

**REGULAR CAUCUS MEETING
OF THE COUNCIL OF THE CITY OF BROOK PARK, OHIO
TO BE HELD ON TUESDAY, OCTOBER 9, 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 Law Director Horvath, Recreation Director Elliott, Service Director Gardner, Building Commissioner Hurst, Economic Development Commissioner Adams and Mayor Gammella.

APPROVAL OF MINUTES OF PRECEDING MEETINGS:

1. Regular Caucus meeting held on September 11, 2018.

Motion by Mr. Scott, supported by Mr. Mencini, to approve as printed.

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

NAYS: None. The motion carried.

DISCUSSION:

1. POWERPOINT PRESENTATION FROM THE ROCKY RIVER WATERSHED COUNCIL - **In attendance:**

**Mel Hauser
14500 Holland
Brook Park**

Mr. Hauser gave a power point presentation on the Rocky River Watershed Council (5013C) that includes Abrams Creek flow into the main stream of the Rocky River.

**Jared Bartley
Soil & Conservation District
3715 East 69th Street
Cleveland, OH**

Mr. Bartley stated Watershed Council is a citizen led organization to work for the health and quality of the Rocky River. Over the last 20 years there is a big improvement of the Rocky River East Branch, due to changes in communities' wastewater treatments plants being decommissioned. Abrams Creek is one of the more challenging areas due to the mile-long culvert under the airport runway. The plan is being updated for Abrams Creek main stem and looking at opportunities with stream restoration and flood-plaining restorations. Once the

Discussion: cont.

plan is approved by the EPA (Environmental Protection Agency) that makes the Watershed Council eligible for grant funding and other things for implementation; some things that help is planting of trees next to the streams to prevent erosion and provide shade. Cleanups were done on Abrams Creek the last few years and one is planned for next year.

Mr. Hauser stated there is a project called 4C25 - Come Back Creek of Cuyahoga County that will be implemented by 2025.

Mr. Salvatore stated to Mr. Hauser of being an asset to the hospital board for many years and also an asset to this group and thanked Mr. Hauser for coming.

Mr. Mencini thanked Mr. Hauser for coming and giving a great presentation. The park system and libraries are two great assets that can't be diminished. These are some practices that can be used in homes.

Mr. Hauser responded those items are to educate people to practice in their homes and things that shouldn't be done, that contribute to pollution.

Mr. Poindexter asked Mr. Hauser if the Rocky River Watershed group has been in contact with the Cuyahoga County Greenways, that connects the lake to lake trails with bike trails and so forth.

Mr. Bartley responded they are coordinating that process.

Mayor Gammella thanked Mr. Hauser and supports these efforts and is a big proponent on the Lake to Lake Trail and hooking that up with the City of Brook Park.

Mr. Vecchio asked if any county, state or federal funds are received or available.

Mr. Bartley responded funding is received through the Northeast Ohio Sewer District for overhead and planning work. The Watershed Council has been very successful in receiving grant funding from the Ohio EPA and federal sources for the on-ground projects.

Motion by Mr. Mencini, supported by Mr. Poindexter, that item number one was discussed.

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

Discussion: cont.

2. POWERPOINT PRESENTATION FROM CAPITAL CREATION STRATEGIES (Mayor Gammella) - **In attendance: Drake Wahlers from the Leopardo Group on Energy Savings**

Mayor Gammella commented this presentation will address the wall issue in the pool area, the roof over the pool area along with city-wide lighting and energy-savings.

In attendance:

