

MINUTES OF THE FINANCE COMMITTEE
December 2, 2019
Auditorium

Present: Councilmembers O'Malley, George, Bullock

Also Present: Finance Director Pae, Mayor Summers, Assistant Finance Director Schuster, Budget Manager Jessica Eddy, Councilmembers Anderson, O'Leary, Litten, & Rader, Human Services Director Gelsomino, Councilmembers – elect Tess Neff & Jason Shachner, Planning & Development Director Sylvester, Director Beno, Urban Forestry Manager Chris Perry, IT Manager Mike Coletta, Building Commissioner Meyers, Assistant Building Commissioner Chris Parmelee, and various members of the public

Call to Order: 6:05 p.m.

Chairman O'Malley made a motion, seconded by Councilmember George to approve minutes from the Finance Committee's previous meeting. Both members voting in favor. Motion passed.

Chairman O'Malley outlined the schedule for the committee's meeting this upcoming Saturday, December 7th, 2019.

Capital Budget & Public Works Department

Public Works Director Joseph Beno & IT Division Manager Michael Coletta

Capital Budget Projects - Director Beno reviewed some of the major projects in the capital budget related to Winterhurst, such as the resealing/restriping of the parking lot and the painting of sections of metal siding. He noted that the Fire Station #2 addition will undergo preliminary planning next year, followed by construction the year after that. Vista Bridge off of Sloane Ave. is set to be sent out for bid for demolition. Roof repairs of City Hall were discussed, along with their impact on installing solar energy panels on it. Upgrades to the waster water treatment plant and utilities garage alarm systems are both slated for 2020, which would enable the Fire Department to find injured personnel in isolated areas in the facilities. \$600,000 has been budgeted for improvements at the refuse and recycling facility on Berea Rd. \$100,000 of those dollars would be used for patching the facility incinerator. The remaining \$500,000 would be used to create a plan to demolish the old facility in the next couple years and to start building a smaller-scale, more efficient recycling drop-off facility, without deterring operations. The demolition of the existing facility was estimated to cost \$1.5 million, which the administration thought was a low figure. Councilmembers questioned the estimate figures and expressed a desire to not use up a large portion of the city's capital budget on the project.

Continuing along the list of capital projects, Director Beno briefly noted that the Cove Community Center is currently going through the design build process. Wagar Park improvements are set to go out to bid next week. There were some delays and obstacles in communicating with the park designer. The city is looking to improve the playground site and basketball courts, add public art, and install a bio-swell to improve water drainage at Wagar Park. In regard to the skate house at Lakewood Park, the city's plan is to demolish the existing structure and build a slightly smaller one on the same site in the spring. The skate house will serve as a storage area, have bathrooms, and have a garden/patio area. Councilmember Bullock expressed a desire to be more included in the design and added his concern that the city was being under-ambitious in its vision, as the project is estimated to cost \$300,000. Director Beno noted that city architect Allison Hennie has only put together initial building plan documents and would be open to hearing from

Mr. Bullock on the design. Lastly, Director Beno noted that Kauffman Park and Clifton Prado Park are both set for improvements. Kauffman is still in the redesign phase and a survey needs to be done in order to show how the existing land is situated, which will inform the city on how to proceed. At public meetings, residents have expressed a desire to have the tennis courts and playground remain in their current spots, along with upgrading tennis courts and installing a new playground at the bottom of the hill. Clifton Prado involves replacement a small amount of equipment onsite, as there is not much space to do much else at that location.

Urban Forestry – Urban Forestry Manager Chris Perry gave updated numbers comparing the number of plantings/tree removals over the last 5-6 years. In 2019, the city saw a net gain of 306 trees, which is the largest increase that has taken place since 1994, when the figures started to be counted. Mr. Perry stated that his department is making good inroads to growing a tree canopy that is both strong and safe. The urban forest is positioned to be more resilient over the next 50 years than ones in the past due to the concerted effort Urban Forestry has made to plant a diversity of species. Over the last 6 years, the department has planted 2,930 trees, which was more than it planted from 1998 to 2012. Councilmembers complimented the efforts of the department and inquired as to how new trees on the commercial corridors were doing. Mr. Perry indicated that 14 new trees were installed on Madison with deeper and wider planting sites and that the pear trees in front of the main library branch on Detroit Ave. were removed and replaced as well with positive results.

