

Cuyahoga Falls City Council
Finance Committee Meeting
April 21, 2003

Members: Mr. Gorbach, Chair
Mr. Schmidt
Mr. Barnhart

Mr. Gorbach called the meeting to order at 7:10 p.m. All members of committee were present.

The minutes from the April 7, 2003 Finance Committee meeting were approved as submitted.

LEGISLATION CONSIDERED

Temp. Ord. No. B-63
Temp. Ord. No. B-64
Temp. Ord. No. B-65

DISCUSSION

Temp. Ord. No. B-63

Mr. Gorbach read B-63 (second reading). Mr. Arrington stated that part of the concessions when they renegotiated the union contracts, was an increase in the co-pay on prescription drugs. The increase went from \$2.00 for generic and \$5.00 for name brand to \$5.00 for generic and \$20 for name brand, along with a mandatory mailing system for maintenance drugs. This same plan is also for the nonbargaining employees.

Committee recommended bringing out B-63.

Temp. Ord. No. B-64

Mr. Gorbach read B-64 (second reading). Mr. Arrington stated that when they were taking the case in Washington, they made contact with Jones Day to retain counsel to argue the case before the Supreme Court. Each of the two attorneys working on the matter had an hourly rate in excess of \$500. Mr. Arrington had forwarded a lot of materials before he ever had a meeting with them and the one attorney already had put in 40 hours. The City would have incurred a six figure fee if it were billed at the hourly rate. Jones Day prepared the Reply Brief and did the oral argument. Jones Day suggested a flat fee of \$15,000 and, if the City was pleased, it would come back to Council and ask for a performance bonus. We are not legally obligated to pay this amount. He pointed out that Jones Day saved the City \$3 million. Mr. Gorbach stated if you break down the \$20,000 by the number of hours put into the case, the hourly rate would be miniscule. He is not adversely opposed

to paying the performance bonus. Mr. Bauer asked why Jones Day was giving such a large discount. Mr. Arrington stated it is not often that an attorney gets to go before the Supreme Court--they wanted this case. Mayor Robart stated that Jones Day was passionate about this case. The verdict was very important to the City's reputation and he felt Jones Day recognized that it was not just the \$3 million--we felt we had to win.

Mrs. Klinger stated that our attorneys were much better prepared than the other attorneys which worked greatly to our advantage. She is pleased with their performance and has no problem paying this. Mrs. Pyke stated this would be Council's way of saying "thank you." It isn't much but it is still acknowledging a job well done. Mr. Schmidt stated watching the argument was one of the most interesting experiences he has ever had. He is in favor of this legislation.

Committee recommended bringing out B-64.

Temp. Ord. No. B-65

Mr. Gorbach read B-65 (second reading). Mr. Bell stated we are getting to the end of the project and need to send bills to residents for their portion of the project. They would like to proceed with this. Mr. Gorbach stated in the past, the City did not normally turn these into the County right away because there is always someone who will pay it. Mr. Bell stated he needs to turn it in by September to get it on next year's tax duplicate. It gives the people the option to pay what they want to pay. Mr. Gorbach asked if the project went well. Mr. Bell stated it did and that everything was fixed that people asked about.

Bill Degraw, 1480 Seventh Street, stated that work still needs to be done on his lawn and devil strip. He wants to make sure it gets done. Also, they said they were going to replant trees. Mrs. Pyke added that Mr. Degraw was a corner lot. There are a couple of devil strips and a letter went out to the residents. There are some minor punch list items. Mr. Bell indicated as soon as they can get the landscaping company out there, those items would be addressed. It would probably be six weeks. Mr. Degraw stated he was happy with the project and indicated the area looks nice. Mrs. Pyke thanked Mr. Bell and the project inspector for the good job they did on the project. Mrs. Klinger asked what interest rate the properties would be charged on the tax duplicates. Mr. Bell stated it would be whatever the current rate is when they are turned in. Mrs. Klinger asked if we would be bonding any of this. Mr. Bell answered no.

Committee recommended bringing out B-65.

Meeting adjourned at 7:30 p.m.