

**ITEMS TO BE CONSIDERED
AT THE CAUCUS PRIOR TO THE COUNCIL MEETING
TO BE HELD ON TUESDAY, MAY 15, 2018**

The meeting was called to order by Council President Vecchio at 7:00 p.m., the clerk called the roll and the following Members of Council answered:

SCOTT, BURGIO, ORCUTT, STEMM, MENCINI, POINDEXTER, SALVATORE

Also in attendance were Finance Director Cingle, Service Director Gardner, Law Director Horvath, Mayor Gammella, Engineer Piatak, Economic Development Commissioner Adams and Recreation Director Elliott (7:06 p.m.).

DISCUSSION:

1. A RESOLUTION AUTHORIZING THE MAYOR TO PARTICIPATE IN THE ODOT WINTER CONTRACT (018-19) FOR ROCK SALT AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella

Mr. Salvatore stated this legislation has a time constraint.

Motion by Mr. Salvatore, supported by Mr. Mencini, to place on the Council agenda immediately following.

ROLL CALL: AYES: Salvatore, Mencini, Stemm, Orcutt, Burgio, Scott

NAYS: None. The motion carried.

Mr. Vecchio stated this will appear under M-2 as Resolution No. 18-2018.

2. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT FOR THE SALE OF (+ -) 3.303 ACRES OF LAND LOCATED AT 16400 AND 16500 BROOKPARK ROAD, PERMANENT PARCEL NUMBERS 344-30-008 AND 344-30-009 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella and Councilman Mencini

Mayor Gammella stated Mr. Ethan Robertson is in attendance who want to build on these parcels

Motion by Mr. Mencini, supported by Mr. Poindexter, to have Mr. Robertson address Council.

ROLL CALL: AYES: Mencini, Poindexter, Stemm, Salvatore, Scott, Burgio, Orcutt

NAYS: None. The motion carried.

Discussion: cont.
Ethan Robertson
18 Old Farm Road
Grandville, OH

Mr. Mencini thanked Mr. Robertson for coming and interest in Brook Park and what is your thought process to come to Brook Park.

Mr. Robertson responded the reason we're looking in the Brook Park area is multi-faceted. We have a core business in Mount Vernon and opened a retail outlet facility in Columbus. The reason to come to Brook Park is for business and growth and building out of retail sales facilities. Columbus was looked at several years ago for National Truck and Equipment Sales that has done over the past couple of years. We are now looking into another market similar to the Columbus in the Northeastern Ohio area. We currently have customers in this area but not penetrating as well as we would like. The reason for looking at the Brookpark Corridor area is two-fold, one to be in the area and to have visibility from I-480 and I-71 as well as being located on Brookpark Road, to help our business grow in this area.

Mr. Mencini asked how many jobs will be brought to the area?

Mr. Robertson responded with the building being proposed on the property we are looking at a 10 to 15 employment mark for the first year to year and a half. That could be expanded to about 25 over a period of time if the economy and sales force allows. Initially, there would be three to four salesmen, several office administrators and the shop facilitated by the mechanics doing mechanical repairs on the trucks. The main hub in Mount Vernon is a processing center where trucks are brought in, inventoried, tagged, cleaned up and body-outfitting associated with a dump body, flatbed, etc. When complete that truck would be taken to the proposed Brook Park location to be prepped for the retail sale, depending on sales more mechanics would be needed.

Mr. Mencini asked Mr. Robertson did you look anywhere else and is there a timeframe on the proposed project.

Mr. Robertson responded several other properties were looked at, some about 15 to 20 miles east of I-480 and what it came down to was. In order to build what is needed to facilitate the business the properties looked at don't fit the need, too large or too small. The issue with what we do is having 14' bay doors to drive trucks in and a minimum 16' sidewall and the facilities around didn't offer that and the timeline would be as soon as possible and target for the end of 2018 to get, at least, footers in the ground and open in a nine-month stand.

Discussion: cont.