**Drake Wahlers
Leopardo Group
2943 North Lincoln
Chicago, IL**

**Rob Vollrath
Chief Business Officer
1168 West Chester Way
Cincinnati, OH**

**Joe Frankini
Executive VP - Operations**

**Dick Vollrath
Senior Project Engineer**

The group gave a power point presentation and representatives stated a report was developed for the city analyzing all the buildings, operating infrastructure, street lights, IT and anything else that has an operating cost component. A summarization was given with the first part being the procurement vehicle program allowed by HB (House Bill) 420, that allows these programs. A risk assessment and guaranteed savings that can be delivered for project economics, public relations and the next step in moving forward; this program is the most procurement vehicle for building renovations in the State of Ohio. One of the reasons for that is the idea of looking at all the city's operating costs comprehensively and finding a funding strategy for improvements that need to be made but don't have the capital; everything is guaranteed so the costs are guaranteed with no change orders to the program. The performance of any equipment installed is guaranteed by the contractor as well as the savings used for funding of the project, there is a single point of accountability for the program. As general contractors our company works in many different arenas from new construction, building renovation projects and energy-savings programs. The group is leveraging everything possible to reduce costs for the city to make improvements that there are no funds for. In July, our team came and looked at all the city facilities and city-wide operations such as street lighting, vehicles and IT operations; to come with a program to help fund infrastructure upgrades completely paid for by inefficient capital or savings found through budgets and city-wide operations. The last part of the recreation center not complete is the pool area and addressing all the upgrades needed to possibly bring the pool back or whatever the city wants to do with that area. With street lighting there is a program through the utility to reduce costs by converting street lighting to LED's,

Discussion: cont.

with the city-owned street lights that will procure a lot of utility savings, rebates and operational savings. Also looked at the city's fleet, fleet-wide assets and there is an opportunity to convert some of the city's owned assets and fleet to a leasing program. There is a good opportunity to reduce capital by making leasing payments rather than purchasing assets yearly; creating a savings in maintenance by not having to keep the fleet for several years and incurring maintenance costs. There are alternatives to convert fuel to natural gas or propane, in this case propane was looked at for high mileage vehicles; by converting to propane that is half the cost of gasoline. Also looked at high level phones and IT systems throughout all city buildings and there is definitely some capital that could be captured as far as consolidating bills and what is being used for Internet as well as a phone conversion to Voiceover IP and reducing some phone lines. In summary, there is over \$200,000 in capital savings that could fund a potential project or infrastructure upgrades. Also, the Mayor has been presented with the renovating and retrofitting of the indoor pool. With this contract all the rights are shifted with our company being responsible for the design, engineering, bid sourcing, project management and accountable for all results. There is flexibility with this program with our group making recommendations and the city having the flexibility to pick and choose what items would have the best net economic benefit to the community. Several opportunity breakdowns of savings and/or capital would be with the utilities from the street lighting, running of the pool, communications consisting of IT - phone communications. Also, the repair and maintenance budget from the fleet through leasing strategies there's a savings for that and miscellaneous would be converting to fleet fuel. The way these programs are set up is not only looking at expenses but identifying where the expenses are attached to the budget. The beautiful thing about this program is the city continues to budget the same for all these expenses, spend significantly less and transfer that difference through appropriations to designated funds, that in turn pays for the program; the city can finance 100% of the project work and utilize the savings to pay for the project. The team did a great job in isolating the expenses through line-items inside the budget. If all recommended items were implemented from the scope items, the cost would be a little over \$3.4 million dollars; everything recommended has a useful life of 20 years or longer; over that period the total guaranteed savings would be a little over \$4 million-dollars. Rebates are available but are not forecasted at this stage because rates change quarterly. So this created program is self-funding while addressing items that need to be addressed.

Note: For transcription of the questions and answers segment of these minutes, the clerk is not sure who is responding from the group, therefore, the person speaking will be listed as Representative.

Discussion: Questions/Answers:

Mr. Salvatore clarified the investment to the city would be \$3.4 million-dollars with a total savings over 20 years would be \$4 million-dollars, so the savings would be \$60,000 annually?

Representative stated the total savings would be \$227,000 annually.

Mr. Salvatore questioned what would be the total savings per year?

Representative responded with all the improvement items impacted the total savings would be \$227,493.00 annually; over 20 years that's where the \$4 million-dollars.

Mr. Salvatore clarified that is with a \$3.4 million-dollar investment?

Representative concurred and stated that is with the \$3.4 million-dollar financed at 100% so the city wouldn't have to come up with any capital.

Mr. Salvatore asked if the city invests \$3.4 million-dollars what is the net-savings?

Representative responded over 20 years that's the difference between the savings and investment, approximately \$600,000 accumulated over 20 years. The city would still be paying for the program built on a 15-year financial module, the city would be paying for 15 (years) with a useful life of 20 years. The next step in the process is to issue competitive RFQ (Request for Qualifications), if issued tonight that would take almost six to eight months before construction because of all the steps the city would need to take i.e. legal advertisement, submission of qualifications, selection of providers with the final statement being firm detailed pricing and savings calculations, etc.

Mr. Mencini thanked the representatives for coming and stated great presentation. The city just went through this with the recent recreation center project. What other local projects has your company done, other municipalities?

Representative responded they are currently working with the Cities of North Royalton, Parma Hts., Euclid and South Euclid.

