

**SALARY COMMITTEE
MEETING MINUTES
WEDNESDAY, JULY 15TH, 2015**

The Salary Committee met Monday, July 15th, 2015 at 7:30 PM in the Council Chambers at the Knisely Centre. In attendance were Salary Committeepersons:

Ms. Winnie Walker,
Mr. Dan Lanzer
Alternate Ms. Sandy Cox
Committee Chairperson Mr. John Zucal.

Guests were:

Mayor David Johnson,
Law Director Marvin Fete,
Service Director James Zucal,
Safety Director Greg Popham
Treasurer Tom Gerber
President of Council Sam Hitchcock,
Council Clerk Patti McKay,
Councilperson Darrin Lautenschleger,
Fire Chief Jim Parrish
Media Joe Mizer
Diversified Engineering Inc., Mr. Chris Bower
Joel Day
Wes Tucke
Matt Graham
Mark Cox, Sandy Parrish, Aimee May, Kelly Ricklic and Dean Holland.

Salary Committee Chairperson, John Zucal called the meeting to order at 7:30 PM.

Mr. Zucal thanked everyone for coming to the meeting.

And announced that the purpose of this meeting is Proposed Resolution 20-2015; and any other matter to come before the Committee.

Proposed Resolution 20-2015 is a piece of legislation that is required to certify what the millage that would be a potential ballot issue in November.

As the Law Director informed us at our last meeting, this would be the first step of what could be eventually a two step process but is the necessary first step in order to move forward with of what we would like to accomplish.

Taking a look at it, the activity of the Committee this evening will be in fact to whether we want to move forward with the proposal with the resolution when it comes out of the Committee it will be placed before the Council as a whole.

We have charged the Administration, Chief Parrish, the Mayor, Service Director, and Safety Director with putting us in a position to make a determination as to the type of funding we are going to need and the amount of funding we are going to need.

So that is linked to what we are working on this evening.

We are not talking about the specific ballot language that would be a separate piece of legislation that would be required should Proposed Resolution 20- 2015 pass.

We are thankful for the Chief being here tonight. Chief I know we have a guest Mr. Bower who is with us tonight. Maybe we could start out allowing him the opportunity to share more information with us.

Fire Chief Parrish:

One of the questions last time was one of the estimates was 4.6 million dollars why are we asking for five million dollars.

Anytime you are doing a project with that magnitude you need some wiggle room for unforeseen expenses you cannot predict.

It would be silly for us to ask for 4.6 and have something happen and then have to come back to Council saying we need an additional three or four hundred thousand.

Typically there is a contingency for unforeseen things that range from seven to ten percent. 4.6 million we are right in the range.

Chris Bower from Diversified Engineering is here to answer any question as well.

Comment from the Chair Mr. Zucal:

Chris members of Council have received from the Chief a Preliminary Engineer Estimate from July 8th, 2015 it broke it down by site acquisition, building construction, utility extension site work, misc. the ten percent contingency. The architectural engineering and fees taking us where we were with the estimate that came in.

Chris, how do you feel about this do you think it is a Conservative Estimate. Do you feel comfortable with it do you feel we are on the right track with that.

Mr. Bower replied:

Yes I do I think the ten percent the \$400,000 contingency that is in there that is fairly typically do you remember when we did the Five Points Project.

It was a different type, but it is the same idea.

We did not use any of that contingency it was there. With a building of this size one of the things we are doing is operating on generic estimates.

What does a building like that typically cost?

What do you usually run into with a building built like that on a City lot where we have to demo the existing building? So you make a lot of assumptions.

Without having the fine details we have to upgrade the water line in front of that to be able to sprinkle the whole thing nobody had tested that.

What are we going to do with the storm water we haven't really drilled into the fine line details of that?

When you take a city lot like that and you pave the whole thing. You generate a lot more storm water. What are we going to do with that? We might have to upgrade some storm sewers we really haven't had that level of details. That is what that money allows for things like that.

I feel good about the estimate. I would feel better with the cushion the Chief mentioned.

Salary Committee Chairperson, John Zucal:

Thank you, you have provided us with your guidance and direction as the chair your points are well taken.

It feels good to hear it from you that you feel comfortable there are some unknown variables given the scope of the project we are not going to know we actually start to do it.

Mr. Bower replied:

You really need to drill down what is the façade of the building exactly how much space. We made a lot of assumptions just in the how much space we were going to have. It is a preliminary estimate but I think it is a good estimate.

Comment from the Chair Mr. Zucal:

The fact of the new Fire Station

Looking 30 35 years out even 50 years out you shared with me our fire fighters almost daily like to train what do you expect the facility to be like with some of the conceptual what Chris has provided for us;

What would you anticipate to be able to provide a good training site for the fire fighters?

