

## SPECIAL COUNCIL MEETING

Council Chambers @ 7:00 p.m.

July 15,

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1. **CALL TO ORDER.** President of Council Kilway called the Special Council meeting of Thursday, July 15, 2021, to order at 7:00 p.m. Public input is invited at the beginning of the meeting to discuss an item that is not on the agenda, but because this is a Special Meeting, we are not going to have community input at this time, but if you do have anything that you would like to discuss relating to the special ordinances that we are discussing today, we can do that during the committee meeting.
2. **OPENING PRAYER AND PLEDGE OF ALLEGIANCE.**
3. **ROLL CALL:** Mrs. Allman, Mr. Bollas, Mr. Donovan, Mr. Grimm, Mrs. Kilway, Mr. Loughry, Mr. Sisak – present. Also, present were Mayor Kline, Dir. of Public Service Rorar, Dir. of Administration Cooper, Dir. of Economic Development Springer, Dir. of Finance Gilbride, Dir. of Law Raber, and Deputy Clerk of Council Conti.
4. **Reports of Administrative Officers:**
  - a. **Mayor/Director of Safety**

**Mayor:** Thank you Madame Chair and thank you Council for coming in tonight for this special meeting for the ordinances. We want to get these allotments moving along and I think that is what this meeting is all about, but I wanted to at least give the opportunity to talk to Council a little bit about the funding of the fire station.

I know you have the Finance Reports and Mollie will be up next, but as we said with the bond that we wanted to take out was \$8 million and we were hoping and are still hoping to be way under that. Construction costs have skyrocketed. We are trying to do our best to stay below that number. The current price as of today is \$7,447,616, but that does not include the contingency which is only a contingency of about \$600,000 and then the bonds and the profit for the general, Thomarious, which is \$1.75 million which is \$130,000 and it takes it to \$8,322,710.88. We entered into Phase 1 of the bid which is the site plan, and that price came in a little lower than we had anticipated, and it was \$1,694,554.70 and again with the contingency of \$135,000 and then the markup of 1.75 and that is \$1,876,000. That includes all site and a lot of the underground and everything but the building itself. So that is Phase 1.

**Phase II** of the project is actual construction costs. Thomarious, who is the CMR, Construction Manager at Risk, is stating the pricing is starting to come back down and so we are constantly out getting bid prices and updating the prices and so I just wanted to give Council a head up that I was trying to get below that \$8 million and that is still our goal and that is our marking orders from Council to be at that or below, and so far . . . it is very difficult with the construction costs, but we are moving in that direction.

The other thing that I wanted to mention just briefly was that **the Tallmadge All Stars** that are out there playing; the Boys 10-Year Old's and the Girls 10-Year Old's both played last night up in Ashtabula, and I went to that game, and it was neat watching them at the same complex but two different fields. They both won those games, and the Boys now are playing Cuyahoga Falls North at 6:00 p.m. at Cuyahoga Falls. They played them last Saturday and they lost to them and so they traveled to Ashtabula and now they have to beat Cuyahoga Falls twice to be District Champs.

**The Girls 10-Year Old's** played in Ashtabula and they are undefeated. They won 15-0 at the bottom of the 3<sup>rd</sup> inning yesterday and will play tomorrow night at Stine Field for the District Championship at that point and then they will hopefully they will move onto the State.

**The 12-Year-Old Girls** lost, and they are out of the playoffs and so they came in 3<sup>rd</sup> in the State, so hats off to them.

The older team that is 13 years old and above they also lost at the State Level and so they are out, so we still have two Tallmadge teams in. End of report.

**Mr. Loughry:** I have a question for Mayor Kline. In the phases of the construction of the fire station; how long are you allowed to delay in between each phase before we pay a penalty? So, if we wanted to wait 6 months between Phase I and Phase II; are we allowed to do that to see if prices come down or are you on a strict timeline where after so many days you have to pay a per diem?

**Mayor:** I don't know that answer. I will get back to you.

**Pres. of Council:** I just have one question about Phase I; you said that it had come in under anticipated; about how much under was it?

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**Mayor:** So, I am saying \$300,000 because we took money out of the construction phase; the building phase from the electrician to run all of the parking lighting, the conduits for that, the fiber optic trenching and all of the underground trenching that includes the detention pond and the footers of the building. So, it's not a lot of money. That is the job of the CMR; they keep going after the best price and lower price. For instance, the roof; we wanted a metal decking roof on the station, and it was nice looking. It was \$500,000 to go with metal and it was a \$500,000 savings if we went to shingles. Obviously we went to the shingles which then dropped that price down.