Mr. Mencini asked what about schools.

Representative responded no, our focus is government agencies.

Discussion: Questions/ Answers: cont.

Mr. Mencini stated in favor of the street lighting and LED's are the way to go and asked with doing the total, what the pool totally involved with this. Was that finished project included in this cost relative to the 20-year savings.

Representative stated the project proposed is flexible with what the city wants to do but the project looked at was renovating the pool back to working order. Replacing of the heater, cooler and filtration systems to bring the pool back to code as well as resurfacing and re-grouting and complete replacement of the roof. Tuck-pointing the three exterior surface walls and doing a vapor barrier inside; basically complete overhaul of that entire area.

Mr. Poindexter stated Mr. Rob Vollrath the company would be taking all the risks as far as contractors, bidding, etc. It's been my experience typically when these types of deals are made with construction manager at-risk model. The city loses all the rights to select contractors.

Mr. Vollrath responded as part of our investment grade audit process our group reaches out to the community to try and get as many local contractors as possible. To get pricing back for each trade that would be implemented. Then come back to the city showing the breakdown of all of the contractors, costs and savings associated with the project; the city would then choose which group to be used based on all the economics.

Mr. Poindexter asked how will that affect the savings on the end-result?

Mr. Vollrath responded our group lines it all up to show what the costs and savings are for each trade by contractor. The city then selects who to use and then a financial model is built based on those selections.

Mr. Orcutt stated your group gets a variety of contractor choices but earlier there was mention of getting away from the spec-and-bid. Your group is an in-house general contractor who handles the contractors. My question is everything is based on performance and over 20 years what type of service will be provided to overlook and make sure the city is always getting the lesser rate, whether for electricity or what have you?

Representative responded that depends on what type of savings are being tracked, utility savings is the group pulls all the city's bills and track that. If it's budgeting for tracking fuel, there are different ways for tracking. Sometimes group members will view the budget with city personnel 12 months after construction and a report is provided of all the savings measures that were looked at how they're being

Discussion: Questions/ Answers: cont.

measured and tracked. If the savings aren't met or short on the savings a check is written for the difference, per state legislation.

Mr. Orcutt continued the cost of that service is all generated within the 20-year project. Your company gets paid for its services in 18 or 19 years is all part of the package?

Representative concurred.

Mr. Orcutt continued there is no additional maintenance fee on top of the project being done.

Representative commented it could be set up different ways, the group can bill the project so to be measuring and tracking with ongoing service fees for the entire 20-year performance period; or the group can leave the option to the city to opt-out of that in one, two or three years, it depends on the upfront costs and what the city wants to do.

Mr. Scott clarified that this goes through HB 420?

Representative concurred.

Mr. Scott continued currently the city has a \$5.2 million-dollar bond for the renovations already done. So the city would have to go back out and apply for another bond for \$3.4 million-dollars?

Representative responded the city doesn't have to a bond the group will provide all the economics on the lending instruments from lease financing, bond financing, certificates of participation. Experience with projects under \$7 million-dollars lease financing is typically the best because placement costs aren't expensive as bond placement costs. Rates are comparable and the city doesn't have the ongoing costs associated with bonds. The group would provide all that economics just like provided with the sub-contractors.

Mr. Stemm stated the risk assessment with traditional versus performance. Obviously, in performance the city gives away a lot of the rights. Is there any guarantee if there is not going to be any change order where it would cut the \$60,000 to \$30,000 or a loss to the city?

Representative asked for clarification of the question.

Discussion: Questions/Answers: cont.

Mr. Stemm stated if there was a project change that occurs during this would the city have a say in it?

Representative clarified if there is a change in scope once the project begins?

Mr. Stemm concurred.

Representative continued in that case, there would be a change order due to the change of the scope but other than that. If there's any items within the scope that were already guaranteed there would be not be a change order, that is the group's risk and absorb that cost.

Mr. Mencini stated on the prior project there was a change in the administration who saw a few items to be done in a different way. My question is during the project time if something is seen in the pool area that isn't going to work. Does that fall back on the city or on your group? Can that be negotiated?

Representative responded it would depend on what it is but the group's approach is to deliver a project and will be very transparent to what is being done. The city will be involved in the decision making process and going through the submittals, equipment data, etc. would be presented to the city. The city will know what is being installed prior to being installed and if there are issues after the item is installed the city doesn't like. The group would work with the city and if it's a minimal consequence the group would take care of it.

