

FINANCE COMMITTEE MINUTES

JUNE 16, 2015

The Finance Committee meeting was held on June 16, 2015 at North Royalton City Hall, 14600 State Road. The meeting was called to order at 6:01 p.m.

PRESENT: Committee Members: Chairman Larry Antoskiewicz, Vice Chair Gary Petrusky, Paul Marnecheck; Council: John Nickell, Dan Langshaw, Steve Muller, Dan Kasaris; Administration: Mayor Robert Stefanik, Finance Director Eric Dean, Wastewater Supt. Tim Tigue, Service Director Nick Cinquepalmi; Other: Lou Krzepina.

APPROVAL OF MINUTES

Moved by Mr. Petrusky, seconded by Mr. Marnecheck to **approve the May 19, 2015 Finance Committee minutes**. Yeas: 3. Nays: 0. **Motion carried.**

UNFINISHED BUSINESS

1. Monthly Finance report including tax collections status

Mr. Dean reviewed the report, a copy of which is attached to these minutes. He said income tax was up for May and we are up \$420,000 for the year. He said that there was also an increase in the net profit compared to last year which helped us see this increase. Mr. Marnecheck said that in the past some of these monthly increases were attributed to accounting ups and downs and asked if he feels that this month's increase is due to this or is it a real increase. Mr. Dean said that it is hard to speculate but everything looks good to him. He said even this month we had a big tax refund and we still saw an increase. He was expecting something to happen within the last few months that would bring us back down but we have not yet seen this, so he thinks we are going to have a good year in collections. He said we are actually over what we collected two years ago which was one of the highest years we had seen in a while. He does not foresee anything that would see us dropping below our expectations.

2. Overtime

Mr. Dean reviewed the report, a copy of which is attached to these minutes. He said that Streets looks a little high, but he thinks that some of that overtime was for snow removal. He said that when he looked into this earlier, he saw an \$8,000 payment to the street department which he thinks was for accrued overtime. He thinks that the streets number may therefore be a little inflated, but he will continue to watch this and make sure the numbers are good. Mr. Cinquepalmi said that they run a very tight ship when it comes to overtime. Nothing is done if it can wait until tomorrow. We only use overtime for snow removal and storms. Other than that we just don't use it. We try and save the hours for the snow and rainstorms. Mayor Stefanik said that we had a situation last night where it was projected that we were going to have heavy rains all night long. We called the crews in at about 7:30 p.m. to come in. Since it wasn't raining at 7:30 yet, they were out with the vac truck and performing other routine maintenance items that need to be done. Wastewater crews were also called in and there is always something to do. It's not like they are sitting around waiting for the rain to start. They are out there cleaning sewers, keeping up with maintenance, etc. He said that at about 9:30 p.m. it was decided to send the crews home since it looked like we might now have heavy rains at 1:00 a.m. and they may get called in again at that point. Fortunately, we did not need to call them in. We are always more liberal on calling them in when we anticipate snow or rain storms. Mayor Stefanik said that this is a good policy that they will continue to follow. Mr. Nickell said that he agrees with this policy and appreciates that the crews are available when we need them and the hard work that they do. Mr. Antoskiewicz said that being proactive really doesn't cost us that much and the results speak for themselves with the minimized flooding issues we have had. He thanked the crews for their hard work. Mr. Langshaw agreed that this is a great approach to the flooding issues and a necessary expenditure. He said that the crews do a great job.

3. **North Royalton Cemetery Fees**

Mr. Antoskiewicz said that we will probably not address this until after the August break because this is Mr. Swim's busy season so he has not had time to address this. It was agreed to leave it on the agenda.

