

**REGULAR CAUCUS MEETING
OF THE COUNCIL OF THE CITY OF BROOK PARK, OHIO
TO BE HELD ON TUESDAY, DECEMBER 11, 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, MENCINI, POINDEXTER, SALVATORE

Also in attendance were Law Director Horvath, Economic Development Commissioner Adams, Mayor Gammella, Recreation Director Elliott, Building Commissioner Hurst and Finance Director Cingle.

Mr. Vecchio excused Mr. Stemm from tonight's meeting.

Motion by Mr. Mencini, supported by Mr. Poindexter, to go out of the Regular Order of Business to Finance Committee.

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

NAYS: None. The motion carried.

FINANCE COMMITTEE - CHAIRMAN, SCOTT:

1. AN ORDINANCE AUTHORIZING THE CITY OF BROOK PARK TO PROVIDE A GRANT TO HARDFACE TECHNOLOGIES BY POSTLE INDUSTRIES FOR A BUILDING EXPANSION LOCATED AT 5440 AND 5500 WEST 164TH STREET, BROOK PARK, OHIO. Introduced by Mayor Gammella. **In attendance: Daniel Weinhardt - CFO/Marketing Director, Mike Huber - Business Development Manager and Steve Stefancic - Hardbanding Sales Development**

**Daniel Weinhardt
5440 West 164th Street**

Mr. Weinhardt gave a power point presentation and stated Postle Industries moved to Brook Park in the early 1990's and invested approximately \$1.2 million-dollars into the building on West 164th Street for light manufacturing and warehouse. In 2007, the company went from four (4) to 14 employees and in 2014 became an employee-owned company. Currently the company has 43 people with 34 working in Brook Park. In 2002, the company entered the gas and oil industry. The company is currently at \$15 million-dollars in sales and the five-year plan is to double sales and the reason to locate in another building. There is a new production line being put in to expand the capacity and the five-year plan is to put lines in 2020 and 2021. The building next door isn't suited for what the company needs to do but what the company plans on doing is adjoining both buildings by

Finance Committee -Chairman, Scott: cont.

putting in an annex for accessibility, building expansion and dock space. There is talk of going from the current 32 employees to 64 employees for many different positions.

Questions:

Mr. Mencini thanked them for the presentation and keeping their business in Brook Park. With the cost for the building at \$75,000 will that accomplish what you want done?

Mr. Weinhardt responded we're getting a few more estimates on that and looking at having a cinder-block structure, two garage doors and man doors and drop down fire doors.

Mr. Mencini asked for an approximate completion date if everything gets approved.

Mr. Weinhardt responded as soon as permission is granted from the construction will begin and hope to complete in January.

Mr. Mencini asked why does the employee increase continue until 2022?

Mr. Weinhardt responded it's basically demand with the new production line demand being put in at approximately \$1 million-dollars and the company designs and builds their own production lines.

Mr. Orcutt thanked the representatives for coming and asked about the product filler for the metals?

Mr. Weinhardt responded the company manufactures welding wire to put on a surface to improve the abrasion and impact resistance that can be seen on bulldozers, compression tools, etc.

Mr. Orcutt asked if most customers are in the United States?

Mr. Weinhardt responded yes, the majority of the business is in United States, the oil business being in portions of Texas, North Dakota, Wyoming, Ohio and Pennsylvania. Agricultural business is in the Midwest areas Iowa and Nebraska and recycling business in Ohio and Pennsylvania.

Mr. Orcutt asked how much competition there is in the United States?

Finance Committee - Chairman, Scott: Questions: cont.

Mr. Weinhardt responded the welding business is in competition with Lincoln Electric, the largest welding company. The hard facing portion has competitors such as Esab and Select Arc that is based in Ohio and also national locations. Predominately, Postle has 75% of the business in the oil and gas area and trying to expand and broaden out. Currently, the company is limited at the diameter of the wire that can be made and putting in the new lines will allow for smaller diameter wiring needed in the current market.

Mr. Orcutt stated with the company growth, production will start in 2020 with the new line?

Mr. Weinhardt responded, the new line being put in now will start in 2019 with people being added and then putting a new line at the end of 2020 and 2021. People will be brought in for training, utilizing of previous lines and also be adding second and potential third shifts, that is not being not done now.

Mr. Poindexter thanked Mr. Weinhardt for coming and clarified the company has 43 employees with 34 working in Brook Park; where do the remaining employees work?

Mr. Weinhardt responded they are sales people and work Iowa, East & West Coast, Southwest and a few tech people working in the oil fields in Texas, Wyoming and North Dakota.

Mr. Poindexter asked if the new employees will also become owners of the company?

Mr. Weinhardt responded yes, any person employed by the company for one year become an owner, fully vested after five years and get full stock ownership. Over the six years being with the company there's been an average of double-digit returns on the company's investment and did better than stock market. Having ownership in a company things are looked at differently because it comes down to the bottom line and investment into a retirement fund.

Mr. Poindexter clarified the average salary is \$40,000, does that include any returns on investments?

