



City of Gahanna

Meeting Minutes

Finance Committee

200 South Hamilton Road
Gahanna, Ohio 43230

Michael Schnetzer, Chair
Brian D. Larick
Jamie Leeseberg
Karen J. Angelou
Brian Metzbower
Stephen A. Renner
Nancy McGregor

Kimberly Banning, CMC, Clerk of Council

Monday, May 9, 2016

Council Committee Rooms

Immediately Following Committee of the Whole

CALL TO ORDER

Chair Schnetzer called the meeting to order at 9:18 p.m.

ADDITIONAL ATTENDEES: Anthony Jones, Dottie Franey, Rob Priestas, Diana Redman, Troy Euton, Mayor Tom Kneeland, Jennifer Teal, Shane Ewald, Joann Bury, Jeannie Hoffman.

Present 7 - Stephen A. Renner, Brian D. Larick, Brian Metzbower, Karen J. Angelou, Nancy R. McGregor, Michael Schnetzer, and Jamie Leeseberg

DISCUSSION ITEMS -

1. Deferred Maintenance Cost

Franey said discussing the credit, Chapter 1, of deferred maintenance cost; gets asked a lot from residents how the City is doing; wanted to formalize this and get it on record; goal is to get a feel for a cost of deferred maintenance; the more you push something out the more it costs; wanted to put something out to show that; the CAFR, linked to the agenda; page 150 of the PDF, sees a 10 year look back on government funds; draws attention to capital outlet; we are now spending a fraction of what we were 10 years ago; trying to show the cost of not maintaining our streets for a few years; this shows no; Priestas has some data to show; put together several exhibits to help illustrate this; looked at typical street pavement condition rating progression; started at an excellent, sees a significant drop in a short period of time; what that tells us is that essentially, any significant delay will result in an increase in cost to improve a roadway; this is a national average, we have plotted data points for our roadways to compare the national average; we are slightly ahead of the curve;

once the pavement gets below 75, you are looking at something near \$65 per linear square foot for resurfacing; Metzbower asked the fair vs. poor, both \$65; Priestas points out it is or more, hard to monetize; Mayor Kneeland said spent a lot of time on this discussion last week; if we get to this rating, what does that mean; it means the surface has failed; allows infiltration of the base; above 65 is typically just the surface that needs replaced; the "or more" could be as much as \$300 per L.F.; Angelou asked if we can resurface multiple times and never have to do more; Priestas said typically yes, depends on the base; Angelou said the key here is the minute you need to resurface, you need to perform that; Larick said appears if our target is around 20 years; we are cycling 20% more road on an annual basis; will roughly put us in a cycle that keeps us in the 75 range; cannot predict what will happen down the road; can see the life of the road to determine the annualization of replacement; some roads will fall in various places currently; want to make sure we are able to maintain when it is needed; Schnetzer confirmed 75 was the dividing line; Priestas said the cost of deferred maintenance is a difficult question to answer; clear on the previous chart; were able to utilize some real-world examples; had to make some assumptions; both rated in low to mid 40's; both required full depth base repair; had we performed maintenance hardly any road repairs would have been needed; a total of \$165,000 was actually spent; is a 30% increase; for Clotts Road it was a 40% increase in the project due to deferred maintenance; Larick asked if we have had any roads we have replaced in the 60's; Priestas said Heil was in the 60's; with his experience, these are the two that stood out; if we replaced others it was a Detroit Street Rebuild; Priestas said where the City is today versus the past; showed a pavement condition rating history/trend; dropped from mid 90s to low 80s; 2010 nothing was spent on resurfacing; Schnetzer said we have 10% of our streets below the 75 threshold that we saw; we have 50% of our streets that are beyond the time; Larick said short translation, the longer we wait to repair the street, the less miles of street can be repaired for a given dollar amount; Leeseberg said in 2015 we were playing catch-up; Schnetzer thanked the staff for the work they have put into this; said this started with a theory; the exhibits are great; disappointed that the thesis proved correct; deferred maintenance is not proven; urges Council to keep this in mind; Mayor Kneeland asked how long we can plan to do the rebuilds; Priestas said it is a plan that can be sustainable; will monitor on an annual basis to see if we are making progress; we are bonding the 1.2 million we need; that runs out in another year or two; we need to find additional funds; Larick asked after the funds run out; asked how much is left; Priestas said around \$12.4-17 million.

2. Credit

See previous discussion.

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ADJOURNMENT

9:38 p.m.

Kayla Holbrook, Reporting