

FINANCE COMMITTEE MEETING

OCTOBER 21, 2008

Please note: Due to a malfunction with the tape recorder the first part of the minutes have been transcribed via notes.

Finance Committee Chair Mr. Knuchel opened the Finance Committee Meeting at 6:30 p.m. In attendance from the Committee were Mr. Knuchel, Mr. Lajeunesse and Mr. D'Ambrosio. Also in attendance from Council were Mr. Zontini, Mr. Morley, Ms. Vaughn. Council President Mr. Elshaw was absent and excused.

In attendance from the Administration was Finance Director Condron, Service Director Semik and Fire Chief Whittington.

Also in attendance were members of the public in the audience.

BID RECOMMENDATIONS: 2009 HOUSEKEEPING SUPPLIES

Ronyak Paving, Inc.: 2009 Planings & Grindings/2010 Option

Chardon Oil: Motor Oil & Grease

Osborne Concrete and Stone Co.: Stone & Slag Aggregate Products

Osborne, Inc.: Asphalt/Concrete Products (Concrete)

Kokosing Materials, Inc.: Asphalt/Concrete Products (Asphalt)

Upon review it was agreed to move forward with these items for passage at the next regular Council meeting.

AGREEMENT RENEWAL: CITY OF EASTLAKE & JEAN CHASE MEMORIAL FUND, INC.

The minutes have been transcribed via the tape recorder at this point.

Mr. Knuchel: Are there any comments or questions about that issue? Mr. Semik, how has this been working out?

Mr. Semik: It has been working out well – there have been no problems. They are cooperating with the other renters at the Community Center. I feel comfortable with Council moving forward with this. I am sure the Administration would also.

Mr. Knuchel: Mr. Condron, would you like to add anything?

Mr. Condron: No.

Upon review it was agreed to move forward with these items for passage at the next regular Council meeting.

BID RECOMMENDATION: SURFSIDE POOL DEMOLITION

Mr. Excavator: \$18,999.00

Mr. Semik: Mr. Excavator was our lowest bidder. He has been to the job site. His references check out fine. The highest bidder was B&B out of Cleveland in the amount of \$48,000 and

everyone else fell in between. He seems very comfortable in getting the job done and he understands what needs to be done. I have no problem recommending we move forward with them on the demolition of the pool.

Mr. Knuchel: Can you explain the difference between the \$8,000 we had originally budgeted and the \$18,999 that we are now proposing?

Mr. Semik: I wish I could give you an answer on that. However, I do not know where the \$8,000 originally came from.

Mr. Condron: I believe it was through a conversation between the Mayor and C.T. Consultants. He sent a memo in March telling me they had that conversation and to put \$8,000 into the budget. I was not part of the conversation.

Mr. Lajeunesse: I have two concerns. Has our City Engineer been involved in this process at all – has he gone to the site to see what is involved and provided his opinion as to what he thinks.

Mr. Semik: Yes. I met with him on two occasions concerning the demolition. Based on his recommendations I agreed with what he had suggested. The only part I did not agree with was breaking the concrete up as small as he wanted but I understand his reasoning behind it – that it would provide better compaction. All the concrete will be broken into a 4”-5” piece and the compaction will be greater and there will be less settlement. He also recommended dismantling the slide in sections so it could be reassembled later.

Mr. Lajeunesse: I am concerned about the difference between the \$8,000 and \$18,000. If he has been involved since the beginning and we are at \$10,000 difference – how can that be over a few months time frame?

Mr. Semik: I cannot give you an answer – I do not know how he arrived at that figure.

Mr. Morley: I do not want to speak for anyone – but as the Mayor is not here - when I brought this up with the Mayor his answer to me was – the reason the pricing is different is the size at which we have to crush the concrete.

Mr. Semik: I know the original estimates were well over the \$8,000 and that was breaking it into larger pieces.

Mr. Knuchel: Could the smaller price have been contributed to the fact that at one time we were going to do the demolition work?

Mr. Semik: We never entertained the demolition – what we entertained and what we will still do – is the surrounding chain link fence. Once that has been done and the hole is filled then we will move the fencing.

