

Capital Improvements Minutes

Honorable Council
City of Newark, Ohio
March 26, 2013

The Capital Improvement Committee met in Council Chambers on March 25, 2013 following the Service Committee with these members present:

Duke Frost, Chair	Shirley Stare
Bill Cost Jr for Ed Houdeshell	Carol Floyd
Ryan Bubb for Rhonda Loomis	Jeff Rath

We wish to report:

1. Resolution No. 13-34 appropriating monies for the current expenses of the municipal corporation was considered.
 - a) A request for an appropriation from the unappropriated balance of the 335, Capital Improvement Fund, in the amount of \$24,000.00 (Backup Generator)

Account	Description	Amount
335.124.5533	Machinery & Equipment	\$24,000.00

Director Rhodes- the backup generator is for City Hall. During the storm outage this past summer we recognized that we had a generator problem here in City Hall, it didn't run City Hall efficiently. We are going to take the generator here out to the Hollander Fire Station to utilize because they don't have a backup generator.

- b) A request for an appropriation from the unappropriated balance of the 335, Capital Improvement Fund, in the amount of \$2,218.64 (Kitchen Tile)

Account	Description	Amount
335.124.5271	Bldg/Grounds Maintenance	\$ 2,218.64

Director Rhodes- explained this is to replace the carpet that is worn and old in the kitchen area on the second floor with tile. They are trying to bring the building up a little bit. They had the carpets shampooed this weekend.

- c) A request for an appropriation from the unappropriated balance of the 335, Capital Improvement Fund, in the amount of \$20,000.00 (NFD Computer hardware/software needs)

Account	Description	Amount
335.204.5536	Computer Hardware/Software	\$20,000.00

Director Spurgeon- stated they would like to help the Fire Department that is doing good work, do it better. He said there were a lot of redundancies in their current reporting system and they are writing things out long hand. They would like to buy some refurbished tough books, get a mobile reporting product and update some wireless access points. This will allow efficiency and less paperwork and the big thing is the turnaround time to the hospital. If they can do it on a tablet, download the reports then hand them over on site that would be quite an enhancement to the current model. With the current system they can be out there 20-30 minutes even when the ER isn't backed up.

- d) A request for an appropriation from the unappropriated balance of the 335, Capital Improvement Fund, in the amount of \$29,000.00 (NPD Detective Vehicle Purchase)

Account	Description	Amount
335.203.5211.200	Lease Automobile	\$29,000.00

Director Spurgeon- stated that the detective bureau has been doing good things but have been dealing with some vehicles that are quite antiquated. The last couple of years they have been throwing good money at bad trying to keep them running. They would like to help them do their jobs better. They have the opportunity to lease three vehicles, 3 payments of \$29,000 per year at the end of the three years they can buy them for \$1.00 each. They anticipate a 12-15 year service life. The Fire Chief thinks some of the vehicles now may be able to be transferred over to the Fire Department for prevention education. He advised them that he wanted to be transparent in the fact that there are 4, however all 4 may not be good; they are hoping to get 2 or 3 good ones.

Mr. Cost- asked how many vehicles were being leased for \$29,000.00 per year.

Director Spurgeon- 4, 4 fusions, corrected his number to be 3 vehicles \$29,000 per year three year lease obligation.

Director Rhodes- said they met with the Police Chief and Capital Improvement dollars are limited and Capital Improvement dollars are committed, they really begin to fall off around 14, 15 and commitments really begin to loosen up. He said they felt it was better to go this way and get the three cars, it was the best opportunity to jump and make a three year commitment for \$29,000.00 and then own them for a \$1.00 after that.

Mr. Cost- clarified that it was 3 for \$29,000.00 a year and asked what the retail of the vehicles were.

Director Spurgeon- said he was guessing around \$25 to 30,000.00 for a Ford Fusion. He said he had looked at a spec sheet but didn't have one with him, he offered to pull one and give it to him. He said our police cruisers were about the same but then we have some money to retro fit, some things we can be piece together, some things have to be bought buy new.

Mr. Cost- verified that the detective vehicles were not retro fit

Director Spurgeon- they are not marked for detective activity, they allow them to go out in a less visible role. He also said they expect efficiency over the life span, he said they wouldn't come back in four years and ask for three more. He and the Director had a conversation about whether they thought they could get 12-15 years out of the cars; they got 8 out of the used ones so they are figuring they can.

Mr. Rath- asked if the cars are modified or if they are right of the lot and he asked what the vehicles that are going to be transferred to Fire Department will be used for.

Director Spurgeon- explained the prevention education personnel have what was considered non serviceable vehicles from the State Highway Patrol therefore they were going to replace those vehicles with the used police cars.

Mr. Frost- asked Director Spurgeon if it was possible for him if this was passed through Committee tonight the next time it came up to get them the sticker price so they could know the City was at least getting a reasonable deal on this.

Director Spurgeon- absolutely

Ryan Bubb- stated he assumed this would save the City quite a bit on break down of older vehicles, we don't have maintenance, this probably follows Ford's plan about the 100,000 mile warranty where they fix everything, and therefore we are saving on that end.

Director Spurgeon- confirmed absolutely. He said they expect an immediate return since they are throwing good money at bad keeping the ones they have running. We have had to do what we have had to do.

Mr. Frost- said Mr. Bubb made a good point.

Mr. Cost- asked if we get total maintenance coverage on them

Director Spurgeon- explained that oil changes and tire rotation are still their responsibility but what he thought Mr. Bubb was referring to was if the transmission went out before 100,000 miles then it would be covered under warranty.

Mayor- stated both Directors are involved because the Service Director is involved in all contractual agreements so Dave would sign the lease although Bill specs it out. We are getting three vehicles for \$29,000.00 instead of 3 times \$29,000.00. We are getting the use of all three for the cost of 1/3.

Lesa Best- said she had a question but the Mayor just answered it for her. She asked if it was three vehicles per year for \$29,000.00.

Mayor- explained that it is three vehicles right now for \$29,000.00, \$29,000.00 next year and \$29,000.00 the third year. We get to buy three over three years but we get to use of all three vehicles up front.

Ms. Best- she asked if she heard the cars were to last 12-15 years

Director Spurgeon- yes that is the expectation.

Ms. Best- is that how long the last detective cars lasted for.

Director Spurgeon- no, the last detective cars we got about 8 years of service life and from his understanding they weren't the first owner of those cars.

Motion by Mr. Rath, second by Mr. Bubb to send to full Council

Motion passed by a 5-0 vote.

2. Resolution No. 13-36 appropriating monies for the current expenses of the municipal corporation.

Director Spurgeon- explained in order to stretch the funds last year, he and Director Rhodes came to Committee to fight for bucks because the police station had some serious security lapses, it was not secure so they asked Chief Sarver if the vendor would spread this out over two payments.

Motion by Mr. Bubb, second by Mr. Rath to forward to full Council

Mr. Frost- asked about the emergency clause because he didn't see it on the legislation, whether the legislation would need to be revised.

Mr. Rath- commented on being cautious using the emergency clause, he inquired as to how old the bill was and using the emergency clause because they want paid today not tomorrow.

Director Spurgeon- pointed out he checked the box on the form regarding emergency yes or no. He stated they were invoice one time to pay two installments, they didn't send a second bill stating what was due, but he thinks it does adversely affect us to not pay our bills on time. If we were to go to them in two years and ask for the same deal, they may not be as inclined if they have to wait for their payments.

Mrs. Floyd- advised Mr. Frost of what the Charter says regarding the emergency clause and that the box is checked, she felt as though it was in order.

Motion passed by a 5-0 vote.

Duke Frost, Chair