**Dir. of Finance:** To follow Mayor Kline, I just wanted to update everybody on our financing timeline. We actually, before the agenda was released, we were looking to potentially issue the financing in July prior to our next Council meeting, however, due to some additional work that is being done on the budget side, we weren't quite ready to make a final pricing on how much we want to move forward for the financing. So, we are looking now to potentially close the financing closer to the end of September and making that judgement closer to the end of August.

Mayor Kline and I are working to keep those numbers down and potentially what you will be seeing though is that there is an 8% contingency that the contractor is adding on and what I will likely proposing to Council is that we go ahead and set aside that contingency from our General Fund money; we will go ahead and advance that money and that Fund Balance into our Construction Fund so that we have set that aside you know if there are some contingency, but we would potentially have a Cash Fund over and above the debt issuance that we move forward with, but that way we have set that money aside and we are prepared.

Hopefully we will be able to return it all back in the end. That is my goal, but things do come up during construction. So, just wanted to keep you updated on that and then secondarily, when you do get back on Council, you will be seeing some legislation to add an fund for our TIF that we established out of the Tallmadge Reserve Fund in doing some research and speaking with the auditors, some of the advances that we have doing from the General Fund; I want to make sure that we can get reimbursed after that revenue starts coming in and so we will just be . . . you will see at the first meeting August, I will probably have several appropriation ordinances there and we can discuss it further, but I just wanted to give you a heads up so when you saw the agenda that you weren't shocked.

**Mr. Grimm:** What is the interest rate you are anticipating on the Fire Department?

**Dir. of Finance:** Currently I would expect it to between 1% and 1.5%.

**Mr. Grimm:** That's all?

**Dir. of Finance:** Yes.

**Mr. Grimm:** For a 30-year?

**Dir. of Finance:** Yes. Maybe 2%, but I will find out tomorrow. I really believe that if inflation kicks in; interest rates are going to shoot up and that will be almost free money.

**Dir. of Finance:** Currently right now this year due to what we anticipated the cost of the fire station to be and some other tax exempt financing that we did through a bank lease for several trucks that we purchased, we will not be able to exceed that because we would lose . . . if you exceed \$10 million in totality of debt then we lose bank qualification and then that actually increases your interest rate because the debt is no longer tax exempt and so the tax exempt status of our debt is what actually keeps our interest rates low because the investors don't have to pay tax on the interest. What we can do is, depending on when we get into 2022, if there is still a favorable interest rate, we could look at in 2022 where we are at and if we need that cash we can consider issuing another bond or note in 2022 if we got into that situation.

**Mr. Grimm:** Well, if we get to the point where we need \$300,000 we are in pretty bad shape. This body has done something terrible wrong if we have to issue a note for a half million.

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**Dir. of Finance:** Correct, but we could look at some other things through . . . you know, if we had a bunch of things we were also considering doing as a bank lease, but we had . . . we could look at either or.

**Mr. Loughry:** Does it make sense to look at refinancing any of our other debt since the rates are so low?

**Dir. of Finance:** We did do any refunding's we had eligible last year. We don't have anything. I believe all of our debt that is currently outstanding has been refunded at this point and we don't have any eligibility for that.

**Mr. Sisak:** Last question; can you give us an update after your conversation in the morning?

**Dir. of Finance:** Yes, I will send out an e-mail and let everybody know.

**5. Reports of Standing Committees of Council of the Whole:**

**a. Planning and Zoning**

James Donovan, Chair

Craig Sisak, Vice Chair

**i. Second Readings of Resolutions and Ordinances**

**A. Ord. 87-2021** – Accepting the dedication of streets within the Tallmadge Reserve Phase II Subdivision for public purposes; setting performance and maintenance guarantees therefore and providing for immediate enactment.

**Mr. Donovan:** I call the Planning & Zoning Committee to order. We have Ord. 87-2021. Ord. 87-2021 was read into the record.

**Mayor:** As you can see up on the screen, this is all Tallmadge Reserve Phase II is the Washburn Intersection which it also includes the driveway going into the church right there. This is Phase II and your next ordinance up is Phase III and so it is just this little part right here. Phase I is complete. Planning & Zoning did pass this with a recommendation for City Council to approve. They are ready, if you have notices out there that the streets are in, and they submitted the bonds for the remaining public improvements that need to be done and with that both of these ordinances are ready to be adopted.

**Mr. Donovan:** I look at them pretty often and it seems like everything is in place.

**Mayor:** We also have representatives from Pulte Homes if you have any questions.

**Mr. Donovan:** I would just like to say that Pulte and Fechko, Fechko is the contractor, and they are doing a great job out there and that road is unbelievable the work that they put into it and so they are doing a great job and continue to do a great job.