At Council's prompting, Mr. Perry also indicated that the newly established private property tree planting city program has had 14 homeowners agree to participate in it. By his estimation, if half of the residential private property owners in Lakewood agreed to participate (approximately 1,400 potential sites), the city could increase the total tree canopy by 1%-1.5%. There have been no issues with the first 14 plantings and Mr. Perry hopes the newly created tree board can help drive demand for plantings on the private side of property lines. The cost for the program can be forecasted by multiplying the number of participants by the \$295 cost of purchasing the tree plus some costs for planting. The city's mortality rate for plantings is about 5%, which is half the industry average, so the Urban Forestry Department looks at this as a one-time cost. The department estimates 60 property owners will participate next year at the cost of \$300 a tree. Since the city only has 764 vacant tree planting sites, compared to a couple thousand in years past, the department should have freed up capacity over the next couple years to do more private property plantings. Councilmembers inquired as to how the city was interacting with the county's tree planting program. The city was able to determine through satellite imagery provided by the county that 71% of tree canopy loss is occurring on private property, which is why the department is looking to provide outreach to residents regarding the new program.

Lakewood's tree plan has been adopted by other communities in the region. As previously mentioned, Lakewood has 764 shovel ready planting sites on tree lawns throughout the city. This figure used to be 2,500 in 2013. The department has worked out a hazard list for next year and has identified 14 trees on Clifton that will be coming down in the spring, along with some Ash and Pin Oak trees which should cost about \$65,000. Urban Forestry anticipates it will plant 400 new trees next year and will continue to tap into county grants. It was noted that about \$27,000 was used up from the gifted tree fund last year, which helped lead to an increased number of plantings in 2019.

Sidewalk Program – Director Beno stated that the city is in its 7th year of the sidewalk program and about 70% of sidewalks citywide have been repaired/replaced. The Birdtown neighborhood in Ward 4 will be targeted this upcoming year. It is getting more difficult to choose areas to target due to gas project

schedules. Members questioned if the program is getting more expensive and Director Beno indicated that the city has seen a 10% increase in costs over a 7-year period. Some of the sections, like those on Clifton Blvd., are more expensive due to wider treelawns. This year's price was \$7.80 per square foot due to wages and material costs, compared to \$7 per square foot at the start of the program. It was noted that the program will be less expensive on the 2nd pass through of the program and Public Works might be able to complete a ward at a time in 3-4 years from now, when adjustments can be made to the program. Generally, the city is doing about 1,000 locations a year. The cost per slab is \$195. Public Works has the gas company project schedules for the next two years and will be planning sidewalk replacements around them. The gas company replacement of sidewalk slabs has been consistent with the city's, as the same inspectors work on both type of projects and the company's concrete mix is the same. Calls from residents with questions have dropped a little over time, as Public Works has created informational door hangers. Councilmembers asked Director Pae to review the process by which sidewalk repairs are funded. She noted that the city issues a note for \$650,000 of short-term debt each year for the repairs. The reimbursements that the city gets from residents help pay down the debt. The city only issues an amount of debt that matches what it spent on the program that year. Councilmembers noted that the engineering budget for the department is substantially less than 2019 and the budget for professional services was down 50%. Director Beno noted that a number of projects were taken from the SCMR fund and put into the general fund, due to stress on the SCMR fund. It was also noted that the budget for professional services was a million dollars in 2017 due to the integrated wet weather plan. The majority of the plan has been completed and submitted, thus the need for those contractors involved in creating it is no longer there.

Miscellaneous – Director Beno added that Lake Ave. paving is wrapping up for the year and striping of the road will take place next spring/summer. It will cost \$225,000 to restripe Lake Ave. from Cove all the way west until it dead ends. Bike lanes will be on each side of the road and there will be a parking lane on the north side of it. The wastewater treatment plant digester will be in operation during spring of 2020. The high rate treatment plant will be operational within a year and a half. Water main projects will continue into 2020.