Mr. Salvatore asked for an explanation of what is the value of the group's guarantee and where does the liability lie; on whose part if something goes wrong? Also, asked for the actual savings for the city and when will those be realized? Tell me why would this be voted on and happen in Brook Park?

Representative responded the program was built with street lighting and etc. that more than fund themselves and will fund these capital intensive items. When that is financed over a 15-year period the debt payment on that financing versus the savings of over 20-years. Keep in mind after the 15-year period all the savings goes to the city, there's no debt payment. When taking that cash-flow over 20 years the city has the \$4 million-dollar savings shown. When doing that comparison, the project costs \$3.4 million-dollars versus the \$4 million-dollars the city is savings, that's where the city gets the \$600,000.

Mr. Salvatore stated it would be safe to assume that \$600,000 is the net.

Discussion: Questions/ Answers: cont.

Representative commented the \$4 million-dollars over 20 years is the worst case scenario. Our company is proud to say we're the only company in the market space that has never missed a guarantee, our company is family-owned, a customer focused company and actually delivering 144% of savings projections; if our company over-delivers all that goes to the city. So, the worst case scenario is the city is going to save \$4 million-dollars over the next 20 years. If the city falls within the averages of everyone else our company has worked with the city will save \$4 million-dollars at a 144%.

Mr. Salvatore clarified the city will save \$4 million-dollars over 20 years minus the \$3.4 million-dollars investment.

Representative concurred.

Mr. Salvatore clarified your guarantee won't go below that and everything above goes to the city.

Representative concurred.

Mr. Poindexter stated it will take 20 years for the city to realize the savings are all the improvements guaranteed for the 20 years?

Representative concurred and mentioned the items have to be maintained properly that our group can provide or leverage partners to make sure the city isn't letting the systems go, maintenance protocol has to be followed.

Mr. Salvatore asked with the street light analysis done, does that change every city street light to a better quality bulb?

Representative concurred and mentioned all the utility-owned and city-owned lights will be converted to LED's, a better quality light.

Mr. Salvatore stated with replacement to a better quality light with greater illumination; would all those lights be needed.

Representative responded the city can choose to go to a low-wattage LED that is equivalent or dimmed down there is further savings. Our group does many street lighting projects and likes to install some mock-ups; to see the differences between the different lighting so the city can decide what light is preferred.

Discussion: Questions/Answers: cont.

Mr. Salvatore continued if the light illumination is better there wouldn't be a need for all the street lights. What would the cost-savings be and possibly looking at ways to make it more attractive?

Representative responded yes, lights can be decommissioned and right now, the worst case scenario, is replacing one for each pole. That can be evaluated once the LED lights are put in some of the street lights could be decommissioned and still maintain light levels.

Mr. Salvatore asked if the group has done that anywhere by putting in less lighting to bring the cost down but not sacrifice the illumination.

Representative responded yes, in other communities where city-owned lights were installed and decommissioned all the utility-owned lights on certain thoroughfares, they were no longer needed.

Mr. Stemm stated if the city did a 15-year loan would be a \$4 million-dollar savings every year.

Representative responded it's the \$227,000 annually.

Mr. Stemm clarified that's approximately \$1 million-dollars over the last five years in savings.

Representative concurred.

Mr. Orcutt clarified for the public following, \$227,000 a year is going to be for energy-savings and operational if the goes to propane for the vehicles, correct? Out of that \$227,000 the city has to pay a loan?

Representative concurred.

Mr. Orcutt continued what is left over is the city's savings, after payment. Part of that is the reduction in maintenance due to not replacing as many bulbs and doing it correctly, your group would guarantee something faulty?

Representative concurred.

Mr. Orcutt continued the performance contract is based on Kilowatt and Natural Gas.

Representative concurred.

Discussion: Questions/ Answers: cont.

Mr. Vecchio stated with the fleet maintenance of city vehicles it was mentioned of a lease for seven to nine years with rotating the vehicles out. In the savings of these fleet vehicles for the maintenance who provides for that? Is that provided by city employees or contracted out?

Representative responded the way it is structured with the report provided this is a viable, value proposition, not a fully invested grade audit proposal yet. This is more of a 2,000-foot view of what the program could be. At the next stage when diving into de-lamping and moving to the next level the program usually gets better. At this stage of delivery this is usually the worst case scenario, however, currently looking at this program it was not changing anything the way it's being done today. The only change is the acquisition strategy and how the city purchases the vehicles to get a younger fleet using the same dollars budgeted today. That reduces the material supply cost associated with keeping those vehicles running and all maintenance will be done by city staff based today's presentation.

