

**CITY OF INDEPENDENCE
STREETS & SIDEWALKS COMMITTEE
MEETING MINUTES
JANUARY 29, 2019 4:00 P.M.
COUNCIL CAUCUS ROOM**

Present: Chairman Dale Veverka
Vice Mayor Dave Grendel
Councilperson Tom Narduzzi

Also Present: Mayor Anthony Togliatti
Finance Director John Veres
City Engineer Don Ramm
Economic Development Director Jeremy Rowan
Service Director Leon Karas (left at 4:08 p.m.)

Chairman Dale Veverka called the meeting to order at 4:03 p.m.

Chairman Veverka said first we need approval of the Minutes. The Minutes were distributed.

Moved by Grendel seconded by Narduzzi, to approve the Minutes of the Streets & Sidewalks Committee meeting of November 12, 2018. Voice Vote: 3 yes/0 no; motion carried.

Chairman Veverka said first on the Agenda we have Service Director Karas who will give us a little bit of an idea of how the snow season is going, and then how far along your guys are related to plans for where you are going to focus attention for this year's repairs.

Service Director Karas said for the 2018-2019 snow season; so far it started out early in November, and December was a quiet month. Then it picked up here in January; and you know all of our snow equipment has held up pretty well this year. There were only some minor breakdowns, nothing major. No trucks have been down for extended periods of time. There are no issues with receiving salt. Initially, early on in the season there were some delays that have been fixed by Cargill. So, we are ordering salt on a more consistent basis. We used to wait until we needed it and further depleted our stockpile before we would order and just order large quantities at a time; now we are ordering smaller quantities more frequently just to make sure that they are keeping up. They have been doing a 24 hour, 48 hour turnaround on getting our deliveries started. That has worked out well. This year we roughly used about 3,300 tons of salt so far; and about a third of that was used in the one snow storm last weekend. So, we burned through 1,000 tons in about 24 hours last weekend. Salt is getting expensive. So, I know we like

to keep our roads looking good; but there's a lot of money that goes into putting that salt on the roads too. That's it for the winter, if you have any questions.

Then as far as some of the projects, I talked with Don about the crack sealing that we want to do this year. So, crack sealing we have identified several streets. We are looking at Kathy Lynn, Selig, Plaza Drive, Dalepoint, Cheryl Ann, Beverly Drive, West Creek, Jefferson Drive, Patriot's Way, Delmur, Oak Tree and the Civic Center Drive. So, all of those and on top of that we are going to try to get both of the Civic Center parking lots, City Hall and the Fire Station, and the lots by Elmwood over there.

Finance Director Veres asked this is all (inaudible)?

Service Director Karas said and we will see how the season is going. We have Dalepoint on the list, and if we are going to do Dalepoint we might even get into those neighborhoods down there in Dalebrook Estates.

Then sidewalk repairs, we are going to continue with, we are going to do a lot more on Chestnut. Last year we kind of ran out of time and pushed all of our efforts into Cheryl Ann. We did a lot of stuff on Wood and Elmwood, Sunset area; but we are going to try to continue on with Chestnut and get that done. Then there are several sidewalks that we want to repair on Ivandale, Renwood, North Renwood, Beverly May and Rita, Carol. We want to get into the Estates, and we want to do Chestnut.

As far as some of the asphalt projects, I think Don is going to be talking about some of those with some of the stuff that he's going to be doing; but we are looking at doing a couple of small projects. We are going to try to do some stuff on Brookside, try to get some work done and completed before some of the bigger projects are done. We talked about them, these are areas that we talked about last summer; and we couldn't get to. So, we are going to try to shore up some of those areas on upper Brookside before the big project comes in because we don't want those to wait. We are also looking at some areas up on Eastview that we wanted to do.

One of the things that we talked about, we neglect the t-ball field road back there; so that's another project we are going to try to attack. The t-ball road is the road that goes to the t-ball field. There are a lot of people who use that road, residents when their kids are playing; and that road needs a lot of attention.

So, those are the major projects that we are looking at for asphalt crack sealing and sidewalk repairs. Other than that, we just have the usual work that we are going to be doing this summer.

Chairman Veverka asked any other questions for Leon? There were none.

Chairman Veverka said thank you sir.

Councilperson Narduzzi asked before we get started with your projects Don, Rockside Woods North, when is that slated? I was just down there again, and it's terrible. I don't know if we are waiting until after we do Topgolf or what.

City Engineer Ramm said they are doing some emergency patching right now, but right, ultimately when the new road gets built; and then the following year I believe we committed to clean that road up, the existing portion from Rockside all the way to Embassy.

Councilperson Narduzzi said it is really bad.

City Engineer Ramm said I believe that's in our Capital Plan.

Vice Mayor Grendel said you don't want to fix it first.

City Engineer Ramm said we are on Item 3. We have many design projects that are in the final home stretches; and we do anticipate plans being submitted to our office from a number of consultants so that we can do a final review and fine tune them to get them out to bid. Those would be the Brookside/Bramley improvements which is a major water main and resurfacing and reconstruction. It's a very big project. Upper Brookside there's the sidewalks and storm sewers. That one is also in the same position, trying to wrap up the design and hope to bid that out in the spring.

Vice Mayor Grendel asked and that just goes to where Eastview is?

City Engineer Ramm said the sidewalks do.

Vice Mayor Grendel said but the whole project with the pavement, does that go all the way to Brecksville Road?

City Engineer Ramm said well it's going to go to Sprague, and from Sprague down to about Eastview, that particular project which will include the sidewalks, curb and gutters, resurfacing, drainage improvements. It's going to be a big project.

Councilperson Narduzzi asked are the sidewalks going all the way to Sprague?

City Engineer Ramm said no, those right now are stopping at Lake Charles.

Councilperson Narduzzi said that's the gist I got that they didn't want them up there. One side didn't, but the other side did. There you go.

City Engineer Ramm said so we are looking for a spring and summer construction on that project. To answer your question though Mr. Grendel, I do believe Brookside Road is also on the Five Year Plan for resurfacing west of Brecksville Road.

Vice Mayor Grendel said but that's not going to be done this year.

City Engineer Ramm said it's in the Capital Plan. We may try to package it with that upper Brookside job in terms of getting some pricing. Or we have the mechanism with our asphalt

road maintenance contract, we could try to sneak it in there. So, we have a number of different mechanisms to try to incorporate that work into trying to get the best price, cost effective.

The Lafayette subdivision is another one we are trying to wrap up the design on and get that one out to bid and hope to get it done in one season, one long season.

Brettin Drive is currently in the design process as well. That one was slated for 2019, and in fact out there yesterday and today we had a geotechnical firm out there doing some sort of (inaudible). So, we are gathering information. The preliminary design has already been worked out. Louis Perry & Associates is designing that. So, we are again hopeful if the budget will support it; we could be bidding it out here in the spring with summer construction.

Vice Mayor Grendel asked Don how many different engineering firms are we using for these various projects would you say?

City Engineer Ramm said each project generally has its own firm. So, Brookside/Bramley is GPD. Upper Brookside was Bohning & Associates. Lafayette is CT Consultants. Brettin is Louis Perry. So, we have a number of consultants.

Vice Mayor Grendel asked are you tracking as far, there have been some complaints about some of them, their slowness and everything else. Do you keep that in account so that down the road when we do future projects you aren't going to give it to the companies that have not either done their work in a reasonable fashion, timely fashion. I have heard some complaints that they are going slower than they should be going, and these projects are dragging and that.

City Engineer Ramm said there's some validity to that for sure.

Councilperson Narduzzi said so these four big jobs that we are talking about, the first three big jobs, are they all ready to go? What is left to do for us to send them out to bid?

