

**Finance Committee**  
**Monday, January 28th, 2019**  
**5:30 p.m., Multi-Purpose Room**

**In attendance:** John Coyne-Chairman, Jim Shields, Paul Rose, Dennie Simpson, Eric Heffinger, and Bob Starcher (B. Lamb-Absent)

**Also present:** Mayor Hanwell, Greg Huber, Keith Dirham, Patrick Patton, Nino Piccoli, Jansen Wehrley, Jonathan Mendel, Dan Gladish, Kimberly Marshall, Darin Zaremba, and Mike Wright.

1. Assignment of Requests for Council Action

2. 18-103-5/14 – EMS Levy Renewal

Want to renew the current levy, we are losing a few hundred thousand every year. Changes at the State level have complicated the issue. The City of Medina would ask for a renewal and increase instead of a new levy, this approach will save tax payers approximately 10% on a new levy as the renewal portion will be subsidized by the State. Finance committee discussed an additional 1 mill. Keith stated that the first step would be to pass a resolution requesting that the county auditor certify the amount of a 1 mill levy for an estimated \$581,000 a year and that should get us through 2026.

Mr. Rose stated he realizes the State removed the personal property part of it, but we the voters voted for a 2.2 levy to collect however many billion dollars that was so why couldn't we continue to collect that money but spread it out over the real property as opposed to a combination of the two. Keith stated that's not how the State law works.

Mr. Shields moved to pass a resolution to request from the county auditor to certify the amount of an additional 1 mill levy, motion seconded by Mr. Simpson. Motion passes 6-0.

3. 18-217-12/10 – Lindenwood Lake Dam and Outlet Structure – Discussion

Mr. Coyne stated they had a Council of the Whole meeting discussing this issue and there was consensus amongst council members that the way this would be handled would be that we would assist in the structure itself, which is the outlet pipe, and then it will be accessed against the surrounding property owners of the lake and be paid over a period of ten years to reimburse the city. Mr. Huber stated there is actually a statute that governs how these issues are supposed to be handled and he presented council with the information. If we follow procedure of our own making and not the State, then under the Ohio Sovereign Unity statute we then create a special relationship with the private property owner and then we become responsible for any negligence issues, which Greg does not recommend to do. Mr. Huber laid out the procedure for addressing the problem he doesn't know the scope of the problem and that's what essentially the city engineer will have to tell us based upon his investigation.

Mr. Coyne feels they have to follow the statute and doesn't want to incur any additional liability on the city by performing any work on private property.

Mr. Patton stated he has actually prepared the plans up to a point now where they did engage and Board of Control approved today, a proposal from an engineering company that specializes in dams and outlet structures and has lots of experience working with ODNR. These plans have to be approved by ODNR before they can start any construction.

The statute says that we do the work and then we present the bill to the property owner and if they don't pay us, we can enforce our claim in by sue in the court of common pleas.

Mr. Coyne stated from their discussion, he feels they are going to need some information as soon as possible, a resolution to support the issue of a nuisance or the public welfare safety issue related to the outlet structure and take it step by step.

4. 15-175-10/26 – Transfer 37.5 Acres to Medina City Development Corporation

Mrs. Marshall stated this is a pending matter from a couple years ago that we brought back to Finance Committee on November 26<sup>th</sup>. Kimberly stated there would be no look back period for property taxes if the city transfers it. The CIC's intent is to sell it and develop it for industrial businesses. The other question asked is what are the taxes on that property and what would the potential tax liability be to the CIC. Kimberly stated the 95.5 acres is all one parcel and we only roughly want 37 acres of that but right now they are saying the annual taxes are \$5,176.50. It is currently zoned I-1 Industrial. Mr. Shields made a motion to start the process to have the land surveyed and split, with all expenses to be reimbursed to the City. Motion seconded by Mr. Simpson. Motion passed 6-0.

5. 19-016-1/14 – Petition for Detachment from City to Lafayette Twp.

Mr. Coyne explained that this was discussed at the last meeting with Mr. Scheetz about detaching the property located off of Lake Road near Lafayette Township, which is by the rail corridor with the city railroad track on it.