IT Projects – IT Manager Mike Coletta gave an overview of the department's budget. He noted that the 2020 IT capital budget is empty due to a fast track of a project set to be implemented in 2020. He initially proposed a network switch upgrade, which had a \$200,000 price tag. While replacing Windows 2012 this year, the IT department ran into equipment issues at the end of this year, which led to the fast track and purchase of a network upgrade. This work was done this past November. In the future, the IT Department is looking to move the city's servers off City Hall premises to Microsoft cloud computing, which would lead to a more robust platform, lower energy costs, and increased security. This project will begin phasing over 2021 and 2022. The cost of the project would be a one-time expenditure of \$50,000 and would last 7-8 years.

In 2021, the police dispatch center radios are due for a \$71,000 upgrade. Lakewood will be getting a new emergency call taking system next year, paid for by the county. Another project involves scanning and digitizing Building Department paper records, which should cost about \$110,000. The IT department is also working on completing Office 365 compliance services for public records compliance. In 2020, the department is looking to add 20-25 additional security cameras along the southern border of the city. Councilmembers asked about the city's capacity on fiber. Mr. Coletta noted that the system is doing great and that his department negotiated a contract of \$2,000 per year for it, which includes the schools and library. There are 48 strands available for expansion. Everywhere you see a camera, the city is currently

utilizing only 1 of 16 ports in the network connection, which means more wireless capability can be added. Councilmembers asked whether the cloud service is a capital or service cost. It was revealed that it involves both kinds of cost, as there is a cost to migrating the city's data to the cloud and a separate subscription cost to Microsoft. The cloud enables the IT Department to focus on more value-added things like creating useful apps on city servers.

Building & Housing Department

Building Commissioner Joe Meyers & Assistant Building Commissioner Chris Parmelee

Assistant Building Commissioner Chris Parmelee provided an overview of the property maintenance numbers. Complaints are down 32%, which the department largely attributed to staff in complaint taking positions being out for extended periods of time. It took 2 and a half months to fill that spot. The department logged 229 inspections on account of the housing survey. The department has not been fully staffed, which has caused a 3% drop in commercial inspections. 2,235 residential permits were pulled despite staffing being down an inspector. Lakewood has seen \$64 million dollars in construction this year, which is a 45% increase compared to last year. 226 commercial plan reviews were done outside of the office, which is up 33%. 813 residential plan reviews were completed this year, a figure that was up 11%.

Building Commissioner Meyers highlighted some of the larger projects this year such as the wastewater treatment plant projects, Muse at Rockport, the opening of two marijuana dispensaries, and the establishment of Raising Cane's. The department continued to see an economic uptick in residential property values based on property maintenance surveys. The department onboarded a new plumbing inspector, who was attracted to the position because of Lakewood's growth. He noted how Council worked with Building and Housing this past year to revamp the certificate of occupancy ordinance and how his department has implemented CitizenServe, a customer information system. Through 2020 and beyond, Commissioner Meyers would like to develop his staff and get them the continuing education opportunities that they need in order to be promoted from within the city. He added that they will be rolling out the food truck licensing by January 1st. Chairman O'Malley noted he recently received a tour of Summer House in the Carlyle building and that the owner complemented the Building Department.

Councilmembers expressed the need for continued attention to detail and asked questions regarding the completion dates for various projects and programs. Building department staff were unaware of a construction completion date for the Muse at Rockport. They will begin planning for a commercial inspection pilot program by the first of the year and would like to start the program in the spring, however the licensing module for food trucks still needs work and is taking up a majority of their time. Expanded commercial inspections will be completed by an internal candidate, who will supplement his/her current work with these new responsibilities. Discussion ensued between Council and the administration regarding the difficulty of finding qualified Building and Housing staff to fill vacant positions. Mr. Parmelee noted that despite the shortage, his staff is still guaranteeing a 24-hour inspection window for residential permits. The close rate for residential permits remains high. Councilmembers analyzed the increase in license and permit fees collected and anticipated that the SCMR fund may see a bump in revenue.

ORDINANCE 45-19 - AN ORDINANCE amending Section 129.54, Operational Cash Funds, of the Codified Ordinances of the City of Lakewood to comply with previous changes to the chapter. (1st read & referred to Finance 11/18/19)

Chairman O'Malley noted that the committee was running short on time and that Ordinance 45-19 would be on second reading at that night's regular Council meeting.

The meeting was adjourned at 7:34 p.m.