



Finance Committee
Tuesday, June 4, 2024 - 5:00 PM
MINUTES

1. Call to Order/Roll Call

Committee Chair Donald Barnard called the Finance Committee meeting for June 4, 2024 to order at 5:00 pm

Present - Donald Barnard, Jeff Barr
Absent - Bob Orsini

Staff present - Sean Staneart, Dave Delande, Jack Liggett, Paul Hatfield, Teresa Monroe.

Public present - Frank Cea, Kevin Saghy

2. Action on Minutes

a. May 21, 2024

ACTION: Donald Barnard moved to approve; Jeff Barr seconded and all were in favor.
AYES: Donald Barnard, Jeff Barr
NOES: None
ABSTAIN: None

Passed 2 - 0

3. New Day Contract update

The city currently has separate contracts with New Day for water and for sewer. Sean Staneart said as the committee is aware, the sewer contract with New Day expired at the beginning of the year, he has been working with them to renegotiate. Mr. Staneart provided the committee with the proposal for two options discussed with New Day and reviewed them. The water contract with New Day is locked in until 2035; the second proposal discussed brings down the sewer rate but reopens the water contract to an increased rate and would combine the water and sewer rates into one two-year contract. If in two years New Day should walk away from everything, it would free up some significant capacity for the city, which we would probably have coming online at that point. However, if they would continue at an agreeable rate, we would like to keep them as a customer. Committee in favor of the second proposal discussed, contract to be drafted for committee review at next meeting.

4. Guaranteed Maximum Price (GMP) for the water plant

CMAR and GMP decision discussion on water plan expansion. One million gallons per day (mgd) is our current capacity. Sean Staneart presented options for GMP as follows:

1. Renovation of current plant adding capacity of .5mgd for total of 1.5mgd; cost \$22.8 million.
2. Addition of a plant that adds 2 mgd capacity, no remodel of the existing plant, for a total of 3mgd; cost \$34.5 million.
3. Addition of a plant that adds 2mgd capacity for a total of 3mgd, remodel of the existing; cost 43 million.

After discussions, Sean asked council members to digest the options and think about the

information shared and follow-up with questions. This Guaranteed Maximum Price (GMP) locks in the price, Sean added that the longer we take to make the decision, the more at risk we are of that price moving.

5. City Communication Follow up Discussion

Frank Cea provided a General Master Services Agreement and reviewed services they would provide with cost options for committee review. Generally speaking, the service disciplines will be in technology, marketing and communications. The cost is \$2,500 per month plus any subscription services that council chooses such as Hubspot, or costs of printing inserts for mailers. Committee recommendation to council is to move forward with contracting Cea Media for services. Motion passed 2-0.

6. Tax Spending Discussion

Not discussed.

7. Other Business

1. Jeff Barr said he would like to keep the conversation moving on JYAA's request for \$14,000 to concrete their entrance/exit apron on Jersey Street. At last meeting, Mr. Barr was to ask JYAA about their annexation progress as well as the eight acres near the sewer plant. Jeff said that regarding the annexation, JYAA said they are pursuing building a structure for an indoor facility and that zoning would be easier under current township zoning rather than city so they are holding off on annexing. Regarding the eight acres, JYAA said they are not ready to part with that because they only have so much space. He said he would still like to recommend to full council that they grant the request to get the concrete apron on their driveway. Mr. Barnard asked if Jack Liggett had looked at it for an estimate, Mr. Liggett said he had not because there was the other conversation that it seemed cleaner if the city could tie in a purchase of the ground next to the sewer plant, that this would give money to JYAA for something they need and the city would get something back that may be useful. Jeff Barr continued discussion on what JYAA provides to the community and added that city trucks do use their entrance to get back to its well field. Mr. Barnard asked Mr. Barr to get something from JYAA on what exactly they will be doing, a formal quote, Mr. Barr said he has one and he will get it to council members.

Sean Staneart said it is his job to protect the city against liability and further discussions down the road so he will say his peace. He said he would recommend that council formally adopt a policy associated with funding non-profits, that would give them a line item in their budget that says they have "this much" to donate, that way they do not get into an open checkbook situation when other organizations ask for funding, there will be a limit and it is at councils discretion.

8. Adjourn

ACTION:	Donald Barnard moved to adjourn; Jeff Barr seconded and the vote was as follows:
AYES:	Donald Barnard, Jeff Barr
NOES:	None
ABSTAIN:	None

Passed 2 - 0

The meeting adjourned at 6:09 pm.