

Finance Committee
Tuesday, November 12, 2019
5:00 p.m., Multi-Purpose Room

In attendance: John Coyne-Chairman, Jim Shields, Paul Rose, Bill Lamb, Dennie Simpson, Bob Starcher, and Eric Heffinger.

Also present: Mayor Hanwell, Greg Huber, Keith Dirham, Patrick Patton, Nino Piccoli, Jonathan Mendel, Jansen Wehrley, Mike Wright, Chief Kinney, Kimberly Marshall, Kathy Patton, Dan Gladish, Pat Walker, Kim Ortiz – Scout Troop Leader Troop 507(Boys) & Troop 7507(Girls) First Christian Church, Dino Sciulli & Jim Blythine – DS Benefits, and Jessica Hazeltine.

1. Assignment of Requests for Council Action

2. Executive Session: (Imminent/pending litigation)

It was moved by Mr. Shields and seconded by Mr. Simpson to enter into Executive Session at 5:01 p.m. for the purpose of Conferences with the City's Law Director concerning disputes involving the City which are the subject of pending or imminent court action to include the Mayor, the Law Director and Judge Warner. The roll was called and motion passes by the yea votes of B. Lamb, B. Starcher, J. Shields, J. Coyne, D. Simpson, P. Rose, and E. Heffinger.

The Finance Committee meeting reconvened at 6:08 p.m.

3. 19-202-11/12 – Healthcare Renewal – Medical Mutual of Ohio

Mayor Hanwell stated rates were kept flat from 2016 and in 2017 & 2018 we had a 7.5% reduction and in 2019 a 4.5% reduction for a total of 12%. In this past 12 month period we've seen some claims that were pretty significant and the amount of premiums spent verses the amount of claims spent that put us out of kilter with where they desire us to be which is usually in the mid 70 cents per dollar. As a result of that, Medical Mutual came back at 20% originally and Dino and Jim worked on it and were able to get that adjusted to 8.5%. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion passed 7-0.

4. 19-203-11/12 – NOACA – W. Smith Phase4: Sponsor Partnership Acknowledgement

Mr. Patton stated council passed a resolution allowing them to submit an application to NOACA for grant funds for West Smith Road Phase 4. They were awarded \$2,046,000.00 towards that project. They are requiring the city to execute and return back the Sponsor Partnership Responsibility Acknowledgment form and Pat is asking council's authorization to do that. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion passed 7-0.

5. 19-204-11/12 – Renew Internet Auction Legislation

Kathy Patton stated this is the annual renewal in order to sell vehicles and things via the internet. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion passed 7-0.

6. 19-205-11/12 - Joint Operating Agreement (JOA) Revisions

Mayor Hanwell stated there was a request from the schools for the school and city to get together. The Mayor, Councilman Coyne, Nino Piccoli and Mike Wright represented the city and Erin the Superintendent, Kris the Assistant Superintendent, John Burkhart and Rob Skidmore from the Board represented the Schools. The JOA is the operating agreement of the rec center,

kind of a contract between the city and the schools and how we split the cost. This document was created before the rec center was ever opened with an idea of how it would run. It was agreed to get together and amend the agreement to how it is actually operating. The school made an investment in a device that saves energy within the school by using some of the pool water but it saves some energy throughout the electrical operations of the school and when the JOA was first passed it wasn't a 50/50 split because the school made some decisions not to make things as efficient as they could, so now that they are more efficient to realign those numbers.

The time the janitorial staff was supposed to be at the rec center and what we were paying for was not what was actually happening nor did Mike see a need to have that many hours. Hours were adjusted down and adjusted the 50%. Changes take effect January 2020. Mr. Shields will abstain from voting due to his employment with the city schools. Mr. Simpson moved to approve, seconded by Mr. Rose. Motion passed 6-1. Jim Shields abstained.

7. 19-206-11/12 – Renew Public Defender Contact

Mr. Huber stated the state requires the Public Defender to have a written agreement with the government entities that have criminal defendants in court. Each year they extend this contract. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion passed 7-0.

8. 19-207-11/12 – Increase P.O. 19-691 – Walter Haverfield – Law Dept.

Mr. Huber stated this is to increase the P.O. for Walter Haverfield, there are a couple of zoning cases that are going to be pretty time intensive and they are helping the city with the litigation. Mr. Shields moved to approve with the emergency clause, seconded by Mr. Simpson. Motion passed 7-0.

9. 19-208-11/12 – Parking Structure Construction Update & Change Order Discussion

Mr. Patton stated they were notified last Tuesday from CPS that they would be submitting to us potential change order costs due to the cold weather conditions that are coming in the next few months. Patrick stated there are actually four different change orders coming and he realized they are not in the position to vote on them tonight but he wanted to discuss what is coming up and where they are at. The first one is for additional excavation and foundation – northeast corner of the site they came across the foundation to an old house and they believe they should be compensated for that. Patrick feels there is not enough information provided by them on that to review or make a recommendation on at this time.