Mr. Lajeunesse: Regarding the slide. Why are we spending \$4,100 to dismantle a slide when we do not know the resale value of the slide – is the slide adaptable to Houston Fisher pool? We are spending \$4,000 on something for which we are not sure what we will do with it. We don't know what Houston Fisher is going to do yet.

Mr. Semik: It is well spent money to disassemble something that is considered an attractive nuisance. You would have to secure the slide if it was left it because it would become an attractive nuisance. I have not personally seen a City that has two slides but they have two slides side by side – one is much taller than the other – one is curvy. My thought is should we reopen the pool at Houston Fisher that we may want to incorporate the slide. If we choose not to put it up it would be in sections and we should be able to recoup at least the \$4,100 of the cost. It is not that old of a slide.

Mr. Lajeunesse: Who will decide the future of the slide and when does that happen? Because in my mind that is \$4,100 that should not be spent on that slide.

Mr. Semik: That is Administrative. I am hoping the Administration and Council can come up with a plan for it.

Mr. Morley: That is not likely. I have no issue with it. We will do all this and not do anything. Then it will be there next summer – the pool will be there – the residents will call to have something put in the pool for the mosquitoes – that is what we are going to do. Because that is what we do.

Mr. Lajeunesse: Are you talking about Surfside or Houston Fisher?

Mr. Morley: Surfside. Houston Fisher is going to another issue we won't do anything about either.

Mr. Morley: I am sorry for butting in Mr. Knuchel.

Mr. Lajeunesse: My question is on the demolition of Surfside. Although the legal aspect is another question I do have – my question is the plan for the slide and the plan for the future of Houston Fisher – we don't have a plan. That is part of my thing – we have talked about this for a year and there is still no plan from the Administration. Someone has to say this is what we are going to do and why we are going to do it. Right now no one has said legally that the slide is a feasible fit for Houston Fisher pool. To spend \$4,100 is pointless right now.

Mr. Knuchel: There will be cost involved with taking the slide down anyway because you are not going to want to keep it up – correct?

Mr. Lajeunesse: You are right.

Mr. Morley: Do you propose to bulldoze it?

Mr. Lajeunesse: That is what I am trying to figure out.

Ms. Vaughn: We could try to sell it – that is an expensive slide.

Mr. Lajeunesse: I am not saying that – I am just trying to get some options – if it is demoed – if it is saved – how much resale value can we get for it.

Mr. Semik: My opinion is that we disassemble the slide in sections – we store them – and, whatever the Administration wants to do – maybe it can be incorporated into the pool.

Mr. Zontini: Everyone knows my feelings on this – I am totally against demolishing the pool. While we are talking about the finances and Mr. Gwydir. His report that Mr. Condron referred to is dated February 29th. It says in the front – a site survey for hazardous materials is suggested prior to demolition. Do we know if that has been done – to check out the hazardous materials in the bathhouse.

Mr. Semik: The bathhouse is not being demolished – it will remain. The filtration system, the bathrooms, the storage room and office are all in good to excellent shape. It is my recommendation we leave that alone in event that somewhere down the road we have some excess money if we would want to put in a Spray Park. We can also use the structure instead of paying for one at a later time. As to a survey on the remainder for hazardous material – no – I do not believe one has been done. I do know the pools are concrete which do not pose a direct health hazard.

Mr. Zontini: I think \$19,000 is a lot of money to spend for a negative – when we are tearing down a City asset – and, you don't know if there are hazardous materials – if there are it could cost even more. After I made that impassioned plea at the last Council meeting a couple of you said to me afterwards that you agree – but the people want it torn down. So, I did go back out – I went to the 26 homes that surround Surfside pool and talked to the people. I made three visits to catch everyone – six I could not catch at home. But, of the remaining 20 – 2 were undecided and the other 18 said in one way or another do not tear the pool down. They said absolutely keep it open if possible – they don't want it torn down. 4 said they actually bought their houses because of the pool. They want us to save the pool. These are the people who are most directly affected by the pool being there. They are aware of the problems of vandalism and undesirables. They are really concerned about the plan for a pavilion because they heard about the problems at Jakse. Several of them proposed draining the pool initially and the problem with mosquitoes - fill it up with clean water and the proper chemicals and put a cover on the pool to keep it in a nice shape until the City decides they have a plan to maybe open both pools. It may be initially expensive for the cover. Also, of the 18 that were home – 10 actually brought up the fact that they would be responsive to a recreational levy proposal for an aquatic center. The main gist of all these people was that they hated to see the City just give up and tear down a City asset. It is final. Once you give away – tear down – an asset there is not going back. It is basically saying City government does not have a plan to move forward and do something for the Community. I am dead against the demolition. I know I am not on the Committee, Mr. Knuchel.