Mr. Patton explained that they went out after the last meeting because our railroad is there, and as it sits today, we would have to install a rail crossing to allow that road to get across to get to the isolated property. It's not something we like to do, because installing a rail crossing is costly, there is potential maintenance and inspection that is required, and of course there's a liability. When we were looking at it, our track ends not too far from that street. It goes about 200-250 ft. however, in reality there is a large dirt pile about 50-60 ft. from the street. His question initially was, maybe we could just end our tracks north of this street, that way there would be no crossing. He talked to Wheeling & Lake Erie Railroad about it to see if they could still service Spray Products, our customer down there. Their response was, we could today because they only get 1-2 cars at a time and we have enough room to stage, but in the future if they would ever want more cars, we wouldn't have enough room. The other thing to consider is that there is a very old spur that hasn't been used for about 40 years that used to go to the Sealy Mattress Co. You can see it out there, it is not in usable shape, but they made the comment that we need to look into that because in the United States, you can't just eliminate a rail access without jumping through some hoops. It may not apply since this hasn't been used in so long, but this is an open question.

Nils Johnson with Cunningham & Associates introduced himself. He explained that Stan Scheetz couldn't be here and he works for Greenhaven Development and does surveying and engineering work for Greenhaven Development. He stated he is here to answer any questions specific to the property. It is a land locked piece of land with some real challenges, especially to develop as industrial. There is really no way to develop that piece as it has no access to Lake Road. Really the only access we've been able to work out would be a street extension from the east, a residential street that would go across the old railway, which is currently owned by the Park District. He stated his understanding is that they would be willing to swap some land, they need some parking for their trailhead. This would give us access to the property to be able to develop it residentially.

Mr. Coyne said that his understanding is that with talking with Mr. Huber and discussing it with the parks, and the deed associated with the transfer of the rail corridor to the parks, is subject to the existing lease agreement or use rights of the rail spur that is there.

Mr. Huber agreed and said that he presumes that if they are going to extend the roadway into this 8 acres that there would have to be a plat that creates a roadway and then they would have to dedicate that roadway and then whoever takes the dedication, in this case if we detach, I guess it would be Lafayette, they would then have to agree to maintain it but I think we would be responsible for constructing and maintaining a rail crossing with all of its associated costs because he doesn't think Spray Products is going to be happy with the idea of cutting that line and not allowing them to expand cars if they need it. They pay into the Rail Commission so we would not want to truncate that line and cut off their future expansion if they are interested in that without negotiation. I presume we would want to maintain what's there and that would mean a rail crossing and frankly when this detachment request came in, I didn't have any idea about having to get to this land by creating a rail crossing. This actually came to my desk last Thursday and I've tried to get up to speed as best I could.

Mr. Coyne said that with the rail crossing there, the biggest concern he has is the stacking issue. You can't block a crossing, you can't store cars in front of the crossing. With the other issues that may arise with respect to Spray Products and the chemicals that are in those cars being next to a residential neighborhood then, what could be the issue that derives from that? Those are some of the questions that I thought about as going through this and speaking to Mr. Huber on some of the liability issues associated with it.

Mr. Starcher said that even before the railroad crossing issue, I wondered what benefit will the city be receiving versus what Lafayette Township is getting. Mr. Simpson stated that after learning about the railroad and having to apply a crossing and the issues that could arise from that, it seems like it would bring issues up to the city, even if he agreed to pay for the crossing and maintaining that crossing, it just seems like with a residential area in there that it would still create a lot of issues for the city.

Mr. Shields asked if Mr. Scheetz knows that the railroad crossing will be necessary. Mr. Johnson stated and Mr. Patton stated they haven't spoken to him about it yet. Mr. Johnson stated that this is the only access that the landowner has to that property. Mr. Shields stated he did not know why we would take on that responsibility. Mr. Johnson stated that he feels the rail crossing probably needs some further discussion to determine if in fact it is a usable section of that rail, whether it has been used and if it's been maintained.

Mr. Patton stated is has been maintained, we maintain it. I don't know that today we go all the way down there, but the rail itself we do maintain.

Mr. Rose asked when did the current property owner purchase this property? Mr. Johnson said approximately 15-20 years ago. It was part of a larger parcel. Most of that has been developed as Dover Highlands Subdivision in Lafayette Township, accessed off of Ryan Road. That was about a 300 lot subdivision, and this was part of that land that was purchased, owned by the same property owner.

Mr. Huber said that the rail spur that Patrick was referring to that was brought up by Wheeling &

Lake Erie, is on this land. That rail spur served the building that Sealy Mattress is in now. He doesn't know what the particulars are as to how you properly advise the federal railroad about decommissioning rail spurs. The purpose of that spur was essentially to service that building. It was of a benefit to that other parcel, how they got split and the particulars of that, I do not know. Mr. Coyne stated there is probably an easement or some type of agreement that the rail spur is allowed to stay on that property to serve that. Mr. Johnson said that the rail spur is abandoned, hasn't been maintained, there are trees growing up through it. Mr. Coyne replied that it may be abandoned physically but it hasn't been abandoned through the transportation board which governs the rail lines.