Mr. Mencini asked how long the trucking business has been in existence?

Mr. Robertson responded the company has been in existence since 1984 started by my father and I came on board in 2006.

Mr. Vecchio asked with your Mount Vernon facility what is your current number of employees?

Mr. Robertson responded roughly about 65- 70 employees.

Mr. Vecchio clarified there will be truck sales from the proposed Brook Park location?

Mr. Robertson responded correct, we are a truck sales facility first so the outside mechanical work does come with truck sales, but our general business model is to sell used chassis with bodies outfitted on the back and are facilitating that for our customer base. The average year of trucks sold would be five to seven years old as being the current inventory on the lot. When speaking of body outfitting we deal with Brock, Baldwin and NRC Industries out of Canada which is a wrecker company and have facilitated a deal with them to sell in Ohio NRC Wrecker bodies. In doing that they would like to see other locations as well and also working with new dealers for body outfitting.

Mr. Vecchio stated so you'll be working with Sterling and other trucking manufacturers?

Mr. Robertson responded yes, we buy parts from new dealers in the area and do a lot of upgrades for Valley Freightliner and Hans Freightliner and other customers. We are completion but we're not direct competition because they sell new trucks first and we sell used chassis with parts and service second.

Mr. Vecchio asked if there is a projected sales goal to attain out of the Brook Park location?

Mr. Robertson responded in the Columbus location the first year we sold roughly about \$5 to \$6 million dollars being open. The average sales price of trucks is roughly around the \$40,000 mark or so and we do also sell small trailers from a tag-along to 53' Fontaine trailer. As the market shifts and we see what works and doesn't work sales could be higher, that was with two salesmen starting out in Columbus. That business was from the ground up for National Truck and Equipment Sales with the parent group being Robertson Truck Group. It will still be a family-owned truck company but National Truck and Sales is the outward phasing function for the retail sales facility. Mount Vernon also houses Ohio truck

Discussion: cont.

equipment and equipment leasing solutions. Which is a trailer container leasing company for storage needs of customers i.e. landscapers in winter.

Mayor Gammella asked Mr. Robertson if he would be willing to have in the contract a buyback agreement. Say if after 24-months you're not doing anything with the property could the city buy back the property for the same price as sold?

Mr. Robertson responded I don't think there would be any issues with that type of clause and understand the concern with someone purchasing the property. Our intent is to have something on the ground this year but would have to look at the terms, but sees no issue.

Mr. Scott asked what the annual payroll for the first year for the proposed Brook Park location?

Mr. Robertson asked for his Chief Financial Officer to speak on that issue.

Justin Smith
443 Glen tallow Drive
Grandville, OH

Mr. Smith responded that would vary depending on sales but looking back at what was done in Columbus the first year. Extracting out allocations for administrative costs that were allocated. Ethan and I are being an intricate part of running the business I would anticipate probably if we did \$6 million-dollars in sales, \$350,000.

Mr. Scott stated I'm looking at revenue.

Mr. Smith clarified 10% of total revenue, \$600,000 on a \$6 million-dollar baseline.

Mr. Scott asked what is the average employee pay?

Mr. Smith responded based on that it would probably be around \$60,000, top-heavy, with sales.

Mr. Robertson commented a salesman gets paid on a matrix of different things but the average mechanic in the Columbus location is making around \$20.00 an hour. Brook Park would probably be a little higher pay scale for mechanical and an office administrator would be around \$15.00 to \$18.00 range. Our salesmen average anywhere from \$60,000 to \$180,000 on average, depending on the sales.

Mr. Smith commented looking at historic financials for Columbus for that operation you're looking at about 10% of that revenue sales wise.

Discussion: cont.

Mr. Salvatore stated when this project was first talked about there was going to be 10 to 15 employees and now is being compared to an existing Columbus location. What is the number of employees in the Columbus location?

