

Village of Gates Mills
MINUTES OF A REGULAR MEETING OF COUNCIL
January 11, 2022

A regular meeting of the Council of the Village of Gates Mills, Ohio was held at the Community House on Tuesday, January 11, 2022 at 6:00 p.m. with Mayor Schneider presiding. The meeting was livestreamed to the internet.

Councilmembers present: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.

Other Village officials present were Clerk DeCapite, Treasurer Siemborski, Chief Minichello, Chief Robinson, Service Director Biggert, Village Engineer Courtney and Law Director Hunt.

Mayor Schneider administered the Oath of Office to Councilmembers David Atton, Laurie Deacon, Michael Press and Craig Steinbrink. The Mayor then administered the Oath of Office to Treasurer Steve Siemborski.

Councilmember AuWerter nominated Sandra Turner to be the Council President Pro Tem for the term of one year. Councilmember Steinbrink seconded the nomination.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
 Nays: None.
 Motion carried.

Mayor Schneider administered the Oath of Office to Council President Pro Tem Sandra Turner.

Mayor Schneider made the following appointments to Administrative Offices:

Robert S. Reitman, Income Tax Administrator
R. Todd Hunt of Walter Haverfield, Law Director
Michael Cicero, Prosecutor
David Biggert, Service Director, Building Official & Building Inspector
Trevor Murfello, Service Manager
Janet Mulh, Finance Administrator and Asst. Tax Administrator
D. Gregg Minichello, Chief of Police
P. Thomas Robinson, Fire Chief

Councilmember Welsh moved to approve the appointments to administrative offices, with Councilmember AuWerter seconding the motion.

Roll Call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

Mayor Schneider made the following appointments to Boards, Commissions and Committees:

Architectural Board of Review for Term Ending 12/31/24: Sandra Turner and Jann Holzman.

Historical Review Committee for Term Ending 12/31/22: Sara Welsh, Mary Holmes, Laurie Deacon, Anne Steele, Architects David Ellison and Joseph Giglio and alternate Architect William Childs.

Local Board of Tax Review for Term Ending 12/31/23: David Bercheck, David Burke and John K. Lane.

Gates Mills Land Conservancy: for Term Ending 12/31/25: Scott Broome and for the Unexpired Term of Joe Joseph Ending 12/31/2022: Jamie Carracher

Volunteer Fire Fighters' Dependents Fund Board: Ed Welsh and David Atton.

Councilmember Welsh moved to approve the appointments to Boards, Commissions and Committees, with Councilmember Turner seconding the motion.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

The minutes of the December 14, 2021 Council meeting were presented by the Clerk. Councilmember Welsh moved to approve the December 14, 2021 minutes. Councilmember Steinbrink seconded the motion.

Roll call: Ayes: AuWerter, Steinbrink, Turner, Welsh.
Nays: None.
Abstain: Atton, Deacon, Press.
Motion carried.

Pay Ordinance #1257 in the amount of \$1,124,585.14 was presented by the Clerk. It was moved by Councilmember Welsh to approve Pay Ordinance #1257. Councilmember Steinbrink seconded the motion.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

Treasurer Siemborski read his report pertaining to December 2021 and the year's end. His report is attached. He noted we will use the 2021 figures to look at and update the long range financial plan during the first quarter of 2022. We will look at potential

uses for the ARPA/Local Fiscal Recovery Funds as well. The Final Rule was issued for the uses of the funds and he will work with the Department Heads to identify possibilities. He also welcomed anyone with ideas to contact him.

Mayor Schneider gave her report. She intends to send out the annual State of the Village letter in February. She announced a “Meet and Greet” coffee time at the Community House for January 18 from 5:30 – 6:30 p.m. with the Mayfield City School District Board and Superintendent. The event was publicized through the schools.

The Clerk had no report.

Councilmember Turner reported new councilmember orientation was held on December 22nd. She hopes to integrate new committee members into the orientation in the future.