Mr. Weinhardt concurred with the \$40,000 salary and stated no to the inclusion on returns on investments. On average what is being contributed per employee is about \$25% of their salary that is put into a retirement fund annually. On top of that whatever the company's investment returns of 17.5% over the last five years.

Finance Committee - Chairman, Scott: Questions: cont.

Mr. Salvatore thanked Mr. Weinhardt for very thorough presentation and asked if the grant wasn't provided would the company still go ahead with the project?

Mr. Weinhardt responded the grant would certainly help by allowing the company to take action immediately with getting the breezeway done. The company tried to be debt-free as much as possible and didn't want to spend monies to buy the building and then put a lot of monies into it.

Mr. Salvatore asked Mr. Adams how long will it take based on the increase and income tax generated by additional employees for the city to recoup the \$10,000.

Mr. Adams responded approximately, according to the projections, 14 months.

Mr. Scott thanked Mr. Weinhardt for the presentation and the city wants to grow with you.

Mr. Salvatore asked Mr. Cingle has this been taken into consideration for the 2019 temporary and/or permanent budget?

Mr. Cingle responded this can be incorporated into the 2018 budget.

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

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

NAYS: None. The motion carried.

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 NOS. 344-30-008 AND 344-30-009 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella. **In attendance: Joe Reigrut - Company Wrench, Rick Wellman - Company Wrench, Rick Nelden - Fogg Building Methods, Tim Collier - Colliers International.**

Mr. Adams introduced Company Wrench who is interested in purchasing the 3.303 acres of vacant property on Brookpark Road

**Tim Breckner
200 Public Square
Cleveland, OH**

Mr. Breckner and stated Colliers International is a commercial real estate company and working to find Company Wrench a new location.

Finance Committee - Chairman, Scott: cont.

Joe Reigrut

7410 East 71st Street

Cleveland

Mr. Reigrut gave a power presentation of the site plan for the property and stated the company has been looking for highway visibility. The old facility in Oakwood Village located in an industrial park didn't get the access.

Questions:

Note: Due to many representatives being in attendance the question-answer responses will be known as speaker.

Mr. Mencini asked how much equipment will be stored on the property.

Speaker responded Company Wrench has eight nationwide locations and have around ten machines.

Mr. Mencini stated the company's projections from 2019 through 2023 go from six employees to 14 employees with an annual payroll being doubled.

Speaker responded that's conservative, currently there are five employees and looking to hire one more person by the end of 2018. The company location currently is limited on hiring new employees.

Mr. Mencini thanked the company for coming this evening and looking at coming to Brook Park.

Mr. Poindexter asked Mr. Wellman if the Brook Park will replace the current location on East 71st Street?

Mr. Wellman responded yes.

Mr. Poindexter asked with the location in Oakwood Village did the company get a reasonable amount of business?

Mr. Wellman responded yes but not aware of the numbers because of not being in the same position.

Mr. Poindexter stated the proposal looks good and hopes this project can get done.

Mr. Orcutt thanked the representatives for coming and stated this is a very good location for selling of equipment, with good visibility. The company doesn't build this equipment?

Finance Committee - Chairman, Scott: Questions: cont.

Speaker responded not at this location, there is a manufacturing facility in Carroll, Ohio; this location would be strictly sales, service and rentals. The company services Cleveland, Akron-Canton and Youngstown out of this location.

Mr. Orcutt asked if work is done in Toledo and Pittsburgh areas?

Speaker responded yes, Toledo and Sandusky and have a salesperson in Pittsburgh with everything being serviced out of this location.

Mr. Orcutt clarified the business is mainly service?

Speaker concurred and commented that's how the company was founded and people know the company can deliver on service; that follows to the sales and rentals. People want to rent or buy from a company that is going to be able to help them.

Mr. Orcutt asked when will ground be broken if this agreement moves forward?

Speaker responded construction would start weather permitting. Another speaker commented one of the benefits is a base and some site work in place.

Mr. Orcutt asked if the existing asphalt will stay and be built on top?

Speaker responded no, the asphalt will be removed to hopefully harvest the underneath base with the north portion of the building being a heavy aggregate base to support the machinery. During construction the blacktop will be used to prevent mud and/or dirt on the street.

Mr. Salvatore stated looking at the preliminary south and east elevation is that what will be seen from the street?

Speaker responded the south elevation would be seen from Brookpark Road.

Mr. Salvatore asked where will the storage of equipment be located?

Speaker responded that is part of the freeway exposure.

Mr. Salvatore stated with the payroll projections of 2019 and 2023 shows an annual sales estimate and payroll? Is that from sales personnel only?

Finance Committee - Chairman, Scott: Questions: cont.

Speaker responded that is from sales and service.

Mr. Salvatore asked what is the chance of bringing the management and billing department to Brook Park to increase payroll?

Speaker responded people will have to be hired to run the facility, currently it is Mr. Wellman, parts manager, few service personnel and one sales person. There will be a definite need to bring in office staff?

Mr. Salvatore commented he doesn't like selling city assets and is harder to convince.

Speaker stated the company has been around since 2005 in the Cleveland area and increasingly growing ever since and don't see any slow-down in the future.

