

Village of Gates Mills
MINUTES OF A REGULAR MEETING OF COUNCIL
December 17, 2013

A regular meeting of the Council of the Village of Gates Mills, Ohio was held on Tuesday, December 17, 2013 at 6:30 p.m. in the Village Hall.

Councilmembers present: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.

Councilmembers absent: Reynolds.

It was moved by Councilmember Welsh, seconded by Councilmember Turner, that Councilmember Reynolds be excused from the meeting.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
 Nays: None.
 Motion carried.

Mayor Riley presided.

Mayor Riley announced the appointment of Michael Cicero as Prosecutor. In response to Councilmember Frankel's inquired regarding the Village Prosecutor position, it was stated that Vince Feudo, the former prosecutor, was retiring and Mayor Riley explained that the Prosecutor represents the Village, primarily for matters addressed in Lyndhurst Municipal Court. Mr. Cicero added that representation of the Village occurs on a weekly basis and includes attending arraignments, pre-trials, suppression hearings, jury trials, etc.

It was moved by Councilmember Turner, seconded by Councilmember Sogg, that the appointment of Michael Cicero as Prosecutor be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
 Nays: None.
 Motion carried.

Mayor Riley administered the Oath of Office to Prosecutor Cicero.

The minutes of the November 19, 2013 Council meeting were presented by the Clerk. It was moved by Councilmember Turner, seconded by Councilmember Sogg, that the minutes be approved.

Roll call: Ayes: Frankel, Schneider, Sogg, Turner, Welsh.
 Abstain: Barnes.
 Nays: None.
 Motion carried.

Pay Ordinance #1160 in the amount of \$400,718.34 was presented by the Clerk. Councilmember Turner questioned how costs related to the Village Engineer's retainer and services were differentiated and if such figures could be further broken down to distinguish differences in expenses. Finance Administrator Lechman provided an overview of Village Engineer-related expenses and offered suggestions of how she could separate cost information going forward.

It was moved by Councilmember Sogg, seconded by Councilmember Frankel, that Pay Ordinance #1160 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

The financial statement for the period ending November 30, 2013 was presented by the Clerk. Councilmember Barnes reviewed certain YTD results, highlighting as follows:

- The Village is approximately \$250,000 behind on Revenues mostly due to municipal income tax and real estate taxes.

Finance Administrator Lechman stated that an additional \$156,000 in real estate taxes is expected to be received in December and anticipates receiving \$84,000 in city tax. She also anticipates a shortfall of approximately \$40,000 in municipal taxes. Mayor Riley asked what the expenses would be for December. Finance Administrator Lechman projected expenses would be \$100,000 under budget for the year.

- Councilmember Barnes commented further on expenses stating that the Fire Department was running significantly under budget due to the renegotiated EMS contract. The Service Department is under budget. The Police Department is slightly over budget primarily due to the Dispatch Operating Fee of \$66,000. He added, however, that the Police Department continues to do a good job managing expenses.
- Councilmember Barnes further reported that Inheritance Tax is slightly higher than last year and anticipates the Village will receive \$150,000 in 2014 with such amount probably representing final receipt of Inheritance Tax funds.
- \$5.6 Million in Cash and Investments.
- \$700,000 in Unfunded Debt which is expected to be paid off in about seven years.
- Councilmember Barnes advised that Capital Improvement funds are significantly under budget coming in around \$600,000 vs. \$1.4 Million. Caveats to note: \$400,000 has been deferred with regard to the Mayfield Road Culvert Replacement Project; final bill of approximately \$90,000 for the Mayfield Storm Sewer Project has yet to be received; and there are some outstanding amounts for road repair projects. Therefore, he stated that the amount for Capital Improvement in December will increase.

Mayor Riley began his report by providing a brief explanation of House Bill 5 which he stated will be in front of the Ohio Senate when it returns to session in January. House Bill 5 deals with the reform of Ohio municipal taxes. The goal of the bill is to rationalize Ohio's

municipal tax system. The proposed statute makes a number of changes. A preliminary analysis done a year ago suggested no material changes for the Village in terms of revenue. However, it has since changed and he and Finance Administrator Lechman will review the same and Mayor Riley stated that he will provide a report at the January Council meeting. He noted that should it pass, it will not take effect until 2015. Mayor Riley also advised that he will again this year provide a State of the Village report to all Villagers in January.