Mr. Coyne stated we need to figure out what more information we want to have or does everybody have an idea what they want to do; is it going to make a big difference if the developer pays for the rail crossing? We don't want to keep them hanging, but we want to be honest and fair to the developer. Mr. Simpson asked if the developer agreed to pay for the crossing, whose responsibility would it be to maintain it. Mr. Coyne said we don't want to get rid of the ability to have the rail there, because we don't know what business, or how many cars they are going to need, and we don't want to limit the ability of the businesses to continue to operate. There is really no positive for the city, there is just a positive for the developer to use the land. Mr. Shields said there is still the benefit to the park district, getting some land and getting a parking spot there. Mayor Hanwell stated that for clarification, the area that Stan has identified to put the parking lot on is the spur of Seeley which is still in place and to our knowledge has not been federally approved to be removed. Mr. Shields stated that obviously Stan and the developer need to figure out how much cost that is, what's involved in that, and that they can do it. He said he would like to know those things. He was not opposed to the detachment but he doesn't want it to cost the city anything, and he was hoping to benefit the park district as well.

Mayor Hanwell shared that Mr. Huber, Patrick and he met with Nate Eppink who took over for Tom James. He is not sure there is a whole lot of benefit to have a parking area there for the park because he's looking at it as it's just more pavement to upkeep, more things he has to plow, more things they have to maintain. He feels that the existing trail is more beneficial for the residential areas around there, and can be serviced without having a parking area.

Mrs. Marshall stated that with regards to the rail spur, a lot of times when we are working on these projects with Jobs Ohio which is our state economic development arm, and we are looking at a prospect that is going to be on the rail line, like what we did with Spray Products, they will usually work with Ohio Rail Development Commission on incentives to bring a rail line or a spur back up to standards so that it can be used. If Sealy Mattress does have that rail spur even though there are trees growing in it, if they want access to that, there is incentive money that the state can put on the table to reactivate that rail spur.

Mr. Coyne stated that there are only so many rail lines and only so many parcels that have access to rail lines. His biggest concern is that we've been trying so hard to get more industrial users that we don't want to limit that by saying, well this sounds like a good idea, let's help them out, then we shoot ourselves in the foot and say why did we do that? We know that we have a line there and there is going to have to be crossing. Either we'd have to move the tracks or there has to be a crossing. If there's a crossing then there's an issue of you can't stack cars. There seems with all this information that there are a lot of things that are bad for the city and not a lot of good things.

The consensus is to wait two more weeks to discuss what it is going to cost to remove the spur, who would do that, and who would pay for and maintain the crossing. Mr. Huber stated that it is our rail, we will have to maintain it. They may be able to initially pay for the cost of putting it in but maintenance into the future once it's dedicated, that's our rail and we will have to be involved in it. There may be signalization required on this as well. In light of the fact that it is our line and we have the lease agreement with CSX on our line, I don't think we can delegate to somebody else for the maintenance. Mr. Shields said it shouldn't cost us anything. Mr. Coyne said since it's our line, we retain liability.

Mr. Coyne said he doesn't feel we are going to get any more information on our side. Mayor Hanwell stated that if Mr. Huber is certain that the city is going to be responsible for maintaining it, this would be the only time we've had a city crossing outside of the jurisdictional boundaries of the city, where our staff have to then leave the city to go and maintain and upkeep it. That's a deal breaker for him, it just doesn't make any sense.

Mr. Coyne stated we have a request in front of us, we have to vote on it. We as the Council are the only authority in the city that have the right to detach. We are the only body who can authorize or not authorize detachment. We have to take action.

Mr. Johnson asked if he could speak on behalf of the developer. He stated he would think they would want to investigate the status of the spur and he'd like to get more information on the exact southerly limit of that usable track. It's not clear to him where that ends, he will need to talk to Pat about that. He said he's not sure what the procedure is since Stan was handling this, but he would prefer to table it for two weeks. Mr. Coyne stated that would be fine but he's not sure their opinions are going to change. Mr. Johnson would like to have more solid information on the status of the tracks. Mr. Coyne said that he doesn't think anyone is in favor of cutting the line short so you don't have to have a crossing. He doesn't feel they are in favor of taking on any additional liability or anything associated with the city. He asked that Mr. Johnson convey to Mr. Scheetz that, at least with this information, it is not promising.

6. 19-018-1/28 – Fund Transfer - #108 to #106 Police Fund

Mr. Dirham stated this is to reimburse the Police fund for traffic control detail provided for the Guilford project. Mr. Rose asked if the city could be reimbursed from the contractors, and it was stated that it was already built in/prearranged. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

7. 19-019-1/28 – Budget Amendments  
#2019-004 – Forestry Reimbursement

Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

#2019-005 – Appropriate Unclaimed Funds

Mr. Dirham stated they need to move this money to unclaimed monies and hold it for 5 years and then at that time it comes back to the general fund. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

#2019-006 – BWC Safety Grant Funds – Fire Dept.

