

## Finance Committee Minutes

Honorable Council  
City of Newark, Ohio  
September 4, 2019

The Finance Committee met in Council Chambers on Tuesday September 3, 2019 with these members in attendance:

Doug Marmie  
Jeremy Blake  
Ryan Bubb  
Bill Cost Jr.  
Mark Fraizer

We Wish to Report:

1. **Ordinance No. 19-18** to provide for the issuance of \$2,950,000.00 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of paying the cost of construction Sharon Valley Road Fire Station No. 5, including site preparation and all necessary appurtenances, and declaring an emergency was considered.

**Mr. Johnson, City Auditor-** we are going to borrow \$2,950,000.00 to begin construction on the new fire station. This is a one year bond anticipation note and a year from today we will decide what to do with it further whether we renew the note or reduce it or sell bonds whatever seems to be at our advantage at that time.

**Motion by Mr. Bubb to send Ordinance No.19-18 to full Council, second by Mr. Cost Mr. Blake-** can this committee get a description of what all the \$2,950,000.00 going for. I know this isn't directed at you Auditor Johnson.

**Director Rhodes-** I will be happy to scan the bid out and send it to all of Council

**Mr. Blake-** and that will entail?

**Director Rhodes-** it will entail everything that is going on, it will entail everything that we are entering into to contract to build on the new fire station.

**Mr. Blake-** the Mayor came to Kiwanis and talked about the station being a secondary/primary. How many bays will there be?

**Director Rhodes-** it will have three bays and will be staffed with a full firetruck and it is going to be a fully staffed fire department.

**Mr. Blake-** so it will be a medic and a truck

**Director Rhodes-** yes

**Mr. Blake-** so that would mean 5 up there, two for the medic and three for the truck.

**Director Rhodes-** you would have to confirm that with the Chief.

**Mr. Blake-** if this facility being has a truck and a medic and being a fully staffed fire station how will that impact Hollander Street station?

**Director Rhodes-** you will have to ask the Fire Chief about staffing.

**Mr. Blake-** so you haven't had any discussions with the Fire Chief that you could tell us tonight how that is going to be staffed?

**Director Rhodes-** again let me reiterate myself; the Fire Chief does the staffing of the buildings, I build the buildings, the Auditor finances the buildings and the Fire Chief is anticipating running four fully staffed fire departments. How he appropriates his staffing levels will depend on who calls in sick that day, who is on vacation, who is taking a comp day so one time you might have four, one time you might have five. The Chief will go over this if he hasn't already that is why we had individual meeting to go over this stuff.

**Mr. Blake-** you're coming to this committee and asking for 2.9 million dollars to build this fire station I think knowing the services that is going to come out of that station is a reasonable request.

**Director Rhodes-** Jeremy it's not an unreasonable request at all but you are asking me to be specific are we going to have three and two, I don't make those decisions and neither does Steve the Fire Chief did that is why the Fire Chief was in all of the meetings that we had. He was there to answer those questions and I think it is an appropriate question to ask him.

**Mr. Blake-** I did a fire ride along Friday night and from talking to Assistant Chief Deck and Captain Bolty and that knowing typically there is two guys that run a medic and three that do a fire truck so if you are going to tell me

**Director Rhodes-** let me give you some numbers since you want to talk numbers; in 2015 we had four fire stations and in 2015 we had 72 firefighters. In 2019 we are operating three fire stations, in 2019 we have 79 firefighters and with Barbara's safer grant we would like to take that number up.

**Mr. Blake-** what is effect of this new fire station going to have on Hollander Street?

**Director Baum-** I don't know you will have to ask the Fire Chief

**Mr. Blake-** even with the Safer grant you are not going to be able to man a full station over at Hollander Street station.

**Director Baum-** well that is your opinion. You would have to ask the Fire Chief what his opinion is.

**Mr. Blake-** ok well from looking at the number from what we have and the way that we are currently distributing our forces even with a Safer grant, which have we even applied

**Director Baum-** yes

**Mr. Blake-** have we received the Safer Grant?

**Director Baum-** not yet

**Mr. Blake-** what is the timeline on receiving the Safer grant?

**Barbara Gilkes-** we will know by the end of the month.

**Mr. Blake-** how many positions will that be?

**Barbara Gilkes-** we asked for five if we are awarded they can make an adjustment.

**Mr. Blake-** even if we get 5 it will typically needs 6 just to run a medic unit

**Director Rhodes-** in 2015 we have four fire stations and 72 firefighters if we come into 2022 because this station will take more than a year to build at that point we will know what we have with the Safer grant and if we need to make an adjustment to dollars and staffing we will still have the time to do that. It would be the 2022 budget not the 2020 and certainly not the 2019 budget.