The Clerk had nothing to report.

On behalf of the Zoning Committee, Councilmember Schneider suggested that the Safety Committee look into the issue of rental properties specifically regarding an ordinance requiring property owners to register certain tenant information. She shared her opinion that having such information may be helpful to the Village's safety forces as well as the school system. Councilmember Sogg said there is currently no way to know where the rental properties are. Councilmember Welsh expressed his concern regarding the legality of the same. In response, Law Director Cannon commented that many communities require similar registration of rental properties. The examples of Beachwood and Shaker Heights were provided. Councilmember Frankel asked whether similar information is available for non-rental properties. Councilmember Schneider said such information may be available from tax duplicates, the most recent census as well as telephone directories. Mayor Riley stated he will request Councilmember Reynolds address this issue at the next Safety Committee meeting and to work with Law Director Cannon with any proposed ordinance.

Police Chief Whitmer provided a written report. He stated there were 518 billable calls this month and 520 the month prior. The number of calls is slightly under the projected 6,500 annually with the switching over to Chagrin Valley Dispatch. He thanked Council members who attended the Dispatch open house and announced that it will officially open on January 15, 2014. Police Chief Whitmer invited Councilmembers to stop by and see the new Police and Town Hall Coordinator's office. He thanked the Service Department for completing the space well under budget and for the great job they did. Councilmember Turner inquired if there were additional communities looking to join Chagrin Valley Dispatch. Chief Whitmer explained that Highland Hills officially signed on and that the communities of Northfield, Solon and Twinsburg are in stages of evaluating and/or negotiating. He anticipates that Solon will make its decision within 60 days.

A written report was provided by Service Director Biggert. He advised Council that a submission on behalf of the Village was made to the Ohio Historical Society regarding becoming a Certified Local Government. Councilmember Sogg provided a summary regarding this effort and the program. This is a possible source for some funding for historic projects. Service Director Biggert indicated he expects to have his Annual Report for both the Building and the Service Departments by January or February. He provided an update on the Chartley Pump Station Force Main project by stating that he had met with the contractor, materials have been ordered, and he anticipates the project should start around the beginning of January. Councilmember Barnes pointed out it is the \$225,000 project that was budgeted for 2013 but will be carried forward to 2014. Lastly, Service Director Biggert reminded Council of the Service Department's annual lunch scheduled for Friday, December 20th.

Chief Robinson provided the Fire Department report.

Councilmember Schneider queried Council as to interest in having another Community Awareness Day event. The suggestion was well-received and Mayor Riley suggested addressing this topic at the next Council meeting when Councilmember Reynolds would be in attendance.

Resolution #2013-30 entitled “A Resolution Authorizing the Mayor and the Clerk to Enter Into an Agreement with the City of Mayfield Heights for the Furnishing of Emergency Medical Service Protection for the Village of Gates Mills for the Year 2014 and Authorizing a Rate of Payment for Rescue Squad/Ambulance Services from the City of Mayfield Heights and Declaring an Emergency”, was introduced by Councilmember Welsh and given its second reading by the Clerk. This Resolution would allow Mayfield Heights – in circumstances when the primary service provider, Mayfield Village, is unable to respond or when additional equipment is needed – to provide back-up Rescue Squad/Ambulance Service to the Village and setting the rate for the same.

It was moved by Councilmember Welsh, seconded by Councilmember Schneider, that the rules requiring ordinance to be read on three different days be suspended and that Resolution #2013-30 be placed upon its final passage due to deadline.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Welsh, seconded by Councilmember Schneider, that Resolution #2013-30 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Mayor Riley announced the appointment of Councilmembers Reynolds and Welsh to the Volunteer Fire Fighters Dependents Fund Board. It was moved by Councilmember Schneider, seconded by Councilmember Sogg, that Councilmembers Reynolds and Welsh be appointed to the Volunteer Fire Fighters Dependents Fund Board