Councilmember Turner reported on the Comprehensive Plan activities. They are progressing in solidifying the Advisory Committee and the three sub-committees. Rosters will be available for the committees once confirmations are complete. Kris Hopkins, CT Consultants, will be leading an Outside Perspectives meeting on January 13 via zoom with leaders Charles Spear and Lindsay Steinbrink. Councilmembers Turner and AuWerter will attend as well.

Councilmember Turner reported the Gates Mills Land Conservancy Board had met this morning. They welcomed new Boardmembers Jamie Carracher (as of this meeting), Anthony Fazio and Celeste McClung. Councilmember Turner also noted Rob Galloway will remain the President of the Gates Mills Land Conservancy until September.

Police Chief Minichello presented his report. He noted it was unusual to have two dead-on-arrival calls in one week. He reported an officer sustained a broken wrist while responding to a house alarm. It will take approximately two months for the wrist to heal. The Police Department has had some COVID cases to deal with as far as staffing as well. Councilmember AuWerter asked Treasurer Siemborski (also President of the Gates Mills Improvement Society) how much was distributed to employees at the holidays. Mr. Siemborski commented that approximately 350 households contributed to the fund, which resulted in \$64,000 being distributed to over 40 employees. A list of donors will be in *The Pink Sheet*.

Service Director Biggert noted his report was in Council’s information packet. There were no questions on his report.

Fire Chief Robinson reported that year-end totals for fire and EMS calls were in Council’s packet. EMS calls appear to have returned to a normal amount.

Ordinance No 2021-36 (As Revised 1/11/22) “An Ordinance Enacting Gates Mills Codified Ordinance Chapter 318 ‘Automated Speed and Traffic Enforcement Program’” was read by Councilmember Steinbrink. Councilmember Steinbrink noted the traffic camera discussion began at the end of November 2021 at the direction of ODOT. There was a Town Hall meeting at the end of November and there was news coverage in the *Chagrin Valley Times*. The legislation is now on its third reading. He added the information has been well-telegraphed and Council has heard the issues over the past few months. The speed limit on Mayfield Road (State Route 322) was reduced from 55 mph to 45 mph in the past and we are completing the safety project at Mayfield Road and Chagrin River Road.

It was moved by Councilmember Steinbrink to approve Ordinance No. 2021-36 (As Revised 1/11/22). Law Director Hunt noted the Ordinance does not need an emergency clause. It will become effective in 30 days. The contract legislation has emergency language so that the work may begin to install the cameras. Councilmember Turner seconded the motion to approve Ordinance No. 2021-36 (As Revised 1/11/22).

Council discussed the Tier One miles per hour over the speed limit amount. The Ordinance states 10-19 mph over the speed limit. Councilmember Atton asked for 1-19 mph. Councilmember Press asked if drivers would be warned about the cameras. Mayor Schneider noted there will be signs installed and a one-month warning period. Councilmember Atton noted the Ordinance contemplates having the cameras in other areas of the Village. Law Director Hunt explained the Ordinance applies to all areas of the Village, but there are no apparatus or cameras on other streets. This Ordinance would apply if the Village should choose to move or add additional equipment in the future. Councilmember AuWerter noted Chief Minichello spoke with many other Police Chiefs about the 1-19 or 10-19 mph language. The public perception is that the process is robotic and they will get ticketed for 1 mph over the limit. The Mayfield Village Police Chief has been deluged with comments regarding this. Our goal is safety and if we ticket for 1 mph over the speed limit, it will look like a revenue-grab. Mayor Schneider stated the range could be changed in the future as well. Chief Minichello stated everyone he spoke with, including Sensys Gatso, recommended 10-19 mph over the speed limit for Tier One. The program will do exactly what they say and 10-19 mph over the speed limit is full transparency. Councilmember Steinbrink suggested leaving the language as it is for the third reading and then reviewing data after some time of enforcement.

