

MINUTES
FINANCE COMMITTEE MEETING
6:30 P.M., DECEMBER 19, 2022
AV ROOM #308, CITY HALL

Joseph Jenkins, Chairperson, called the meeting of the Charleston City Council Committee on Finance to order at 6:30 p.m., December 19, 2022.

A silent roll was taken by the Clerk and a quorum was established. The following committee members were present:

Joseph Jenkins, Chair
Bobby Reishman, Vice Chair
Ben Adams
Brent Burton
Becky Ceperley
Mary Beth Hoover

Absent:
Chad Robinson

Other Councilmembers present:
Emmett Pepper

I. DISCUSSION:

a. Approval of Previous Minutes - Councilmember Reishman asked for unanimous consent to dispense with the reading of the minutes for the December 5, 2022 meeting and that they be approved as distributed. There were no objections, and the minutes were approved.

b. Report from City Manager regarding vehicle shortages – The report is reproduced at the end of the Minutes.

II. RESOLUTIONS:

- a. Resolution No. 748-22 – Authorizing the Finance Director to establish special revenue fund 097 as the Coordinated Addiction Response Effort (CARE) fund to be used to receive and administer grants, contributions, and appropriations awarded for the operation of the CARE Office and to receive and expend any amounts received under the West Virginia statewide settlement agreements with various pharmaceutical companies relating to opioid-related claims made on behalf of the State of West Virginia and its political subdivisions, as more fully discussed in Resolution No. 623-22, including exhibits, adopted by the City Council of the City of Charleston on March 21, 2022.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That the Finance Director is authorized to establish special revenue fund 097 as the Coordinated Addiction Response Effort (CARE) fund to be used to receive and administer grants, contributions, and appropriations awarded for the operation of the CARE Office and to receive and expend any amounts received under the West Virginia statewide settlement agreements with various pharmaceutical companies relating to opioid-related claims made on behalf of the State of West Virginia and its political subdivisions, as more fully discussed in Resolution No. 623-22, including exhibits, adopted by the City Council of the City of Charleston on March 21, 2022.

City Manager, Jonathan Storage, added that the vast amount of CARE expenses are covered by grant money. As these grants typically operate on a reimbursement basis, the City must pay these expenses until the grants are approved. The resolution will establish a fund to house any money received from the opioid-related settlement agreements, and will relieve the City of having to tie up General Funds. The CARE office qualifies for the restricted allowed uses from the settlement agreements.

Councilmember Reishman moved to approve the Resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 748-22 approved.

- b. Resolution No. 749-22 – Authorizing the Mayor or City Manager to execute Change Order No. 1 with McClanahan Construction Company, LLC, in the amount of \$423,000, where the dollar amount reflects the allocation of remaining funds from the last asphalt paving cycle to be used for concrete repairs. The cost per quantity of concrete will remain in place with the contractor through the duration of the current contract.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to execute Change Order No. 1 with McClanahan Construction Company, LLC, in the amount of \$423,000, where the dollar amount reflects the allocation of remaining funds from the last asphalt paving cycle to be used for concrete repairs. The cost per quantity of concrete will remain in place with the contractor through the duration of the current contract.

Storage added that residual funds from the past asphalt paving season allows for additional concrete street repairs. The current contract pricing runs through late Spring 2023.

Councilmember Reishman moved to approve the resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 749-22 approved.

- c. Resolution No. 750-22 – Authorizing approval of Amendment No. 4 of the FY 2022-2023 General Fund Budget as indicated on the attached list of accounts.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That Amendment No. 4 of the FY 2022-2023 General Fund Budget as indicated on the attached list of accounts is approved.

Finance Director, Andy Wood, added that the resolution is for the traditional, annual fund balance that rolls over the previous year's unspent funds into various funds. He noted that the format of the amendment has changed for improved ease of understanding. The first section of the amendment deals with non-spendable and restricted balances associated with different items. The non-spendable items have been prepaid for insurance expenses. The restricted balances are associated with Police purchase escrow packages and debt service for the ballpark lease payments. The committed funds balances contain a portion for the original \$4 million balance that was in the City's base 2023 budget. The section for fund supported training is a portion of the funds that are paid through Municipal Court, adding that the surcharge goes to support Police training. Wood added that the assigned balance is a reduction from Amendment No. 1 due to certain orders not coming in on time or being cancelled. The last section addresses under-funded or unfunded issues during the current year that includes overtime expenses, utility expenses, vehicle repairs, postage, fuel, etc. Additional funds are being added to the Building Commission for demolitions. Additionally, the amendment transfers out money to funds such as the Facilities funds for various projects such as playground improvements, etc.

Councilmember Reishman moved to approve the resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 750-22 approved.

