

Village of Gates Mills
MINUTES OF A REGULAR MEETING OF COUNCIL
January 13, 2015

A regular meeting of the Council of the Village of Gates Mills, Ohio was held on Tuesday, January 13, 2015 at 6:30 p.m. in the Village Hall.

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

Councilmembers absent: none. (Barnes resigned January 1, 2015.)

Mayor Riley presided

On behalf of the Heritage Home Program of the Cleveland Restoration Society, Thomas Jorgensen along with Colin Compton, provided verbal and visual presentations regarding the program as well as distribution of hardcopy materials. The Cleveland Restoration Society's history, budget and a detailed overview of its services regarding historic preservation was discussed. A summary of results from two CSU studies highlighted, among other things, that houses that participated in the Heritage Home Program had increased property values, a positive impact on surrounding houses and lower foreclosures rates compared to other houses in Cuyahoga County. The technical assistance guidance component of the Heritage Home Program was thoroughly explained including availability of impartial advice and guidance, contractor referrals and project assessments. The second component of the program – its low-interest loan program – was reviewed outlining bank relations, interest rates and qualifications for eligibility.

A list of communities currently participating in the program was provided. The desire for Gates Mills to join the program was expressed. Mr. Jorgensen stated there are over 580 houses in Gates Mills that meet the requirement of being 50 years old or older. He stated the annual fee to the Village would be \$1,400. Such fee would provide eligible home owners with free technical advice as well as the availability to apply for low-interest loans. A fixed interest rate loan as low as 1.85% for ten years is available. The minimum amount loaned is \$3000 and the maximum is \$200,000. The amount of the loan is based on the after-rehab valuation. Councilmember Sogg asked whether any valuation has been done to identify, out of the qualifying homes, how many needed some type of restoration. It was confirmed no such valuations have been completed. Councilmember Reynolds inquired if data was available to determine how many homes in Gates Mills are older than 100 years, etc. The presenters confirmed they would obtain and provide that information. Councilmember Welsh questioned the difference between an individual going directly to a bank for a similar loan. The response was given that the approximate rates of banks outside of the program are approximately 2% to 3% higher. Treasurer Reynolds indicated that the Budget would be finalized at the end of the month and, at that time, Council could decide if they wanted to participate in the program. Councilmember Welsh questioned whether the program could be sponsored by an organization such as the Historical Society or if it has to be through the Village. Mr. Jorgensen replied it could be the Village, an organization or a partnership between the two. He advised that the deadline to participate in their spring mass mailing advertising the program is February 13, 2015.

He opined the best way to introduce the program to residents is by way of a letter from the mayor and that letter could be mailed later in the year.

Mayor Riley advised that Council interviewed five candidates to replace Will Barnes. He shared that the unofficial tally was to select Ann Whitney to serve on Council.

Ordinance #2015-01 “An Ordinance Appointing Ann Whitney To Fill The Unexpired Term Of Councilman Will Barnes And Declaring An Emergency” was introduced by Councilmember Schneider.

It was moved by Councilmember Welsh, seconded by Councilmember Schneider, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2015-01 be placed upon its final passage.

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

It was moved by Councilmember Schneider, seconded by Councilmember Welsh, that Ordinance #2015-01 be approved.

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

Mayor Riley administered the Oath of Office to Councilmember Ann Whitney.

It was moved by Councilmember Welsh, seconded by Councilmember Reynolds, to appoint Councilmember Schneider President of Council Pro Tem for one year.

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

Mayor Riley administered the Oath of Office to President of Council Pro Tem.

It was moved by Councilmember Welsh, seconded by Councilmember Reynolds, to approve the following Mayoral appointments to administrative offices:

- Robert S. Reitman, Income Tax Administrator
- Margaret Cannon and Todd Hunt, Law Directors
- Mike Cicero, Prosecutor
- Jo Ann Lechman, Finance Administrator and Asst. Tax Administrator
- Gail Palmer, Assistant Treasurer
- Gregg Minichello, Police Chief
- David Biggert, Service Director, Building Official, Building Inspector

- Tom Robinson, Fire Chief
- William Murfello, Service Manager.

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

It was moved by Councilmember Welsh, seconded by Councilmember Sogg, to approve the Mayoral appointments to various Boards, Commissions and Committees.

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

The minutes of the December 9, 2014 Council meeting were presented by the Clerk. It was moved by Councilmember Reynolds, seconded by Councilmember Sogg, that the minutes be approved.

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

Pay Ordinance #1173 in the amount of \$823,832.59 was presented by the Clerk.