Mr. Knuchel: You are on Council Mr. Zontini and your opinions are always welcome.

Mr. Lajeunesse: Mr. Zontini and I talked about the pools that are part of Surfside. I know the two smaller pools cannot be used. I remember them being closed more than they were open.

Mr. Semik: The smaller one had a problem – there was a problem with the filtration with the intermediate one – a backup pump was installed. There were issues with the lines and I do not know if the cost of repairs was reviewed versus the entire demolition. These are questions I cannot give an answer to. The pools operated – they were fine. The small pool at Houston Fisher has its own issues – it should be taken out and a spray fountain installed. They all have

problems. The pools are getting old. The pools at Surfside were maintained by the Association for some time.

Mr. Lajeunesse: I agree with Mr. Zontini on some of his points. There is no plan. There has not been a plan for recreation areas and some of the questions have not been answered. And, that is part of the problem. A few residents have proposed a spray park in the future. But there is no plan to say – these lines can be reused and this is what we can do. I wish we could have had someone with a little bit more pool knowledge detail this – I wish there a plan other than just to demo the pool and put in a pavilion – there could be Spray Park in the future. The residents do not see anything planned except the demolition of the pool and whatever happens – happens.

Mr. D'Ambrosio: Mr. Zontini, you went to all these houses? Good for you. This made me look at this differently. I go with the residents on a lot of things. Mr. Semik, if we were to fill the pool and put chemicals in it yearly – what would that be?

Mr. Semik: I would be glad to explore that. It could be a viable alternative.

Mr. D'Ambrosio: I would have a very difficult time moving this forward knowing that many residents are against this thing.

Mr. Semik: In regards to the mosquito issue – the pool is treated from the start. The Lake County Health Department comes out – there is no mosquitoes coming from the pool. There is algae and frogs in it. Maybe the solution would be to tarp it – drain it – put the minimum amount of water in it to keep it from heaving and tarp it – and check it periodically. There is a lot of advantages there. But, I need direction and if you decide to explore that avenue I will be glad to check into the cost of covering the pools.

Mr. Morley: Mr. Knuchel, I am going to think outside the box. And I think the City Council is going to do something here that maybe has never been done in the City of Eastlake. I would like the Clerk to contact Mr. Klammer and see if we can co-sponsor a levy from myself, Mr. Lajeunesse, Mr. D'Ambrosio and Mr. Zontini on putting a levy on for a pool. I read in the paper that one resident would like one. Instead of us pushing it on the Administration let's take the ball – let's see if the Council can put a recreation levy on – and, then it is done. Because we will have the money for our pools and if the residents say no then we are done with it. Because this is what we do. I am sorry if I am a little frustrated – this is what we do. I am fine with the pools staying and never getting demolished – I am fine with Jakse looking the way it looks forever. But, I am tired. So, if the City Council can put a levy on let's be the crazy people in this economic times to pass a levy to get some pools. Or we can ask the Departments if they will lay off some people so we can open the pools.

Mr. Lajeunesse: Mr. Zontini brought up a recreation levy a while ago. I have heard the same thing. I thought when they voted down the last levy they were voting to keep both pools closed. But, we are trying to find things out and we should go back to the people and ask if they want it or not. I am sorry for the lack of direction and wherever you have to get that from. We have discussed this for a year – we knew it was coming – I agree with Mr. Morley. Here we are sitting here at the last minute trying to figure out what to do. Maybe Mr. Zontini's original idea to go to the people for a recreational levy would have solved this problem. Let the people decide what they want to do.

Mr. Knuchel: In all honestly, we have to our homework before we go out for these bid recommendations. There is no sense going that far if we are not going to go all the way. Given that we do have a little bit of leeway as the bids are kind of out of whack. Let's take these things into consideration before going out for bids – if we really don't want to do it. It is a waste of time and energy to set up the bid packages and go out for bids.