As far as the contract language that is part of Resolution No. 2021-37, Councilmember AuWerter noted he spoke with the Chief, Legal Counsel, and Sensys Gatso since the last Council meeting. He is now comfortable with the contract language. The Supplemental Agreement allows us to employ Sensys Gatso to collect fines if they are not being paid. He has heard concerns voiced about creating ill will for residents of neighboring communities. However, the Police Chief or designee has discretion, just as if in-person. The goal is not to issue as many tickets as we can, but to lower speed. If a driver is going 20 mph over the speed limit, he is not worried about ill will. Councilmember Atton stated that in October 2018, five thousand cars were exceeding 65

mph. He noted all speeders cause the problem and we should apply the process in a nondiscriminatory way. Councilmember Turner suggested the Safety Committee work with the Chief, look at the data, and report back to Council once the program gets going. Mayor Schneider stated six months would be a good time to review our results. In response to Councilmember Press' question about consequences of the Village wanting to terminate the program, Councilmember AuWerter noted it is \$1500 per month per camera if we were to cancel in the first two years. The amount would decline after two years. Councilmember Atton confirmed that a change in the laws that would negate camera enforcement would mean no penalty.

Mayor Schneider allowed comments from the audience at this time as follows:

Charlie Baker, Echo Glen/Mayfield Road, asked what we do about Class 6 or 8 trucks on Mayfield Road. Chief Minichello responded the citation goes to the registered owner based on the license plate on the vehicle. If the owner wasn't driving, there is a transfer of liability the owner can fill out. Mr. Baker asked if the contract is a public document. The Chief responded it is a public document. Mr. Baker concluded by stating it is the exceptionally fast car that is the problem, not the ones going 5-10 mph over the speed limit.

Celeste McClung, Chagrin River Road, inquired about the fines for going more than 19 mph over the speed limit. Chief Minichello noted there are three tiers: 10-19 mph over is \$100, 20-29 mph over is \$200, and over 30 mph over the speed limit is \$300.

Jerry Bohinc, Cairn Lane, stated it is very difficult to maintain 45 mph going down the hills on Mayfield Road. He said the target for safe driving is 50-60 mph, but the Police Department is the expert. Mr. Bohinc stated another danger is when traffic is heavy and some cars go 45 mph. Drivers changing lanes and going faster around the slower cars may cause accidents.

Mayor Schneider, hearing no other comments, asked Clerk DeCapite to call the roll.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner.

Nays: Welsh.

Motion carried.

Councilmember Turner asked Councilmember Welsh for the reason he voted against approval. Councilmember Welsh stated there are too many open holes and issues. He has spoken with Gates Mills residents and doesn't feel right about the program. He said the State should do it.

Resolution No. 2021-37 (As Revised 1/11/22) "A Resolution Authorizing the Mayor to Enter into a Contract with Sensys Gatso Group for an Automated Photo Traffic Enforcement System; and Declaring an Emergency" was read by Councilmember Steinbrink.

Councilmember Steinbrink moved to approve Resolution No. 2021-37 (As Revised 1/11/22). Councilmember AuWerter seconded the motion to approve Resolution No. 2021-37.

Councilmember Atton inquired about the contract language for Gatso receiving \$38 or 38% per citation, whichever is greater. He asked when this would come into play. Councilmember AuWerter responded when there is a dispute and a negotiated amount is paid. Councilmember Atton stated with the underlying conflicts inherent in the contract, it was handled well and in our favor.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner.
Nays: Welsh.

Resolution No. 2022-1 “A Resolution Authorizing the Mayor and the Clerk to Enter into a Lease Agreement with Cynthia W. Halle, Inc., for Space at 1501 Chagrin River Road” was read by Councilmember AuWerter.

Councilmember AuWerter stated he was not agreeable to having his name on the legislation just as of this past Friday. He learned that the lease was a slow process with Cindy Halle and the pandemic. The lease is for the former Howard Hanna space in the Mills Building. Cindy Halle’s current lease expired December 31, 2021 and she is continuing monthly right now. She wants to begin retrofitting the space and there is already some interest in her current space. The lease is a five-year term with a five-year renewal with a 10% escalator. Law Director Hunt added that he received the lease last week and revised it. He saw the July 1 commencement date and did not put an emergency clause in the legislation. Mayor Schneider stated there isn’t a lease but we are starting work on the space. Councilmember AuWerter asked if we need to suspend the rules and if the work is underway. Law Director Hunt stated it is up to the Village. Mayor Schneider responded her desire to go forward. Councilmember Turner stated she has questions as well and it may be good for someone from the Real Estate Committee to attend the meeting. Councilmember Press questioned whether the rent is fair for the second term. Councilmember AuWerter suggested putting the Resolution on First Reading. Mayor Schneider will ask Warren Morris to attend the next meeting.