City Engineer Ramm said well we just have to wrap up the design. So, the plans and the quantities, all that stuff, getting packaged up and ready to be bid. It's getting close.

Vice Mayor Grendel said it seemed like two years ago it was Oakwood that kind of didn't get finished; and we had to do another season last year.

Councilperson Narduzzi said that's why I am saying if we are getting a late start, then we are always fighting the battle in the fall and paying more for this or that; or it doesn't get done, and we have to go through the winter months without it being finished.

Finance Director Veres said the same thing with the maintenance projects. This year we were doing it with the snow flying, wrapping up Cherry and Hemoga.

Councilperson Narduzzi said it seems like these projects that we know; we have been talking about these for years and years, and now they are coming to fruition and we are still not ready for them yet.

Vice Mayor Grendel said it used to be that we went to bid like in April so we were all set for construction in May and that. It seems like now.

City Engineer Ramm said I think that's still the track we are on.

Vice Mayor Grendel said good.

City Engineer Ramm said earlier, possibly late winter if we could manage it. Some are more advanced than others, but that's the hope. As soon as we can get them out.

Finance Director Veres said well here's an example Don too. Longano Drive is slated for next year and Kleber Court; and we have \$100,000 that I moved from 2020 to 2019 for design work. So, we should be hiring that engineering firm now.

Vice Mayor Grendel said right, getting them going.

Finance Director Veres asked do you know what I mean? The same thing with Old Brecksville Road and East Schaaf Road; so if you could get those out and get that work started.

City Engineer Ramm said right.

Vice Mayor Grendel said maybe tell those companies that are dragging their feet, if they work a little faster, there's more jobs for you to do and everything too.

Now the ones like Longano and Kleber, were they going to go because Brecksville Road was delayed another year or so.

City Engineer Ramm said so those may end up having to get pushed. They have been slid a number of years already for this very reason.

Finance Director Veres asked can we grab the money in 2020 and 2021 when you do the project.

Vice Mayor Grendel asked are there water lines on both of those streets too?

City Engineer Ramm said yes, they are in poor condition.

Chairman Veverka asked does Bramley get a water line too?

City Engineer Ramm said yes.

Finance Director Veres said and on Longano and Old Brecksville Road we have water lines and Kleber also.

City Engineer Ramm said and we do think Brookside/Bramley is such a large project we don't believe that it's going to be possible to get it done even in one season. It might be a two season because of how large it is, and the complete reconstruction of the Bramley section.

Vice Mayor Grendel said so the people with their water line, it would be good to get those replaced.

City Engineer Ramm said we are hoping to get the water main in first. We will see, we don't know yet. We are fine tuning that as well.

Finance Director Veres said we have money set aside for this year.

City Engineer Ramm said so those were the large projects. Then of course we had the maintenance contracts, the concrete maintenance, asphalt, crack sealing. Those are less project specific, but we do have a number of side streets – Valley View, Tanglewood, Evergreen, Dania. There are a number of streets that may fall into that category for some resurfacing. Dania we might package with Brookside because it's right there and try to sneak that one in and using that funding and just push it in. We would bid it with that project because the street is right there.

Chairman Veverka said the concrete and asphalt, those contracts they can be, the legislation can come to us soon so that's, the open ones I guess is what I am saying.

City Engineer Ramm said the ones that are less intensive in terms of preparing plans, those are less intense. It's just that they are competing with all these other projects. It's tough to get them all. To your point, we definitely will try to do that, get them out early.

Vice Mayor Grendel asked when do we expect, like Oak Tree, I know it was awarded last year; and they were going to do some work during the winter months.

City Engineer Ramm said I haven't seen anything. There's some foundations and trenching they could be doing in the winter. Right now, the clock is ticking on the contract. They have chosen to, I haven't seen them mobilize yet for anything, but we thought that they would be doing that.

Vice Mayor Grendel said I remember you saying that they do some of the work in the winter time and finish up in the spring.

City Engineer Ramm said it's their choice though. If they feel like they would rather wait and do it in the spring and summer; it just condenses their time period. I think a lot of the signal equipment, poles and lights have been ordered. There's a long lead time, but I think some of that stuff has already been kicked loose; so things are working with the schedule, but not a lot of things you see though.

Finance Director Veres said Pleasant Valley/Midland is the same thing. They have that signal.

City Engineer Ramm said they staked all the foundations. That was for two reasons, one because MCI was getting ready to put a conduit through there; and we wanted to make sure they were

leaving us space for the things that we are proposing to construct. So, there were a number of reasons.

Councilperson Narduzzi asked when did they pass legislation on that? That had to be two years ago for Midland and Pleasant Valley.

Finance Director Veres said we set money aside.

Councilperson Narduzzi asked wasn't the engineering cost outrageous, and we were all laughing?

Finance Director Veres said like \$30,000 or something.

Mayor Togliatti said construction of the project was late this summer.

City Engineer Ramm said right, so we engineered it kind of like a separate endeavor; and then we packaged it. It was disjointed for sure, and it took a little bit longer; but the way we packaged them, we thought we could get better unit pricing by combining those three. So, that did extend the time to get it out to bid.

So, that's pretty much everything on the roadways.

Chairman Veverka said I had a resident who had a question about Cheryl Ann separating already. Did you have a chance to take a look at that or no?

City Engineer Ramm said no, I haven't, but that road was in tough shape; and the time of the season we did it. I don't have a whole lot of great expectations, but I don't know if it's just cracking or is it delaminating.

Chairman Veverka said it sounded like it was cracking where the slabs underneath are; I did not drive it, but the resident called me so I passed that on because it could be a crack sealing question as to the best you can do. Hopefully, the asphalt is staying down.

City Engineer Ramm said it's one of those things. It was a stop gap, preventative maintenance effort to try to get make an improvement to get us in the short duration before we did the big project. So, you have to be cognizant of what you pay for because what it was on was pretty rough.

Finance Director Veres said we have \$1,300,000 set aside for Hillside Road culvert replacement this year. Remember you said you wanted to get that done.

City Engineer Ramm said okay, I thought it was in. Did we push it up? Was it in 2020?

Finance Director Veres said you wanted me to push it up.

City Engineer Ramm said it was packaged with the Hillside water main, with that culvert.

Finance Director Veres asked where is that? On the south side between Vineyard?

City Engineer Ramm said no, the culvert replacement is where that new house is being built, west of Vineyard.

Mayor Togliatti said on the south side.

City Engineer Ramm said and then the water main is pretty much the whole stretch to the Seven Hills corp. line. Is there a water main one also for Hillside?

Finance Director Veres said you had that 2019.

Councilperson Narduzzi asked who is building that house?

The Clerk said Brian McDermott.

Vice Mayor Grendel said they came to Planning Commission.

Mayor Togliatti said the homeowner is building it.

Councilperson Narduzzi said they tried building on that for ten years, and we always said no.

City Engineer Ramm said it's going to be a big job.

Chairman Veverka asked so that's Number 3 then? We will move on with Number 4.

Economic Development Director Rowan said we put together a Power Point to help with the discussion. Don and I are going to switch back and forth. I am going to take the first part here.

I just wanted to touch on this project and go through some background how we got here, talk about the project as an overview, some of the unique challenges that we have encountered designing the road. Talk about estimated revenue from the adjacent parcels and the impact on the project cost and then finally talk about the bid itself.

So, some quick background, this road was already extended once from where it stops at Kent State before whatever it was before Kent State. When the Embassy was built, it was extended and went across the encapsulated landfill that the road will continue to go across. When the AAA building was approved and constructed in the 1990's, they donated right-of-way for the new road and property that is now half of the boulevard that is there, and it's their entrance and drive.