Mr. Smith responded currently in Columbus there are nine employees and one thing to take into consideration and extremely important. Is the influence and Ethan and I have on a day-to-day basis at the Columbus location; we will have to overcompensate in this market. Why I say that is the locale which we live compared to Mount Vernon and Columbus is a 30-minute transportation every day, no matter which location we go to. So additional talented staff will have to be hired for this location and have already started the direct recruiting process within this area.

Mr. Robertson commented there is facilitation help from Mount Vernon if mechanics need to be transferred down to Columbus that is done on a case by case basis for troubleshooting. This location being further away more mechanics would be required to be on staff due to the one hour to one and half hour drive.

Mr. Salvatore asked did you start with nine and stay or did you take some on additionally?

Mr. Robertson responded we started with seven and took two more on and are in the process of hiring another; that's a little under two years span.

Mr. Smith commented in Columbus we ran relatively lean and one of the reasons why is to generate working capital to reinvest, being the position we are here today.

Mr. Salvatore asked what size parcel is your company located on?

Mr. Robertson responded in Columbus we are on 3.54 acres with about 2.2 or 2.3 being asphalt. In Mount Vernon there is 15 acres with 48,000 sq. foot facility under roof with an additional 20 acres to expand onto.

Mr. Salvatore asked how do you feel with the 2.5 acre growth potential?

Mr. Robertson responded for National Equipment Sales with a hub and spoke, this would be the spoke part of the retail sales. We traditionally keep in Columbus 40 to 60 trucks on hand at all times for retail sale; Mount Vernon will house about 150 as their processing. The turnover rate in Columbus is considerably faster than in Mount Vernon due to the fact there are pre-built ready trucks going on the lot. With the hub and spoke the major facilitation is in Mount Vernon and once it gets to retail sales it is considerably faster with a quicker turnover rate.

Discussion: cont.:

Mr. Salvatore stated the Columbus operation would feed the Brook Park operation to a degree?

Mr. Robertson clarified the Mount Vernon location would feed the location due to proximity. There are five drivers on staff that run trucks between locations and bringing trucks in from out of state.

Mr. Salvatore following up on the Mayor's statement with first right of refusal within two years and wouldn't want to wait two years. Not even sure if I want to sell the property, in my opinion, I would like to see also not sell it to someone else if you change your mind. Would you have a problem with the first right of refusal automatically being referred back to the city?

Mr. Robertson stated I think that would need to be discussed a little bit further with my legal counsel but our main intent, I can assure you, is not to sell the property; that's not our business goal. Our business goal is to sell trucks and equipment and I don't dabble in real estate. As far as a buyback if we didn't build on the property I would be interested in doing that. Like I said earlier if we don't fulfill our end of the bargain why shouldn't we let you fulfill yours on buying the property back. As far as building on the property and then you having first right of refusal to buy it back after the fact of being built. I have a little issue in seeing exactly how that would look for the fact that we're investing money into the property. Would it be on an appraised value and understand with a Conditional Use, such as in Columbus, if we ever sold our property it would have to be voted through City Council to make sure it would be for the use the new perspective tenant would be buying. I guess in investing \$5 million-dollars into the property and somewhere down the road something happens, a health issue, and I have to sell the property. To say that we have to sell it back to the city first I have a few questions and will need to see how that looks. I can't foresee the future but can tell you in the present we're looking to build a facility for National Truck and Equipment.

Mr. Poindexter stated to Mr. Robertson focusing on the building we saw a picture in the original packet, a computer model, and viewed the facility; will that be similar to what is being built here?

Mr. Robertson responded yes, the same basic structure and the entryway would change to being a side entrance to a front entrance because the way it fits on the lot. Entering off of Brookpark Road would be the main office façade and the mechanical spots would be in the back facing I-480 with the sales lot behind that. This would be proposed as having an extra bay so possibly 22' longer and possibly up to 15' wider and the same basic architecture would apply.

Mr. Poindexter asked if the style of the building is a pre-engineered building?

Discussion: cont.

