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REMINDER

CITY COUNCIL

Dennis Fiorelli
President
Sara Continenza
Joe Frank
Marty Gelfand
Jane Goodman
Ruth Gray
Jason Russell

NOTICE OF MEETING

MEETING OF: **FINANCE COMMITTEE**
CALLED BY: JOE FRANK, CHAIRMAN
DATE: **APRIL 22, 2019**
LOCATION: COMMITTEE/JURY ROOM
TIME: 6:00 P.M.
RE: CAPITAL PROJECTS DISCUSSION

COMMITTEE MEMBERS:

DENNIS FIORELLI
RUTH GRAY

COUNCIL MEMBERS:

SARA CONTINENZA
MARTY GELFAND
JANE GOODMAN
JASON RUSSELL

ADMINISTRATION:

KEITH BENJAMIN, DIRECTOR OF COMMUNITY SERVICES
JIM ANDERSON, SERVICE DIRECTOR
BRENDA WENDT, FINANCE DIRECTOR



Michael Love <mlove@seuclid.com>

Capital Projects April 22nd Finance Committee Meeting

Michael Love <mlove@seuclid.com>

Wed, Apr 10, 2019 at 3:11 PM

To: Joe Frank <joseph.frank@sbcglobal.net>, Jim Anderson <janderson@seuclid.com>, Joe Frank <jfrank@seuclid.com>, Keith Benjamin <kbenjamin@seuclid.com>, Mayor Georgine Welo <gwelo@seuclid.com>

Joe,

As a follow-up to our meeting this morning, I wanted to summarize our discussion in preparation for the Finance Committee Meeting on April 22nd.

We began by discussing the City Hall roof replacement project.

Estimates for the roof are as follows:

Option 1. \$890,000 to replace the most critical sections and perform ongoing maintenance on the remaining sections. This maintenance plan is predicted to extend the life of the non-replaced sections of the roof by 5-10 years.

Option 2. \$2,160,000 to replace the entire roof.

The energy conservation project proposals submitted by Brewer Garrett and Leopardo both recommend Option 1. Due to the payback and savings generated, Option 2 does not work for the energy conservation projects.

The City could however split the roof project off from the energy conservation project and do it as a stand alone project. Then the issue becomes how to finance it. PACE financing could be a good option.

To review, PACE financing would involve funding the roof project by placing an annual assessment on the property tax bill for City Hall. Even though the City Hall property is exempt from property taxes, we can elect to place an assessment on the property for this purpose. This would not count as debt of the city for borrowing purposes and would have no effect on the city's bond rating.

I did reach out to Norma Fox Horowitz at NOPEC to get additional information on potentially using their PACE financing program for the roof project. The NOPEC PACE Program however does not finance projects over \$1 million. Another suggestion would be to approach the Cleveland-Cuyahoga Port Authority about PACE financing. The contact there would be Garth Woodson. If this is a route Council would like to pursue, we can schedule a meeting with the Port Authority.

Thus, from the meeting today, I believe we arrived at the following conclusions to be discussed further at the April 22nd Finance Committee Meeting:

1. Explore options for funding the full roof replacement of the City Hall roof and fund the project as a stand-alone project, separate from comprehensive energy conservation project.
2. Move forward with the comprehensive energy conservation project without including the roof replacement. This will involve further evaluation of the proposals submitted by Leopardo and Brewer Garrett and selecting a company to move forward with.
3. The City has received a \$77,000 grant from NOPEC for 2019. We need to let NOPEC know how we wish to utilize this grant as soon as possible. The grant could be used to offset the cost of the roof project or the comprehensive energy conservation project. It could also be used to fund any other project related to energy efficiency.

Please feel free to share this email with the Finance Committee Members and the rest of Council. Please let me know if you have any questions.

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Michael Love
Economic Development Director
City of South Euclid
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South Euclid, OH 44121