Mr. Vecchio asked if some of these project have been completed with other cities, from Illinois to Ohio and provide a list of those cities?

Representative stated the group's footprint is Ohio, Illinois, Indiana, Wisconsin and soon to be Tennessee.

Mayor Gammella thanked the Leopardo Group for the presentation and stated to Council with the process of going from three buildings to one. In the (prior) project there were some parts of the recreation center that were left unattended and believe the roof and walls (pool area) need to be fixed; whether it's a pool or some other venue those walls and roof need to be fixed. This is going to be one of many meetings and will be discussed at length over the next month or two. This is the last building the city will have, the other two will be gone shortly, so it's very important to have this building for the future of this city. Also, the enhanced street lighting is a big plus with the LED bulbs that don't need changing, no maintenance and brighter, as it was stated, won't need as many. The main reason this has to be done is to secure this structure because there is a problem with the three exterior walls that has to be addressed and this will address other things. As far as, the propane and alternative fuels in the service department it's important that the city takes the lead environmentally and show people the city is on the cutting edge and will remain there.

Representative stated additionally, the group is happy to come back and answer any questions, at any time, individually or in a session like this.

Discussion: Questions/ Answers: cont.

Mr. Poindexter thanked the group for coming and stated eager to hear and learn more of what is being proposed. Also, commented apprehension since the city is currently under a \$5.2 burden for 20 years with the recreation center renovations that have already taken place. Adding another \$3.4 million-dollar burden with the savings covering theoretically, the city still has to come up with the monies upfront.

Representative commented by pointing out that they are not theoretical the groups is contractually obligated to deliver and are on the hook for those numbers.

Motion by Mr. Stemm, supported by Mr. Mencini, that item number two was discussed.

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

3. A RESOLUTION SUPPORTING POSTAL BANKING AND DECLARING AN EMERGENCY. Introduced by Councilman Poindexter **in attendance: Deb Kline**

Deb Kline
3604 West 28th
Cleveland, OH

Mr. Poindexter asked Ms. Kline to provide a brief background about this campaign.

Ms. Kline thanked city leaders for the opportunity to come to speak about postal banking. Ms. Kline is the Director of Cleveland Jobs with Justice which is a coalition of labor, faith and community organizations. APWU (American Postal Workers' Union) is a member and the reason for the campaign for postal banking. Two years ago, field hearings were done in Cleveland speaking about the possibility of postal banking in post offices. Brook Park is constantly fighting to keep the Airport Post Office and postal banking works across both urban and rural areas. In the urban areas there are a lot of neighborhoods in Cleveland that don't have banks but have post offices. Also helpful to the community because there a lot of people that cannot get a checking account; this is where the post office would be able to help. What this would do if the pilot program comes to Cleveland and across the country people can perform basic banking services at post offices and eventually the possibility of providing small loans, in the future. Petitions are being gathered for community support to be given to the postmaster general because an Act of Congress is not needed to get postal banking; policy change by the postmaster general. Currently, this is in the ground-show approach to show the postmaster general there is interest not only in Cleveland, but Cuyahoga County. There are three communities in the country that are doing these pilot

Discussion: cont.

projects and Cleveland is unique by going to City Councils' asking for resolutions supporting postal banking; the other two are Baltimore and the Bronx. Hopefully, this will get the postmaster general on board to do a policy change. By coming to the City of Brook Park that has no post office possibly this could lead to getting a post office back in the city, due to the increase of services for the post office. There has also been talk about privatizing the post office that would hurt the post office workers and communities. By privatizing some of the proposals include not having home delivery of mail and also costs of stamps because it will no longer be regulated. Also, if there was postal banking people would be able to cash checks and eliminate the need for check-cashing facilities.

Questions/Answers:

Mr. Salvatore thanked Ms. Kline for coming tonight and stated there are a lot of pros and cons on this issue. When going to a major city to get this through will that affect the suburbs too?

Ms. Kline responded there is a push to get this into Cuyahoga County.

Mr. Salvatore asked who would manage the banking portion of the post office?

Ms. Kline responded post office personnel and hopefully hire more staff. Just a note the post office provided banking services up until 1967 and then the United States Government decided to eliminate it.

Mr. Salvatore asked if the plan is to go across the entire country?