Mr. Coyne asked what our RFP states on soils. Patrick stated we included a geotechnical report in the RFP and there is some language in there about it being their responsibility. They are going to maintain that they should get paid and he feels the city should maintain that they shouldn't get paid extra. Patrick stated the second change order has to do with the additional security camera locations. In the RFP we included a requirement that they provide ten cameras per floor with 20 total. After the plans were completed and we then went through our IT guy Mr. Zaremba who brought in the guys he uses for security cameras at different places throughout the city, they looked at the plans and recommended we put in 28 cameras – leading to a change order. Patrick stated they did tell them since they are ready to pour the slab and getting that ready, to plan on putting the conduit to 28 locations.

The big one is the additional cost for the cold weather concrete protections. Patrick says they stated the cold weather protections could cost as much as a \$100,000. On Friday night they received an email with another estimate of \$149,000. They are saying they need in order to keep

the project moving ahead they have to protect the concrete – the slab and then ultimately the elevated slab by heating it. Which is correct, you can't do this if it is too cold. They are maintaining this should be the city's cost and not theirs. Patrick is in disagreement.

Mr. Coyne reiterated that we entered into the contract July 31st and the RFP said it had to be completed by June 26th, 2020. So if we started in August and end in June what happens in between there? Winter does, and we are arguing over something that they knew was going to happen. Patrick stated that he wanted to get this to council because this obviously is a huge cost and we are going to have to tell them very soon because they are getting ready to do this.

Mr. Lamb asked what happens if they don't get the money? Are they going to delay the project? Mr. Patrick stated they will find out what their response is.

Mr. Huber stated it is not a very good idea to pour a concrete parking deck in the winter time, it leads to potential problems with concrete curing, it's not the same; it's not as good. Mr. Huber asked what if we don't do it and hold off and start up when it warms up again. It sure would be a lot better in terms of long term quality. When we started this project the intent was to not build in the wintertime except we got into all of the litigation.

Mr. Coyne stated they know when they did the RFP that the RFP had construction in there so they knew at that time that they would have to put these blankets on and use turbo heaters so this was not a surprise.

Mr. Huber stated that is true but the bigger question is what are they doing in terms of trying to build this during the wintertime with respect to the quality of the end product.

Mr. Coyne agreed with Mr. Huber, but again the project doesn't have to be complete until June so there is going to be plenty of warm days between now and then on a consecutive basis that this may not even be an issue.

Mr. Huber asked if council would consider if they get jammed up pushing the date past June 26th so that they have some breathing room and feel like they've got more time, why June, let's just get a good build.

Mr. Coyne stated everybody was set to that same standard though, so if we change our mind now then that would do a disservice to those other two bids.

Mr. Patton stated if they are going to build through winter there is going to be a cost to protecting it/winterizing it which are going to be required because they are not going to try to do it without this.

Mr. Lamb stated then it's not about ultimately the quality of the construction it is who is going to pay for it to insure that it is done properly.

Mr. Coyne questioned if it was abnormal for them to request a change order so early on in the project. Mr. Patton stated yes it really is, but you know we are heading into it right now, they are going to have to decide what they want to do in the next couple of weeks and that is why they are submitting this now, they want an indication from us.

Mr. Patton stated he asked them what if the city did decide to shut the project down and start it back up in the spring. They told Patrick the cost for shutting down and restarting would be \$96,400.00 and Patrick has no idea where that number is even coming from.

Mr. Coyne feels they should just make their own decisions at this time and then see what happens in June, because he knows if they don't finish on time there is a penalty every day. Mr. Patton stated he was fine with that.

Mr. Coyne stated everybody bid based upon the terms of the RFP, so why would we then all of a sudden want to change it when everybody went into this with their eyes wide open. Patrick stated they are maintaining there were a few weeks after the second proposal process where we went through some discussions with our attorney and back and forth, they are saying that delayed the start of the project they believe by a month, and if we didn't delay them they are saying they would have had this all done by now.

Mr. Huber questioned if we can control when they do this pour so that we have a reasonable chance of this being correct. Patrick stated yes if the temperature is below freezing. It has to be above freezing for at least a week. If it is not and they don't put any protections in they can't pour. Mr. Coyne reiterates that they need to stick to the RFP and that is our answer, but in reference to more cameras and it costs us more money for the conduit they are all ok with that.

Mr. Patton stated our contractor, per the RFP, has to provide detention for the parking deck. The detention is basically going to go in between the Federal Building, where the shoe shop is now on that grassy area. Thinking about this in the future when we build or have a developer that needs to build a retail residential building there in that location, they are also going to be required to provide detention and he is thinking it would probably be cheaper now if we designed to accommodate that detention and would make that property a little more valuable and certainly take a chore off that future developers' plate. Patrick stated he doesn't think we need to put it in now, he feels we can put it in cheaper later, but we would have to ask their engineer to design it now to accommodate the future installation which probably would cost a couple thousand dollars. Per EPA rules, anytime you redevelop a site that is already developed you have to do a 20% detention.

Mr. Coyne stated to Patrick as long as they keep it by five foot you are good to go. Patrick asked if they should entertain asking them to give us a price to redesign this to accommodate the detention. Council agreed that they should.

There being no further business before the Finance Committee, the meeting adjourned at 6:57 p.m.

John M. Coyne, Chairman