Councilmember Atton stated providing a fixed price option to the lessee to extend the lease beyond the initial five years is a risk to the Village. He would support the first five-year term but not the second five years at a fixed price. Councilmember Steinbrink noted the language is commonplace today. The tenant gets the benefit these days. CPI changes were used in the 1980s for leases. Councilmember Atton added that the use of real estate is part of the Comprehensive Plan and committing for ten years may restrict us.

Resolution No. 2022-1 was put on first reading after the discussion.

Ordinance No. 2022-2 “An Ordinance to Amend the Annual Appropriation Ordinance No. 2021-50 to Increase Certain Appropriations and Other Expenditures of the Village of Gates Mills, Ohio for the Fiscal Year Ending December 31, 2022” was read by Councilmember AuWerter.

Councilmember Press asked about the Purcell Trust. Mayor Schneider replied it is for the beautification of the downtown area of the Village.

Councilmember AuWerter moved that the rules requiring ordinances to be read on three different days be suspended and that Ordinance No. 2022-2 be placed upon its final passage. Councilmember Turner seconded the motion to suspend the rules.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

It was moved by Councilmember AuWerter to approve Ordinance No. 2022-2. Councilmember Turner seconded the motion to approve Ordinance No. 2022-2.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

Resolution No. 2022-3 “A Resolution Authorizing and Directing the Transfer of Certain Sums from the General Fund to the Capital Improvement Fund, Mayor’s Discretionary Fund, Wastewater Fund and Police Pension Fund” was read by Councilmember AuWerter.

Councilmember AuWerter moved that the rules requiring ordinances to be read on three different days be suspended and that Resolution No. 2022-3 be placed upon its final passage. Councilmember Steinbrink seconded the motion to suspend the rules.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

It was moved by Councilmember AuWerter to approve Resolution No. 2022-3. Councilmember Steinbrink seconded the motion to approve Resolution No. 2022-3.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

Resolution No. 2022-4 “A Resolution Authorizing the Mayor and the Clerk to Enter Into a Lease Agreement with The United States Postal Service for Space at 1500 Chagrin River Road” was read by Councilmember AuWerter.

Councilmember AuWerter moved that the rules requiring ordinances to be read on three different days be suspended and that Resolution No. 2022-4 be placed upon its final passage. Councilmember Welsh seconded the motion to suspend the rules.

Councilmember Atton noted the process is atrocious. The last lease was for 5 years and there was a six -month requirement for renewal. He is uncomfortable with proposals where there is no notice or warning. He is against suspending the rules. Mayor Schneider responded. The negotiation has been going on since the summer of 2020. The USPS sent a letter that they were using a real estate firm from Colorado for their leases and that we were going to have to pay the firm to negotiate the lease. She noted she had contacted Congressman David Joyce's office regarding this new part of leasing to the Post Office. Congressman Joyce couldn't do anything. Mayor Schneider turned the process over to Real Estate Committee Chair Warren Morris. The broker changed personnel a few times and Law Director Hunt took over the process in August 2021. He was able to reduce the real estate firm's fee by 50%. Law Director Hunt noted the brokers were not responsive until the third representative. The indemnification and hold harmless clause was changed and it was hard to get the USPS to acquiesce. They are desperate to get this done now. The lease is a 10% increase in rent.