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Ordinance #2013-31 entitled “An Ordinance Authorizing A Contract With Aetna Health Care To Furnish And Provide Hospitalization and Health Care Coverage for Village Employees and Declaring an Emergency,” was introduced by Councilmember Barnes and read by the Clerk. Councilmember Barnes explained that the Wage Committee met to review and consider medical coverage for Village employees. He explained that bids were solicited but the only quotes

received was from Aetna, the current provider. He stated that the quotes received were approximately \$50,000-60,000 less per year than the current contract. This Ordinance proposes staying with Aetna under their revised plan. Councilmember Barnes indicated that the Wage Committee would continue to explore options after the first of the year. Finance Administrator Lechman said a bid was also recently received from United Healthcare which was approximately \$50,000 more than the current contract and more than \$110,000 over the current proposed contract. It was moved by Councilmember Barnes, seconded by Councilmember Welsh, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2013-31 be placed upon its final passage.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Barnes, seconded by Councilmember Sogg, that Ordinance #2013-31 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Ordinance #2013-32 entitled “An Ordinance Authorizing a Contract with Delta Dental to Provide Dental Insurance Coverage for Village Employees and Declaring an Emergency,” was introduced by Councilmember Barnes and read by the Clerk. He explained to Council that the current provider is Aetna. He further explained that Delta has a broader network of providers in the area and the contract with Delta would save the Village a couple thousand dollars. Councilmember Frankel inquired whether a statutory requirement for bids could be waived. Law Director Cannon responded that a Charter community can normally waive a statutory requirement. In this instance it could be waived.

It was moved by Councilmember Barnes, seconded by Councilmember Schneider, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2013-32 be placed upon its final passage.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner.
Abstain: Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Barnes, seconded by Councilmember Turner, that Ordinance #2013-32 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Ordinance #2013-33 entitled “An Ordinance Declaring the Village’s Intention to Enter into a Tax-Qualified Medical Reimbursement Plan for 2014,” was introduced by Councilmember Barnes and read by the Clerk. Councilmember Barnes stated that there has been a policy in place for several years wherein the Village will reimburse employees 50% of their out-of-pocket expenses up to a certain amount and this Ordinance was to continue such policy based on the new Aetna plan. Finance Administrator Lechman advised that last year the cost to the Village was \$11,000 in connection with such policy. Based on the new Aetna contract, Finance Administrator Lechman anticipates such amount this year will be less. Discussion among Council members concluded that with the high deductible plan, lower premiums are achieved and this policy helps Village employees.

It was moved by Councilmember Barnes, seconded by Councilmember Schneider, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2013-33 be placed upon its final passage.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Barnes, seconded by Councilmember Turner, that Ordinance #2013-33 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Ordinance #2013-34 entitled “An Ordinance to Increase the Compensation of Certain Village Employees,” was introduced by Councilmember Barnes and read by the Clerk. Councilmember Barnes explained that the Wage Committee met, discussed and reviewed comparable data of Gates Mills versus neighboring communities with regard to wage increase. Finance Administrator Lechman highlighted that Hunting Valley is providing a compensation increase of 2.5% and Moreland Hills approved a 2% increase for 2014. Councilmember Barnes stated that the wage increase last year and the year prior to Village Employees was 1%. Councilmember Barnes indicated that the cost to the Village across the board for a ½% wage increase would be approximately \$11,000 a year. Considering the Village’s finances are in good shape plus the decrease of the expense of health care coverage, it was the conclusion of the Wage Committee that an increase of compensation by 1.5% was appropriate. Councilmember Frankel asked about employee benefits specifically noting that long-time Village employees receive 20 days vacation plus additional sick time. Finance Administrator Lechman explained the policy with regard to sick time, time accrual and how any accrued time off is paid out at time of retirement. Councilmember Frankel shared his concern that such time off related benefits may be overly generous. Finance Administrator Lechman shared that neighboring communities had similar benefits and in certain instances offered more benefits to their employees. Councilmember Frankel made the suggestion that this issue may be something the Wage Committee may want to review.