There are a couple of policy documents that call for this road to be constructed specifically. In 2004 the City hired a couple of firms to do some planning work along Brecksville Road and then also on the north side of I-480 and the Cloverleaf. In those plans you can see there's verbiage that calls out for this road to be constructed, and it was also included in the final plan.

In 2015 when we did some continuation of the Area Plans; in this area we again identified this road as being a priority to construct for connectivity, both pedestrian and vehicular and in that quadrant.

When we have been engaged with URS or GPD doing safety studies of the corridor and traffic analysis around the interchange modification studies or looking at light sequencing, we have always taken into account future development and then also this road is into their modeling when they look at the flow of traffic along the corridor.

It's been in the Capital Plan for a number of years, and specifically with Topgolf coming.

Councilperson Narduzzi said just to go back that it was included in the Capital Improvement Plan, how much money have we put aside for that? Just asking.

Economic Development Director Rowan said that I don't know.

Finance Director Veres said Don and I are working on two spreadsheets for 21 North and the extension of Rockside Woods showing progression over time from traffic studies to design engineering to what we have budgeted and what we have encumbered so far. We are going to start working on that.

Economic Development Director Rowan said and then with Topgolf coming, it accelerated from a lot of discussion to becoming a project that needed to happen to accommodate that facility and then also to fulfill some commitments that had been made in the past to AAA. So, the commitments that are binding to Topgolf are to provide the road across their frontage so their easterly driveway by the end of May of this year, with the road extension and intersection being complete by September of 2020 and then resurfacing the existing pavement that we just talked about by the end of 2021.

Vice Mayor Grendel said as it connects to Rockside Woods complete.

Economic Development Director Rowan said the rehab of the existing.

So, now we will go to the project overview and some of the challenges, and I will turn it over to Don.

City Engineer Ramm said so there are many challenges here on this short stretch of road, 1,800 feet; and really the big driver of a lot of the challenges was the timing and the commitments with Topgolf. I am sure that added elements of constraints that we didn't necessarily have planned, particularly when you are three to five years out on a Capital Plan cost estimating; you tend to gravitate toward linear type projects, unit pricing that's standard and when you get to these, and I will explain to you a little bit what we had to do here and what we were up against here. It really was the predominate driver of why the cost comparison between what we visually had estimated in our Capital Plan versus once we got the design detail finalized and ultimately what the design, the cost estimate and even what the bids came in at. There was a big commitment in red, you see

the Stage 1. So, even what we call Part A is the project that is the road across Rockside Woods Blvd. Part B was the improvements on Brecksville Road. So, Part A was split up into Stage 1 and Stage 2 because we committed to an interim completion date of June 30th for Topgolf. So, that in and of itself tends to drive costs up because you are asking a contractor to build a portion of the work. So, the question was asked.

Economic Development Director Rowan asked do you want to go back to the last slide?

Economic Development Director Rowan said I just wanted to point out before we got too much further; and I think Don will talk about it. The Part A which is the road extension to the intersection, we do have some budget numbers here; and we will talk about them in a little bit more detail later on when we look at the revenue side of it. The portion of Part A, Stage 1 which is just across the Topgolf frontage was just under \$2,000,000; but the Stage 2 from that easterly drive up to the intersection was over \$4,000,000. So, some of those challenges with slope failures and wetlands and things that we didn't know about until we got into the detailed engineering are really driving some of that cost to in the Stage 2 Part A. We can get into a little bit more of the construction total and project total when we get into the revenue part.

Finance Director Veres said Jeremy, and Part B is really at the intersection right.

Economic Development Director Rowan said it's the intersection here. It's the widening; so you have a left turn lane and a deceleration lane from the north. So, you have a widening here, but there's tapers; so you have right-of-way acquisition.

Finance Director Veres said north of where that Part B is, that's another cost down the road, right.

City Engineer Ramm said so the project for Part B, the widening, the tapering goes all the way to Kleber and the bridge.

Mayor Togliatti said and then the road will be resurfaced.

Economic Development Director Rowan said and then we have to redo the light too.

City Engineer Ramm said that's all in Part B.

Vice Mayor Grendel asked so there's two traffic signals?

City Engineer Ramm said there's two traffic signals. There's one new, and one replacement.

Economic Development Director Rowan said it does go on how ever many hundreds of feet beyond the intersection.

Councilperson Narduzzi asked so Stage 2, which is the blue, from Stage 2 east how many buildable components can we put there? Not many.

Vice Mayor Grendel said I don't think any.

Councilperson Narduzzi said just keep that in mind. So, once you finish Part A, you are basically covering any future buildout that is going to happen back there.

Finance Director Veres said but you are not.

Councilperson Narduzzi said I'm just saying, just keep that in mind.

Finance Director Veres said you aren't following the IMS study. You couldn't do anything at Rockside Road with the widening of the on ramps because to do any of the widening on Rockside Road, you need to tie this in. They won't do anything on Rockside unless we tie this in.

Vice Mayor Grendel said that's with ODOT.

Economic Development Director Rowan said we committed to ODOT back when Mayor Kurtz was here and offered to do those improvements. They wouldn't have permitted the southbound changes unless this was part of our Capital Plan and in our programming to have it because from their perspective we were inducing traffic more quickly onto a failing system and condition. So, they needed to demonstrate to Columbus that we weren't putting all of our eggs in the basket of the interchange; that we were providing other means for folks to get out of here.

Finance Director Veres said keep in mind if it stopped where the red stopped, you might not have Topgolf, and you wouldn't have these other parcels being developed either. So, keep that in mind too.

Vice Mayor Grendel said it's a necessary evil. We need to do that.

Finance Director Veres said just extending it another 1,800 feet is going to make those parcels desirable for development.

City Engineer Ramm said so just to be clear, these prices are utilizing the Fabrizi bid, the low bid; and we did have Bohning put the plans together. They did look at the bids and analyze it. They did the design, they know exactly how many of the work elements in that break point. It was valid, and it's legitimate; and it's nothing that we did internally. It was prepared by the engineer, utilizing the Fabrizi numbers. So, we feel very good about those costs.

So, this slide is kind of just a global view of the project; again, it's not a big project, 1,800 feet. There are multiple challenges here. So, you have the landfill area, and Bohning was good to try to avoid and minimize the impacts to the landfill as much as they could possibly do. You notice early on in the platting, all the utilities are pushed to the north across the Topgolf site just because of that. We knew that to try to stay out of the landfill area. So, the water main, the storm sewer, even our sanitary sewer that went a couple few years back was all encumbered in easements across the Topgolf to avoid the impacts. Of course there are impacts, you have to build a road much like when Embassy Suites was built, the road was built out; and you can see

there in the bottom left corner of the map, there was already a portion of the road that had to be built through the landfill. It was permitted, kind of what we are getting issued for our work. So, it has been done; it's just cumbersome, time-consuming. It was a two-part permit that we are still waiting for, but the hope is that this whole job we have been doing things on a parallel time track so that we could have things moving with having the calendar work with us. That was one of the nuances of trying to meet the Topgolf commitment.

Finance Director Veres asked what's a buttress fill dirt?

City Engineer Ramm said that kind of gets me to the slope failure. So, we have the slope failure, it's the area outlined in red, and the lower portion there in green; and to be clear, it has nothing to do with the landfill site, nor does it have really much of an impact to the Topgolf site. That is how we can get the red, Stage 1 work built by June 30th because we don't have to get involved in those things.

Vice Mayor Grendel said that's a big chunk of the money too because of that.

City Engineer Ramm said a million dollars. When we got into it, the scope of the study was to do some technical work and analyze it under a few different treatments to try to stabilize the slope. We wanted to look at soil nailing. We wanted to look at soldier piles, and we came to find out it was just a significantly deep failure.

