

Finance Committee Meeting
February 15, 2024, 9:00 a.m. Village Hall

Members Present: Chairman Berger, Council member Galicki, Fiscal Officer Romanowski

Budget issues were addressed. FO advised legislation was passed and will be forwarded to the county for the Budget Commission who will be meeting next week. FO reported that all amendments that have been approved were included in the legislation passed. Berger asked about the crosswalks, and the FO said they had not been approved.

FO discussed the \$121,000 in Permissive Tax money the Village was supposed to receive relative to the paving of Washington St. The Village has yet to receive it from the county. There apparently is a problem with the paperwork submitted to the County Auditor by the County Engineer for the reimbursement to the Village. Communication with the Engineer's office indicated the paperwork has been corrected and will go to the County Auditor for approval and then to the County Commissioners. She should know more next week.

Galicki advised that the Mayor is talking with citizens like the crosswalks have been approved. Berger thought one of the two had been approved as a starter project, but perhaps this was in committee and did not go through Council. Galicki recalled that it was discussed by Council, but thought the Mayor said he was kicking the issue back to the committee. The Safety Committee thought it was a done deal, but then it did not happen. The FO stated she recalled it was discussed in Council, but it was decided to wait until the Village received the Certificate of Estimated Resources from the Budget Commission before any amendments would be made. She said she could amend the appropriations at the next meeting if Council approved moving forward. However, she would need a dollar amount as numbers thrown around ranged from \$18,000 - \$50,000 each. Berger asked that it be put on the agenda. The committee had concerns about the numbers that have been shared and what all it included, e.g.: lights, paint, signs. It was decided to reach out to the Engineer and Chief to ask for realistic numbers for the project so Council could determine whether the Village is ready to send the project out to bid. The FO said it was her understanding that the Mayor already told the school the Village would be doing the project, and that the Village was getting a grant for part of it. She did not know anything about a grant and asked if the committee had any insight into the grant details. Galicki stated there was never a discussion about a grant with the Safety Committee. They had discussed a crosswalk like the one on Route 44 as you enter Chardon with flashing lights. Then there was discussion in Council about just putting a crosswalk in without the lights but maybe some signage. He thought proposals should be developed for both types and then discussed by Council. Berger wanted a not to exceed number for the crosswalks for the budget. The FO added that if there was a grant, they needed to know this ahead of time because they have different requirements that can affect the way the project is approached. She concluded that it would be put on the agenda and once a decision is reached, it can be put in the budget. The committee continued to discuss crosswalks. Galicki asked if the crosswalk at the school and the crosswalk at the park would be packaged together and Berger said yes, if there were a discount. However, for \$40,000 a piece, perhaps the Village does one now and the other next year depending on what is observed as far as usage. Galicki concurred.

Regarding the budget, Galicki asked about the unexpected \$14,000 expense for the hydraulic system on the truck. He thought it was half of the Vehicle Maintenance budget and asked what the impact was. The FO said that in 2019, vehicle maintenance was about \$12,500. Between 2020 and 2022, it went up to \$20,000, \$29,000, and \$26,000 respectively. The FO explained that the Street Commissioner believed he had enough in the line item to cover the expense, so the budget was not amended for this. It will be a matter of seeing how things go throughout the year. Berger attended the Streets Committee meeting and shared that they had increased the budget for maintenance and anticipated adjusting other line items if the maintenance line item ran out. Berger believed that the net operating cost of the Streets Department should not increase because of this. Galicki appreciated that they were taking this approach.

Berger addressed the grant writer. Berger had suggested to Council that the committees develop a list of proposed projects. He thought crosswalks would be on this list. Galicki reviewed that the discussion was for the lists to be developed so that Council could assess whether there was value in hiring a grant writer. Galicki was concerned about a misconception that the grant writer would just be randomly looking for grants. Berger acknowledged it would be a targeted approach. He estimated 5% of the total project would be the cost of the grant writer and thought this was reasonable. In looking at Balaban's proposal with \$1,000 monthly retainer and an hourly rate, he would need to obtain \$360,000 in grants per year. If it is a matching grant, the number goes higher. Would the Village have a yearly need for this amount in grants for projects? Galicki added that grant money is not free and for all the projects where the Village has utilized grants, it has also invested a lot of Village funds. Berger thought that Balaban had obtained \$400,000 to \$500,000 in grant money for a neighboring community over 12-18 months. Berger concluded that research needed to be done by the departments before determining if it would make sense to hire the grant writer.

Regarding the salt dome, Berger reported that the Streets Committee met with a contractor that also has a consulting component to it. They have done projects for over 150 communities in Ohio. They are an approved contractor under Sourcewell. They reported that there is State money to build salt domes ranging from \$200,000 to \$400,000. Berger said it seemed like they thought they could do this. The application is due at the end of March or beginning of April and they were confident they could get it done in time. Berger thought there was a potential benefit to the Village but could also see that it might be a situation that would not fit the Village's needs. Galicki thought there was flexibility in that the Village could also modify the design if the Sourcewell price came back high. Berger advised that the Streets Committee asked the contractor to look at quotes in the 2,000-ton, 1,500-ton, and 1,000-ton capacities. He thought the bid proposal would be available for one of the March Council meetings. This would be for the contract price and then they would have to see what happens with the grant. Berger relayed that the park restroom project was also discussed with this contractor and a quote was requested. Berger verified there was a line item in the budget for the salt dome, and the FO concurred.