Mr. Vecchio asked Mr. Wellman how many pieces of equipment will be displayed on the north side?

Mr. Wellman responded probably no more than ten pieces ranging from small to large with various attachments.

Mayor Gammella commented this is a very good company and will be locating to property that has been vacant for 18 years and glad the company came in.

Mr. Scott asked on the 3.03 acres, how much of that will be built on?

Speaker responded there is a little bit over 10,000 square foot?

Mr. Scott interjected how many acres will be used for this proposal?

Speaker responded the development takes much of the whole site with a little bit over 10,000 being building area. Then there is the support, office, equipment parking and driveways. Looking at the plan the whole site with the exception of the little area at the north end is completely developed.

Mr. Scott stated in the future if there is development of land will there be room for expansion?

Speaker responded there definitely will be room to expand the office or equipment area. Expansion, in that case, would be for outside storage areas and still will in with city regulations for parking and building.

Finance Committee - Chairman, Scott: Questions: cont.

Mr. Scott stated with the number of employees looking at to be increased a percentage of them would probably be mechanics?

Speaker responded yes, it will be mechanics, administrative support staff and a few parts department personnel.

Mr. Scott commented the average salary is approximately \$35,000 to \$40,000 per employee?

Speaker responded depending on what they do \$35,000 to \$50,000.

Mr. Salvatore stated to Mr. Cingle what would be the projections going out 15 to 20 years?

Mr. Cingle responded on the figures run for payroll for 2019 the city would collect \$8,000; \$10,000 in 2020, \$12,000 in 202, \$14,000 in 2022 and \$16,000 in 2023.

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

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

Motion by Mr. Mencini, supported by Mr. Poindexter, to go back to the Regular Order of Business.

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

APPROVAL OF MINUTES OF PRECEDING MEETINGS:

1. REGULAR CAUCUS MEETING HELD ON NOVEMBER 13, 2018.

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

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

DISCUSSION:

1. AN ORDINANCE AUTHORIZING THE MAYOR TO ADVERTISE FOR REQUESTS FOR QUALIFICATIONS (RFQ) FOR GUARANTEED ENERGY PERFORMANCE CONTRACTORS FOR THE IMPLEMENTATION OF A GUARANTEED ENERGY CONSERVATION PROGRAM AND AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT WITH A SUCCESSFUL VENDOR AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella. **In attendance: Drake Wahlers - Leopardo Group.**

Mr. Vecchio placed this legislation in Finance Committee.

**Drake Wahlers - Vice President
Leopardo Group
210 North Carpenter Street
Chicago, IL**

**Rob Vollrath
Chief Business Officer
Leopardo Group
Chicago, IL**

A power point presentation was made available and on file in the Council office for public review.

Mr. Wahlers stated on October 9th a presentation was given of the key findings for the feasibility report given to the administration for expenses that have utility or operating components. Those expenses were received and tied to the budget to identify where those expenses are being paid from in the budget. Looking at this the purpose was to find a program that would maximize the net economic benefit for the city by looking at items that high-savings with low costs. For funding of bigger ticket items i.e. tuck-point of the pool area, roof replacement over the pool area, upgrading the pool to code, the vapor barrier and HVAC (Heating, Ventilation and Air Conditioning). This program was built to protect the city's previous investment and build on to get these needed infrastructure items improved, without a big burden to the city. The huge saving items were built around retrofitting all the city-owned and utility-owned street lights, opportunity to reduce operating costs associated with IT (Information Technology), fleet improvements with different fuel sources. When packaging these items our company identified roughly \$227,000 in savings annually that would self-fund roughly \$2.5 million-dollars in improvements. If everything was done that was recommended in the report that would be roughly \$3.4 million-dollars budget that was based on multiple walk-through's with the company's engineering staff and city staff. These improvements can be made and minimize the amount of money the city would have to put in either annually or upfront over a 10 or 15-year period for financing. Another recommendation in the report is lease financing because it doesn't have the ongoing or upfront costs that a bond does and is more flexible and better ROI (Return on Investment). Moving to the next step the RFQ (Request for Qualification) can continue the discovery process with nothing binding it's just a legal advertisement in the paper for other contractors to give RFQ's and provide

Discussion: cont.

more information to determine if this is something the city wants to continue examining.

Questions:

Note: Due to many representatives being in attendance the question-answer responses will be known as speaker.

Mr. Orcutt asked for an elaboration on the fuel for the vehicles when switching from gasoline to propane?

Speaker responded there are three different fuel sources; one is natural gas, propane and hydro-electric. For this project propane was looked at which is \$1.00 to \$1.50 less than gasoline and same price as natural gas; the determining factor was economics. In terms of installing a fuel station it's much more cost-effective than natural gas.

Mr. Orcutt continued with the, for example, police cars purchased over the last few years. What is done with the vehicles the city has now?

Speaker responded that is called a mere addition to the existing vehicle, which is a system that sits on top of the existing fuel system, considered a hybrid system, that turns into a dual-fueled system. When the vehicle is retired the propane system can be refurbished and transferred to the next vehicle.