Vice Mayor Grendel asked so it has nothing to do with the landfill, that's strictly the slope.

City Engineer Ramm said it's east of the landfill.

Vice Mayor Grendel said for future development then on the east side of Rockside Woods North then, that landfill area, that will be potentially like a parking lot if somebody is going to go on that.

Economic Development Director Rowan said correct. Dalad had it originally marketed as one piece, and then when we went through the process of the sewer assessment, Dalad was successful in getting a 25% reduction on the landfill area because it doesn't have value as a building site; but it has value for parking. So, of the 12 acres on the east side, only 6 can be built on, and that's south. It does not include the 6 that kind of encompasses that landfill area. You could build parking on it if you needed to, depending on the density of the building that would be constructed.

City Engineer Ramm said so then during the detailed geotechnical design, they basically ran out of options and determined that the best treatment to mitigate the slope was to basically remove a lot of overburdened material. The material that was filled in that ravine was shale fragments from the tunnel job. It's good material, but it's just dense; and what happened was it got put on a wetland area and soft soils, organics that just over time, the weight is just pushing that material down. So, it's settling vertically, and then separately horizontally. So, the treatment that was designed was to strip a lot of that heavy material off to try to waste it either in the landfill area and this buttress fill which is an area that we are taking a lot of the material at the top and going

to push it down at the bottom of the toe of the slope to help enforce. It's strictly weight, heavy material to hold that slope up, and then backfill this area with a lightweight aggregate which will be a significant component of the work.

It added a significant amount of cost, and then what happened was it triggered the wetland impacts because we really had no intentions of working down there by the stream; but to get that buttress fill in and the embankment, we ended up having to extend the culvert some 90 feet which is a stream impact which kicks in Army Corps permitting activities. There are wetlands affected and impacted. So, there again it's a lot of strict, and we don't have the permits that are necessary to extend that pipe and fill this. We are working on it, and it's coming; but it likely won't be able to come for a while yet.

Vice Mayor Grendel asked but that won't affect Don the Stage 1?

City Engineer Ramm said correct.

So, again the dynamic of; they know what they have to do here, but the material they want to pull off of here that needs to go here, can't go here until we get the permits. So, the whole job is very similar in that there is work to be done in various locations; but we are handcuffed in a lot of the requirements or the things that we need to get in place before we can send the contract and review the work. That's how it was bid. We were very upfront and honest with the contractors to help them understand the dynamics and the challenges so that they were all on a level playing field of knowing where it could work when and have them devise their plan of attack and schedule accordingly and price it accordingly. So, that drove up the cost significantly because telling the guy to go build 1,800 foot of road with utilities and do it all at once in the normal sequence, utilities first, embankment work, paving work, it would be very much less of a cost.

There was a large retaining wall here that added some costs, \$150,000 which was Fabrizi's bid. That work too, it's restriction because it's in the zone with influence of the slope. So, they may not be able to work on the retaining wall until they can get the slope and buttress work done. Then working out east, the whole intersection job is in need of acquisition, property rights, takes. So, we have property we are going to get ready to appropriate and try to have it cleared by March 31st; and there is significant CEI power pole relocations on Brecksville Road. So, there again there's a lot of work to be done out on Brecksville Road and along AAA there; but until we get the property rights, we can't get CEI working, and CEI is going to take some time to move poles. So, that's why this job is a 24 month duration. It's not so much that it would take a guy 24 months to build it start to finish. They would let him have at it; but because these things are going to fall into place months and months after we are already issuing a Notice to Proceed, it's what is dragging this contract out over time which drives up costs because of inflation and all the things that go with working over a two year period. So, it's very complex in that regard, and that's why three to five years out trying to have anticipated these sort of restrictions and a customer who needed to have the doors open at the time they needed it; it all comes together and prices it much higher than we had in the Five-Year Capital.

So, I can get further into detail with specifics, but just to give you an idea, this was the Appendix. These are all the backup documents that we have in our bid documents to give guys

an understanding of all of the things that were out there, things to review, permits that were out that we didn't even have, things that were pending that were going to fall into place and things that we won't have until we are up under construction with some of the Army Corps permits and things that will be issued as bulletins to a guy versus having it in a bid document. It's just geotechnical work. There's a bunch of other slides here. We can take you to the buttress area.

Councilperson Narduzzi said so all the land acquired for the mouth of the street on 21, none of that has even been acquired yet.

Economic Development Director Rowan said well the process has been started. We have sent letters notifying the residents and AAA of the need for permanent and temporary right-of-way and easements. So, that starts the process; and then I think they have 30 days after they receive the letter to respond to the City whether they are accepting of the offer. Then there's a small window to negotiate, and then at some point in the future, if they can't come to an agreement, then the City will need to appropriate.

Councilperson Narduzzi said I guess I asked months ago, a month ago, for a list of all the costs. So, we don't even have those costs yet.

Economic Development Director Rowan said we do. We know what the costs for the right-of-way is.

Councilperson Narduzzi asked so is that going to be on the list too John?

Finance Director Veres said yes. We budgeted \$500,000. I just got an updated cost from Greg O'Brien today on the right-of-ways; and they add up to about \$207,000. The other portion of that \$500,000 was going to be for the engineer to lay out the right-of-ways from an engineering standpoint; and it's not going to cost \$300,000 to do that. So, I think we should have some leftover money from that \$500,000 to go towards the construction costs.

Vice Mayor Grendel asked how many residents are affected by this? There is just one house that's to the north by itself there.

Finance Director Veres said 7 of them are residences.

Economic Development Director Rowan said the east side is just temporary takes; so it's just grading and things like that, and then the west side is more significant because the shift is more to the north. So, AAA has significant impact along their frontage.

Vice Mayor Grendel asked it will affect that mound that's there?

Economic Development Director Rowan said yes, the mound will have to be redone and replanted because there's a deceleration lane that will go in front of there. Then on the south side, on the west side and south of the new road, there's a couple of houses there that will have some impact. One is owned by Dalad, the first house, and then there's a residence, the next house, and then the rest are investor owned.

Vice Mayor Grendel said only one residence is owned.

Mayor Togliatti said only one owner occupied.

Vice Mayor Grendel said and the rest are rental.

Economic Development Director Rowan said correct.

Chairman Veverka asked Don can you comment on the fact that 8 people picked up or purchased bid documents, but 2 bid. Can you touch base briefly on why 2 bid out of the 8.

City Engineer Ramm said so we had 9 plan holders, and of the 9, 1 of them was a landscape guy so we knew that he wasn't going to bid. So, we felt we would get 8 general contractors to submit bids on it. We understand that because this lightweight aggregate, it's all in this shaded area here, and then this outline here is this area of (inaudible) and it was built back up with the lightweight aggregate in a very labor intensive way, using geo grids. It was very detailed and very expensive and time-consuming. That is the area that they have to utilize this material. So, this was a big component of the bid and scared a lot of bidders. They couldn't get quotes for the lightweight aggregate because of the mine closing down, the material wasn't available. I believe it scared a number of bidders. They couldn't bid. They didn't have the pricing for the aggregate.

I think another thing was the landfill. We had strict guidelines and requirements that bidders, contractors be qualified to have experience of having worked in solid waste landfills because that permit by the way, that Rule 13 Permit is issued in the City. We are the permittee. A contractor is kind of working on our behalf, and so we are vested in making sure that the contractors are well qualified, very experienced to keep us in compliance with all the permitting activity, the requirements. So, that we believe may have streamlined and kicked out a lot of contractors who didn't have those qualifications. They may have dabbled a little bit here and there, but specific to what we required.

