

**MINUTES**  
**WADSWORTH CITY COUNCIL MEETING**  
**March 8, 2022**

*The Special meeting of Wadsworth City Council, Tuesday, March 1, 2022, at 5:00 p.m., was held in-person at City Council Chambers.*

**PRESIDING:** Bruce Darlington, *President Pro Tem of Council*

**MEMBERS PRESENT:** Jeanne Hines, Dan Rospert, Tom Stugmyer, David Williams, John Yurchiak

**OFFICIALS PRESENT:** Mayor Robin Laubaugh, Public Service Director Robert Patrick, Public Safety Director Matt Hiscock, Assistant Public Service Director Mike Testa, Law Director Tom Morris, Clerk of Council Tammy Guenther

**PRESS REPRESENTATIVES:** *None*

**VISTORS SPEAKING:** *None*

**Mr. Darlington** called the special meeting to order at approximately 5:03 p.m. The Clerk of Council called the roll.

**EXECUTIVE SESSION:**

Mr. Darlington asked for a motion to enter executive session.

**Mr. Stugmyer** made a motion, which was seconded by Mr. Williams, to hold an executive session for the purpose of the considering confidential information related to the marketing plan specific business strategy production techniques, trade secrets or personal financial statements of an applicant for economic development assistance or to negotiations with other political subdivisions respect or request economic assistance. The Clerk called the roll. Ayes: Yurchiak, Williams, Hines, Darlington, Stugmyer, Rospert. Nays: none. **City Council entered executive session at approximately 5:04 p.m.**

**The executive session was adjourned and the regular Council meeting resumed at approximately 6:05 p.m.**

**LEGISLATION:**

*The following legislation was read for the first time and acted upon as follows:*

**ORDINANCE NO. 22-019 (1<sup>st</sup> RDG.): AN ORDINANCE TO AUTHORIZE THE DRAWING OF A WARRANT IN AN AMOUNT NOT TO EXCEED \$17,452.79 FOR THE PAYMENT OF THE AMOUNT DUE UPON A CONTRACT WITH THE WADSWORTH CITY SCHOOLS AND TO DECLARE AN EMERGENCY**

- Sponsored by Council Member Thomas Stugmyer

Before reading the first piece of legislation the Clerk reported a piece of correspondence that related to Ordinance No. 22-019. It was the fiscal officer's certificate verifying sufficient funds to pay the warrant.

Mr. Stugmyer asked if there were any questions with regard to the ordinance. He thought they had been educated about its purpose. He asked whether Ms. Fix wanted to add anything and she did not.

Seeing no questions, Mr. Stugmyer made a motion, which was seconded by Mr. Williams, to suspend the three reading rule on Ordinance No. 22-019. A roll call vote was taken. Ayes: Yurchiak, Williams, Hines, Darlington, Stugmyer, Rospert. Nays: none. Mr. Stugmyer called the question. Mr. Darlington called for a vote. A roll call vote was taken. Ayes: Williams, Hines, Darlington, Stugmyer, Rospert, Yurchiak. Nays: none. **Ordinance No. 22-019 declared to have been adopted March 8, 2022.**

The following legislation was read for the second time, having been previously read at different meetings on different days, and acted upon as follows:

**ORDINANCE NO. 22-015 (2<sup>nd</sup> RDG.): AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A COMMUNITY REINVESTMENT AREA AGREEMENT WITH ECS TUNING, LLC AND DECLARING AN EMERGENCY**

- Sponsored by Council Member Thomas Stugmyer
- Forwarded by the Economic Development & Planning Committee February 14, 2022

Mr. Stugmyer made a motion, which was seconded by Mr. Williams, to move Ordinance No. 22-015 to third reading. An all in favor vote was taken and all Council members present voted in favor of the motion. **Ordinance No. 22-015 advanced to third reading for the meeting of March 15, 2022.**

**22-017 (2<sup>nd</sup> RDG.): AN ORDINANCE APPROVING THE EXECUTION OF A JOB CREATION GRANT PROGRAM AGREEMENT WITH ECS TUNING LLC CONSISTENT WITH THE GUIDELINES ATTACHED TO ORDINANCE 20-095 AND DECLARING AN EMERGENCY**

- Sponsored by Council Member Thomas Stugmyer
- Discussed by the Economic Development & Planning Committee February 14, 2022

Mr. Stugmyer made a motion, which was seconded by Mr. Williams, to move Ordinance No. 22-017 to third reading. An all in favor vote was taken and all Council members present voted in favor of the motion. **Ordinance No. 22-017 advanced to third reading for the meeting of March 15, 2022.**

**OTHER BUSINESS:**

**A. Fire Station Financing**

Mr. Hiscock greeted the Council and distributed a hand-out with regard to the financing plan. Following the work session, he wanted to get back with them as soon as possible to give follow-up information and talk to them about where they were in the process.

Mr. Hiscock asked their RFC, the City's construction management firm, to define their cost estimate further based on discussions about alternates. That refinement was what they had in front of them in terms a revised cost estimate.

Based on those discussions, they:

- eliminated some of the training props that were originally listed in the alternates;
- reduced the number of canopies from four to three;
- kept some of the masonry aspects and certainly some of the items on the front of the building that were identified;
- kept what was defined as the better quality, or original, window systems that had been suggested;
- balanced the use of more masonry on the front of the building with the use of more metal siding on the sides and back of the building – looking for cost savings there;
- kept the dispatch center within the facility;
- kept the storage or training mezzanine area;

- added a stairwell because they originally planned to use the training tower stairwell;
- eliminated the training tower;
- and kept the cost saving apparatus bay roof structure alternate that they'd spent time talking about.