Mr. Orcutt asked if a company would come in and put those systems on city vehicles.

Speaker responded yes, our company works with a couple different vendors in this area depending on the make and model of the vehicles, or training of city personnel for installation.

Mr. Orcutt commented part of the energy-efficiency is getting more miles out of the vehicle by using a different fuel, or where does the savings come from?

Speaker responded it runs cleaner, the biggest part of the savings is the cost difference being \$1.00 to \$1.50 less a gallon than conventional fuel.

Mr. Orcutt continued with the LED (light emitting diode) lighting of street lights, does the City of Brook Park own all the light poles within the city?

Speaker responded I think the city owns maybe 5% to 10% with the rest being owned and maintained by First Energy. Our scope is recommending replacement

Discussion: cont.

of all of them and work with First Energy's replacement program to retrofit all those lights.

Mr. Orcutt asked Mrs. Horvath with this RFQ is the same thing done for the recreation-community center remodeling?

Mrs. Horvath responded yes, it is the same provision of the Ohio Revised Code and my understanding is the same process will be followed with the RFQ bidding process, developing of a committee to rank interested companies; the same outline would be followed that the city did with the energy efficiency project for the Recreation Center.

Mr. Orcutt stated to Mrs. Horvath, Council President Vecchio and I spoke on this RFQ last week and one of the items discussed and brought to my attention. There are two different ways of looking at it that it was illegal. Was the last project the city did illegal or legal?

Mrs. Horvath responded I see no illegality in that process, there are opinions from Tucker-Ellis - bond counsel, myself, former Economic Development Commissioner Dolan who is also a licensed attorney. I'm not sure where the illegality would be that you are referring to and think part of the problem is with certain people on Council insistence that it was a no-bid contract. When, in fact, at least four companies had participated in the RFQ bidding process and a committee that scored all the companies. To my knowledge, all four companies presented their brochures and proposals, not only to the administration but also City Council. I can tell you that currently in my office I have three proposals from those companies: Honey-Well, Brewer-Garrett and Tremko all participated in the RFQ bidding process and don't believe there was anything illegal involved in that.

Mr. Burgio asked with the LED replacement does that include traffic signals, state-owned I-71 bridges or anything like that?

Speaker responded traffic signals were not included due to already being upgraded to LED.

Mr. Mencini asked Mr. Wahlers if their company has dealt with First Energy before on a changeover.

Speaker responded yes, our company is currently working with the Cities of Euclid and North Royalton.

Mr. Mencini asked if the company has done the alternative fuel with other municipalities?

Discussion: cont.: Questions: cont.

Speaker responded no, not on this size of scope.

Mr. Mencini stated with the last project a lot of the \$5.2 million-dollars went onto the roof. With the HVAC this would be mainly for the pool area?

Speaker responded correct, replacing that existing unit.

Mr. Mencini continued the phone system is new so what would the IT for the phones include?

Speaker responded this would be a city-wide plan to upgrade to voice-over IP as well as looking at all existing phone contracts and try to consolidate and reduce items not needed.

Mr. Salvatore asked with the conversion from gas to propane, what does that do for performance of the vehicles.

Speaker responded it increases the performance and burns at a higher octane with less maintenance associated with that, allowing for better performance.

Mr. Salvatore stated has your company had dialogue with the Illuminating Company for replacement of the LED lighting?

Speaker responded yes, the same representative from First Energy that is working with our company in North Royalton represents Brook Park?

Mr. Salvatore asked if they will be sharing in any of the costs of replacing those lights or does that \$3.4 million-dollars take into consideration the city is paying.

Speaker responded the \$3.4 million-dollars factors everything in.

Mr. Salvatore clarified the city is paying for all of that?

Speaker concurred.

Mr. Salvatore mentioned there being some concern with the city changing their lights.

Speaker responded they have a program allowing to upgrade their lights and the city gets significant reduction in the utility expenditures for those lights. This is done in multiple Midwest states and this is the best utility-owned street lighting program because they provide the lights at cost; they're not making it a profit center their goal is to reduce utility usage.

Discussion: cont. Questions: cont.

Mr. Salvatore asked if the city can purchase the lights and do this on their own?

Speaker responded yes.

Mr. Salvatore commented converting to LED would be a tremendous savings. Will the pool area have any effect on what is already being done as far as cost-savings measures?

Speaker responded in terms of what is already done, the scope being proposed affects the pool area that has not been touched; the roof over the pool, tuck-pointing and HVAC system. The pool itself upgrading to code wouldn't affect any existing construction being done now.

Mr. Salvatore commented he doesn't want any surprises if a Phase II moves forward.

Speaker responded our goal is to come up with a comprehensive plan to upgrade without the city coming up with additional monies; the intent was to come up with an all-inclusive scope to upgrade part of the facility. The city will have significant input as to how this is put together with a guaranteed cost, performance and savings on an annual basis every year the project is financed.

Mr. Salvatore questioned 100%?

Speaker responded actually 144% with the savings projections.

Mr. Poindexter stated is changing the lights just a matter of changing bulbs or is rewiring necessary for the conversion?