Chairman Veverka said so these two bidders are highly qualified and experienced and have the permitting backgrounds that would be appropriate for this project. That is why there were two.

City Engineer Ramm said right.

Chairman Veverka said one additional question related to that is the discrepancy in the bids. Can you comment briefly on that?

City Engineer Ramm said we will get down to.

Chairman Veverka said if I'm getting you out of order, I apologize.

City Engineer Ramm said a little bit.

Economic Development Director Rowan said you are taking out presentation.

City Engineer Ramm said so this was the letter that Independence submitted and maybe speaks to some of those things. We covered the lightweight aggregate. So, Fabrizi couldn't get a quote either. So, they proposed a material called air cooled blast furnace slag, and that's how they priced it; and it's ODOT approved material. There is something in the specifications for the testing of it once it's being constructed. So, they did submit a lot of good detailed information to us, and asked us as a courtesy to them and to ensure that we could feel confident in awarding the job to Fabrizi, that this material that they had proposed to utilize met the specifications in our bid documents for density and friction. They didn't want to be that we award a job to them, and then submit the material in a shop drawing review process, and we look at it, and our consultants determine that it's not acceptable. Well, by that time they have already got the job awarded to them, but now they can't fulfill their contractual obligation at the unit prices that they submitted for the lightweight material.

So, we went a little bit out of order just because it was so important to do that we had Bohning & Associates in concert with CTL, the geotechnical engineer, in concert with Fabrizi, submitting documents to us that we could analyze and review. Just today, see the date of this letter is today; we have been working on it making sure that and doing significant testing to determine that it's acceptable and as long as it gets tested and quality assurance and quality control during installation from certain supply aisles. So, we do feel comfortable the way that portion was handled. So, that's the lightweight. That's Number 1.

Number 2 the block wall. In speaking with, and there was a significant difference in the unit prices. Basically, in the wall it was the contractor's responsibility, means and methods to protect existing utilities, driveways, curbs, everything that's at the top of the slope which is the AAA driveway. I believe that Independence Excavating accounted for a lot of sheet piling possibly significant work which added cost to the installation of the wall. So, there's the wall. It's pretty significant. I think 11,12,13 feet at its tallest point, and these large ready-rock type blocks; but basically it's pretty close in proximity to the driveway. This is their curb. This is their driveway to AAA. Semis use this drive, and there's 14 ½ feet to the right-of-way line; and what you can see it's almost like a one-to-one slope. So, I think what happened possibly with Independence Excavating, they accounted for doing a significant amount of work to stabilize and shore up street lights, parking lot lights. Fabrizi took maybe a little bit more risk and thought they could get it built, keep that slope stable in and of itself. They are here to give you specifics. Some contractors take on more risk; they think they can do things more cost effectively than others. It's their obligation regardless of how they build it to make sure that everything is stabilized up top, and there are no separate items for that. It's all built into the unit pricing of the wall.

There were other contesting unit costs that, and I say that contractors have competitive advantages, and they bid things that way. The guy with excavating in his name I think if you look at the unit pricing there was embankment, excavation work that you could see that the unit prices that Independence submitted were much lower than Fabrizi's; but conversely, a lot of the pipe work, water main, storm sewers, pipe removal items, things that are the bread and butter of Fabrizi, you see much more cost effective numbers from them.

So, we just did a quick and dirty evaluation. This is the bid tab. We just wanted to see the total bid items versus who was low, who was high. So, the shaded numbers on the right are who was the low bidder and the difference. So, the blue items were Fabrizi's, Independence was yellow. The arrows are some of the big ticket items that we just talked about; but as you move through here, the takeaway is that it wasn't all one item. The last sheet here is a summary. The Part A contract, generally 165 bid items, but 14 of them were allowances, so we took those out. So, 151 total bid items. Fabrizi was low on 97 of them. Independence was low on 54 of them. So, there's the breakdown; about 65%-35%, and it was pretty consistent. So, Part A and Part B very similar, but you could see that it wasn't all one or two bid items. The total bid items were 324, and that was a lot of items. So, it's tough to cherry pick a couple few items. That is the takeaway, and if you were to really get into the weeds, you could get carried away with some of the differences, who was high and who was low. How could they bid it this low? Fabrizi does a lot of pipe work, and they buy materials direct from suppliers. So, they can buy things much much cheaper than other bidders can. So, hence we reap the benefit of that in the bid pricing. That's why there's a major difference in the bids, \$1,800,000 separating the two at the end of the day.

So, that's kind of a general synopsis of trying to address the comments or concerns listed in the letter. It's kind of a slippery slope. I think every bid we opened, we could be challenged by the next low bidder or all the next ones after him to second guess and question how this, that or the other could happen. So, I think we just have to be careful. I would rather have us stay above all that.

Finance Director Veres asked do you think Independence Excavating might have over-estimated the competitive advantage of the aggregate?

City Engineer Ramm said it's possible.

Finance Director Veres said thinking they might be the one to do it.

City Engineer Ramm said it's hard to say. We were concerned about only two bids. We had an engineer's estimate. We had one bid that was high, one bid that was low. So, without that third bid, you really can't see how the numbers would have swayed, but we felt good about the estimate. It was like \$10,400,000. Independence was \$11,300,000, and Fabrizi's was \$9,500,000. So, we feel pretty good about the numbers and some of the issues with maintenance of traffic, some of the last couple items on the letter.

Councilperson Narduzzi said just for the record, I don't know where this \$10,500,000 is coming from because anything that I can find in writing was \$3,500,000 and \$4,500,000 which is around \$8,500,000. I think it was \$3,500,000 and \$4,000,000 which is \$7,500,000 when we first started talking about Topgolf coming. Those are the numbers that are in the Minutes. So, I don't know how we got to \$10,500,000.

Economic Development Director Rowan said that was the engineer estimate after the plans were done with the slope failures and wetlands.

Finance Director Veres asked which engineer?

Economic Development Director Rowan said both.

City Engineer Ramm said we kind of combined them.

Finance Director Veres asked was it Don Ramm's engineering estimate?

City Engineer Ramm said no, our consultants. So, E.L. Robinson was at about \$3,300,000 on their intersection. That was their estimate, and then Bohning I believe was at \$7,100,000; so you combine the two, you have \$10,400,000. So, we are talking about \$10,400,000, \$10,500,000. It was a combination of the Part A and Part B.

Finance Director Veres said the other ones were before.

City Engineer Ramm said the ones that were in our Five-Year Capital Plan, our budget were before we had the engineering. Had we taken the time to do a lot of the preliminary engineering, preliminary design work, we could have maybe started to see the writing on the wall that these things were going to be expensive; but then we still wouldn't have known about Topgolf and the demands and constraints on the Topgolf schedule and how that would have impacted. So, it still would have been difficult, we would have been closer. The job would have still cost the same, just maybe we would have known about it a little bit earlier and correspondingly adjusted the budget earlier.

Economic Development Director Rowan said I think it's fair to point out too that there was working budget numbers and then there was the budgets based off of the plans. Those were done by the City's engineers, Bohning and E.L. Robinson for the intersection; but then Topgolf had its own set of engineers who did their own onsite work and did extensive soil borings to really understand what they were getting into when they were buying the property. They even encountered significant changes to their budget that could cost them significant dollars to stabilize that soil out there on their site. So, it wasn't just we encountered, they encountered challenges as well even using professional engineers that they use all over the country to build these. They didn't either understand the extent or however that happened. So, the unforeseen challenges were on both sides, both the private and the public here just by the nature of the challenge of that area. Is that fair?

City Engineer Ramm said yes, absolutely.

Vice Mayor Grendel said and until those extensive studies went, nobody could have known.

Economic Development Director Rowan said they didn't know that until they got out there and started actually doing work.