As they could see, based on those changes, the building system and construction management cost equated to about \$7.8 million, if the two contingency line items as discussed in the work session. The total new construction cost estimate was just over \$9 million. That was the new budget item based on their work session.

They also heard Council loud and clear, with requests to examine the existing cash reserves and come up with maybe a different financing plan. They had done that. What they were able to do was identify some dollars in not only the general fund, but also in the 212 EMS Fund. Specifically, they were thinking about adding \$750,000 in general fund cash to the financing plan, as well as adding \$250,000 in cash from the 212 fund. Recalling the discussions, what they essentially would be adding was another \$1 million in cash to the financing plan.

Therefore, they would have \$2.7 million coming from the EMS Site Fund and the Satellite Fire Station Fund. They would have the \$1 million that had been talked about previously from the general fund, and now if they added an additional \$1 million, they were essentially putting \$4.7 million in cash to finance the project. That equated to about 52% of the hard construction costs to be funded purely with cash at that point. If they added the estimated \$1.4 million in soft project costs – not what they had under the soft project costs that they'd talked about – things like the land acquisition fees and the due diligence done there, the architectural and engineering fees, and some of the CMAR pre-construction fees amounted to about another \$1.4 million. He asked them to remember that they funded all of those, and would continue to fund those types of soft costs, using cash. So if they took that \$1.4 million and added it, they were putting about \$6.1 million in cash into the project, which equated to right around 58% of a cash fund for the entire project. They would be using quite a bit of cash.

Mr. Hiscock thought it was important and he wanted to make sure to make his opinion known. While he understood Council's discussion about using cash, he would say for the record, that in his opinion, there was no better time for a local government like Wadsworth, to issue debt to finance long-term capital investments, specifically designed to serve the community not only now, but for the decades to come. These were the exact types of assets that benefitted not only current taxpayers, but also future taxpayers. So there was some benefit to financing that and making multiple series of demographics to pay off that kind of asset.

Mr. Hiscock said he would ask Auditor Fix to speak to some of those items from a GFOA principle, as well as well as the low interest rates currently. If they issued debt for a project later, they would not have those same, low interest rates at that point in time. So there was some benefit to it.

Looking at the revised debt issuance, if they were so inclined to follow that recommendation, if they used \$4.7 million in cash, that amount would come right off of the \$9 million in terms of the new construction hard costs. That would mean they would have to issue debt for the fire station in the amount of \$4.3 million. Remember, he said, the entire plan had always included also issuing debt to purchase a replacement of aerial ladder one, which was estimated at \$1.6 million. So they would issue a total debt in the amount of \$5.9 million, if they used \$4.7 in cash toward the project.

Mr. Hiscock said he wanted to get in front of Council to deliver this information as soon as possible because scheduling was important to their project. Their next steps would be to have Bryan Cooper speak to them. He worked with the City's bond counsel as their municipal advisor and could talk about the actual debt issuance.

That was the next step in their process. They would love to have Mr. Cooper come in at their next meeting for a Finance meeting or something of that nature, perhaps, on March 15, if they were ready for that. If they continued to delay his initial presentation, it would ultimately delay their schedule for the project. A delayed schedule put them closer and closer, as they knew, to a “winter issue” in terms of construction if they did not get shovels in the ground early enough. None of the costs included any winter construction-related cost. So the sooner they got moving on those aspects of the financing deal, the better.

Mr. Williams had a question for Ms. Fix. He asked her the current bond interest rates, if it was to be written today. **Ms. Fix** recalled that the last quote she got, for the all-in cost (with fees and everything, Mr. Williams thought) including bond counsel and the municipal advisor was a little over two percent. She knew that they had risen slightly. They could not project what it would be for several months. Mr. Williams understood it could change any time. Ms. Fix said they would not have dreamed two percent, five years ago. These were very good rates.

Mr. Williams followed up by asking what the City Treasurer was getting on the City’s money, on investments. It depended, Ms. Fix said, and Mr. Williams knew, but asked for a number. On liquid money, Ms. Fix said it was probably .1% and the longer term could be .6%.

Mr. Darlington returned to Mr. Hiscock’s request to schedule a Finance meeting and asked if the Council was ready. Mr. Darlington said he was, as did Mr. Williams and others. Mr. Williams said he just had a couple of questions and not everyone was present. He thought it was important to have the Safety Committee Chair. It was noted that Public Safety Committee was scheduled for Tuesday, March 15. Mr. Williams acknowledged it was not much time. Mr. Hiscock stated that he planned to reach out to Mr. Copley the next day. Mr. Darlington thought they could make it contingent on his agreement. Mr. Williams said he thought Mr. Copley had a say in it. Mr. Darlington agreed.

Mr. Stugmyer inquired whether Mr. Hiscock was talking about a discussion at the next Council meeting. Mr. Hiscock asked the Auditor to weigh in. He thought a plan would be to have a Finance meeting perhaps before their Council meeting. So between Safety and Council, they could have a Finance meeting, and that was where a (bond counsel) presentation would normally occur to go out for bond issuances. He would obviously be available to answer questions.

Mr. Darlington checked with Council members to see that everyone was okay with that plan. No objections were heard. Mr. Hiscock said he would see to scheduling in bond counsel. Mr. Darlington thanked him.

**B. Any Other Business**

Mr. Darlington asked for further business. There was none.

**ADJOURNMENT:** Mr. Williams made a motion to adjourn, which was seconded by Mr. Stugmyer. All were in favor. **The meeting was adjourned at approximately 6:20 p.m.**

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Clerk of Council

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President of Council