

Capital Improvements Minutes

Honorable Council
City of Newark, Ohio
January 31, 2017

The Capital Improvement Committee met in Council Chambers on Monday, January 30, 2017 following the Safety Committee with these members present:

Curtis Johnson, Chair
Dee Hall
Jeff Rath

Mark Fraizer
Alex Rolletta

We wish to Report:

1. **Resolution No. 17-04** authorizing and directing the Director of Public Service to enter into contracts, subject to the appropriation of funds, for the refurbishment and rehabilitation of one fire apparatus and waiving competitive bidding was considered.

Director Rhodes- this legislation is an intent to inform the committee that we have a 2004 fire truck that needs to be refurbished. We think if we refurbish it we could get four or five more years of life out of it. What we are asking you to do is to allow me to put it out there waiving the competitive bidding because there are only a few companies that do this kind of work. The company that has been chosen is one picked by the Chief and Assistant Chief Simmons who is here tonight if you have any questions. Should you approve this I will be back at Finance Committee because I would like to borrow the money and do it over a three year pay back which would cost us about \$91,000.00 but the first step was to get this committee to waive the bidding.

Mr. Rath- I am wondering why with a \$91,000.00 bill we are not finding it in Capital Improvements budget instead of borrowing it?

Director Rhodes- we could pay for it directly out of Capital Improvements budget and not borrow it if that would be the committee's choice but I would have to take away from paving dollars to do that.

Mr. Fraizer- Assistant Chief Simmons, is this engine three that is being refurbished?

Asst. Chief Simmons- correct

Mr. Fraizer- what is the replacement strategy while it is out? How do we have coverage?

Asst. Chief Simmons- we have a reserve engine available that we did some maintenance to, it is the old rescue that go replaced by the new rescue last year. We sank some money into it to make sure that it would be a reliable reserve. This is what will be used for 4-5 months while the other is gone.

Mr. Fraizer- this is the West Main fire station it will be switching out of?

Asst. Chief Simmons- that is correct.

Motion by Mr. Rolletta to send to full Council, second by Mr. Rath

President Ellington- I understand this is an old vehicle and maybe we have trade in life in it, is it worth putting this much money in a vehicle of that age compared to one of 10 year life of leasing a new one?

Asst. Chief Simmons- here is the position we are in, we have two vehicles engine 3 out west and ladder 2 on Hollander Street that are approaching middle to late age. There is no way that we can replace both of those at the same time. Ladder 2 is much more expensive because it is an aerial apparatus along with an engine and it has a pump as well. So to buy us some time and get us another 2-3 years plus through discussions with Director Rhodes we decided this would be a good idea because we are looking at anywhere from \$400,000-800,000, 400,000 for an engine and 800,000 plus or minus for a ladder. We need time to come up with a strategy to replace one of those. Although \$91,000.00 is nothing small it is a fraction of what we are going to be faced with in about 5 years with engine 3 and ladder 2 both in dire straits.

President Ellington- the new one now would be \$400,000 or right there about?

Asst. Chief Simmons- correct

Director Rhodes- the one that we got last year we chose to finance for 7 years where in the past they were financed 10 years. What we are trying to do is get to the point where we have 5 or 6 payments made on the new one before we branch out to get the other one. This is a bridge to help us accomplish that goal.

President Ellington- I understand that it is just tough putting out that much money on a vehicle that old, who knows what else may go wrong.

Asst. Chief Simmons- this is a pretty comprehensive overhaul.

Mr. Fraizer- how long does it increase the life?

Asst. Chief Simmons- I would say minimum three years but most likely 5-6.

Mr. Fraizer- how much life is left in it now, would you say a day or two?

Asst. Chief Simmons- no the reason we are putting money into this vehicle in particular is because it has been a very reliable vehicle. The maintenance costs have been relatively low compared to some of the other ones. It hasn't had any major mal functions.

Motion passed by a vote of 5-0.

- 2. **Resolution No. 17-06** appropriating monies for the current expenses of the municipal corporation was considered.

Section 1. There is hereby an appropriation of the unappropriated balance of the 335, Capital Improvement Fund, in the amount of \$262,110.00 (2 Dump Trucks for Street Dept)

Account	Description	Amount
335.302.5532	Vehicles	\$262,110.00

Director Rhodes- Buster Prince and I met with Barbara and we asked her if she could go out and find us some grant dollars for city snow plows and she found us 50% grant dollars and I would just like to thank her for that.

Barbara Gilkes- Buster and I are getting ready to meet with Randy Comisford ODOT. The EPA Grant our application ranked 5th out of those selected in reducing emissions so we will be improving our environment by getting rid of these two dumps that we had. We were able to reapply for everything we could through this EPA Grant. This was our first shot at it and we decided to go for the 50% because as Dave said we need two trucks. If you look on your appropriation sheet we will be getting \$116,056 from the EPA Grant. We were not able to include the plow attachment so the city needs to pay for those but this is a great grant and if we have an opportunity this year to apply for additional vehicles for the Street Department then we are going to try again. We would like to get the money appropriated so we can move as fast as we are able to.

Mr. Fraizer- does the 262 include the plow apparatus?

Barbara Gilkes- yes it includes everything

Mr. Fraizer- so that is why there is the differentiation between the \$146,054 and the \$116,056?

Barbara Gilkes- correct. You won't see them on the road this season but they should be ready for the 2018 season.

Mr. Rath- asked her if she could get a grant for brine

Barbara Gilkes- stated the EPA is very specific on the vehicles they give grants for and that Mr. Rath should get with Buster to see what kind of vehicles he has.

Mr. Rolletta- commented to Barbara it was a great job on getting the grant.

Motion by Mr. Fraizer to send full Council, second by Mr. Rath

Motion passed by a vote of 5-0.

Curtis Johnson, Chair