Berger reviewed the 2024 Road Program proposal, which provides some flexibility from a number perspective. The FO advised there was \$350,000 in the budget. Berger said Southwyk is estimated at \$357,000.

The FO addressed the topic of solar panels and roof replacement for the Service Department. She recalled that there was discussion about redoing the roof, but then it was determined the roof had a few more years left on it. However, if the plan was to put solar panels on the roof, it should be replaced now. Currently, there are bids being provided for the roof and she wondered whether this meant the Village would be doing solar panels as well. Galicki thought this topic was still under consideration. According to the Mayor, he and Porter were going to meet with Mayors of neighboring communities that had solar. Berger explained that the committee has spoken to three vendors. None of the original proposals made sense in terms of savings and payback duration. One vendor provided a \$2 million dollar proposal. It would involve a solar array, but no panels on the buildings. Right now, there are no viable proposals in his opinion. As far as the roof project is concerned, it probably does not have to be done in 2024, but it makes sense to replace the roof prior to installing solar panels in the event a solar project was identified for the Village. Galicki recalled discussions a year or two ago when part of the roof of the Service Department needed to be repaired. At that time, Galicki proposed replacing the entire roof but was told that the entire roof did not need to be replaced. He thought if it was not a pressing matter, it should be put in abeyance until there is a definite conclusion to the solar project issue. Berger was not opposed to this. Berger noted that the best quote was \$27,000 but did not view this as a priority at this point.

The committee discussed the status of the restroom for the park. The FO stated that the current quote was \$110,000 or \$117,000, up from the original \$86,000. There is no quote for the building proposed by the Street Commissioner and Building Inspector. Berger advised that one of the architects who sits on the Architectural Review Board (ARB) was willing to help with plan drawings but understood that this would be a conflict of interest. Berger thought that until Building and Streets came to the Finance Committee with a viable project, he was not jumping up and down about spending \$120,000 for that. Galicki hoped that when they put together their cost estimate if it were to be done in-house, that the entire cost is captured, to include labor, equipment, etc. Berger agreed.

The FO reviewed the following projects being discussed: park restroom, \$117,000; salt dome, \$770,000; solar project, no number; roof project, \$28,000; and crosswalks. Galicki asked if there would be culvert replacements in 2024. Berger differentiated between driveway culverts and culverts under Chillicothe Rd. His understanding from the Street Commissioner was that much of the driveway culvert work was knocked out last year. 60-70 were done. He understood the number this year would be about 10, but if the Road Program is expanded, he did not know how this would increase. One of the two alternate roads has no driveway culverts. However, Berger indicated that there was still 180 feet of pipe to be installed at the park as part of a drainage project as well as drainage work on Fairview. There is no quote for this yet. The FO asked about the work behind the homes on Chillicothe Rd. and did not know if this was already in the budget. It was supposed to be done under last year's budget.

Berger thought there should be a list of projects and a status report on each. Galicki's concern was with projects that are unbudgeted and growing where costs have not been forecasted.

Berger relayed that with one of the last heavy rainstorms, there was a significant problem in the industrial area near Burntwood and Hunan with 8-10-inches of water. This would be a million-dollar project to expand the culverts in the area and would involve coordination with Chagrin Falls. It is a project that could be on the list for the grant writer. He would put it back on the Public Utilities agenda to discuss what kind of priority it is.

He concluded that the salt dome, crosswalk, and park restroom, would be done and the Village would still be within its financial limits. Tax revenue was discussed. Berger did not see the Village's revenue being cut in half despite the trend of people going back to work. Wages have also increased. The budget should be okay, and they will maintain balances. The FO advised that the Road and Bridge Levy collection was reduced for one year. This year, Council can decide if it wants to continue with the reduction or gradually increase it. Subject to the State making adjustments, Berger thought the Village would want to consider a three-year phase in at 33% per year to lessen the shock.

The FO addressed the Waste Management Agreement. Waste Management locks the Village into a contract for several years at a time. The Street Commissioner contacted the company and said they agreed to keeping the rate at \$110 per month. The FO asked the Street Commissioner to obtain a quote from Dumpster Bandit or another company that would not lock the Village in to a lengthy contract. The FO would have the Solicitor review the agreement.

The FO is working on the tax exemption paperwork for the corner lot. Galicki asked about the merging of this property. Berger said if it can be done at a nominal cost, it would be worth doing, but not if it was going to cost the Village \$25,000 in legal bills. Galicki agreed. The committee thought it was worthwhile to determine the process and potential cost.

Regarding Automatic Data Processing (ADP), the FO advised the equipment is coming in soon.

The meeting was adjourned at 10:04.