Speaker responded there is a variety of ways and the recommendation is to replace the entire fixture for a warranty and better performance.

Mr. Poindexter commented that would be a significant project for changing all the street lights throughout the city.

Speaker responded it's a significant costly program but there are significant savings and helps fund a lot of things that needs to be done like the roof replacement.

Mr. Poindexter asked with the vehicles being converted to propane will that be the same miles per gallon type ratio?

Discussion: cont. Questions: cont.

Speaker responded there is a very minimal difference seen in performance and miles per gallon, the savings comes from the costs of cheaper fuel.

Mr. Poindexter asked if there is a cost-breakdown of each phase of this proposal would cost i.e. how much for the pool area.

Mr. Scott commented that he put together an energy-cost performance and adding up the seven or eight items it comes to \$4.7 million-dollars. How does your cost analysis come up with \$4.7 million-dollars with the project projected to cost \$3.4 million-dollars?

Speaker responded multiple city facilities were looked at and honed in on this facility due to most glaring needs.

Mr. Scott commented there is a \$1.3 million-dollar difference, how that works out?

Speaker responded the \$4.7 million-dollar figure is a recommendation for all the facilities i.e. fire station, street lighting, and fuel conversion. The restoring of the pool area is the \$3.4 million-dollar figure. In the proposal there are three different options, one a self-funding option that had less scope by removing the tuck-pointing and Dectron system that summed up to \$2.4 million-dollars. The other items were obviously things that needed to do with two different cash flows. One showing what the upfront investment that the city would have to contribute from a capital perspective and one showing what the city would contribute annually with financing over 15 years.

Mr. Poindexter commented being just a budget that \$3.4 million-dollars could fluctuate or increase?

Speaker commented usually within 10%.

Mr. Poindexter commented this is a high-end estimate and fine-tuned to get the numbers down.

Speaker concurred and stated we like to show the worst case to show it funds and the next phase improve on that.

Mr. Salvatore asked when would the city have to start coming up with cash?

Speaker responded depends on the structure and what the city does. If the city did what is recommended with the \$3.4 million-dollars, the city could finance all those dollars. The construction schedule is approximately nine months and the city wouldn't make its first payment for six or nine months after construction

Discussion: Questions: cont.

completion. If the city did finance the entire project after the guaranteed savings the city would only contribute about \$90,000 annually from inside the budget, to get all this work done.

Mr. Salvatore asked for an explanation of the zero/zero on page 35 of the handout.

Speaker responded there is no upfront costs for either of those items, the fleet leasing is looking at a better acquisition strategy for city vehicles by using funds already designated for purchasing of vehicles. Then leveraging those dollars and stretching them to pay for only what is used, as opposed to purchasing the asset upfront with no flexibility. The cost is built into the cost per-gallon so there is no upfront expense for the alternative fuel system.

Mr. Salvatore asked what effect would that have on lease vehicles, if not purchased?

Speaker responded that is all included in the payment schedule how the city structures that. Typically, a mass depreciation is done that is open-ended in the contract setup, the city would have more equity than forecasted. When the vehicles are turned in the city has the option of taking those proceeds like when selling a vehicle or rolling that into the next payment to reduce costs.

Mr. Orcutt asked what is built into this plan for maintenance since there is a guaranteed contract? Is a local contractor hired?

Speaker responded that can be done in multiple ways, city staff can be trained how to properly maintain the system if that's what the city wants. Outside contractors have been selected through our competitive bidding process or hybrid approach where the city may hire someone to change the filters and maintain the items that are not high maintenance; the more riskier items an outside contractor does that work.

Mr. Orcutt stated out of the \$227,000 annual savings the city would pay the loan whether lease, financed or bonding. With what is presented to the city right now what would that lease financing be annually?

Speaker responded if the city does the recommended \$3.4 million-dollar project based on rates currently the debt service would be about \$300,000 annually. The city's savings of the guaranteed \$227,000 the difference is what the city would contribute annually for 15 years with the way it's setup here. This was one simple cash-flow and different terms can be looked at depending on the city's

Discussion: Questions: cont.

guidelines. Basically \$72,000 a year over 15 years if the city didn't put in the upfront capital.

Mr. Poindexter stated this proposal is to get the pool, redo the lights and the savings is approximately \$4 million-dollars.

Speaker clarified over the 20-period.

Mr. Poindexter asked if that includes the operational costs for the pool after its in operation?

Speaker responded we predicted about \$48,000 to \$50,000 in utility operational costs after the pool is up and running and took that into account of \$227,000, the city's savings are about \$275,000 for both operations and utilities of operating the pool year-round.

Mr. Poindexter continued with the other projects not included in this proposal are there any potential savings with the additional projects?

Speaker responded there were some savings with the additional projects based on discussions with the city we focused on items that had the biggest payback. Street lighting, fleet and what was the greatest need and it seems to be the renovation of the pool and completing this building.

Mr. Salvatore clarified the cost to operate the pool is \$50,000?

Speaker responded \$50,000 annually for utilities costs and for clarification by doing that it increases the cost by \$50,000 which was factored into the annual savings figures, taking that penalty into the factor guaranteed.