**Mr. Blake-** so begin discussed about this fire station for over a year neither one of you as Directors are aware of any discussions about how we are going to be staffing this.

**Director Baum-** absolutely we have had discussions and it is the Chief's purview to answer those questions not ours.

**Mr. Blake-** but tonight you are coming forward asking for 2.9 million dollars for us to approve this fire station so why wouldn't we have answers tonight about how the building is going to be staffed.

**Director Rhodes-** Jeremy we have had these discussions, we have talked about them. You as a Council member have every right to make an amendment to offer more dollars into the personnel of the fire department and if we have more dollars in the personnel department we can hire more firefighters. We have 79 firefighters and I believe that is what the 2019 budget allowed. You're talking about a 2020 budget, our first approach is we have put out a Safer grant and again the Chief will be analyzing those metrics and he has but he is just not here tonight to answer the questions.

**Mr. Blake-** he is not here tonight that is why I am asking you as his supervisor

**Mr. Marmie-** I can just comment, I have been on this Council longer than anyone and I will tell you that there are no specific numbers that even if the Chief were her tonight he could provide an exact amount where he would do that two years down the road. The strategy that is being incorporated here is that we need a fire station in this location because this is where a majority of our runs are happening basically the downtown station and where they are putting this station. That is where the need came about as far as this goes. The staffing of it and the exact numbers and the model as far specifics won't be able to be figured out until the time of however the model is that there is going to be two medics and a fire truck and that is how it is going to be staffed. That is what they are anticipating. If you are asking for specifics as far as numbers there is nobody that can provide those to you for down the road.

**Mr. Blake-** I am asking for what the impact is going to be; we are wanting to build a station on Sharon Valley Road for the reasons of reducing the response time in that area are we going to be able to maintain the same service at the Hollander Street station so that we are not increasing the response times for that area. We don't want to reduce times in one area and increase times in another area. That is the concern.

**Director Baum-** it depends on a day to day basis. The last OSU Michigan game 12 firefighters marked off sick. When things like that happen the Chief has to make adjustments on what stations are going to be dark, what stations are going to be open and how much overtime he has to expend. So I am sure that the Chief we operate on a day to day basis on his staffing when he opens this station but to require an answer today when we are talking two years down the road and a Safer grant that we haven't heard about yet is just asking the Chief to tell you something that isn't going to be true and now he has either exaggerated, lied or whatever word you want to use and he is not

going to do that. He will tell you that he is going to decide on a day to day basis what stations are open depending on manpower and depending upon available overtime.

**Mr. Blake-** I don't think that it is unreasonable to look at your current staffing and your current contract language to know where you are going to distribute people. I think that is a reasonable request. The contract states how many men have to be on each of these vehicles so if you know that you are going to build a building and you know that you are going to put certain vehicles in the building than you can assume and plan according to that language. I don't think that is completely unreasonable and I am not asking for something for two years from now. I am asking for something that we can be looking out now and be planning for.

**Director Baum-** if the Chief decides to staff every vehicle or if he decides to cross staff a station you are absolutely right.

**Mr. Blake-** asked a question about the staffing at the Hollander Road station

**Director Baum-** it is used now; I don't know if it will be used then that is a question for the Chief. The Chief decides it is his purview. He may report to me but I don't tell the Chief how to run the fire department. I believe that I have told this body that once before.

**Mr. Fraizer-** a question for the Safety Director and a question for the Auditor. Safety Director, do you feel that it is in the city's best interest to build this fire station to improve the response time and services to the community?

**Director Baum-** absolutely; not only do we have the longest response times in this neighborhood there is Evans Athletic Complex, the school is expanding, there is two senior citizens homes, Ohio State is always expanding this area is just growing and growing.

**Mr. Fraizer-** Auditor, are we able to afford 2.9 million dollars of bond anticipation notes? Do you feel confident in our bond rating and our debt?

**Steve Johnson-** I am confident

**Mr. Blake-** will we maintain the same level of service at Hollander Director Baum?

**Director Baum-** I don't know it is a question for the Fire Chief.

**Mr. Blake-** Mr. Chair I plan to abstain from the vote.

**Mr. Marmie-** you're welcome to abstain that is really not a justifiable reason. You are either a yes or a no and this is only going to full Council. They have answered every single question that you have asked.