NEW BUSINESS

1. **Scottsdale Cul-de-sac Emergency**

Mayor Stefanik said that there is a resident on this street whose sanitary line is backing up and claims it has happened 11 other times. This is on what we call our "dip list". We have discovered more problems with not only the sanitary line but the entire cul-de-sac. He said it looks like someone set a bomb off under the street and it is a real mess. Mayor Stefanik said that he would like to have these repairs done under an emergency, which means that he can authorize the spending of the money for this project without public bidding. Mr. Tigie said that in 2008 we were asked to check out why there was a back up at this residence. We ran a video camera down the line and found there was some separation in the pipe under the cul-de-sac in the street. We have been cleaning this twice a year since 2008 and we have not received any calls since then. He said that the cul-de-sac is definitely showing some heaving and sinking. We are not sure of why this is happening and this uncertainty makes it a serious concern for us because if there are voids under or anywhere near it, it could take out not only the sewer main but some other sewer laterals completely and separate them from the main sewer. He feels that this problem was caused by the installation of the main sanitary line that goes under the cul-de-sac and therefore recommended to the Mayor that we move on this as soon as possible and get the whole cul-de-sac done before we have any additional major problems. Mr. Antoskiewicz asked we are going to replace the entire line. Mr. Tigie said no. We are going to fix the line connection at the residence that is flooding, but then we are going to take out all of the concrete of the cul-de-sac, check the foundation, look for voids and fill them and make sure that it is compacted correctly. Mayor Stefanik said that this is similar to what happened with the Gross Brothers building on Ridge Road a year ago. One of the contractors on that job was Tri Mor who we are proposing to do this work. Mr. Cinquepalmi said that Tri Mor has the expertise to do all the work that needs to be done, and on the Gross Brothers job, they were almost half the price of what it would have cost us to piece meal the project out to 4-5 different contractors. Tri Mor did everything they said they were going to do and he is confident they can handle this job. Mr. Antoskiewicz asked if there is a cost estimate. Mayor Stefanik said that for the cul-de-sac it is about \$75,000. Mr. Tigie said that he would hire a contractor that we have used in the past to take care of the lateral at 4861 Scottsdale before the actual work on the cul-de-sac would begin. Mr. Kasaris asked how many contractors did we contact or did we go right to Tri Mor because of the good job they did on Ridge Road. Mayor Stefanik said we only contacted Tri Mor. Mr. Kasaris agreed that they did a good job before. Mayor Stefanik said that they have proven that they can get the job done quickly and done right. Mr. Kasaris asked Mr. Kelly to explain what ORC states regarding emergency repairs of this type. Mr. Kelly said that code provides that in emergency circumstances such as this, the required bidding process may be bypassed and the job secured because there is a higher priority at work. Mr. Langshaw asked what impact this will have on our budget. Mr. Dean said we have money set aside for Sewer District fees, and as the year goes on, the less likely we are going to have to pay this, so this money can be moved over without increasing the budget. Mayor Stefanik said that these funds will come out of the Wastewater Department funds. Mr. Kasaris asked if anyone else on the street had a problem. Mr. Tigie said no, not with their sanitary lateral. Mr. Antoskiewicz said that something there is also affecting the street. Mr. Tigie said this is correct. It is the worst cul-de-sac he has seen in terms of a combination of heaving and dropping. He has never seen anything like this and this is what concerns him regarding our utility underneath the cul-de-sac. Mr. Antoskiewicz said then it effects everyone on the cul-de-sac. Mr. Tigie said it could, but at this time we only have the one issue and we are trying to see that no other issues occur.

Mr. Petrusky asked if we have checked to see if any of the other homes on the cul-de-sac have the same issue with the pipe separation. Mr. Tigue said that we videoed the main and all the connections to the main and at this point all are fine except for this one residence. Mr. Kasaris asked how far into the road we will go off of the cul-de-sac. Mr. Tigue said that he thinks that we will go right to the connection in the street, but the contractor will have input on this. We want to make sure to go far enough to make sure we understand what the issue is and resolve it. Mr. Kasaris asked how long we expect this to take. Mr. Cinquepalmi said that Tri Mor will get it done quickly, possibly in as little as two weeks.

ADJOURNMENT

Moved by Mr. Marnecheck, seconded by Mr. Petrusky **to adjourn the June 16, 2015 meeting**. Yeas: 3.
Nays: 0. **Motion carried.**

Meeting adjourned at 6:25 p.m.