

FINANCE COMMITTEE

FEBRUARY 18, 2014

The meeting was called to order at 5:30 p.m. by Chairman Tom Mackin. Committee members present were Todd Grayson, Tom Mackin, and Jim Matuszak. Also present were Bridgette Kabat, City Administrator, Mathew Beredo, Law Director, Dave Creps, Finance Director, Tim Fisher, Deputy Finance Director and Steve Bronder, Income Tax Commissioner.

AGREEMENT WITH FIRST ENERGY SOLUTIONS – OUTDOOR LIGHTING

Mr. Beredo reported that an outside consultant, Palmer Energy, has been working with First Energy Solutions on behalf of the City in an attempt to get the City a better rate for our outdoor lighting, the majority of which is street lights. These accounts are all metered separately so we do not qualify for large user discounts. Our agreement with First Energy also prevents us from shopping around for lower rates. First Energy has agreed to discount our rate by 12%. Mr. Beredo noted that per the Charter, ordinances regarding utility contracts cannot be emergency measures. The Committee agreed 3-0 to recommend approval of an agreement with First Energy Solutions to reduce the City's electric rate by 12% for outdoor lighting.

ELECTRICITY SUPPLY AGREEMENT

Mr. Beredo stated that for our facilities that use a lot of electricity, like the Wastewater Treatment Plant, we get a very competitive rate for electricity. However, for our mid-sized facilities that do not use as much electricity, he has requested prices from electric suppliers. He said suppliers will only lock-in prices for a 24 hour period. Currently, Mid American has a significantly lower price with First Energy next in line. Mr. Beredo requested approval of an ordinance that allows him to enter into a supply agreement with whatever company has the best price thirty days after the ordinance, which cannot be passed as an emergency, is approved. Mr. Mackin clarified that this is a request to save the City money on electricity rates for our mid-sized facilities. Mr. Beredo said that is correct. The Committee agreed 3-0 to recommend approval of the ordinance.

SIDEWALK LEASE AGREEMENTS

Mr. Beredo reported that four entities have lease agreements with the City for the use of right-of-way for outdoor cafes or a similar activity. He said for those entities that have nothing permanent in the right-of-way, a sidewalk permit is issued. Rick Ruffner of O'Deer Diner has requested that his lease begin on March 1st and be extended until November 30th. The other leases run March 15th through October 31st which is the time allowed per the Code for Outdoor Cafes. O'Deer Diner is not subject to the Special Approval Use process for Outdoor Cafes because patrons purchase their food and then use the outdoor seating, they are not served there. Mr. Mackin asked if there is any change in the rates, and if there have been any problems. Ms. Kabat said that the leases are still \$25.00 a year and there have been no problems. Mr. Matuszak noted that paragraphs 4F and 4G regarding maintenance of utilities are not in the lease for Casa Barron's. He also questioned why the insurance requirement is doubled for O'Deer Diner. Mr. Beredo said that he will review the leases for inconsistencies. Ms. Kabat said that the Administration has no problems with the request to extend the time

of the lease for O'Deer Diner and will check on the insurance issue. Mr. Grayson said that he does not like the configuration of the outdoor eating area at Swig's, other than that he is okay with the leases. The Committee agreed 3-0 to recommend approval of the leases.

FINANCE DIRECTOR'S REPORT

The Committee reviewed the list of expenditures over \$5,000 for the month of January. Mr. Grayson had some questions that were answered prior to the meeting. Mr. Matuszak asked why there were two payments to the Criminal Justice Coordinating Council. Ms. Kabat explained that each law enforcement type unit has their own contract. The two payments reflect one for the court and one for the police division. There was also discussion regarding payments for the 2013 resurfacing project, the SR25 resurfacing project, and the software maintenance contract for the Tax Division.

Mr. Creps reported that the balance of the Health Insurance Fund as of January 31, 2014 was \$79,651.82. He said that we are paying run out claims from one administrator and new claims through the new administrator. He said although the balance is down, we should be okay.

2014 BUDGET AMENDMENT

The Committee reviewed the 2014 Budget Amendment that was previously sent to City Council. Ms. Kabat noted that additional dollars have been budgeted for police station repairs, battery back-ups for traffic signals, road salt, and water purchases from Toledo. Mr. Creps said that the budget amendment will be on the March 4th City Council agenda for a first reading. Mr. Grayson asked about the Jefferson Street improvements and extension. Ms. Kabat said that the Master Plan shows the extension of Jefferson and the City has received requests from businesses on Jefferson. She said this will allow the expansion of businesses on Jefferson and will ultimately allow us to make Williams Road right-in, right-out only. The Committee agreed 3-0 to recommend approval of the budget amendment.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that the Tax Division collected \$1.6 million for the month of January which reflects no change over January 2013.

There being no further business, the meeting adjourned at 6:18 p.m.

Respectfully submitted,

Tom Mackin, Chairman
Finance Committee

Next meeting: Tuesday, March 11, 2014 at 5:00 p.m.