Mr. Mencini stated when talking pools is this for one or two pools?

Speaker responded the two inside pools, swimming and diving.

Mr. Mencini continued with the proposal for boilers for fire, police and building sooner or later those items will have to be replaced.

Speaker responded correct and the recommendation we usually target the equipment and structure items in need that are beyond useful life.

Mr. Scott stated the estimate for the pool and above roof will be kept at the same height?

Discussion: Questions: cont.

Speaker responded yes, keeping the same ceiling height.

Mr. Scott continued with the lighting poles owned by First Energy they will still own the poles and the city will be replacing bulbs?

Speaker responded yes, replacement of the fixture heads the wood pole and arms would remain.

Mr. Scott stated to Mayor Gammella is there going to be a selected committee for this? The last project there were two city administration and a citizen who specialized in that field.

Mayor Gammella responded that's what I would do is set up a committee and move forward from there and act upon recommendations. I've thought about that and it's a lot of money that will complete the recreation center. To Mr. Mencini's question about the pools I would like to see the main pool reopen. With the diving pool that could be a children's waterpark, pirate ship, community room, senior center or something of that nature. Would be happy to work with Council to complete this recreation center for what's best for this community. Finance Director Cingle and I sat down with these representatives to find out the best way possible to finance and move forward to have a complete recreation center.

Mr. Scott stated the same process would be followed like the prior HB 420 project to acquire bonds?

Speaker responded the process is the same, how the city finances the project there are multiple options than chosen before, all of those economics would be provided.

Mr. Scott asked Mr. Cingle how would that affect the city with the prior bonds?

Mr. Cingle responded if the city went the same approach that would impact the overall borrowing capacity for the community. For example, if the city borrows \$1 million-dollars it would fit underneath the borrowing capacity for the city but wouldn't impact the total amount the city could borrow.

Mr. Poindexter asked Mayor Gammella for insight why this project is isolated to the recreation center and street lighting. Since the cost of the entire list is \$4.7 million-dollars and there would be additional savings with the other projects included? It seems to me the other projects could be added for additional savings, funded and done at one time.

Discussion: Questions: cont.

Mayor Gammella responded I would like that and believe in preventive maintenance to take care of the city's problems now. When bringing this forward we asked the representatives to do that so Council could make an informed decision.

Mr. Mencini stated likes the pool area idea, most of the items listed for city buildings are not good and need to be looked at.

Mayor Gammella commented that a new city building hasn't been built since 1974 so the city's infrastructure is getting old and rates are at historically low levels.

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

Mr. Poindexter supports placing on the next Council agenda to see what the RFQ's come back.

Mr. Salvatore commented if this moves forward the title reads advertise for RFQ's and the Mayor enter into contract.

Mr. Mencini retracted his support of motion, Mr. Poindexter retracted motion to place on next Council agenda.

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

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

NAYS: None. The motion carried.

Mr. Orcutt thanked the representatives for being professional and answering all the questions. Mr. Salvatore and Mr. Vecchio thanked the representatives for their presentation.

2. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT FOR THE PURCHASE OF CITY RADIOS AND APPURTENANCES, IN ORDER TO REPLACE OBSOLETE RADIOS AND UPGRADE THE CITY'S RADIO COMMUNICATION SYSTEM, WITHOUT PUBLIC BIDDING, AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

Mr. Vecchio placed in Finance Committee.

Discussion:

3. AN ORDINANCE AMENDING SECTION 153.241 OF THE BROOK PARK CODIFIED ORDINANCES ENTITLED 'MISCELLANEOUS BENEFITS FOR POLICE AND FIRE CHIEFS AND CAPTAINS' AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

Mr. Vecchio placed in Safety Committee.

4. AN ORDINANCE AMENDING SECTIONS 1323.03 OF THE BROOK PARK CODIFIED ORDINANCES AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

Mr. Vecchio placed in Legislative Committee.

5. AN ORDINANCE AMENDING CHAPTER 1414 OF THE BROOK PARK CODIFIED ORDINANCES ENTITLED 'RESIDENTIAL RENTAL HOUSING REGISTRATION' AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

Mr. Vecchio placed in Legislative committee.

6. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE BEREA SCHOOL DISTRICT FOR EXCHANGE OF APPROXIMATELY 18 ACRES OF LAND KNOWN AS BROOK PARK MEMORIAL (P.P.N. 343-17-001) AND 10 ACRES OF LAND KNOWN AS BROOKVIEW ELEMENTARY (P.P.N. 344-15-008, 344-20-086 AND 344-15-178) FOR A LEASEHOLD OF A BASEBALL FIELD LOCATED AT 16900 HOLLAND ROAD AND THER CONSIDERATION, PURSUANT TO ORC 3113.04 AND ORC 3113.41 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

Mr. Vecchio placed in Finance committee.

7. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH BEREA CITY SCHOOL DISTRICT OF A BASEBALL FIELD LOCATED AT 16900 HOLLAND ROAD, PURSUANT TO ORC 3113.04 AND ORC 3113.41 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

Mr. Vecchio placed in Finance committee.