Fire Chief Parrish:

What are problems with training right now?

Right now we have to go off site to do training.

We do not have a dedicated training room our training is done around a kitchen table with a computer and a projector against the wall. We are doing the best we can with what we have.

It would be nice to have a training room with the modern technology in that we could do some conferencing some distant learning from other places from the Ohio Fire Academy that we could hook up to the internet.

There is a ton of things we could be doing that we are really not there yet.

Remember we are building the Fire Station for the future. By the time this Fire Station is done my career will be just about over if not over.

This is the future for the City New Philadelphia this is for kids that are just playing with little fire trucks now.

That is the group we are building this for to better serve the community.

As far as training props those are things we would have room for on the grounds of the Fire Station.

We would be going down to Buckeye Career Center, the water works and all over town.

The problem is if we have a five man crew and we go down for training we get a call from Dover for our ladder truck we have to go back there change horses and take the ladder truck and go there. It is delayed response time. It is really nice to have all that in one spot.

Comment from the Chair Mr. Zucal:

The reason we are doing that is that five mil request for the bond issue it is based on some good preliminary estimates thinking about the future as we develop that. That might be where some of those funds need to be utilized.

Salary Committeeperson Mr. Lanzer:

I got to visit with Chief Parrish talked quite a while on the issues do we have enough time to get it before the people organized get the word out about the Fire Station he answered "I feel good about it."

Salary Committeeperson Ms. Walker:

Ms. Walker did not have any questions or comments.

Councilperson Mr. Darrin Lautenschleger:

I appreciate the meeting but going back several administrations the future of the Fire Station and what the needs are there. We have a building in front of us that that is ready to crumble if we don't do something we are going to be in a reaction mode. That is never good.

People have thrown some ideas out there and those have all been reviewed in the past by the Chief Parrish.

That is their job I rely on their information their expertise and their research to make an informative educated decision.

The only decision we can make today is to allow the voters of this City the opportunity to respond to what we can potential give them.

If they tell us yes we know what path to go down.

If they tell us no we have some real problems ahead.

Mr. Lautenschleger thanked the Chief and everyone that has been involved with it.

and urged the committee to recommend this be passed along quickly.

I would support that fully so we can get enough meetings in to meet the ballot.

Alternate Committeeperson Ms. Sandy Cox:

Who decided it should be a Property Tax instead of an Income Tax Levy

We didn't discuss this among ourselves.

Fire Chief Parrish:

With my discussion with Ms. Gundy and the Bond Council the reason this is steady the funding stream coming in from Property Tax is steady and it doesn't change.

There is a possibility with Income Tax to *fluctuate* up and down that was the concern he had.

So that was the concern this is typically the funding stream that most communities have seek.

He did point out that *every penny of the funding coming in goes strictly toward the retirement of that bond.*

It cannot go for equipment, operating expense, etc. He made that very clear to us.

Alternate Committeeperson Ms. Sandy Cox:

I was just wondering somebody mentioned to her about The New Towne Mall if it would collapse we would really be in trouble. Because of the taxes we would have to pick up.

Who did the language for the Resolution was it the guy from Cleveland.

Law Director:

I drafted it in conjunction with consulting with Squire Sanders & Dempsey.

Alternate Committeeperson Ms. Sandy Cox:

The reason I was concerned because originally it was for only construction

Now it says furnishing and equipping so what does furnishing and equipping mean?

When I look in the dictionary it means everything and anything.

Fire Chief Parrish:

To my knowledge with the conversations the Auditor and I had with him

Furnishing as in stove.

Equipping for instance like gear dryers, fans, exhaust systems the equipment not fire equipment not fire apparatus not fire equipment but the furnishings of that.

Alternate Committeeperson Ms. Sandy Cox:

Are we using anything from the old Fires Station or will everything be new?

Fire Chief Parrish:

There are probably some things we can use like a piece of equipment that we purchased portable gear dryer and a portable gear washing machine.

Parrish like real property such as like the beds those are Murphy Beds that are attached to the wall that fold up into the wall. Those things are down the reason they are down all the springs are broke on them they wear out they have been there since 1970 maybe earlier than that.

The spring kits for those are \$300 a side.

I decided not to spend \$300 that is \$600 per bed times 21 beds, why would you do that.

As far as office furniture there is nothing extreme

Alternate Committeeperson Ms. Sandy Cox to Mayor Johnson:

Our Auditor provided us with projections at the end of June in regard to the General Fund.

The Street Department, Cemetery Funds, Safety Forces Fund, Police and Fire Pension and Master Capital at the end of June she showed: at the end of 2016 we will be \$ 511,000 in the hole.

The General Fund 2017 will be \$1,572,000 and

2018 will be \$2,637,000.

Does anyone have any plans as to what we are going to do with that?

Mayor Dave Johnson:

When I came in office they told me 2014 we were going to be \$500,000 in debt what was our carryover
1 million went back to where it belonged \$400,000 was our carryover.

We ask Beth how we were going to do. We are going to be fine. I don't know where the figures are coming from but I was told this year I would be a 1.5 mil in the hole.

Comment from the Chair Mr. Zucal:

What I brought up the other night was when we said
The assumptions that was made with those numbers:
There was no plan in place to rectify that deficit
Her assumptions were the worst case scenario.

I know you are concerned about the General Fund I would presume the Administration, Council, and the Guests that are here are concerned about the same thing.

Alternate Committeeperson Ms. Sandy Cox:

She is basing all her figures on 3 % Income Tax Revenue.

Comment from the Chair Mr. Zucal:

She has a lot of assumptions from a prospective of raises and increases do not have a plan in place resolving those issues.
That is an administrative function we have to be careful we don't cross over.

She has provided us with those projections that are not giving the Administration a chance to respond to that.

Mayor Dave Johnson:

We have at least two businesses coming into town

The Freeport Press there putting new presses in and they are going to operate out of there and
we have Menards coming.

There are many businesses that are looking to locate in New Philadelphia.

Alternate Committeeperson Ms. Sandy Cox:

I'm glad nobody else is worried but I am.

Comment from the Chair Mr. Zucal:

Please strike that comment I think it is clear some of us are concerned.

Mayor Dave Johnson:

Ms. Cox that is not fair I always worry I took great lengths to cut.

Alternate Committeeperson Ms. Sandy Cox:

I agree that is what we have done over the years and that is why we got the budget we have.

Comment from the Chair Mr. Zucal:

John mentioned we are off the subject that we are here to discuss that sounds like a budget question.

Alternate Committeeperson Ms. Sandy Cox:

If we don't have the well being of the City through the General Fund

Regardless of what we do for new projects they won't work either because there won't be any money in the General Fund
to keep people employed if it goes low.

Comment from the Chair Mr. Zucal:

I think we all realize that at the same thing the issue with the fire station is not going away

That building doesn't know there is a General Fund that beam that is costing us thousands of dollars that is twisted and
contorted doesn't know we have a General Fund Issue.

We have to address that I echo your concerns always for the General Fund.

I don't think we can remain stagnant as chairman I can't say we are not going to do anything when we are charged with
doing something when we know there are potential liability issues out there. This is not something that is new we talked
about it for years.

Councilperson Mr. Darrin Lautenschleger:

Do you have an alternative?

1st for the Fire Department for the Fire Station

Alternate Committeeperson Ms. Sandy Cox:

Nobody ask me

Councilperson Mr. Darrin Lautenschleger:

I'm asking you now

Alternate Committeeperson Ms. Sandy Cox:

You are putting me on the spot.

Nobody has worked with me

April we were supposed to be taking our time.

Councilperson Mr. Darrin Lautenschleger:

How many years have you been here?

Don't start playing games your job is to look at what is best for the City which is what you are charged with.

Mr. Lautenschleger apologized for raising his voice but if you are going to say that than tell us what the alternative is.
We can say no I've said no many times on many things.
Please offer an alternative and I will be quiet the rest of the night.

Alternate Committeeperson Ms. Sandy Cox:

April we were not to the point, nobody said anything about putting it on the ballot until July 6th, 2015.

Councilperson Mr. Darrin Lautenschleger:

The estimates were dated 2011.

Alternate Committeeperson Ms. Sandy Cox:

We did not move on it there was no serious talk on it because like the Fire Chief said the other night FEMA had a grant nobody came to me and said if we had \$300,000 we could go for a grant.
We could have done it

Councilperson Mr. Darrin Lautenschleger:

That is not your duty

Alternate Committeeperson Ms. Sandy Cox:

That is the problem.

Councilperson Mr. Darrin Lautenschleger:

You should have run for that seat not the one she has.

Fire Chief Parrish:

I guess I'm puzzled that I didn't try to work with you.

I have explored more options than you can imagine at the point of nausea, ask my wife.

We have done more homework, leg work, visited more places, and talked to more fire chiefs about what is an alternative.

Everybody says you need to build a new fire station.

I did not get any direction from any Council Member we've done everything to save money that would lead me to the assumption that if I came to you and ask for \$400,000 to do the architect and engineer fees you probably would say really after all the money we are trying to save.

Alternate Committeeperson Ms. Sandy Cox:

If you would have said it was for a grant to get money helping with the pay down for the debt yes.

It was not discussed in Open Council we did not have a round table like we use to have. That wanted ideas and get Council involved a lot of this was done behind the scenes council was not aware of everything that was going on.