City Engineer Ramm said and the weather, the time of the year they got started, and a lot of that plays into it. So, the concern maybe that Fabrizi was crazy low, they left money on the table, they can't build it for that amount, they are going to have change orders. I have discussed it with

Fabrizi, and they are very comfortable with their numbers, with their bid and feel very comfortable to honor everything in it.

Vice Mayor Grendel said so no matter what, we were telling Topgolf no matter what was built there; it could have been a corporate headquarters or anything; these problems would exist no matter what.

Economic Development Director Rowan said yes, anyone who was building there.

Councilperson Narduzzi said but if you would have known of all of these problems, maybe we wouldn't have handed so much money over up front to lure them in. You have to look at the big picture here, and I think we are going deeper and deeper and deeper into this thing. When we start looking at the numbers in a minute.

Finance Director Veres said they are going to say this is a great idea.

Councilperson Narduzzi said I don't think so.

Finance Director Veres said \$25,000,000 to \$23,000,000.

Councilperson Narduzzi said at the end of the day, I don't think so.

Finance Director Veres said I'll take that any day.

Economic Development Director Rowan said we wanted to then talk a little bit about the impact of the road and the adjacent parcels, and then some of our estimates for revenue going forward that will be generated in this area in the northeast quadrant.

So, this map is something we use in our marketing and talking with folks about properties. So, you have the road, the new intersection, Topgolf's 16 acres. It has actually crept over a little bit when they came back to Planning Commission, so it's closer to 3 now for the future hotel site. I mean that's what it's zoned for. So, when we look at it, we look at a hotel. This 12 acre parcel has the landfill on the northern piece like we talked about so you can park, but you can't build on it.

Finance Director Veres said it looks like the future hotel site is as big or bigger than Embassy site.

Economic Development Director Rowan said you have some topography issues. So, you would probably have to build some kind of retaining wall back there just like Topgolf is building and fill back in to get a nice flat pad site.

Here you are left with really a 6 acre piece of property that you can develop. When we looked at estimating revenue, we looked at a lot coverage ratio of about 50%, and what that would yield knowing that you had a little ground that you could sprawl your parking. It's not dissimilar development as what you would see with Beacon Place, how they built down into the elevation

of the hillside like you could do here; and the surrounding parking. You can kind of take that and flip it, and that will show you what you could build there.

Then we have Vista Springs. Obviously, that's going to open here. That comes into play for the intersection portion.

Vice Mayor Grendel said the podiatric school, if they wanted to build something, that's buildable on the left side.

Economic Development Director Rowan said yes. They have talked about building some sort of housing option for the students here. We would hope that would be something that would be taxable that we could then collect TIF from that would also come into play. We didn't look at that because we just don't know. That is something down the road.

Vice Mayor Grendel said if they decided not to build a housing type thing, could that possibly go into the public domain if they have no plans for that. They probably would want to hold on to that.

Economic Development Director Rowan said I can't speak to what their long term plans are except that they have expressed to us they would like to have some kind of housing option. Certainly if they sold it on the private market, I think someone would buy it. That would certainly help us from an income tax perspective.

Finance Director Veres asked is that north of that roadway leading to their site or is that both sides of that roadway?

Economic Development Director Rowan said it's just really steep topography. It's really unbuildable.

When Don showed that steep slope map, this is really all not buildable back here either.

Economic Development Director Rowan said so this is difficult to read, so I made some copies. Working with Don, we tried to put together some estimates of what realistically and conservatively this would yield.

So, starting at the top, we looked at the revenue side of it. We looked at it by development site or project starting with Topgolf at the top, looking at TIF pilots as estimates in Year 1 knowing that they would go up because that's what they do as the County re-assesses, as things get balanced and stabilized, either through grants or revenue. Income tax is the second column. Estimated amusement tax, bed tax as applicable, and then we totaled those on an annual basis and looked at 5 year benchmarks, 10 year benchmarks and 20 year benchmarks.

So, Topgolf if you follow that row, we have estimated the first year of TIF pilots at \$112,000 a year. I think that's pretty conservative. We wanted to look at how Franklin County or Delaware County had valued one in Columbus, but it hasn't been valued yet. We feel that it's a fair starting point for year 1.

The income tax is \$100,000, and that's guaranteed in our incentive agreement with them. So, that's a minimum. That's a \$5,000,000 dollar payroll, but they are closer to \$6,000,00 in their facilities; but everybody errs on the side of conservative with those numbers.

The amusement tax is estimated at \$240,000. That is based on \$8,000,000 in sales which is conservative. There is no bed tax. So, that's a total of \$452,000 a year in annual revenue, just in year 1 from that facility.

The 5 year, 10 year and 20 year totals are (inaudible) numbers, so I took out the incentive out of there. So, that's why the 5 year total is so low. It's to account paying ourselves back for the \$1,000,000.

So, we have an agreement with them for 10 years, but their lease on the land with themselves is 20 years. So, that's why we stopped at a 20 year timeframe. After that it gets really difficult to know where you are at.

Then the next line is the future hotel site, so that's the 3 acres residual piece next to the Embassy. We used estimates based on what the SpringHill Suites has done as a comparable hotel that could go there. We just don't know. That yields about a little over \$100,000 in TIF. I estimated the income tax at \$30,000 which would be a payroll of \$1,500,000, which might be a little high. I'm not sure. There is no amusement tax, and the bed tax they paid last year was a little bit more than \$120,000. So, those all add up to a little over \$250,000 annually. You can see how that's projected out.

The future development site for the office, the 6 acres; we estimated the pilots at \$177,000. The income tax at \$275,000, which was based off of what you could get when you look at a lot coverage ratio; and I think the building was between 90,000 and 100,000 square feet. Then you back out an average employee per square foot times \$30,000 per employee; and that's how those numbers were populated. So, they are estimates. That equals about \$450,000 annually.

Then Vista Springs, we will see when their value comes in, but we felt comfortable with the estimate of \$130,000. According to the Minutes, they have a payroll where it would be about \$40,000 a year in income tax. So, that totaled \$171,000.

So, when you add up all those, if they were all built out, that's where you get the \$1,300,000 in annual revenue. The rest is just math.

Finance Director Veres said you have no inflation growth.

Economic Development Director Rowan said no, these are just straight. So, you don't have any growth.

Councilperson Narduzzi said but besides Topgolf and Vista Springs, everything else is a pipe dream because it isn't there. The street has been there. They have frontage to there, and there's nobody there. Trust me, you can't really throw that in and say if we do this, that would be full

because it's possible to be full now. The street encumbers right in front of the future development of 6 acres.

Economic Development Director Rowan said but there wasn't a sewer to service it until a year ago.

Councilperson Narduzzi said I'm glad you said that because now that we are throwing that cash into it too.

Economic Development Director Rowan said that was always a piece of it. We were going to do the sewer because that was more of an eminent threat if it were to fail and then come back and do the road. It was always the way it was programmed into the Capital Improvement Plan.

Vice Mayor Grendel said and that sewer was needed since at least 2000, the late 1990's, and we just kept delaying that.

Economic Development Director Rowan said so the numbers to your right for Topgolf and Vista Springs are known at that this point, but even with those known numbers, it really does cover quite a bit of the cost of the improvements we talked about before which is when you add up Part A, both stages, and Part B. The construction bid came in at \$9,500,000, and you tack on the interest for the bonds to pay for it; was another \$3,760,000. The project total is \$13,300,000.

Councilperson Narduzzi said plus \$1,400,000 for the sewer.

Several people began speaking at once.

Councilperson Narduzzi said plus what we have to give to the schools, the extra cost to the schools. That is \$635,000.

Finance Director Veres said over 30 years.