- d. Resolution No. 751-22 – Authorizing the Mayor or City Manager to enter into a contract with West Virginia Tractor Company in the amount of \$846,393.00 for the purchase of four packer trucks for the Refuse Department, where the purchase price was determined following a competitive bidding process.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to enter into a contract with West Virginia Tractor Company in the amount of \$846,393.00 for the purchase of four packer trucks for the Refuse Department, where the purchase price was determined following a competitive bidding process. Each packer truck will be equipped with hydraulic tippers at the time of delivery.

Storage added that the current Capital Outlay budget for the current fiscal year calls for the purchase of the listed packer trucks for the Refuse Department. The winning bid is approximately 5.08% over expectations. The price is considered reasonable, and the City has purchased from this vendor before. He added that each truck will be delivered with hydraulic tippers pre-installed.

Councilmember Reishman moved to approve the resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 751-22 approved.

- e. Resolution No. 752-22 – Authorizing the Mayor or City Manager to enter into a one-year renewal contract with Stryker Medical in the amount of \$31,577.00 for the ongoing maintenance and support of Stryker-branded LIFEPAK (high performance heart monitor & defibrillator) devices and LUCAS (mechanically assisted chest compression) devices used by the Charleston Fire Department.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to enter into a one-year renewal contract with Stryker Medical in the amount of \$31,577.00 for the ongoing maintenance and support of Stryker-branded LIFEPAK (high performance heart monitor & defibrillator) devices and LUCAS (mechanically assisted chest compression) devices used by the Charleston Fire Department.

Storage added that the agreement allows for continued maintenance and support for critical EMS equipment that is used in every ambulance.

Councilmember Reishman moved to approve the resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 752-22 approved.

- f. Resolution No. 753-22 – Whereas, Fire Department Ambulance 436 was involved in an incident on September 5, 2022, that resulted in significant body damage to the vehicle; and

Whereas, Ambulance 436 is a frontline service vehicle providing emergency medical services to the City of Charleston and surrounding areas; and

Whereas, according to an independent assessment provided by Frontline Appraisals, LLC, the cost of the work necessary to return the vehicle to service is estimated at \$43,532.01; and

Whereas, the Administration requests purchasing authority to proceed with the damage repair, including an allowance to provide for any additional repairs that may be uncovered once the work begins.

Now, therefore, be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is authorized to enter into a contract with Love 2 Hotrod, Inc., in an amount not to exceed \$50,000 to repair CFD Ambulance 436, where the vendor was selected based on prior work experience performed for the Fire Department's ambulance fleet.

Storage added that resolution is to repair the ambulance after its collision on the Patrick Street Bridge. Both the City's Equipment Maintenance Department and the City's insurance company have agreed to the vendor.

Councilmember Jenkins asked if the responsibility for this was on the Fire Department. City Attorney, Kevin Baker replied that there did not seem to be no other potential party at fault in the accident.

Councilmember Reishman moved to approve the resolution. With members present recorded thereon as voting unanimously in the affirmative, Chairperson Jenkins declared Resolution No. 753-22 approved.

III. MISCELLANEOUS:

Councilmember Jenkins acknowledged that this would be the last Finance meeting for Councilmembers Reishman and Adams.

Councilmember Reishman motioned to adjourn the meeting.
Meeting adjourned.



CITY OF CHARLESTON
OFFICE OF THE CITY MANAGER

MEMORANDUM

TO: Finance Committee

FROM: Jonathan T. Storage, City Manager 

DATE: December 19, 2022

SUBJECT: Vehicle Shortage Challenges

Due to current market pressures, the Administration continues to experience a multitude of challenges relating to purchasing vehicles. Complex—but well documented—automotive manufacturing troubles have impacted the whole country. Currently, manufacturers are producing vehicles at a fraction of their pre-COVID rates, and manufacturers have significantly reduced their acceptance of new vehicle orders. Notably, on October 13, 2022, the West Virginia Purchasing Division—the agency that administers all statewide contracts—did not receive a single bid from local auto dealers when it opened bids for the next statewide vehicle contract. Moreover, that agency was forced to list automobiles on its “Impossible to Bid List”—a remarkable development.

The use of other competitively sourced contracts has proven equally fruitless, as purchasing consortiums across the country grapple with manufacturers who are unable to accommodate orders, unable to produce vehicles on pre-COVID timetables, or unwilling to produce them at established contract pricing. In fact, the Administration has attempted to place several Council-approved vehicle purchases and have had the orders cancelled by manufactures.

The on-lot availability of new vehicles in the region is also exceptionally sparse, and the City is forced into the position of competing with other industries and governmental agencies to acquire vehicles.

Because of these challenges, I have requested that the Purchasing Director and the Director of Fleet Services continually monitor the local and regional vehicle marketplace, including the used auto market, where practical, and to make purchasing recommendations to the Administration and to the City Council when, in their judgment, the direct purchase of one or more vehicles from a vendor ready and willing to sell to the City at reasonable prices under the circumstances is in the best interests of the City.

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