Chief Painter stated this is a Bureau of Workers Comp grant with prior approval but the state sent them the money directly rather than to the vendor. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

#2019-007 – Transfer Street Dept. to Police – Guilford Rd. Project  
Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

8. 19-020-1/28 – Sponsorship Brochure Revision – MCRC

Mr. Wright stated this is to approve an addition to the already approved sponsorship brochure. They are requesting to remove the Wi-Fi sponsorship section and add in a scoreboard sponsorship opportunity to the field house. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

9. 19-021-1/28 – Expenditure Over \$15,000 – Walter & Haverfield

Mr. Huber stated this is a P.O. for this coming year for legal services for \$25,000.00. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

10. 19-022-1/28 – Accept Final Plat – Kensington Pointe

Mr. Mendel stated this went before the Planning Commission for review and approval of a preliminary plan and also the review and approval and recommendation of approval for final plat. Mr. Coyne asked what lands did we take it from, what was the original designation on the plat and was it open space or necessary green space. Mr. Mendel stated it was originally designated as open space. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

11. 19-023-1/28 – Amend Ord. 198-18 – Community Revitalization District

Mrs. Marshall stated that the State of Ohio requested our city engineer sign and certify that acreage for the records. When Patrick started his research he came up with a different number. Kimberly needs it to read the correct acreage and all the documentation to match down at the State of Ohio. Emergency is requested because they are holding the application and waiting on said documentations. Mr. Shields moved to approve with the emergency clause, seconded by Mr. Simpson. Motion Passes 6-0

12. 19-028-1/28 – Expenditure – Zuercher Technologies – Police Dept.

Chief Kinney stated this is for 6 months of their maintenance contract for Zuercher Technologies. It is their computer aided dispatch records management system. It is only for six months because they are going to be transitioning to a new product that was approved last year. Mr. Shields moved to approve with the emergency clause, seconded by Mr. Simpson. Motion Passes 6-0

13. 19-029-1/28 – Bids, Sealing of City Owned Water Wells - Service

Nino stated an EPA representative conducted a limited scope site visit and identified an abandoned water well field with four wells that are unsealed production wells and one unsealed abandoned test well. In the violation letter it states we need to plug these wells and that's what this project request is for to authorize to move forward for competitive bids, do advertising and then award a contract. Mr. Coyne asked of the possibility in the future that we will use these wells. Mr. Piccoli stated they talked about it but to get them functioning again they would need a new pump and that costs about \$40,000 and a motor which doesn't warrant doing that. The cost budgetary number for each of these wells is about \$10,000 thus the \$50,000 estimated budget for this project. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

14. 19-019-1/28 - Budget Amendment  
#8588 – Sealing Wells

Mr. Shields moved to approve the transfer of \$50,000 from Account # 513-0533-50111 to Account #513-0533-54111 for the sealing of these wells, seconded by Mr. Simpson. Motion Passes 6-0.

15. 19-030-1/28 – Expenditure Over \$15,000 – MNJ Technologies – IT. Dept.

Darin Zaremba stated they eliminated some of their physical servers and created a virtual environment, it was a very expensive project with network sources, licenses and put one slightly used server in conjunction with two brand new servers and they built a virtual center on three physical servers that housed about 12 servers at a time. Fast forward us about five years and it is now time to renew the servers. We are now up to about 25 virtual servers that they are running across these three servers and one of them does have a slight issue, so we are at that point and this does run the entire infrastructure for the entire city. We are looking at \$3,336.00 to replace the three servers over a five year window. The current servers we will move them over to our disaster recovery location which is at Medina HS. Mr. Rose asked why we didn't choose somebody local to purchase the servers from. Darin stated it was through Dell. Mr. Shields moved to approve, seconded by Mr. Simpson. Motion Passes 6-0

16. Executive Session: (Imminent litigation)

It was moved by Mr. Shields and seconded by Mr. Simpson to enter into Executive Session at 7:01 p.m. for the purpose of Conferences with the City's Law Director concerning disputes involving the City which are the subject of pending or imminent court action to include the Mayor and the Law Director. The roll was called and motion passed by the yea votes of B. Starcher, J. Coyne, E. Heffinger, P. Rose, J. Shields and D. Simpson.

The Finance meeting reconvened at 7:25 p.m., and there being no further business adjourned at 7:25 p.m.

John M. Coyne, Chairman