Discussion: cont.

Mr. Salvatore asked for reconsideration for the legislation dealing with the Berea City Schools to be placed in Recreation committee.

Mr. Vecchio explained the reason those were placed in Finance committee is because they're financial.

8. DIVISION OF LIQUOR CONTROL - **C STCK NEW 1445591** FOR CHORNAK, INC. DBA NAKS EATERY & DRINKERY LOCATED AT 5690 SMITH ROAD, BROOK PARK, OHIO, 44142 FOR A D5 & D6
Postmark date 12/27/2018.

Motion by Mr. Salvatore, supported by Mr. Orcutt, read in committee with no objection.

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

9. PAYMENT TO BOXCAST FOR LIVESTREAMING OF THE 2019 CAUCUS AND COUNCIL MEETINGS (**Annual expenditure in the amount of \$2,400.00 paid in monthly installments.**)

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

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

10. PROPOSED 2018-2019 COUNCIL RULE CHANGE – Councilman Poindexter. a) COUNCIL RULE NO. 7 - ORDER OF BUSINESS

Mr. Poindexter stated at the November 13th a resident spoke at the meeting that Council has no line item (on the agenda) to address the audience immediately after people expressing their concerns at the podium. I do not support open dialogue, back and forth, and currently the system in place is to make a motion to go out of the regular order of business, support and vote taken then after addressing the audience repeat the same process to go back to the regular order of business. That can be quite time consuming and think it would expedite the meetings a bit by just having a line-item on the agenda. Looking at the 2018 meetings there were 22 scheduled meetings and Council addressed the audience on 16 of those meetings, with four special meetings where Council addressed the audience. My suggestion is to place an agenda item on the Council agendas for Council to respond after audience participation.

Mr. Mencini disagreed with Mr. Poindexter on this matter and believes this mechanism is in place and shouldn't be mandatory for Council to do. If there is a hot topic people will speak on that issue and have no problem responding to the people with the vote of Council.

Discussion: cont.

Mr. Scott agreed with Mr. Mencini and asked where is the line drawn as to what questions are asked i.e. personal questions; what are the parameters of the questions and answers. This will be made mandatory where we have to answer, correct?

Mr. Poindexter responded no, the point is when there is no item under an agenda letter, for example, letter K we move along to the next agenda letter. If there is an agenda item for response to audience and nobody wants to respond, then we move forward down the agenda; this will give the avenue in the meeting to respond.

Mr. Scott interjected that avenue is in place by making a motion to address the audience.

Mr. Poindexter commented the process in place is time-consuming and with this in place could streamline the meeting.

Mr. Salvatore commented the 16 out of 22-time Council responded is a result of six of those meetings there wasn't any dialogue warranted for a response. The only time I recall that people voted no on response to the audience is during the 2016-2017 term where discussion took place of a personal item of one Member of Council. Mr. Salvatore would like to see the podium at meetings to invite people to speak.

Mr. Poindexter commented I didn't say I want to have open dialogue back and forth that can get out of hand. My only suggestion is the majority of the time the audience is addressed so why not have the line-item; why take a motion, support, discussion and vote to address the audience.

Mr. Orcutt stated being on Council for 11 months and few weeks there is dialogue with the residents and this has been in the city for decades. At one time there was talk of limiting time allotment for residents to speak which I vote very hard against, no limitations.

Mr. Poindexter stated again he thinks he is being misunderstood, we always respond to the audience when we felt the need to respond, am not disputing that. Why waste the time to make the motion and go through the whole gambit of going out of the regular order of business and then back to the regular order of business, that's is two wasted moves. I think efficiency makes it necessary to have on the agenda to make the meetings more efficient instead of wasting time to go out and back to the regular order of business.

Discussion: cont.

Mr. Poindexter read the proposed rule change into the record.

Motion by Mr. Poindexter, supported by to amend Council Rule No. 7 - Order of Business - died for a lack of second.

Motion by Mr. Scott, supported by Mr. Mencini, that item no. 10 was discussed.

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

NAYS: Poindexter. The motion carried with a vote of 5-1.

FINANCE COMMITTEE - CHAIRMAN, SCOTT:

Note: Items one and two were moved by **motion** to the beginning of the meeting.

1. AN ORDINANCE AUTHORIZING THE CITY OF BROOK PARK TO PROVIDE A GRANT TO HARDFACE TECHNOLOGIES BY POSTLE INDUSTRIES FOR A BUILDING EXPANSION LOCATED AT 5440 AND 5500 WEST 164TH STREET, BROOK PARK, OHIO. Introduced by Mayor Gammella. **In attendance: Daniel Weinhardt - CFO/Marketing Director, Mike Huber - Business Development Manager and Steve Stefancic - Hardbanding Sales Development**

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 NOS. 344-30-008 AND 344-30-009 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella. **In attendance: Joe Reigrut - Company Wrench, Rick Wellman - Company Wrench, Rick Nelden - Fogg Building Methods, Tim Collier - Colliers International.**

Note: Finance Chairman Scott placed item numbers three, four and five on the agenda for discussion purposes.

3. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT FOR THE PURCHASE OF CITY RADIOS AND APPURTENANCES, IN ORDER TO REPLACE OBSOLETE RADIOS AND UPGRADE THE CITY'S RADIO COMMUNICATION SYSTEM, WITHOUT PUBLIC BIDDING, AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

Mr. Mencini asked Mayor Gammella if this is urgent?

Finance Committee - Chairman, Scott: cont.

Mayor Gammella responded yes, with going over to Strongsville Dispatch the radios must be correlated and the current radios for the safety forces are obsolete and unable to get parts.

Mr. Mencini asked if there is a cost-savings.

Mr. Salvatore commented speaking with Mr. Cingle if Council moves on this now there will be a savings of approximately \$30,000, waiting until the first of the year the prices will increase \$30,000 or more.

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

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

Mr. Cingle commented the appropriations ordinance will have to be amended in the capital improvement budget to make this purchase.

- 4. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE BEREA SCHOOL DISTRICT FOR EXCHANGE OF APPROXIMATELY 18 ACRES OF LAND KNOWN AS BROOK PARK MEMORIAL (P.P.N. 343-17-001) AND 10 ACRES OF LAND KNOWN AS BROOKVIEW ELEMENTARY (P.P.N. 344-15-008, 344-20-086 AND 344-15-178) FOR A LEASEHOLD OF A BASEBALL FIELD LOCATED AT 16900 HOLLAND ROAD AND THER CONSIDERATION, PURSUANT TO ORC 3113.04 AND ORC 3113.41 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

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

Mr. Mencini stated in the Memorandum of Understanding there is discrepancies with Memorial and for Brookview there is elementary schools; should this be corrected.

Mrs. Horvath responded this moved very swiftly with a meeting on November 30th and the law department receiving the information from the school board on December 3rd, all this took place between December 4th through December 7th with the law department having usually a week to ten days for drafting of legislation. Part of the problem in the Memorandum of Understanding is what the school board calls those schools and what they are called locally. Being two

Finance Committee - Chairman, Scott: cont.

different things this will be have to be ironed out as to what they are called locally and don't anticipate a big problem. The school board counsel isn't familiar with the names and anticipate to have corrected by the next Council meeting.

Mr. Salvatore commented the contract isn't near being finalized and think Council should move quickly and diligently to get this in place for negotiation of a contract.

Mrs. Horvath stated the Memorandum of Understanding is a good first step to seize the opportunity presented; going through this process we will make sure everything is inline.

Mr. Poindexter commented this is a great day for the city and let's move ahead.

The clerk called the roll on the motion by Mr. Salvatore, supported by Mr. Poindexter, to place on the next Council agenda.

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

- 5. AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH BEREA CITY SCHOOL DISTRICT OF A BASEBALL FIELD LOCATED AT 16900 HOLLAND ROAD, PURSUANT TO ORC 3113.04 AND ORC 3113.41 AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

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

Mr. Salvatore noted objection with the two pieces of involving the baseball field legislation should have been placed in Recreation Committee.

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

SAFETY COMMITTEE - CO-CHAIRMAN, SCOTT:

- 1. AN ORDINANCE AMENDING SECTION 153.241 OF THE BROOK PARK CODIFIED ORDINANCES ENTITLED 'MISCELLANEOUS BENEFITS FOR POLICE AND FIRE CHIEFS AND CAPTAINS' AND DECLARING AN EMERGENCY. Introduced by Mayor Gammella.

Mayor Gammella stated on page 3 there is a portion that is being deleted out.

Safety Committee - Co-Chairman, Scott: cont.

Mr. Salvatore asked why this is being eliminated, since it was done in the past?

Mayor Gammella responded this isn't done for any other employees and not cost-effective.

Mr. Salvatore asked either Mr. Cingle or Mrs. Horvath why is this being deleted?

Mr. Cingle responded currently the city does not cover any of the retired and/or captains; moving forward the city potentially have to cover them.

Mr. Salvatore clarified if the deletion stays in there may be a problem going forward.

Mr. Cingle concurred.

Mr. Salvatore asked if this language is included in the bargaining unit?

Motion by Mr. Salvatore, supported by Mr. Burgio, to place on the next Caucus Prior to agenda provided information is received from the law or finance directors.

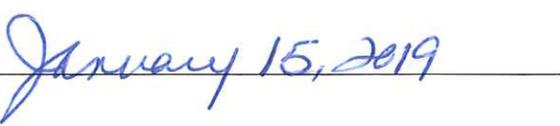
ROLL CALL: AYES: Salvatore, Burgio, Orcutt, Scott, Poindexter, Mencini
NAYS: None. The motion carried.

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

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

Council President Vecchio declared this meeting adjourned at 9:23 p.m.

RESPECTFULLY SUBMITTED 
Michelle Blazak
Clerk of Council

APPROVED 

THESE MEETING MINUTES ARE A SYNOPSIS, NOT TRANSCRIBED IN THEIR ENTIRETY, ALTHOUGH ACCURATE.

7,916 words