Vice Mayor Grendel said but that other would have never happened unless we did the sewer. That's why there was no activity on there because it wasn't shovel ready.

Finance Director Veres said \$600,000 of it was for 21 North.

Councilperson Narduzzi said Bohning & Associates \$293,000, E.L. Robinson \$836,000.

Finance Director Veres said that's for 21 North.

Councilperson Narduzzi said that's all part of the project.

Finance Director Veres said no, it's not. It's not part of this.

Economic Development Director Rowan said only a portion of E.L. Robinson's contract was the intersection. They weren't doing the water main and all the other parts of the larger project.

Economic Development Director Rowan said so that's why that number is higher.

Vice Mayor Grendel said it's just like the northwest quadrant, until you start doing something there, it's going to sit there for another 50 years.

Finance Director Veres said we haven't included any other tiffable areas along 21 North between Rockside Woods extension and Vista Springs. You know that's going to happen. We haven't included any Cloverleaf which can contribute to 21 North and the intersection.

Economic Development Director Rowan said I mean Vista Springs.

Finance Director Veres said we are being very conservative, and the number is still \$25,000,000 to \$13,000,000. So, you can say what you want, but the numbers don't lie.

Councilperson Narduzzi said but your numbers aren't actual either. I mean that \$13,000,000 is more like \$16,000,000.

Finance Director Veres asked why is it \$16,000,000?

Councilperson Narduzzi said because I just told you about \$3,000,000 more.

Finance Director Veres said and I just told you all that cost that you are saying isn't for this project.

Councilperson Narduzzi said it's part of the project.

Finance Director Veres asked what do you have for the sewer project, \$1,400,000, well \$400,000 is coming from Kent State. So, track that.

Councilperson Narduzzi said no, the City's cost was \$1,400,000.

Finance Director Veres said minus the \$400,000 for Kent State. You are talking about E.L. Robinson at \$600,000, and it's not.

Vice Mayor Grendel asked what would it have cost the City had we done nothing with the sewer and it failed and all those businesses. We would have had legal fees defending ourselves because we knew about that sewer problem and really kicked it around with Don Elewski. As soon as I got on Council we knew we had to do something about it. We didn't do anything, but thank goodness nothing happened. If it would have, all these businesses would have said you knew, you City knew that this thing was failing. You knew it was under I-77.

Economic Development Director Rowan said we really always internally in discussions anticipated the intersection portion of \$3,000,000 or whatever it ended up being to be covered largely by Vista Springs through TIF and income tax over the 20 year life, and that's not even the whole 30 years of the TIF. It does cover.

Finance Director Veres said we aren't even throwing in Tommy the Cavs site when we pay ourselves back in 3 or 4 years. That is another \$200,000 a year that could go towards this cost. We aren't even adding that in.

Finance Director Veres said you can add your \$1,000,000.

Councilperson Narduzzi said I want to see what it's going to cost us and how we are going to pay for it.

Finance Director Veres said it's right there. You have \$25,000,000, and you still don't believe it.

Councilperson Narduzzi said I will tell you first thing don't talk to me like I'm two years old. I asked for a cost analysis of what it's going to cost us, how much we are going to borrow and how we are going to pay for it.

Finance Director Veres said there it is. There is the interest, there's the cost. It's just not detailed costs right now, and this is the majority of the costs Tommy. It's 90% of the costs. You are talking about these soft costs, and it's still a \$10,000,000 difference.

Councilperson Narduzzi said but my soft costs John are \$2,000,000.

Finance Director Veres said so take a \$2,000,000 difference.

Councilperson Narduzzi said like I said, you guys talk about millions like I talk about \$10.00.

Vice Mayor Grendel said this price isn't going to go down. If we wait another 10 years, the price would have gotten greater.

Councilperson Narduzzi said I guess the way I look at it is how come we didn't assess people? We are paying for this road, and the landowners are walking away running to the bank. We have nothing to gain here but taxes, and the landowners. They didn't give Topgolf anything. He got more money. He's paying taxes on this land for a quarter of what he sold his property for. Since we are putting the road in, all of a sudden his land is worth \$5,000,000 plus he has two more parcels that are going to be worth more than that probably.

Finance Director Veres asked are you talking about Dalad?

Councilperson Narduzzi said absolutely. So, why don't we assess Dalad for some of these road costs? I mean it's not like it's a \$3,000,000 project. We are pushing \$15,000,000 or \$16,000,000, and we aren't getting anything from the landowner which his land is useless unless we do something.

Finance Director Veres said that's a good point.

Councilperson Narduzzi said I read that whole contract with Topgolf, there's nothing in there that says we can't assess the landowners for a portion of the cost of this road. I mean everybody here is saying that the price of the property is going to go up. So, let's determine that now.

Finance Director Veres said Council has to decide to do that, but it still makes sense this way.

Economic Development Director Rowan said I think to go back and retroactively say hey it's going to cost more than we thought so we are going to assess you.

Councilperson Narduzzi said well you can't do it with Topgolf now, but I'm saying the two other future sites we can do it.

Economic Development Director Rowan said we could, but I think through this mechanism, through TIF and income tax and bed tax, we are going to get the money that way versus an assessment which is a detriment to even marketing.

Councilperson Narduzzi said anything you can do to help pay off principal, we are much better off. We are not a money machine.

Finance Director Veres said and we are going to pay off \$3,000,000 of Fieldhouse principal three years early this year. We can leave that on the books and put it towards this. This is a TIF area where you can generate money to help you pay the debt. The Fieldhouse is not, the Shared Facility is not. So, we are paying that off because it doesn't have an additional revenue source to help pay it off. It's going to help down the road in the northwest quadrant because the improvements we make on the ramps and everything; it's going to make that property more attractive.

Vice Mayor Grendel said when you look at the overall picture, it helps us with the planning with transportation with ODOT and the I-77 Rockside intersection and everything else. It's a grand picture of things.

Economic Development Director Rowan said we have been trying to work with them to make improvements to the northbound ramp. That would really help our situation on the west side of Rockside because we know we need to make those improvements before anything happens with IRG because we need to be able to accommodate those additional cars on that side of the freeway.

Finance Director Veres said and there's a good chance they wouldn't approve that if we didn't tie this road in, right?

Economic Development Director Rowan said correct. We committed to do this.

Vice Mayor Grendel said it would be interesting to measure the traffic flow once this is constructed to see how many cars actually use that and ease the burden on Rockside.

Finance Director Veres said how many cars just jump on 21 to go to I-77 north.

Vice Mayor Grendel if there is some way that we can measure that or study this to see the benefit of diverting some of the traffic that way.

Finance Director Veres said I know if I worked there that's the way I would go instead of Rockside to that ramp there.

Vice Mayor Grendel said if you have to go to the east side, you go the shoreway; although the shoreway is probably as bad as I-480 at rush hour.

Economic Development Director Rowan said the point of this was really, you are right in that those future developments are just estimates.

Councilperson Narduzzi said you have to take them out of there to get the real picture.

Economic Development Director Rowan said when you are looking at this number in the 20 years between Topgolf and Vista Springs, you are at \$11,000,000 out of \$13,000,000. I don't know the percentage of that, but it's pretty high.

Mayor Togliatti said and you still have 10 years of collections.

Economic Development Director Rowan said and you still have 10 years of collections. So, to do a 20 year bond, your interests costs are a little bit more reduced.

Finance Director Veres said and the area north of Vista Springs is usually filled with, what were you saying Jeremy, what type of business?

Economic Development Director Rowan said skilled nursing usually follows those.

Finance Director Veres said which we don't have on here.