Mr. Morley: I don't care whoever the Mayor is – we are at this point where we want him to do everything. We need to do something to – I am not sticking up for the Mayor – I am tired of nothing. We don't move anything. We want to play this little game with the Mayor. I am tired of it. We either do something – all of us put our names on it for a levy – I don't care if it is election year next year – I'll put my name on a levy. But we are always saying we want things but we do not want to give any money to do things. Then, all we say is – see the Mayor. See us – we are seven people who tell him things to do. But, this is what we do. We put all the work into doing this and at the last second we don't do it because out of 1,800 residents in Surfside 26 say to keep the pool. We can sit here and beat him down for the rest of our lives but we are the same type – we worry about ourselves. Put yourself on the line – I will – election year or not.

Mr. Knuchel: What would the Committee like to do with this?

Mr. D'Ambrosio: If it was in Ward 1 I would do the same thing – I will have a difficult time moving this forward knowing the people in that area are against it. At this point in time I say to look into the cover. If I wasted anyone's time I apologize. I would not be doing my job if I did not listen to the residents.

Mr. Lajeunesse: Based on what I know about the pool I know there is a better future there in using it as a spray park. I don't think the pool will be used the way we want to in the next couple years. I understand the residents' viewpoint. I think to open the pools and not get the right use out of them and charge the people in that City to use those pools is a good thing. I would like to move this forward.

Mr. Knuchel: I, too, would like to move this forward. We can discuss it in further depth at the Council meeting.

There were no further questions or comments.

RE-APPROPRIATION: SURFSIDE POOL DEMOLITION

Mr. Knuchel: My vote will be the same.

Mr. Lajeunesse: I will be out of town Tuesday and not able to attend the meeting. That is why I made all my comments this evening.

Mr. Knuchel: If you have anything else you would like to write down to be included in the conversation please do so.

Mr. D'Ambrosio: I am in favor of moving it forward.

Mr. Lajeunesse: Yes, but I am disappointed that we did not have any further information on the pools. We received a ridiculous quote of \$150,000 to fix Houston-Fisher pool – I think it will be a lot more. We did not get a professional opinion on Surfside Pool – that is disappointing. I will still move this forward but I am disappointed that the Administration did not give us anything further. That is not our Service Director's fault.

Mr. Knuchel: I would like to move this matter forward for a vote of Council.

Mr. Condrón: The legislation should read account – not fund. Also we need #101 in front of the numbers. I'll let the Clerk know.

Upon review it was agreed to move forward with this item for passage at the next regular Council meeting.

Mr. Semik was excused from the meeting at this time.

FIRE AMBULANCE TRUST FUND

Mr. Knuchel: There are two issues with the Fire Ambulance Trust Fund. Some time ago we were asked to look into this as it relates to training and overtime. In my talks with Chief Whittington we looked into several things about training. Seeing that he is just getting into his new position we decided to hold this conversation off until the next scheduled budget meetings for 2009. We discussed his needs for 2008.

Chief Whittington: When we talked about #617 for the rest of the year – one firefighter had rotator cuff surgery with a 3-6 month recovery. Another is waiting on an answer from workers comp – one just came back from a knee problem and may be going back out again. Due to that we decided to take the proactive stance on anticipating on not having enough guys to fill those spots. At this point in time there is nothing more that we needed to do until the end of the year.

Mr. Knuchel: Could you explain what we will do next year to avoid the difficulties of last year – breaking the training down?

Chief Whittington: Overtime encompasses about 10 different things. I tried to filter it out so it can be seen very clearly where the money is going. I came up with a training plan and I would like to see us expand overtime and have a training budget. Most of our training is in-house – taking care of our special teams – we could extend that out of the overtime line item and create a technical/rescue training fund and provide the money for training for the year. Give them the responsibility to use the funds for specific training instead of having a large lump. I want to make sure it is clearer and control the overtime. We have no control of some overtime – Painesville used all their overtime during the train derailment. Training definitely is an overtime issue where we can plan it out as a group and say this is where we want to grow. I am very conscious about the budget and have a lot to learn. Mr. Condrón has helped me a lot. I sent a memo – when talking with other Chiefs – we adopted the ambulance billing in 2003 – we have made no adjustments in five years. They made recommendations which I provided to everybody. The amounts shown are nothing more than what Willowick or Willoughby does. The adjustments would be significant to use because we could see an increase in the #617 account and have more flexibility in doing things – this would give us a boost. There is a significant difference in what we could be collecting in the #617 account. This is in conjunction with every other community.