Mr. Robertson responded Kirby Building Structures pre-engineered that building as a steel building with fire suppression and fan ceilings.

Mr. Poindexter asked how much open floor space?

Mr. Robertson responded the whole building currently is just shy of 9,000 sq. foot including offices so this new building proposed would be about 12,000 sq. feet or so.

Mr. Poindexter asked how many truck bays?

Mr. Robertson responded one wash bay then the proposed additional bay there would be four drive-thru bays including the wash bay. Then one bay would be called the dead bay for delivery of parts and some equipment storage, something that lacks in Columbus is the ability to store forklifts and tires inside. I don't like exterior storage and we are very particular with exterior appearances.

Mr. Poindexter stated if this is approved would you consider using local labor to build the facility or do you have a preferred contractor?

Mr. Robertson responded we currently use Robert Miller with Ohio Best Construction and works with Kirby building systems as far as the building process. Mr. Miller general contracts the building and in Columbus used local labor. He is not from the area so he tries to contact as many people in the local area as possible, because they know the way of the land and the building inspectors to get things done. Obviously, it's a bid process but Mr. Miller will seek out local people especially with costs as one of the determining factors as to how much can be spent on a building.

Mr. Poindexter commented Brook Park is full of trades people who are more than capable to build the building for you.

Mr. Orcutt thanked Mr. Robertson for coming and giving a great presentation. The question I have is what is your plan if this was approved today? How long would it take to have this facility up?

Mr. Robertson responded speaking with my builder as far as the timeline goes the building is pre-engineered so with a few tweaks and modifications I guess it would be four to six weeks to get through the basic building plan. As far as on the timeline to get it up and erected I'd like to have that as quickly as possible. I would like to have a round table with the building inspectors and who else will be a part of this so that we're all looking at the same plans and being able to coordinate

Discussion: cont.

that. I would like to see the foundation in by the end of this year so contractors can work through the winter.

Mr. Orcutt asked if the plan is to remove the existing asphalt that is there and start brand new?

Mr. Robertson responded I like to use as much as the current lot as economically feasible. On the eastern part of the lot that asphalt is in fairly decent shape and thicker than most asphalt normally. So I would like to reuse that and may have to topcoat we will but there are areas that are very dilapidated and broken up, those will have to be replaced. As much as can be retained of the current building I will, one to help land disturbance, two help the build process without having the over dig and turning up mud on the street and three for cost. I'd like to use what we have and expand upon that I can't guarantee everything will be top coated but if there are certain areas we will.

Mr. Orcutt stated it's good to see a Ohio based company of 35+ years that's growing. In talking with the hub and spoke you're hub is Mount Vernon and spoking Columbus. Is that your only spoke at this point?

Mr. Robertson responded this would be the second spoke.

Mr. Orcutt asked if there future plans to regionalize the company?

Mr. Robertson responded the long term plan we take it day-by-day but always have a vision. We believe the Mount Vernon facility in its current state can house up to four retail facilities that are driving a lot of the revenue stream for the companies in retail sales. Yes, there are plans to continue to grow the company with National Truck and Equipment sales and the Flagship brand, both within that proximity. We are focusing another location could be Dayton or Cincinnati area and will be focused in the Ohio area.

Mr. Salvatore stated reading over the agreement we are out of time, are you willing to extend this in the event of no decision made.

Mr. Robertson commented I think there was another letter of intent to add an additional 30 days and if that has expired I would add the additional.

Motion by Mr. Mencini, supported by Mr. Poindexter, to place on the Council agenda immediately following.

ROLL CALL: AYES: Mencini, Poindexter.

NAYS: Salvatore, Stemm, Orcutt, Burgio, Scott. The motion failed with a vote of 2-5.

Discussion: cont.

Motion by Mr. Scott, supported by Mr. Orcutt, to place in committee.

