

FINANCE COMMITTEE MEETING
May 20, 2009

Finance Committee Chair Mr. Knuchel opened the Finance Committee Meeting at 6:02 p.m. In attendance from the Committee were Mr. Knuchel, Mr. D'Ambrosio and Mr. Lajeunesse. Also in attendance from Council were Ms. Vaughn, Mr. Morley, and Council President Mr. Elshaw.

In attendance from the Administration were Mayor Andrzejewski, Finance Director Condon, Service Director Semik, City Engineer Gwydir and Police Chief Ruth.

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

WPCC EXPENDITURE: FINAL CLARIFIER REPLACEMENT PROJECT

Mr. Gwydir: The final clarifiers at the treatment plant are approximately 40 years old. About 23 years ago they were rehabbed. Since that time they have been kept in fairly good working order, however, the drives mechanisms, the bearings – most of the parts – are in need of either replacement or repair. When we went through the water treatment plant Mr. Gorka was kind enough to show us the details of the tank. They do need painting and maintenance. If they don't do it now as more and more time goes by the closer you get to a full replacement instead of just a repair. I believe the cost was initially cited two years ago as \$250,000 – it has crept up to \$285,000 plus the engineering costs.

Mr. Knuchel: Is that what will bring it up to the \$320,000?

Mr. Gwydir: Yes.

Mr. Knuchel: Are they going to do the work in-house as much as possible or are they contracting the work out?

Mr. Gwydir: The last time we spoke I believe they were going to do the majority of the work in-house – however, some of it will be contracted for the machinery. I do not know if that split has changed since we last spoke.

Mr. Knuchel: It seems like a pretty big project – is there a lot involved?

Mr. Gwydir: Yes, it is fairly substantial because you have to take the tank apart and put it back together properly – paint and treat everything – especially the drives.

Mr. Knuchel: This was discussed at the WPCC annual meeting in February.

Mr. Gwydir: Yes, it has been discussed since 2007 – it has been hanging out there for some time and I know Mr. Gorka has been trying to find some alternate funding sources right up to the last moment – the Federal Stimulus but was unfortunately it was unsuccessful.

Mayor Andrzejewski: Who decides about these repairs – is it joint between Eastlake and Willoughby? Or does Willoughby just decide we need to do this?

Mr. Gwydir: The plant Superintendent makes the decision about what needs to be replaced and he reports that to the Willoughby City Engineer who then looks over it and discusses it at a meeting. Even when we don't we have tours of the plant that shows the condition of the tanks and the like. The decision is largely that of the Plant Superintendent.

Mayor Andrzejewski: Do we have some say in the matter – if we looked at it and for whatever reason said that it could wait and really didn't need the repair – do we have some say in the matter to say no?

Mr. Gwydir: I would say by the very fact that it is before this Committee that you do have a say – yes.

Mayor Andrzejewski: No, before it gets here. Do we as a City – do you as the Engineer – have the authority to say on any purchase or maintenance in that plant – no we don't want to do it?

Mr. Gwydir: I have the ability to come back to you and tell you know – I don't think that particular work should be done if I believe it should not be done. Anything that I have seen personally in the plant that they needed to do is well overdue - in my opinion.

Mayor Andrzejewski: I just want to make sure we have some say in the matter since we are supposed to be 50%-50% owners.

Mr. Gwydir: The plant as far as I am concerned has been very open and accommodating to any questions I have had and I am certain would be open and accommodating to everybody here as well.

Mayor Andrzejewski: I am not questioning that – I just want to make sure we have a say. Because it always seems that they are the ones suggesting that we buy this or that and we just kind of go along with it. And, I always like to be in a position where they at least know at some point we may question something.

Mr. Gwydir: And, I think they do. I would say to you Mayor and everybody here because I said it at the joint Committee meeting. The folks at the plant do more to keep that plant running than I have seen anyone, anyplace else ever do – bar none. I have confidence in looking at them and looking at the plant and seeing what they do that the repairs are needed. I have seen those tanks personally and I believe the repairs they are speaking to are needed.

Mayor Andrzejewski: I don't want to belabor this. Mr. Condron, make sure we get 2.57% from Timberlake.

Mr. Andrzejewski: I will.

Mr. Knuchel: Mr. Gwydir, could you explain to us a little bit of your background as to your experience with water treatment plants?

Mr. Gwydir: For the first fifteen years of my construction career I was employed by the City of Philadelphia Water Department where I acted as a construction engineer. I constructed approximately \$60 million worth of improvements including a four story preliminary treatment building, 240 million gallon capable primary tanks, laboratory buildings and improvements. I have seen how the plant was run and I have seen how it should not be run. I think I am generally familiar with treatment plants – at least the construction of them. In looking at these folks they do the best job I have ever seen with the staff and resources that they have – based on my past experience.

Mr. Morley: In reading this report – they must do really good preventative maintenance for a driving mechanism to be 23 years old. Those mechanisms are working all day, every day. So they must do the maintenance because the last work was done in 1986. I commend them for keeping something running that well that long.