I would not want to try to take advantage of our residents health care and insurance companies. But, this is what everyone around us is doing. I spoke with Mr. Knuchel about mileage collection. That has become significant – 70% of our transports go to an area hospital – but 30% we are going downtown more because of specialized care. We did about 3,800 miles of transports this year. They are recommending we can start collecting for mileage on that issue. That would be up for discussion – but everyone is doing it – that is part of the process.

Mr. Condrón: I agree with the Chief about breaking that out – maybe not only in the operational items but especially in the salary codes. That way we can see how much we will need. Medicount Management is interesting – theoretically we can raise our rates to what we want – but Medicare pays a certain amount.

Chief Whittington: Medicare has made the adjustments. Medicare is the biggest payer and they will match what I am proposing. I would appreciate your input on this.

Mr. Condrón: We only bill residents?

Chief Whittington: We bill for mutual aid runs. That is not an uncommon practice.

Mr. Knuchel: We can look at that – I just wanted the Chief to give us an overview on #617 and how we want to utilize it.

Chief Whittington: I just wanted to give everyone the opportunity to see where the overtime money is going. I have made an effort to control everything we can on overtime. There are some things we can do to control it – because a lot of things cannot be controlled.

Mr. Lajeunesse: I agree on the fuel charge. Mr. Condrón, perhaps we could also look at billing out of town people on the Police Department.

Mr. Knuchel: It is my recommendation that this matter be referred out of Committee with no action taken and discuss it again during budget time.

There were no objections. The Committee agreed to refer this matter out of Committee with no action taken.

RECOGNITION OF THE PUBLIC

Dan Matheke, 361 Bayshore Drive, Eastlake

Mr. Matheke: I live three houses from Surfside Pool – if you are going to put a pavilion back there I will do everything I can to get everyone voted out of office. That is going to be a – don't do this. Do not do this. Do not demo that pool. I don't care if you tear it down and leave it as green space. But, do not put a pavilion in there. Please.

Regarding the police/ambulance trust fund – I have had discussions with the former Chief many times. When your budget process starts don't try to go cheap on the training budget – a lot of people look at the training as an area to be cut and you are messing with people's lives. That is very important and the nature of where the Fire Department works with their shifts – just the way it has to be manned. There is no way you can do the training without paying overtime. Do not try to be cheap and get out of paying it. You are putting people's lives at stake. It used to be one of

the big things in business. If you wanted to see a business that was going to go under – look at a business that spends no money on training. Again, the things they train on – on the river -you just can't put to guys in a raft and say go get that guy.

Mr. Knuchel: To put your mind at rest – the reason the Chief and I started to talk about this was that we wanted it broken out so we can see what we pay to increase everyone's comfort level – and to give us a better idea what mandatory training is – what necessary training is.

Chief Whittington: I appreciate the comments, Mr. Matheke – our main training is in maintaining the services of what we provide to our community – it is rare we send someone to a conference. Most of it is the basic training – the water rescue. There is no wasteful spending but I wanted to show everyone what we are doing. My responsibility is to make sure there is training for the things our residents needs. We are trying to provide a clear understanding of what we are trying to do.

Mr. Lajeunesse: I sent a memo to the Administration asking them to research the price of a pavilion. Not that this is the answer – a spray park would probably be better. Other cities have a pavilion and something. Whether it is a spray park or green space the \$14,000 for a pavilion is crazy. Maybe a recreation levy is the way to go and say it is up to the people. Chief, I know firsthand the overtime.

Chief Whittington: We are trying to work out different teams with the other Departments in the area – more regionalization. We have a Lake County Hazmat Team and everyone pitches in people – we all share in the training. Those are some of the things that may be in the future but until then we have our responsibilities.

Mr. Knuchel: Chief, I respect your views and hard work on these difficult issues and I look forward to continuing this in the future

There was no one else who wished to speak.

The meeting was adjourned at approximately 7.27 p.m.

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