Ms. Kline responded yes, the plan is to show the powers-to-be that this is a good project to have, will work, help the community and then move across the country.

Mr. Scott asked will every postal branch be converted to have a postal bank inside?

Ms. Kline responded yes, eventually that is the goal.

Mr. Scott asked why did the government stopped postal banking 1967?

Ms. Kline responded that was the government's decision.

Mr. Scott asked if the postal banks will fall under the current banking regulations?

Ms. Kline responded yes, they would be regulated and FDIC insured.

Mr. Scott asked what is the timeline?

Discussion: Questions/Answers: cont.

Ms. Kline responded not sure of a timeline because this is a pilot project.

Mr. Mencini stated there are numerous banks in Brook Park and wouldn't want to lose their business, if they leave. What is the need for this in Brook Park?

Ms. Kline responded hopefully the city would get a post office back and although the city has many banks; there are also many residents that cannot get bank accounts from those banks due to poor credit or other situations. Banks are getting more and more difficult for opening of checking and/or savings accounts.

Mr. Mencini asked Ms. Kline if the Cities of Berea and Middleburg Hts. have been talked to on this.

Ms. Kline responded as of last night, Cleveland passed the first Resolution. The Cities of Fairview Park, Berea and Lakewood are looking at this. There are five going to be done this month and another round of five more cities.

Mr. Poindexter thanked Ms. Kline for coming and stated when I was younger and working odd jobs my checks were cashed at the grocery store or other locations that took 10% fee out of my check. Banks have their customers and I'm not going to change my bank for postal banking. Also, a lot of banks have minimum account requirements or fees are charged and a lot of people can't meet the minimum amount to open an account. I'm in support of this and would like to see my colleagues support this and it won't cost the City of Brook Park anything, it's just a measure of giving working people another option.

Mr. Orcutt thanked Ms. Kline for coming and there was mention of eventually the post office offering low-interest loans. In any of the projections does it have how much money and revenue the post office will make?

Ms. Kline responded didn't have the answer but will find out.

Mr. Orcutt asked if the postmaster general has made a public statement or opinion on this?

Ms. Kline responded no, not at this point.

Mr. Scott stated there will no minimum banking requirements or no fees?

Ms. Kline responded at this point, it is being looked at to keep the fees very low because of the check-cashing facilities. When going into a check-cashing facility

Discussion: Questions/Answers: cont.

the consumer must pay to open up an account with them; every time the consumer cashes a check a percentage of that check is paid on a sliding scale. Low-income people are giving a lot of their disposable income to have a check cashed.

Mr. Scott continued there would be no charge to hold a savings account?

Ms. Kline responded at this point no, this would be no fees or very minimal.

Mr. Scott asked if there is information with the pilot programs going on in the Bronx and Baltimore.

Ms. Kline responded those programs are at the same level and the three communities are working to get the pilot programs in the cities. This a ground-show approach to try and show there is interest in the community for postal banking.

Mr. Scott mentioned there are pros and cons to this and would like information.

Ms. Kline responded that there are reports that can be forwarded to Councilman Poindexter to be given to Council.

Mr. Burgio stated apprehension at this point and would like more information. Mr. Burgio expressed concerns with the federal government running this program due to the dismal track record. The postal service runs a deficit year after year and have taken money to be given to the General Fund. Once this is place, for some reason, the post office would say monetary increases are necessary.

Ms. Kline commented the reason why the post office has financial issues is because they are mandated by Congress to pre-fund their retirement 70 years into the future; so the post office is already pre-funding the retirement for people who are not born to date. The post office is one of the federal agencies or offices that is actually in the United States Constitution.

Mr. Burgio stated that kind of proves my point that Congress doing things like that, the government in general, and don't run things that well, they begin with good intentions.

Mr. Mencini reiterated that with the 70 years pre-funding for retirement someone has to pay and the government is pretty good with getting those monies. Likes this idea but would like more information to work forward.

Discussion: Questions/Answers: cont.

Mr. Poindexter asked Ms. Kline if that information could be given prior to next Tuesday's meeting and suggested this be placed on the October 16th Caucus Prior to.

Mr. Vecchio commented before that this should be placed in the Finance Committee.

Mr. Salvatore asked Ms. Kline is she supports the language in the Resolution in front of Council?

Ms. Kline responded yes.

Mr. Salvatore continued is this the same that has been presented to other cities?

