact; he would let the legislation stand as it is and would vote no.

ROLL CALL: AYES: Salvatore, Mencini, Burgio, Scott.
NAYS: Powers, Troyer. Motion carried 4-2.

The clerk read the proposed amendment from bond counsel on page two, (d).

Motion by Mr. Salvatore, supported by Mr. Mencini, to amend.

Mr. Troyer said this is changing the ordinance to match what happened after the fact. Two attorneys told us that the ordinance was fine as is so he would vote no for that reason.

Ms. Powers said she would vote no not because of the attorneys, but because she trusts Mr. Greenlee's observation that it should be, and really does need to be, two separate ordinances.

ROLL CALL: AYES: Salvatore, Mencini, Burgio, Scott.
NAYS: Powers, Troyer. The motion carried 4-2.

Motion by Mr. Mencini, supported by Mr. Scott, to place on third reading for next week's discussion.

ROLL CALL: AYES: Mencini, Scott, Burgio, Salvatore, Troyer, Powers.
NAYS: None. The motion carried.

Motion by Mr. Salvatore, supported by Mr. Mencini, to adjourn.

ROLL CALL: AYES: Salvatore, Mencini, Powers, Troyer, Burgio, Scott.
NAYS: None. The motion carried.

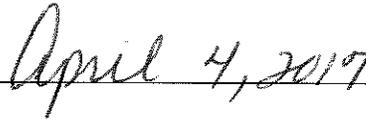
There being no further business to come before the meeting Council President Astorino declared the meeting adjourned at 9:03 p.m.

RESPECTFULLY SUBMITTED



Michelle Blazak
Clerk of Council

APPROVED



THESE MEETING MINUTES APPROVED BY BROOK PARK CITY COUNCIL ARE A SYNOPSIS, NOT TRANSCRIBED IN THEIR ENTIRETY, ALTHOUGH ACCURATE.