**Mr. Blake-** no they haven't answered every single question

**Mr. Marmie-** you may not have liked the answer that they answered it with but they answered it. If they say that they don't know something then they don't know.

**Mr. Blake-** I'm sorry they have been talking about this for over a year and you can't tell me if you're going to be doing cross staffing at the Hollander Street station, where you are going to be putting staffing.

**Mr. Marmie-** if I ask you what you will be doing on this exact date next year can you tell me exactly what you will be doing?

**Mr. Blake-** Mr. Chair I am asking if you are looking at the current language of this contract and where we are going to be putting people, that is the question that I am

asking. I am asking if this impacts Hollander Street station. Are we taking one issue on the west side of town and affecting it with the area around the Hollander Street station.

**Mr. Marmie-** if you are thinking that then you are thinking that the Fire Chief is not adequately utilizing his resources and putting staffing where it is appropriately needed. Where have you been the last 6 months when the north end has had response times increased over 10-15 minutes because of construction. Why aren't you pounding your fist then and why are you pounding your fist now about the response times.

**Mr. Blake-** you're talking about the Horns Hill Road construction that is construction.

**Mr. Marmie-** exactly but it is response times. All I'm saying is that you're welcome to abstain but really an abstention, correct me if I am wrong Mr. Law Director is for other reasons. He is almost refusing to vote. Does he have justification to abstain?

**Director Sassen-** personal decisions are for each Council member to make.

**Mr. Fraizer-** I am absolutely supportive of this, when it comes to the fire station need and the financial stability that we have in our community now it is the right investment to make at the right time. When it comes to the appropriateness of Ordinance 19-18 the Auditor has come forward with a plan to fund this and we have the plans in place to build it and this is the right step and the right direction for our community. I think everybody for the work that they have done to get this there. I want to thank Barbara on the Safer grant in order to continue to find ways in the future to staff. I think that we will have a great solution when the fire station comes on line to staff it to promote the safety and well-being of our citizens.

**Motion passed by a vote of 4-0-1 (Mr. Blake) abstaining**

2. **Ordinance No. 19-19** to provide for the issuance of not to exceed \$2,550,000.00 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of paying the cost of Tamarack 40<sup>th</sup> Street upgrade storm water improvements, and all necessary appurtenances thereto, and declaring an emergency was considered.

**Mr. Johnson-** the language you just read pretty much describes what we are doing here. We are going to borrow 2,550,000.00 for the storm water upgrade in that particular area. Mr. Loomis is here tonight if you have any questions about what exactly they are doing, how they are going to do it or how long it is going to take them to do it. This is not paid for with general fund dollars it is storm water and it is something that is necessary to do.

**Motion by Mr. Bubb to send Ordinance No. 19-19 to full Council, second by Mr. Fraizer**

**Mr. Fraizer-** Roger can you give us a summary of what this entails?

**Roger Loomis-** this is part of what we are calling our Tamarack Transmission Line Project. They did a master plan back in 2012; part of that master plan is to get more water for fire protection out on the west end of town. We have been running a water main for the last 7-8 years down Country Club Drive and when we redid Country Club we put a water main in there then when they built the schools we ran a water main up King Road. This connects that main the transmission main which goes all the way from the water plant clear out to Coffman Road and it goes up 40<sup>th</sup> Street. When we have 40<sup>th</sup>

Street torn up we have some flooding issues at the Cherry Valley 40<sup>th</sup> Street area with storm water issues so while we have it tore up. This work here is the backbone to the rest of the work that is going to happen. It is almost 5 million dollars for the water line to go out through there. The plans are near done; our plan was to start this September. We got delayed on some design stuff because of the direction that we were going, we had some issues with getting some easements but the easements are now in place just getting the money to pay for them. Hopefully we plan to bid this by the end of the year and it would start in the first quarter of next year. We have it listed as an 18 month project.

**Motion passed by a vote of 5-0.**

3. **Ordinance No. 19-20** to provide for the issuance of not to exceed \$525,000.00 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of paying the cost of water system improvements, and all necessary appurtenances thereto, and declaring an emergency was considered.

**Mr. Johnson-** this is the water portion of the same project. We have borrowed money for this earlier this. This is basically contingency funding. We have to do two separate pieces of legislation because they can't co-mingle.