Economic Development Director Rowan asked are they not projects that we know? No, they are not, but they're zoned for a hotel. I would imagine that once Topgolf is up and running, that the property will sell pretty quickly. The other side might take a little bit more time because it's office. We are covering a lot of our costs with just two projects, then I would say those figures are on the conservative side.

Finance Director Veres said well on the revenue side they are conservative because we don't have inflation, but we are showing you the interest because we know what the interest is. So, if you did a 20 year inflation on that, I am sure it would cover the \$13,000,000.

Economic Development Director Rowan said we just wanted to be conservative.

Finance Director Veres said right, but I'm pointing that out that we are including the interest. We didn't have to. We are not including any inflation growth.

Economic Development Director Rowan said so I think once those other parcels do develop, there's an opportunity there to cover some of the costs to resurface the existing road or pay down some principal or to have flexibility to figure out how to use those funds.

Vice Mayor Grendel said before it was always conjecture because we didn't have the capability of building anything back there. It was for sale, but realistically there was no sewer. Nothing could have happened until something triggered it, and putting the sewer in was the first step because we had to do it otherwise we would have opened up ourselves for a liability. Once the sewer was built, then it made sense for the road because this has been on the books for probably since, I know we talked about it in the 1990's. So, probably even before that; there was always potential, but you never knew what you were getting into as far as the actual engineering or the terrain.

Finance Director Veres asked was the promise made to AAA, that's why AAA moved in?

Economic Development Director Rowan said they are under the impression it is because when we have talked with them, they have said a couple of times well it's about time you built this road, we have been waiting for 20 years for you to complete it like you said you would. They have even toyed with the idea internally of changing their address to be a Rockside Woods because that's going to be their frontage, where really Brecksville has a mound. Everyone comes in off of that new road. I don't think they are going to do it, but they are excited to have the new signage at their entrance. They are excited to be on the new node signs at each end as well as Embassy and Kent State. It's going to improve, that whole corridor is going to be brought up to modern standards. When you drive down there now, it's like driving on a road that's been forgotten. It's kind of the perception, and when you drive back there; it's very difficult to see what it could be in its existing condition. So, with this investment I think it's really going to be a catalyst just to get that whole area finished off and move on to the northwest quadrant and trying to get that going.

Finance Director Veres said and the Broglio's site can help contribute to this. I just mention these Tommy because as opposed to let's say it's just these four possibilities that would contribute to this; it's not just these four possibilities, but we decided just to include these four. We didn't include the Cavs. We didn't include Kent State. We didn't include Broglio's. We didn't include anything north of Vista Springs; but that's all more potential that can go towards this because in my mind \$3,300,000 is part of that Brecksville Road 21 North total cost.

Vice Mayor Grendel said if this was all we were going to get, Topgolf, then there would be some concern. It's the global picture of that area north of Rockside. It's been really tired. We moved out. Our home was taken in 1968. They told us then that the future, the next 10 to 15 years, that's going to all change; and nothing ever happened until now.

Councilperson Narduzzi said the way I'm looking at it, and I am not trying to fight the fight; but if you just look at Topgolf, it doesn't paint a pretty picture. So, I am saying it's like we are jumping the gun; and we don't have a funding mechanism to pay for that other part yet that is the expensive part.

Vice Mayor Grendel said I don't know if Topgolf, it kind of adds from the City's standpoint; you talk to the hotel operators, you talk to our businesses, and they are pretty darn excited. I think the Mayor has heard the same thing too that something like this will be an attraction for our hotels, hospitality when things are going slow.

Finance Director Veres said I visited Topgolf in Columbus Saturday night, and they are projected \$25,000,000 in total sales; they are going to exceed that by \$4,000,000. Who would think that they would have \$29,000,000 in total sales? So, the amusement tax might be underestimated.

Economic Development Director Rowan said it's based on \$8,000,000.

Finance Director Veres said based on \$8,000,000.

Vice Mayor Grendel said when you look at the blend that they have at Polaris, the shopping, retail, hotels, office; this adds to that because from a standpoint of entertainment.

Finance Director Veres said a four hour wait on Saturday night, and it was 28 degrees and snowing.

Economic Development Director Rowan said it completes a piece of our infrastructure, our traffic infrastructure that's just missing. That's to me the big picture. It's completing that network in that quadrant.

Finance Director Veres said and Rockside. It's going to help the northwest quadrant to be more desirable because you are going to have a through traffic flow in the corridor because we are doing what we told them what we were going to do.

Economic Development Director Rowan said it's all connected. It is all related.

Vice Mayor Grendel said and I think Topgolf, I think Kathleen sent it to us that they are getting into the gaming aspect of it too. So, they are thinking ahead too; not only golf, but maybe some other electronic gaming which has become a big thing. So, the company is not one of those that will, I don't project it or I don't think it's going to be going out of business in a couple of years.

Finance Director Veres said they have a great culture too with their workforce.

Finance Director Veres asked so what's next on the agenda?

Economic Development Director Rowan said that's really all we had. With Topgolf, to yield \$450,000 in revenue if it was just going to be a company based on income tax, you would have to have a payroll of \$22,500,000. So, it's not insignificant revenue when you add it all up. I mean we haven't had too many (inaudible) with a \$22,000,000 payroll on the low end. When you add it all together, it's pretty significant.

Finance Director Veres said maybe it will attract some Cavs players. We can't seem to attract any.

Economic Development Director Rowan said so I don't know if there's any other questions, but that's the presentation we had.

Chairman Veverka said thank you.

Councilperson Narduzzi said I still want to see a detailed breakdown.

Finance Director Veres said you have the 85% of the costs, and I will give you the rest of the soft costs. There have been a few things going on this month that have set me back a little.

Councilperson Narduzzi said I understand.

Chairman Veverka asked anything else?

City Engineer Ramm said Mr. Chairman under Number 5, I have a few things that are kind of germane to this project, things that you will see on the February Council meeting. It's the right-of-way appropriation ordinance, and there will also be consultant selection for construction and inspection services. We are recommending QCI for that contract. So, that is specific to this project, and also E.L. Robinson and Bohning & Associates; we would like to continue having them consult for things like this, support and construction services during construction. So, there are a couple of contracts for those consultant firms.

Lastly, the Chestnut Woods Section 3, Phase 5; they are trying to finalize their plat and acceptance and dedication, so you will see it on First Reading.

Finance Director Veres asked is that the last phase?

City Engineer Ramm said yes, there's one more that will extend off of South Great Oaks, the final phase.

Vice Mayor Grendel said so that's on Planning Commission then this month.

City Engineer Ramm said right, as well as Council.

Chairman Veverka asked and you anticipate all those for First Reading?

City Engineer Ramm said for sure the dedication, the acceptance, that can stay on First Reading. They are not ready yet, and they are shooting for March to have it ready. We will dictate and control that whether or not we approve it; but the other items, I think it's critical to get those approved because ultimately we would like to award the construction contract to Fabrizi on Tuesday the 12th. At that same time then I think QCI could start immediately getting things lined up and pre-construction meetings and things of that nature. So, we would like to not have a delay or a gap in time. It's the same with E.L. Robinson and Bohning. Bohning has already helped us

with preparing spreadsheets and looking at costs; and I think I am going to be relying on E.L. Robinson on the traffic signal and meeting with the residents. There's been concerns about the signal. So, there are some opportunities right now that they can help us. I would like to get those considered for approval.

Chairman Veverka said thank you. Anything else? There were no other items to be discussed.

Moved by Grendel, seconded by Veverka, to adjourn the Streets & Sidewalks meeting of January 29, 2019. Voice Vote: 3 yes/0 no; motion carried.

There being no further business, the meeting was adjourned at 5:31 p.m.

–

Debra J. Beal, Clerk of Council
Minutes Unapproved at Time of Release 01/31/19