It was moved by Councilmember Sogg, seconded by Councilmember Welsh, that Pay Ordinance #1173 be approved.

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

The financial statement for the period ending December 30, 2014 was presented by the Clerk. Finance Administrator Lechman indicated that Tim Reynolds will report at the next council meeting as he is now the Chairman of the Finance Committee. She then summarized the following:

- A downfall in income of \$250,000 is attributable to Municipal Income Tax.
- Recapped prior conversation regarding transfers in connection with permits and licenses.
- Increase of administration costs resulted from extra professional jobs and additional legal expenses resulting mostly from property issues.
- Costs associated with the Waste Water Plant were explained.
- Increase for Police Department results from the cost of Chagrin Valley Dispatch as it reflects 8 months. Year 2013 was for a partial year. In 2014, the Village received service for four (4) months at no cost.

- Service Department incurred increased costs for salt as well as a large number of ditch drainage and sewer expenses.
- Did not spend the entire Capital Improvement funds as budgeted. She noted that \$600,000 remains, some of which will be spent next year.
- Year-end surplus of \$326,000 in the General Fund.
- Cash is down \$500,000.

Mayor Riley added that the Operating Revenue was \$4.3M and Operating Expenses were \$3.9M. He noted both figures were better than the original Budget, resulting in the \$326,000 Operating Surplus. Mayor Riley further stated that \$1.1M was spent on Capital Improvement, however, \$600,000 of projects were deferred. He emphasized that Cash Reserves declined by \$500,000 and that decline will continue to happen. Mayor Riley expressed the need to either figure out over the next couple of years how to cut expenses further or find additional revenue in order to have 1M to 1.2M available for Capital Expenses. Councilmember Welsh expressed his view that the change to Chagrin Valley Dispatch did not realize any savings. Mayor Riley responded that the costs that would have had to be spent to update the Police Department should be considered and opined that he continues to believe it will represent a significant savings. Councilmember Turner suggested more effort needs to be done to inform residents of Village finances.

Mayor Riley reported that a State of the Village Report will be distributed which will include a financial analysis. He announced that the Metroparks' deer culling program starts this month and continues through March highlighting that entrances to the park will be closed from noon until midnight. Councilmember Reynolds recommended adding that information to the Village's website. Mayor Riley shared that several suggestions to give a gift to former Councilmember Barnes were received and confirmed that a gift has been ordered.

The clerk had nothing to report.

On behalf of the Mayfield School System Liaison Committee, Councilmember Turner stated that the Mayfield Middle School was having a class on Wednesday from the STEM program along the lines of an operating theater and invited members to attend. Councilmember Frankel stressed it will be a good opportunity for people to learn more about the STEM program and what it is doing.

Councilmember Reynolds reported that the Safety Committee will be conducting CPR education seminars in February and added that protocol for CPR has changed in recent years and encouraged attendance.

Councilmember Welsh had nothing to report on behalf of the Cemetery Committee.

Councilmember Frankel conveyed that the Menorah Lighting was a nice event that was very well attended.

Police Chief Minichello provided a written report. Councilmember Reynolds inquired about an accident that day on I-271. Chief Minichello responded that the department was not

involved in responding or providing assistance to that accident. Councilmember Frankel highlighted the recent Platinum Award the Police Department received. Police Chief Minichello acknowledged the efforts of all of the members of the department and specifically noted Patrolmen's Suchetka's efforts and added it was the first time the department received that award. He concluded with an announcement of the birth of Patrolman Hustosky's son, Logan.

A written report was provided by Service Director Biggert. Councilmember Welsh asked about the Village's supply of salt. Service Director Biggert indicated there was a slight delivery issue but is working through it. Mayor Riley expressed his regret to see that a grant was not received for Chagrin River Road.

Fire Chief Robinson provided a written report. Mayor Riley inquired as to a recent ambulance sighting on Chagrin River Road the night before. Chief Robinson replied that was in connection with an incident involving an individual who fainted and declined treatment and transport.