Ms. Kline responded yes, this comes from the national campaign.

Mr. Salvatore expressed concerns with who is going to run this? It sounds good that people can walk in and cash a check but there has to be some type of guidelines or rules and regulations showing who is running the program.

Ms. Kline responded the reason why those details aren't seen is because there is no certainty that we can get that, this is the pilot stage that shows there is support. Once the support is shown then the details will be shown how this will proceed.

Motion by Mr. Scott, supported by Mr. Salvatore, to place in the Finance Committee.

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

4. ORDINANCE NO. 8863-2002, AUTHORIZING THE MAYOR TO WORK WITH CUYAHOGA COUNTY TREASURER TO ISSUE TAX CREDITS TO HOMEOWNERS' AND DECLARING AN EMERGENCY. Introduced by Councilmembers Patten and Mooney. (**Note:** Per Section 2, City Council must review this legislation on an annual basis).

Mr. Salvatore stated the city probably doesn't have \$2 million-dollars since this was part of the airport settlement.

Motion by Mr. Salvatore, supported by Mr. Scott, to place back in Finance Committee.

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

FINANCE COMMITTEE - CHAIRMAN, SCOTT:

1. AN ORDINANCE AUTHORIZING THE CITY OF BROOK PARK TO PROVIDE A DEMOLITION OF THE INTERIOR STRUCTURE GRANT AT REGENCY CONSTRUCTION SERVICES LOCATED AT 5475 ENGLE ROAD, BROOK PARK, OHIO. **In attendance: Tari Rivera, CEO and Scott Wagner, Project Manager**

Tari Rivera
President, Regency Construction
Construction
5475 Engle Road
Brook Park

Scott Wagner
Associate Owner, Regency
5475 Engle Road
Brook Park

Scott Adams
Economic Development Commissioner
City of Brook Park
6161 Engle Road

Mr. Adams stated Regency Construction is a new company to the city with a \$1.6 million-dollar payroll, \$3 million-dollars overall with an office in Columbus. Regency bought the former Powers Sports building on Engle Road and have begun rebuilding for their purposes. Regency Construction began at a kitchen table in 1994 and is now the fourth or fifth largest construction company in the State of Ohio. Regency has 43 current employees and will be adding eight project managers and eight support staff that will be working out of the Brook Park location, bringing additional tax revenue. Regency Construction is asking for a grant in the amount of \$10,000 for demolition of the interior structure for rebuilding to begin the contracting business. The total cost of the renovation is estimated at \$843,000 and the building costs of approximately \$63,000 to purchase. This company has made a considerable investment in the community and is asking for assistance to complete the project.

Mr. Burgio asked what the timeline completion for the constructed interior?

Ms. Rivera responded the project began the first week in July and moved in the last week of September and have been operating.

Mr. Burgio continued the interior construction would be for offices and work areas?

Ms. Rivera responded yes, the property houses the office personnel and in the rear part of the building there is an open area for the shop. Not only is Regency approximately a 50-person firm but there are also 20 carpenters on payroll to self-perform carpentry work and sometimes fabricate certain items in the shop. Also, there is a little yard for housing of lifts and other items like that.

Finance Committee - Chairman, Scott: cont.

Mr. Burgio with the \$10,000 grant would be for after the completion of the renovations?

Mr. Adams responded yes.

Mr. Mencini thanked Regency for coming and welcomed them to Brook Park. To Mr. Cingle where does the city stand on the grant?

Mr. Cingle responded the \$1.6 million-dollar payroll would generate 2% with the \$10,000 grant is a good return on the investment.

Mr. Mencini asked if there is going to be continued growth with employees in one or two years?

Mr. Wagner responded over the next one or two years, Regency has a need for a pre-construction manager, project manager and accounting staff, so that would be the three positions at the Brook Park location with two field superintendents running the work. There is a continued plan for growth and expansion with support staff at the Brook Park location.

Mr. Salvatore stated the requested \$10,000 for demolition has that started?

Mr. Wagner responded that is completed and have moved into the space.

Mr. Adams commented the idea for that was to complete the project and bring forward the request for \$10,000 for reimbursement of the demolition that took place.

Mr. Salvatore asked if the renovations for \$843,000 has started?

Mr. Wagner responded that is completed, the building interior was gutted and rebuilt for office space, originally a showroom. The interior was demolished and replaced with new windows, plumbing, restrooms, HVAC (Heating, Ventilation & Air Conditioning) and electrical systems.