Mr. Gwydir: As a baseline I was relying on a routine basis for funds to replace our package pump stations and we are considering a design life on those to be 20 years before we are pulling everything out and replacing it. This has already been rehabbed once and in service now for another 23 years. I think we are doing fairly well.

There were no further questions or comments. The Committee agreed to move forward with this matter for passage at the next regular Council meeting.

Law Director Klammer joined the meeting at sometime during the discussion.

BID ADVERTISEMENT: EMERGENCY GENERATOR/POLICE DEPARTMENT

Mr. Semik: The generator is original to the building and parts have become obsolete. We have been trying to retrofit some of them – it has gotten to the point where it has become unreliable. As a matter of fact there was a test last Monday and it failed to start. It did finally start but it did not as it should. The parts have become hard to find. It needs to be upgraded. Again, it is original to the building so in order to ensure the safety and welfare of residents for an emergency and for the building we are requesting to move forward on this. It was budgeted in the 2009 budget. Also, this is just to go out for bids. I want to let the Mayor and Council know that our City Engineer forwarded information to me a couple of days ago. I spoke with a gentleman from Caterpillar – they do have emergency generators of this size. I sent him some information because they are on State Bid. So, we may be able to purchase this auxiliary – backup – generator through State Bid. But, if it is not comparable we will go out for bids.

Mayor Andrzejewski: Can we do that Mr. Klammer?

Mr. Klammer: This is the same scenario as the Chief's car – it has to be equivalent.

Mr. Semik: It has to be the same as or better than.

Mr. Klammer: Make sure there are documents that support that.

Mayor Andrzejewski: Is it through a dealer or directly through them?

Mr. Semik: It would be directly through them – I do not know where they get it from but it is a Caterpillar generator.

Mayor Andrzejewski: Who is they? I don't know who they get it from.

Mr. Semik: I don't know either.

Mr. Knuchel: Mayor, are you trying to distinguish who the dealer is?

Mayor Andrzejewski: If Caterpillar sells to the State of Ohio through Caterpillar directly or through a dealer.

Mr. Semik: I am sure it will be a dealer.

Chief Ruth: This needs to be moved on expeditiously – this has been in need of serious overhaul for several years and every time we test it the fumes permeate the building and make people sick. The starter is a real concern – if it fails – I have even questioned if we should have the starter repaired prior to doing this because we will be without any generation of electricity – which would put us out of business.

Mr. Condrón: We tried last year to place it on the inside – will it go outside the building?

Chief Ruth: Last year we talked about putting it inside – we did not budget enough money last year – it ended up being quite a bit more than we originally anticipated. I think we will put it outside because of the fumes – and, we are going from retro-gas to diesel because if we did have a catastrophic event here in the City it is very possible that we would lose our gas lines too which would mean the generator would not work. There will be some electrical changes.

Mr. Morley: Does it being outside cause any concern about vandalism?

Chief Ruth: The Fire Department has theirs outside. The Mayor will put a camera on it too.

Mr. Knuchel: In the information – the VIP Electric Company says they will disconnect the existing generator for removal and disposal by others – who is going to dispose of it?

Mr. Semik: We will scrap it out.

Mr. Knuchel: Mr. Condrón, what is the total cost of this project?

Mr. Condrón: Last year we budgeted \$30,000 – we are looking at \$45,000.

Mr. Knuchel: Does that include the outside enclosure – the pad and everything that is involved in moving? I noticed also that the information said “Price Adder for Remote Monitoring and Control” - \$3,005 – do you know what that is?

Mr. Semik: That would be a monitor that can be in the Service Garage – it will notify someone of a problem.

Mr. Knuchel: We have \$20,000 from VIP Electric, \$33,105 from MECO and \$3,005 for this remote monitoring control – that is \$56,110.

Mayor Andrzejewski: Do we really need the remote monitoring? You can't tell when a generator is malfunctioning?

Mr. Semik: In my opinion I would do it. The police may not know if the generator is working – if there is a problem they will notify me and I would have to get one of the mechanics to see what the problem is. To have a remote – yes.

Mayor Andrzejewski: How is it going to be different with the remote? You will still have to get a mechanic to fix it.

Mr. Semik: It is to monitor the generator – this way it lets someone know – if it goes out downstairs and no one is downstairs to check it – they are out on the road and after 3:30 p.m. no one can go over there to check it. If there should be a malfunction between 3:30 p.m. and 7:00 p.m. – there will be an alarm to indicate something is wrong with the generator. That is what we need to know.

Mr. Condon: When we developed the budget we put \$82,000 in that line item – in talking with the Chief the expenditures besides the generator are about \$26,000 so we put in another \$56,000.

Mayor Andrzejewski: Do we have enough in there?

Mr. Condon: Yes.

Mr. Knuchel: What about guarantees – I saw nothing about warranties – do we know how long the warranty is on this?

Mr. D'Ambrosio: *inaudible*

Mr. Knuchel: Thank you, Mr. D'Ambrosio. It does look like it is in there.

There were no further questions or comments. The Committee agreed to move this matter forward for passage at the next regular Council meeting.

RECOGNITION OF THE PUBLIC

There was no one who wished to speak.

The meeting was adjourned at approximately 6:19 p.m.

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