It was moved by Councilmember Barnes, seconded by Councilmember Turner, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2013-34 be placed upon its final passage.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Barnes, seconded by Councilmember Schneider, that Ordinance #2013-34 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Ordinance #2013-35 entitled "An Ordinance Authorizing a Contract with Wichert Insurance Services, Inc. to Furnish and Provide Liability and Property Insurance Coverages for the Village of Gates Mills, Its Officials and Employees and Declaring an Emergency," was introduced by Councilmember Schneider and read by the Clerk. Councilmember Schneider indicated the policy cost is decreasing from \$60,772 last year to the cost of \$59,415 for 2014.

It was moved by Councilmember Schneider, seconded by Councilmember Barnes, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2013-35 be placed upon its final passage.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Schneider, seconded by Councilmember Barnes, that Ordinance #2013-35 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Ordinance #2013-36 entitled "An Ordinance to Amend the Annual Appropriation Ordinance No. 2013-02 to Increase Certain Appropriations and Other Expenditures of the Village of Gates Mills, Ohio for the Fiscal Year Ending December 31, 2013," was introduced by Councilmember Barnes and read by the Clerk. This allows for the appropriate allocation of money as necessary.

It was moved by Councilmember Barnes, seconded by Councilmember Sogg, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2013-36 be placed upon its final passage.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Barnes, seconded by Councilmember Turner, that Ordinance #2013-36 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Resolution #2013-37 entitled “Resolution Supporting the Preservation of the Sherman Road Preserve Project in the Village of Gates Mills by Gates Mills Land Conservancy,” was introduced by Councilmember Schneider and read by the Clerk. Councilmember Schneider explained this Resolution is to support the Gates Mills Land Conservancy’s application for funds. Councilmember Frankel requested that John Kramer, President of the Gates Mills Land Conservancy, provide an explanation. Mr. Kramer stated that this is a complex land deal and the Gates Mills Land Conservancy wants to apply for Clean Ohio funds to assist in purchasing land which will add approximately 90 acres and that Gates Mills Land Conservancy needs approval to apply for those funds. Councilmember Frankel asked about mineral rights and expressed his concern regarding fracking. In response, Mr. Kramer stated there is already a well on the property and where the Land Conservancy has an easement, there is a policy against drilling. Mr. Kramer further stated that the way this easement is written, it might permit not the presence of a well but a field underneath. Mayor Riley stated that preserving the control of mineral rights is important to the Village. Mayor Riley said for purposes of this Resolution, he is comfortable with the same.

It was moved by Councilmember Schneider, seconded by Councilmember Welsh, that the rules requiring ordinances to be read on three different days be suspended and that Resolution #2013-37 be placed upon its final passage.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Barnes, seconded by Councilmember Schneider, that Resolution #2013-37 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Ordinance #2013-38 entitled “An Ordinance Approving Compensation for the Services of Village Prosecutor Michael E. Cicero,” was introduced by Councilmember Sogg and read by the Clerk. She explained this Ordinance is to pay the monthly retainer of \$850 and stated that amount is the same as the former prosecutor’s retainer.

It was moved by Councilmember Sogg, seconded by Councilmember Welsh, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2013-38 be placed upon its final passage.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

It was then moved by Councilmember Sogg, seconded by Councilmember Frankel, that Ordinance #2013-38 be approved.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Business from the audience: Councilmember Frankel stated that the lighting of the Menorah went very well and was pleased by the support of the community and indicated the event was well attended. Additionally, Councilmember Frankel shared that he and Councilmember Turner went to Hillcrest Council of Council meeting and highlighted that there was some valuable information shared at the meeting including potential cost savings available through the county as well as assistance from Home Land Security regarding cyber security available to communities. He expects to receive a recap from the meeting which he will distribute to members of Council. Mayor Riley expressed his gratitude for those that filled out evaluations in connection with the recent reviews of the Department Heads and commented that the reviews went very well.

There being no further business, it was moved by Councilmember Schneider, seconded by Councilmember Frankel, and unanimously carried, that the council meeting be adjourned.

Roll call: Ayes: Barnes, Frankel, Schneider, Sogg, Turner, Welsh.
Nays: None.
Motion carried.

Respectfully submitted,

Beth DeCapite, Clerk

Approved:

Shawn M. Riley, Mayor