Mr. Orcutt thanked and welcomed Regency to Brook Park and the project looks to be going along very well. Doing some research of the company and saw how the company built steadily and is a very strong company; this is a win-win situation for both parties.

Mr. Poindexter commented that being an iron-worker he has worked on two projects that Regency were the general contractors and am proud to have them in

Finance Committee - Chairman, Scott: cont.

Brook Park. Your jobsites are one of the most organized and well-run job sites. Mr. Poindexter asked Ms. Rivera what are some things that brought to Brook Park?

Ms. Rivera responded one of the reasons coming to Brook Park is the company was looking for a more central location, employees live in all directions of Cuyahoga County, so ease of highway access was attractive. Regency has been looking for an opportunity for property to bring offices, yard and shop together and after looking at a few different buildings. When this came available it is the perfect property for our company, location was a big driver for us.

Mr. Poindexter asked what are the plans for the company's future, how much growth potential does the company have? Is there a plan with actual numbers of how the company can grow at this location?

Ms. Rivera responded Regency is approximately a \$40 million-dollar a year firm and this past year went through a program called Scalerator, which is a company that helps firms in Northeast Ohio scale up business. Regency's target is to go from a \$40 million-dollar firm to a \$65 million-dollar that includes the Columbus office. With that growth, employees would need to be hired and have an immediate need for a pre-construction manager and project manager. The market in Northeast Ohio has been very busy so finding people has been hard and am plugging away finding the right fit for Regency. One of the other reasons for choosing this property is there is opportunity for an addition, if needed, in the future.

Mr. Poindexter welcomed Regency Construction to Brook Park.

Mayor Gammella thanked Regency Construction for coming to Brook Park.

Ms. Rivera and Mr. Wagner thanked Council, Council President and Mayor Gammella, we're delighted to be here for consideration of the grant.

Mr. Scott stated being in construction for 45 years my company dealt with Regency on a few jobs and your company is a high-class operation.

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

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

NAYS: None. The motion carried.

LEGISLATIVE COMMITTEE - CHAIRMAN, MENCINI:

- 1. ORDINANCE NO. 10069-2017, AMENDING CERTAIN SECTIONS OF CHAPTER 153 OF THE BROOK PARK CODIFIED ORDINANCES ENTITLED 'EMPLOYEES GENERALLY' AND DECLARING AN EMERGENCY. Introduced by Mayor Coyne.

Mr. Scott mentioned there is going to be further discussions in the future on this topic.

Motion by Mr. Scott, supported by Mr. Salvatore, to place back in committee.

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

- 2. A RESOLUTION HONORING ASTRONAUT AND SENATOR, JOHN GLENN, AND DECLARING AN EMERGENCY. Introduced by Councilman Troyer and Council President Astorino.

Mr. Salvatore stated what the city is trying to do is create a walkway to honor individuals behind Brook Park Memorial School, unfortunately, that is not city property to date.

Mr. Mencini stated this legislation is for an honorable man and can't let it sit too long and concur with the idea of a dignitary walkway.

Motion by Mr. Salvatore, supported by Mr. Scott, to placed back in committee.

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

- 3. A RESOLUTION DECLARING NOVEMBER AS NATIONAL DIABETES MONTH IN THE CITY OF BROOK PARK AND DECLARING AN EMERGENCY. Introduced by Councilman Salvatore, Council as a Whole and Mayor Gammella

Mr. Salvatore stated there are a few amendments needed with changing of years and a few additions to the Whereas' that are needed.

Mr. Mencini commented Diabetes is a very bad disease.

Motion by Mr. Salvatore, supported by Mr. Stemm, to place on the next Caucus Prior to agenda of October 16th with proper amendments.

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

Council comments:

Mr. Salvatore commented November 7th is his birthday but recognition of Police Officers' Day.

Mr. Poindexter announced today is his 14th wedding anniversary and thanked his wife for putting up me.

Mr. Salvatore commented that several calls were received regarding the microphone not working at the last meeting.

Mr. Vecchio responded the batteries for the wireless microphone needed replacement. I turned the microphone on and the blue light came on and assumed the microphone was working, which it was not, the city has procured enough batteries for that not to happen again.

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

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

Mr. Vecchio declared this meeting adjourned at 8:53 p.m.

RESPECTFULLY SUBMITTED Michelle Blazak
Michelle Blazak
Clerk of Council

APPROVED November 13, 2018

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

7,288 words