**Motion by Mr. Fraizer to send Ordinance No. 19-20 to full Council, second by Mr. Bubb**  
**Motion passed by a vote of 5-0.**

4. **Ordinance No. 19-21** consolidating two bond anticipation note issues of the City of Newark, Ohio and declaring an emergency was considered.

**Mr. Johnson-** this ordinance combines the two that we just talked about so when they are marketed you are only selling one instrument.

**Motion by Mr. Fraizer to send Ordinance No. 19-21 to full Council, second by Mr. Bubb**  
**Motion passed by a vote of 5-0.**

5. **Resolution No. 19-63** accepting the amounts and rates as determined by the Budget Commission and authorizing the necessary tax levies and certifying them to the County Auditor and declaring an emergency was considered.

**Mr. Johnson-** this is a housekeeping matter that I bring before Council every year. It is something that we are required to do. We have no voted millage but by statue we are awarded 3.1 mills and we also have three tenths of a mil for the accrued liability of the fire portion of the fire police pension fund and three tenths of a mil for the same thing for the Police. This has to be filed by the Clerk of Council by October 1.

**Motion by Mr. Fraizer to send Resolution No. 19-63 to full Council, second by Mr. Bubb**

**Mr. Fraizer-** when it comes to the districts what is the difference between 54 and 55 how is that separated out in the city?

**Steve Johnson-** it goes by overlapping school districts  
**Motion passed by a vote of 5-0.**

6. **Resolution No. 19-64** appropriating and disappropriating monies for the current expenses of the municipal corporation was considered. – Expedite

Section 1. There is hereby a disappropriation of the appropriated balance of the 297 Fire Grant Fund, in the amount of \$380.06 (Grant awarded was less than estimation)

Account	Description	Amount
297.296.5303100	EMS Grant	\$380.06

**Barbara Gilkes-** this request pertains to the current EMS grant. When we planned the budget last year we used the funding level that we received in 2018 and the 2019 grant came out a little less.

**Motion by Mr. Fraizer to send Resolution No. 19-64 to full Council, second by Mr. Bubb**

**Motion passed by a vote of 5-0.**

Section 2. There is hereby an appropriation of the unappropriated balance of the 221 Street Department Fund, in the amount of \$110,000.00 (Salt & Brine Purchase)

Account	Description	Amount
221.302.5306	Road Salt	\$110,000.00

**Director Rhodes-** we are asking for an appropriation of \$110,000.00 of the unappropriated Street fund. This is for the 2019 salt purchase agreement. We are going to go ahead and fulfill 90% of that agreement. We have 800 tons coming which will bring the salt barn up to 205,000 tons.

**Motion by Mr. Bubb to send Resolution No. 19-64 to full Council, second by Mr. Cost**  
**Motion passed by a vote of 5-0.**

Section 3. There is hereby an appropriation of the unappropriated balance of the 231 Justice Reinvestment & Incentive Grant Fund, in the amount of \$20,685.00 (Continued operation for APD)

Account	Description	Amount
231.236.5118	Overtime	\$6,000.00

231.236.5312	Law Enforcement Supplies	10,500.00
231.236.5319	Miscellaneous Supplies	500.00
231.236.5124	Health Insurance	3,535.00
231.236.5214.110	Health Insurance-Dental	150.00

**Director Saad-** this is in reference to our Justice Reinvestment Incentive Grant, ODRC is actually two months behind in paying out our first payment. They attempted to pay it but they sent it to the county. The county would not accept the payment and send it over to us instead they rejected it and sent it back so the Bureau of Sanctions Committee has to find the money and resend it to us. We are trying to get these accounts set up so that when we get the money we can start making the payments on the expenditures.

**Motion by Mr. Fraizer to send Resolution No. 19-64 to full Council, second by Mr. Bubb**

**Motion passed by a vote of 5-0.**

- 7. Consider **Resolution No. 19-65** appropriating monies for the current expenses of the municipal corporation.

Section 1. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$4,625.00 (Sale of Engine 4)

Account                                      Description                                      Amount

100.204.5532	Vehicles	\$4,625.00
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**Director Baum-** this is for the sale of a firetruck on Gov Deals and they would like the money to go back to their vehicle account.

**Motion by Mr. Cost to send Resolution No. 19-63 to full Council, second by Mr. Fraizer**

**Motion passed by a vote of 5-0.**

Doug Marmie, Chair