ROLL CALL: AYES: Scott, Orcutt, Burgio, Stemm, Mencini, Poindexter, Salvatore

NAYS: None. The motion carried. Placed in Finance Committee

3. AN ORDINANCE ENACTING CHAPTER 1122 OF THE BROOK PARK CODIFIED ORDINANCES ENTITLED 'SHORT TERM LEASES' Introduced by Councilman Mencini

Motion by Mr. Salvatore, supported by Mr. Mencini, to place on the next Council agenda.

ROLL CALL: AYES: Salvatore, Mencini, Poindexter, Stemm, Orcutt, Burgio, Scott

NAYS: None. The motion carried.

4. AN ORDINANCE AUTHORIZING THE CONSULTING ENGINEER TO PREPARE PLANS AND SPECIFICATIONS AND THE MAYOR TO ADVERTISE FOR BIDS AND ENTER INTO CONTRACTS FOR CITY OF BROOK PARK CONTRACTS 1802, 1803 AND 1804 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella

Motion by Mr. Poindexter to place on the Council agenda immediately following. Died for a lack of a support.

Mayor Gammella requested to have Engineer Piatak speak on this.

Mr. Piatak stated Contract 1802 has Carol & Christene to be resurfaced for \$350,000, Contract 1803 if for Brookhaven for full-depth concrete joint repairs at \$145,000 and Contract 1804 is a crack seal project with a total of 160,000 crack fill being used for streets in Wards 2 & 3. The total for those three contracts is \$743,400 with an allocation of \$763,000 and change to put towards the three projects for 2019.

Mr. Mencini stated to Mayor Gammella a few of us were caught off-guard when receiving this list of streets. My question is what is the plan with the streets? Secondly, how did this get from finishing off the capital budget process to where it is now?

Mayor Gammella responded in response to your question, going through the appropriations it appeared to me that a 2018-2019 street program, that's what was put together. There are three big street projects for 2019 and Council said they didn't want to go into reserves or debt next year to fix those three major projects.

Discussion: cont.

Mr. Cingle commented I believe when we went through the appropriations process for capital improvements that we were looking at a 2018-2019 roads program. Some monies have been allocated for 2018 and some monies in 2019. To reiterate next year's funding for the Roads Program based on the engineer's estimate is \$2.3 million-dollars. The program proposed tonight will allocate roughly \$500,000 to that \$2.3 million- dollars reducing the commitment of approximately \$1.8 million-dollars. The question to Council is next year how much are you willing to borrow for roads? We will be borrowing money or spending reserves to generate enough income to pay for next year's projects of Smith, Holland and Sheldon Roads.

Mr. Salvatore stated my intent was to find more money in the budget to move into the roads program. During that process the decision was made to put a little money aside for the 2019 Roads Program. So the idea was to put some money aside but not lose sight that we do want to do some roads in 2018. I don't think we are totally finished finding monies in 2018 for 2019 once questions are answered about Fund 250. This particular roads program came in a little light as anticipated but there are three different scenarios for streets. The first scenario was presented with a list of streets followed by a second scenario of a street removed and another street added in and currently looking at a different format of different streets. As one Councilman, I think the Ward Councilmembers should come forward with what streets that have to be done. As to the decision as to how this will be done next year either by borrowing money or what we're going to do. Let's hope we're not faced with that but when the time comes we'll deal with it.

Mr. Stemm concurred with Mr. Salvatore about the long capital budget process and did due diligence. I was under the impression there would be more discussion of what streets would be selected by the Council as a Whole. I understand the obstacles we're facing in 2019 and brought up a few weeks ago of a cost-savings idea of possibly putting more money into a separate cost-center of any project that came in underbid; so we don't have to borrow money than absolutely necessary. I would like to have more dialogue about the roads project and am sure Ward Councilmembers and At-large Councilmembers have streets they would like to discuss.

Mr. Burgio concurred with Mr. Salvatore to hear from the Ward Councilmembers about some streets they know, in particular, that need help and give consideration to each ward.