**Mr. Donovan:** Committee; anybody?

Pres. of Council: I would just move to adopt Ord. 87-2021. Seconded Mr. Sisak. Roll Call: Mr. Bollas, Mr. Donovan, Mr. Grimm, Mrs. Kilway, Mr. Loughry, Mr. Sisak, Mrs. Allman – unanimous. **Ord. 87-2021 is adopted by a vote of 7-0.**

**B. Ord. 88-2021** – Accepting the dedication of streets within the Tallmadge Reserve Phase III Subdivision for public purposes; setting performance and maintenance guarantees therefore and providing for immediate enactment.

**Mr. Donovan:** Basically, the same thing with Ord. 88-2021. Ord. 88-2021 was read into the record.

**Mr. Loughry:** I move for the adoption of Ord. 88-2021. Seconded Mr. Sisak. Roll Call: Mr. Grimm, Mrs. Kilway, Mr. Loughry, Mr. Sisak, Mrs. Allman, Mr. Bollas, Mr. Donovan – unanimous. **Ord. 88-2021 is adopted by a vote of 7-0.**

**ii. Additional Items**

**Mr. Donovan:** Is there anything else to come before Planning & Zoning? I close committee.

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**b. Finance**

Craig Sisak, Chair

James Donovan, Vice Chair

**i. Second Readings of Resolutions and Ordinances**

**A. Ord. 80-2021** – Authorizing the Mayor to apply for and accept the Ohio Bureau of Worker’s Compensation Transitional Work Grant Program and providing for immediate enactment.

**Mr. Sisak:** I would like to call Finance to order. We currently have Ord. 80-2021 at 2<sup>nd</sup> Reading. Ord. 80-2021 was read into the record.

**Mr. Grimm:** I will make a motion to adopt Ord. 80-2021. Seconded Mr. Donovan. Roll Call: Mr. Donovan, Mr. Grimm, Mrs. Kilway, Mr. Loughry, Mr. Sisak, Mrs. Allman, Mr. Bollas – unanimous. **Ord. 80-2021 is adopted by a vote of 7-0.**

**B. Ord. 81-2021** – Authorizing the appropriation and advance of money for purposes of the East Avenue/Washburn Road Intersection Improvement Project and providing for immediate enactment.

**Mr. Sisak:** We also have Ord. 81-2021 at 2<sup>nd</sup> Reading. Ord. 81-2021 was read into the record.

**Mr. Grimm:** I will make a motion to adopt Ord. 81-2021. Seconded Mr. Loughry.

**Dir. of Finance:** Just to say that this is to appropriate the remaining portions of the project. The Summit County portion, which they will be reimbursing us for, and then a little bit of an overage which again will be cash funded and then reimbursed once we collect on the revenues at the Tallmadge Reserves.

**Roll Call:** Mr. Grimm, Mrs. Kilway, Mr. Loughry, Mr. Sisak, Mrs. Allman, Mr. Bollas, Mr. Donovan – unanimous. **Ord. 81-2021 is adopted by a vote of 7-0.**

**ii. Additional Items**

**Mr. Sisak:** Is there anything else to come before Finance this evening? Hearing none, I will close committee.

**c. Public Service**

Rebecca Allman, Chair

Dennis Loughry, Vice Chair

**i. First Readings of Resolutions and Ordinances**

**A. Ord. 89-2021** – Repealing and replacing Ord. 71-2021 and providing for the submission to the electors of the city various amendments to the City Charter as proposed by the Charter Review Commission and providing for immediate enactment.

**Mrs. Allman:** I call the Public Service Committee to order. We have Ord. 89-2021 at 1<sup>st</sup> Reading. Ord. 89-2021 was read into the record.

**Dir. of Law:** Unfortunately, Ord. 71-2021 which was just adopted by Council last meeting has some typographical errors in it that should not have happened and our apologies that it did. The good news is that we still have plenty of time because we were ahead of the game and so we can give this a 1<sup>st</sup> Reading and let this go through the three readings before you adopt it. It is nothing substantive that changed; it is just typographical that needed to be corrected.

**Mrs. Allman:** OK. Thank you. So, Ord. 89-2021 will remain at 1<sup>st</sup> Reading. Is there anything else for the Public Service Committee? I will close committee.

**ii. Additional Items: None.**

**6. Adjournment:** Mr. Loughry moved to adjourn. Seconded Mr. Donovan. Voice vote 7-0. **The Special Council meeting adjourned at 6:20 p.m.**

Adopted: