

FINANCE COMMITTEE MEETING
6:00 p.m. THURSDAY, MAY 21, 2009

The Finance Committee met at City Hall on the above date. The meeting was called to order at 6:00 p.m.

Present: Councilwoman Drucker, Councilman Russo, Councilman Stolarsky, and Finance Director Weber

Also Present: Human Resource Manager Cornhoff, Recreation Director Holub, Grantwood Golf Course Manager Mazzeo, Center for the Arts Director Prasser, Purchasing Coordinator Rizzo, Fire Chief Shaw, Solon High School Senior Anthony Sims and Assistant Finance Director Wendel.

Councilwoman Drucker presided.

Pending

Referral from Council-Healthcare Reimbursement Account Plans-
No new information was received.

Fire Alarm Suppression System

Chief Shaw reviewed the fire suppression system/sprinkler system of the consultant's recommendation report. He agreed with the report that the areas listed should be protected. Chief Shaw prioritized the areas that he felt were critical to the delivery of services to the community that affect the health, safety and welfare of the residents. The second priority reported, which is a service that City chooses and wants to offer the residents, is not necessarily critical to health, safety and welfare of the residents. All of the areas listed in the memo Chief Shaw considers a priority one. The computer server room, located at City Hall, houses all the telephone switching equipment and loss of that would cause a considerable amount of disruption to the City's networks. This area should be protected. Included in priority one is the communications room located at the Police Department, Harper Road fire station and the Historical Society. The consultant submitted a quote that covered the suppression systems in the buildings that Chief Shaw listed. It also included an upgrade to the fire alarm system at the Historical Society and a fire alarm system for the Harper Road Fire Station. The quote covers all necessary design work for the recommendation from Chief Shaw.

Councilman Stolarsky pointed out that the original quote which included more areas and buildings was \$4,890.00 higher than the quote given for four areas that are Chief Shaw's priorities. Chief Shaw stated there is an economic scale by performing a larger number of buildings at the same time. Chief Shaw stated that is the decision the City must make if they want to capitalize on the economic scale or will the project be performed in small bites.

Moved by Councilman Stolarsky, second by Councilman Drucker to prepare legislation accepting the proposal of Systech Fire Protection LLC pursuant to their proposal dated May 19, 2009.

Roll Call: Aye: Drucker, Stolarsky
Nay: None

Motion carried

Police Building Storage

No new material was received on this item.

Councilman Russo entered the meeting at 6:28 p.m.

#1 Updating the 2003 Ordinance Hourly Pay Ranges for SCA Instructors

Ms. Prasser stated it is time to review the ordinance of 2003-113 and update it based on the current needs of the Art Center. The kinds of teachers that the Art Center is attracting have qualifications that are extraordinary and at the same time there are parents who will pay for those extraordinary teachers for their children. The pay for the instructors is a function for the fee charged for the lessons which means any of the costs directly related to the teacher pay is paid by the parent or the student. The Art Center also charges on top of that an overhead cost of \$14.00/hour. Ms. Prasser requested the Committee to review the various levels. Councilwoman Drucker questioned when is the point reached that the higher fees will turn clients away. Ms. Prasser stated she watches that issue very carefully.

A second issue was brought forward about employees who perform more than one function other than teaching. Some are directors, music directors, choreographers, music, theater, dance and art master class facilitators, and designers which include technical-sound/lights, set costumes, and properties. These classifications are performed by people who are already employees of the City. Ms. Prasser stated it is common practice in the Arts that these responsibilities are paid on a flat fee based pay scale. The reason for a fee based pay scale is that if they were paid on their normal teaching hourly rate it would be exorbitant and way beyond what the budget could hold. Ms. Prasser stated the current payment of these jobs have always been paid in this manner at the Solon Art Center and it has not been official by Council. Councilman Stolarsky felt there is a lot of flexibility on the ranges of pay that is left up to one person's discretion. Ms. Prasser stated that was standard practice in the Arts.

Moved by Councilman Stolarsky, second by Councilman Russo to prepare legislation amending the salary ranges for the Center for the Arts instructors to include the new pay ranges and definitions as included in the memo of April 15, 2009 and also include the ranges for fees for musical directors, directors, choreographers etc.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None

Motion carried

2. Home Days Rental Equipment

Mr. Holub stated the received only one bidder for the Home Days Rental Equipment. Mr. Holub felt this has to do with the scope of the project. Mr. Holub asked for 15% more than the bid. This is in case there is more needed at the last minute the bidder will guarantee the price for the additional rentals.

Moved by Councilman Russo, second by Councilman Stolarsky to prepare legislation to accept the bid of Able Rents for the Home Days Rental Equipment not to exceed \$24,698.00.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None Motion carried

3. Solon Community Center User Fees

Mr. Holub requested the rates for the Community Center be raised as of August 1, 2009. He said he would like to offer 13 months for the price of 12 months. This would be an incentive for people to sign up. This works out to be an 8% increase. This offer will be for a limited time. If a member has a balance of time before the membership expires the renewal could take place during this limited time special of 13 months for the price of 12 months and would be added to the existing time of the membership.

Moved by Councilman Stolarsky, second by Councilman Russo to prepare legislation adopting the proposed new Solon Community Center membership rates as presented in option one of Director's Holub memo of May 4, 2009.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None Motion carried

4. Grantwood Golf Course Bid Recommendation

Mr. Mazzeo stated two bids were received for an equipment package. Mr. Mazzeo recommended awarding the bid to Baker Vehicle. Mr. Mazzeo stated the equipment is used for approximately 20 years. These items were included in the capital improvement budget.

Moved by Councilman Russo second by Councilman Stolarsky to prepare legislation accepting the bid of Baker Vehicle Systems Inc. in the amount of \$101,168.00 for the purchase of equipment for Grantwood Golf Course.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None Motion carried

5. Grantwood Golf Course Five Year Business Plan

Mr. Mazzeo presented his five year business plan for Grantwood Golf Course. Mr. Mazzeo reported he is trying to keep Grantwood self sustaining for operational costs for as long as possible. He reviewed ways to enhance

revenues, new ways to operate the golf course, and ways to improve the course and buildings. Mr. Mazzeo mentioned radio advertisement and possibly reducing weekend rates to promote more play in July, August and September. Another option to save money would be to operate the golf course without a golf shop and golf pro. There are pros and cons to this idea. Leasing the snack bar out would be another option to promote revenue. The snack bar is basically a break even operation. Another idea was to construct a miniature golf course. This could be another source of revenue. Mr. Mazzeo stated this is only a guide to try to keep Grantwood independent. Adjustments will have to be made in income and expenses as time passes.

Councilman Russo requested to see the revenue verses the expenses for each of the departments within Grantwood. Councilman Russo stated it looks like the pro shop lost \$155,000 last year. Councilman Russo stated that the wages look exceptionally high verses the competition. Councilman Russo felt the City should not be putting additional capital into another type of business venture, such as miniature golf. The City should not try to get into private business. Councilman Russo had no problem leasing the area out to a private entity that wants to set up a miniature golf course. Councilman Russo thought that if there was one rate for residents and non residents maybe more golfers would golf at Grantwood. Councilman Russo felt volume is the key and to be competitive.

Councilman Stolarsky thanked Mr. Mazzeo for the fine work that was done on creating the five year plan.

Councilwoman Drucker stated it is important for every one to understand that when the City and the voters approved Grantwood to become a City Department it was with the realization that it will take time to help Grantwood work. It was expected that the City will have to spend money for capital improvement items. Councilwoman Drucker mentioned the option of a management company for golf courses. It would only be an option if Grantwood would continue to struggle financially. We should research this option to find out what a management company could offer. This may turn out not to be a good option for the City of Solon but we will not know unless it is researched. Councilwoman Drucker stated she hopes Grantwood will be successful and that the golf business turns around. Mr. Cornhoff stated the administration requested a management study be researched. Mr. Cornhoff stated he hopes to have that presented at the August Finance Meeting.

6. WiFi

A memo was received from IT Director Jeff Pokorny stating that it has been determined that the City Hall and Arts Center WiFi has been placed on a low priority and he will not be pursuing bids at this time.

Moved by Councilman Russo, second by Councilman Stolarsky to rescind 2009-23.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None

Motion carried

7. Library Bonds

Mr. Weber suggested to pay the Library Bonds off (one payment) from cash reserves. Mr. Weber stated in his memo of May 14, 2009 five reasons why the City should redeem or call these bonds. The call date should be December 1, 2009. This will tie in with the 2010 tax budget which will have to be passed in July 2009. Mr. Weber will present that budget at the June Finance Meeting. At that time the Committee will be asked for a decision whether or not to include the 3/10's of an outside mill in that tax budget. Mr. Weber explained all five reasons why the Library Bonds should be redeemed. A decision will be made at the June Finance Committee Meeting.

8. Cleaning Contract

Mr. Weber explained the cleaning contract has expired and the City is on a month to month basis at this time. The City has the option to renew for a second and third year contract with the present company. However, there have been some complaints from departments with the suggestion that the contract should not be renewed. The Purchasing Coordinator has handled the specs for the bid. Mr. Rizzo stated the company has been responsive when a complaint was presented but the same problems keep resurfacing. The primary problem is that a certain amount of time is to be spent in a building and the workers are not spending the allotted time and cutting the time short. This means the cleaning is not be performed properly and completed according to the direction given.

Councilwoman Drucker did not have a problem bidding this contract but she did want the specs to be clear so there is no confusion on the time that should be spent in cleaning any building. Mr. Rizzo will present the specs for this contract at the June Finance Meeting.

Councilwoman Drucker requested the request to bid an expiring contract be presented a couple of months before the expiration date of the contract.

9. Traffic Signal Timing

This item was referred from the Safety and Public Properties Committee. The Finance Committee had questions and no one was in attendance at the meeting to answer the questions. This item will be discussed at the June Finance Committee Meeting.

Moved by Councilman Russo, second by Councilman Stolarsky to approve the minutes of April 23, 2009 as submitted.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None

Motion carried

The financial reports were reviewed.

Mr. Weber presented a new report. The new report is the Capital Improvement Fund Report. Mr. Weber explained the format of the report. There was discussion on what information the Committee wanted from the report. Mr. Weber stated he would construct a report to show a detail of each capital purchase.

The Committee received a Salary Survey. The report submitted did not include information the Committee was looking for. The Committee discussed the information they would like to see presented. Mr. Cornhoff stated he is working on data of what other communities are doing in connection with non bargaining units and their wages. Along with that information there will be suggestions as to incentive plans and structure on wage increases.

The meeting adjourned at 8:22 p. m.

Respectfully submitted,

Barbara M. Janca
Secretary