First reading was held for Ordinance #2015-02 "An Ordinance Authorizing The Mayor To Purchase A Minimum Of 80 Percent Up To A Maximum of 120 Percent Of The Estimated Salt Tonnage Requirements Of The Village For The 2015-2016 Winter Season Through The State Of Ohio Department Of Transportation's Contract For Sodium Chloride; Waiving Competitive Bidding and Declaring An Emergency" was introduced by Councilmember Sogg. Service Director Biggert explained this is for the ODOT program for 2015-2016 winter season. He stated the Village has to commit to it and once ODOT gets the Village's application, which must include an approved Ordinance, then ODOT will go out to bid. Mayor Riley stated that the Village did not historically participate in such a program because of a storage issue. Service Director Biggert stated he would rather deal with an issue of storage rather than the issue of lack of salt. Law Director Cannon summarized that ODOT is using an aggregate purchasing power so they can give a quantity estimate which is the reason that the Village has to commit now. She further explained that ODOT gathers quantity estimates from all participating communities plus ODOT's own needs and then goes out to bid. Service Director Biggert clarified this was the first reading as the application does not need to be turned in until April.

Councilmember Reynolds made a request to bid for a new police vehicle. Police Chief Minichello explained that the Department has a full Expedition fleet and this is to downsize to a new Ford Explorer. He further stated that an Explorer is more economical. Councilmember Reynolds questioned if a new police vehicle was in this year's Budget. Finance Administrator Lechman said it is in the proposed Budget which has yet to be approved. Councilmember Reynolds confirmed that this is to allow a bid for a vehicle if the Budget Committee approves the same and then questioned whether the Police Department was also looking to sell a vehicle. Police Chief Minichello stated that the Fire Department has expressed interest in taking over a particular vehicle. Councilmember Reynolds asked if you bid, do you have to purchase? Chief Minichello replied no and added that the last Ford Expedition purchased was two years ago for approximately \$34,000. He remarked that the cost of the Ford Explorer is approximately \$26,000. Chief Minichello affirmatively responded to Councilmember Welsh that the Ford Explorer is under state contract.

Councilmember Reynolds moved, and Councilmember Welsh seconded, to bid for the purchase of a new police vehicle.

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

Councilmember Sogg addressing the issue of Gas & Electric Aggregation indicated that she does not yet have a proposal. She explained that recently she and Mayor Riley were approached by an independent contractor, Navigate Power that works with Constellation Energy. She was not able to meet with them until just recently. Councilmember Sogg expressed that she learned much from that meeting to consider and is waiting to receive a bid from Constellation. Receiving the same will provide a side-by-side comparison of Constellation and NOPEC. The problem is the aggregation is for the cost of gas. Capacity charge is priced by the supplier, like Dominion. That cost will increase in 2015 so the residents might not see a sizable cost savings. Councilmember Turner requested that Councilmember Sogg go back to NOPEC when she receives the comparison from Constellation. Councilmember Sogg agreed to do that.

Additionally, Councilmember Sogg shared that she was contacted regarding another separate program that offers Village-only governmental discount pricing. That program would provide the Village with a 20% discount via the Village opting out of its own aggregation program. She advised she needed to research that option further. Councilmember Frankel questioned if when the issue of aggregation was on the ballot if it was for NOPEC specifically. Mayor Riley responded it was not specific to NOPEC and that the Village has the authority to select anyone, hold public hearings and then pass appropriate ordinances.

Councilmember Turner stated, as co-chair of the Regional Commission to Study and Address Oil and Gas Well Drilling and Exploration, that she, along with co-chair Councilmember Schneider, interviewed all of the volunteers and were delighted by the number of volunteers and their qualifications. She noted that three volunteers withdrew. The first meeting is scheduled for Tuesday, January 20 at 6:30 p.m. and expects 40 people to attend. Councilmember Schneider advised the meeting will be held at the Community House and anticipates adding more volunteers in the future. She further stated that a parliamentarian has been hired to make sure it runs by Robert's Rules in an organized fashion and that committees, their charges and chairs have been identified and selected. Councilmember Turner shared that the Commission would like to operate for a year and move deliberately to have a plan and recommendations to offer the Village by the summer. She stated that there is a Communication Committee that is charged with how to communicate with Council, residents and the broader community at large. Councilmember Schneider expressed the belief that the Commission sees this as being much bigger than Gates Mills and hopes it is a large area that is represented. Councilmember Sogg mentioned the large amount of recent press and suggested having such information gathered for the benefit of the Commission. Mayor Riley shared the need to approve the appointment of this committee. The list of volunteers to be appointed was read aloud and it was agreed to attach the final list of volunteers to the list of Committees.

Councilmember Reynolds moved, Councilmember Frankel seconded, to approve the appointment of volunteers to the Regional Commission to Study and Address Oil and Gas Well Drilling and Exploration.

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

Business from the audience:

It was affirmatively confirmed, in response to an audience member's question, that the meeting being held next Tuesday would be open to the public.

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

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

Respectfully submitted,

Beth DeCapite, Clerk

Approved:

Shawn M. Riley, Mayor