

FINANCE COMMITTEE MINUTES

OF JANUARY 8, 2018

Municipal Council of the City of Vermilion
Municipal Complex, 685 Decatur Street, Vermilion, Ohio 44089

In Attendance: **Vermilion City Council:**
Steve Herron, President of Council; Monica Stark, Council at Large; John Gabriel, Ward One; Frank Loucka, Ward Two; Steve Holoavcs, Ward Three; Barb Brady, Ward Four; Brian Holmes, Ward Five.

Administration:
Jim Forthofer, Mayor; Tony Valerius, Service Director; Chris Howard, City Engineer; Chris Hartung, Police Chief.

Call to Order: Brian Holmes, Chairman, RESOLVED THAT this Finance Committee comprised of the committee of the whole does now come to order.

TOPIC ONE: Review of 2018 Audit

B. Brady asked to table this review until a new finance director is appointed.

TOPIC TWO: Change Order #3 – Main Street Water Improvements

C. Howard reported the city received the final invoice for the Main Street Water Improvements and there are additional costs. The change order is for \$35,538.23. He noted that DLZ was the construction administrator and inspector on the job and the contractor was Abraham-Miller Excavating. Some of the items in the change order were unforeseen and some were quantity overruns and then some were quantity underruns. He said council needs to approve final payment of the project which is \$44,792.75.

S. Holoavcs asked how long this project has been completed. T. Valerius said it was completed right before Thanksgiving. S. Holoavcs said if they knew about these changes why did the administration take so long to bring the extras before Council and who gave them the right to go ahead and do it at that time. He said weekly meetings are held on these projects and now they are hearing about this on January 8; two months later, and they are looking at \$35,538.23 extra. T. Valerius said there were some extras that were approved the by the mayor and many changes were made to keep the project going before the weather changed. S. Holoavcs said he understands this but that was two months ago so council should have heard about this earlier. The construction manager should have been giving the administration those numbers to know where the city was at. It is alarming to hear \$35,000 on January 8. S. Herron agreed and said they need to develop a routine and practice so there is not a delay like this. They want to get the job done and pay their bills, but this is a very frustrating aspect of this situation.

M. Stark asked how much they are over the original quote on this project. C. Howard said the original contract was for \$371,460.00 and Change Order #1 was for \$75,000 to extend the water line to the lake, and Change Order #2 was just a contract extension. J. Gabriel asked if a contingency was built into the contract because they are within the 10 percent. Obviously, they are not happy getting hit with this information, but typically moving forward as a body they need to review these changes. S. Holoavcs said there will always be problems and unforeseen items, but council should have been aware of this back then. He doesn't have a problem paying

the bills owed as the contractors deserve it. He said in the future the administration needs to keep council aware of what's going on if they are coming to council for more money.

S. Herron MOVED; F. Loucka seconded to have the clerk prepare legislation for Change Order #3 in the amount of \$35,538.23 for the Main Street Water Improvements. Roll Call Vote 7 YEAS.
MOTION CARRIED.

After no further discussion came before the committee, Chairman Holmes adjourned the meeting.

Next Meeting: February 12, 2018 @ 7:00 p.m.

Gwen Fisher Certified Municipal Clerk