I didn't know how they came up with property tax there was a whole bunch of stuff I did not know.

Comment from the Chair Mr. Zucal:

I would be safe to say that not every Council member knows what goes on in City Finances that is not our job it is for the Committee that was charged with it. First that is an administrative function.

When you are the Mayor you are the Chief Administrator of the City of New Philadelphia your job is to Administrate.

One of his Chief Administrators is the Fire Chief and the Fire Chief has been charged by the Administration, we said here as a Council to go out and find information for us Chief Parrish consistently and clearly explained the reason we are looking to go on the ballot in November because of the dire need to get something going because the building is in such deplorable shape.

You even said we need to move it off the grounds. Here is our chance to do something we are not spending the money of the City of New Philadelphia have entrusted us to be stakeholders and caregivers of what we are asking is allow the general public the people of New Philadelphia to make that decision what we are trying to do is speak for them.

This is an opportunity that is once in a lifetime we know that and we need to put it

my belief is in front of the public let them tell us whether we need it or don't need it and whether 5 mi. is to much or not enough or however they perceive it. They are entitled to their opinion. That is why we have the democratic process in place.

Because to say this didn't happen and I didn't know this about it I think is defeating that process that is all I want to come out of it. They will decide if they want to spend that money or not. Not you and not me.

Alternate Committeeperson Ms. Sandy Cox:

Council has a right to know because we are entrusted by the citizens to vote.

Comment from the Chair Mr. Zucal:

I think we shared that potential issue on the millage utilizing a bond issue. If we get to the point of selling bonds it is going to be extremely successful because those bonds are tax free.

You and I are never going to be able to buy one of those bonds. They are going to be bought by banks, bond traders, and etc. that is one of the most lucrative opportunities there are for people who want a diversified port folio and have the money to do that. I'm not worried about the sale of bonds

Councilperson Mr. Darrin Lautenschleger:

Ms. Cox do you think there is a hidden agenda this has been the most transparent process that I've seen is it because you did not have complete control over it.

Alternate Committeeperson Ms. Sandy Cox:

No I've served with five mayors this is the first time we have not been told everything and updated and saying this is what is going on.

Councilperson Mr. Darrin Lautenschleger:

It is right here

Alternate Committeeperson Ms. Sandy Cox:

No it isn't

Councilperson Mr. Darrin Lautenschleger:

You have a written recommendation dated July 6th, 2015 you have estimates going back 4 years. You have an explanation that has been stated too many times he doesn't need to say this over and over These people work with this every day they are the experts you and I are not the experts. They received training and that is what they do. If you can't rely on them for the information you get rid of them.

Committeeperson Ms. Winnie Walker:

We have to vote on it.

Councilperson Mr. Darrin Lautenschleger:

Our job is not to be calling everybody and asking questions and doing this and that that is not our job. Disagree that is micromanaging if you want to be in charge of administration run for Mayor.

Alternate Committeeperson Ms. Sandy Cox:

I served with five mayors and this is the first time Council has been so far removed.

Councilperson Mr. Darrin Lautenschleger:

I don't agree.

Comment from the Chair Mr. Zucal:

We are going to have to apply Roberts's Rules of Order
We've heard both sides twice you had your opportunity to speak.
Mr. Zucal deferred to the Mayor.

Mayor Dave Johnson:

This is something we are in favor of
There is always a door open if you want to find out what is going on.
We try to let everyone know what is going on.
This came up quickly because otherwise it would take this another two or three years.

Alternate Committeeperson Ms. Sandy Cox:

Put it on in March and have some kind of plan
Mayor if you want to put it up against other levies be my guest.
The Drug Addiction and the Senior Center

Mayor Dave Johnson:

Mayor that is not like going against 911
That will delay us 1½ years
it is not fair for two or three people to decide for the City of New Philadelphia what they should do.
I know Council and I was on Council almost as long as you.
It is our job to look at quickly and give it to the voters.
If they say no than we have to go back to the drawing board.

Comment from the Chair Mr. Zucal:

We have Resolution 20-2015 in front of us

Committeeperson Mr. Lanzer:

Made a motion to have Resolution 20-2015 be added to the agenda for the July 20th, 2015 Special Council Meeting
Passed on first reading and that the subsequent piece of legislation be prepared and put on for the following meeting
Mr. Zucal seconded the motion

Roll call 2 yea -1 nay (Ms. Winnie Walker)
Motion passed.

Resolution 20-2015 will be put on the agenda for the Special Meeting of Council July 20th, 2015 at 7:30 PM
If Resolution 20-2015 should pass, the Law Director will draw up the appropriate legislation for the ballot language.
Meeting adjourned at 8:00 PM

Respectfully Submitted,

John Zucal, Chairperson
Salary Committee