Mr. Scott stated as Mr. Stemm said Council spent many, many hours trying to figure out how to increase the roads program for 2018, picking up approximately \$300,000. I looked at this and thought that more than half the monies are being spent for the in 2019 roads program and thought we were trying to work forward in getting more roads this year. I understand there is a large bill for 2019 and issues

Discussion: cont.

Council will have to face. We spoke about a 2018-2019 Roads Program but didn't think we talked almost 60% to 65% going towards 2019. I think we should look into this a little deeper and should have concerns for 2019 but still have to take care of 2018.

Mr. Vecchio stated hearing everyone going around, starting with Mr. Salvatore you would like to work together in looking at each one of your wards. My suggestion to Council as a Whole is to take the pro-active approach and put a list together, call for a meeting or on an agenda for discussion out of each ward, it sounds like Council wants to be more reactive than proactive.

Mr. Orcutt stated we worked very hard on this program due to money being tight and Hummel Road from the railroad tracks to Fry Road is un-drivable as well as Wengler Drive. My intentions during this whole process were to find out where we could still keep departments efficient, bring in some more money for roads and look at the 2019 roads program. I don't think we're off by much here, think this is close and can be hashed out within a week.

Mr. Mencini stated to Mr. Piatak what is the deadline to start with maybe this list or with crack-sealing?

Mr. Piatak responded crack-sealing is typically is a late fall project due to temperature dropping to allow the cracks to open up. The asphalt and concrete if we move forward with what is in front of us you're looking at a fall construction season right now, the longer we delay in getting things approved puts us further back.

Mr. Salvatore suggested a Special Caucus and Council meeting for Friday for passage to give the Ward Councilmembers time to bring their streets forward.

Mr. Mencini interjected I know what streets are bad and am ready.

Mr. Salvatore suggested Council take a look at the list and if it falls within the budget guidelines passed bring it forward to move this forward.

Mr. Vecchio commented I don't think it's going to matter Friday or Tuesday in that regard, I don't think those two business days will make a difference.

Mr. Orcutt commented to Council let's move now as soon as possible.

Mr. Poindexter asked Council what amount they would feel comfortable with carrying forward to 2019. That would be the starting point as to what will be saved for next year and then divvy up the remainder. Get a working figure that you're comfortable with to be carried over to next year and go from there.

Discussion: cont.

Mr. Orcutt concurred and stated the Ward Councilmembers can get together to talk about that but I am in support of putting more funds in 2019 than what we originally had.

Motion by Mr. Scott, supported by Mr. Orcutt, to place in committee.

ROLL CALL: AYES: Scott, Orcutt, Burgio, Stemm, Mencini, Poindexter, Salvatore

NAYS: None. The motion carried. Placed in Service Committee

5. AN ORDINANCE AUTHORIZING THE MAYOR TO HIRE INSPECTOR(S) FOR BROOK PARK CONTRACTS 1802, 1803 AND 1804 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella

Motion by Mr. Scott, supported by Mr. Orcutt, to place in committee.

ROLL CALL: AYES: Scott, Orcutt, Burgio, Stemm, Mencini, Poindexter, Salvatore

NAYS: None. The motion carried. Placed in Service Committee

6. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH CITY OF STRONGSVILLE TO ESTABLISH A CONSOLIDATED COMMUNICATIONS CENTER IN THE CITY OF STRONGSVILLE AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella

Motion by Mr. Salvatore, supported by Mr. Mencini, to place on the Council agenda immediately following.

ROLL CALL: AYES: Salvatore, Mencini, Poindexter, Stemm, Orcutt, Burgio, Scott

NAYS: None. The motion carried.

Mr. Vecchio stated this will appear under M-3 as Ordinance No. 11023-2018.

There being no further business to come before this meeting a **motion** by Mr. Salvatore, supported by Mr. Mencini, to adjourn.

ROLL CALL: AYES: Salvatore, Mencini, Poindexter, Stemm, Orcutt, Burgio, Scott
NAYS: None. The motion carried.

Council President Vecchio declared this meeting adjourned at 8:07 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.