Councilmember Atton stated he would not vote to suspend the rules. Law Director Hunt stated he received an email today asking for him to convince Council to authorize the lease today. Councilmember Atton wants time for everyone to comment. Councilmember AuWerter responded that no business wants to wait three months to get an approval. Councilmember Press stated it is good for voters to comment. Councilmember Deacon asked if there is a risk in delaying the vote. Councilmember Welsh added the Post Office used to be a substation and we have had to save it a few times from closing down. He said the USPS would pull out of the Village if it could and it is not good to rattle their chain. Councilmember Steinbrink thanked the Law Director for shepherding the lease along. The Post Office is an asset to the Village and the Real Estate Committee knows what it is doing even though these are less than ideal circumstances. Councilmember AuWerter agreed and requested that in 2022 there can be a list of leases and when they come due. He would like Council to be briefed by the Real Estate Committee when things are going on in order to stay informed.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

It was moved by Councilmember AuWerter to approve Resolution No. 2022-4. Councilmember Welsh seconded the motion to approve Resolution No. 2022-4.

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
Nays: None.
Motion carried.

Business from the Audience:

Jim Long, SOM Center, stated he is a 24-year resident of this wonderful Village. He has three ideas for consideration. He suggested asking Mayfield City School District how the \$11 million in property taxes is used by the School Board. He asked if the Village has an outside auditor that looks at our Village-owned assets. Mayor Schneider stated the Village does. His third idea was to ask employees to physically pick up a paycheck one time per year to make sure we aren't paying people that don't exist. Mayor Schneider noted we are very small and that we know and see all of the employees. Councilmember Turner added that the State audits the school district, but isn't sure about the kind of audit he is suggesting.

Councilmember AuWerter welcomed the new Councilmembers.


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

Roll call: Ayes: Atton, AuWerter, Deacon, Press, Steinbrink, Turner, Welsh.
 Nays: None.
 Motion carried.

Respectfully submitted,


Beth DeCapite, Clerk

Approved:


Karen E. Schneider, Mayor

Treasurer's Report for Full Year 2021

This month's report focuses on the full year financial results for twelve months ended December 31, 2021.

2021 Year - Financial Performance

Financial statements were distributed to the Mayor, Clerk and Council in advance of the Council meeting.

The Village continues to be on very solid financial footings. For 2021, the Village generated a \$2.2 million surplus, has cash of \$8.3 million and has no debt.

For the 12 months, General Fund revenue of \$7.6 million exceeded General Fund expenses of \$5.4 million by \$ 2.2 million, resulting in the large surplus.

Revenue from municipal income taxes was favorable to prior year by \$2.0 million and favorable to budget by \$789,000. The tax revenue increase was the result of some large receipts that are not expected to recur in 2022. Real Estate Tax revenue and Other Source revenue were slightly ahead of budget.

Expenses for the year were \$5.4 million, \$600,000 higher than 2021 but \$500,000 below 2021 budget. The largest variances were (a) increases in 2021 for Transfers to other funds, primarily the Capital improvement Fund for the 2021 Road program and (b) the \$200,000 budgeted expenditure for a new truck that was not spent in 2021 (and will be spent in 2022) as the truck manufacturer could not complete its manufacturing in 2021. Personnel costs of \$2.5 million for all four departments (Police, Fire, Service and Administration) were below budget of \$2.6 million representing good control by the department heads of their workforce.

The General Fund cash balance is \$7.4 million representing over 12 months of operating needs.

With the 2021 year being complete, it is good to confirm, as we have been reporting the last six months, that the Village completed calendar 2021 with an operating surplus, well in excess of our planned surplus of \$777,000 for the General Fund.

As the books of the Village are maintained essentially on a cash basis, there can be large variances based on when cash is received, and expenses are paid. Month-over-month, and year-over-year, it is not uncommon to have a surplus one period and a shortfall the next period.

While the General Fund is used for the vast majority of the Village's transactions, the Village is required to maintain separate Other Special Funds either by restriction, special purpose, legislation, etc. The Village started 2021 with \$775,000 in special funds, received \$2,045,000, disbursed \$1,921,000 and ended 2021 with \$899,000 in these funds. The largest disbursements were \$947,000 from the Capital Improvement Fund, \$231,000 from the Land Conservation Fund, \$219,000 from the Wastewater Treatment Fund and \$162,000 from the Street Construction, Maintenance and Repair Fund.

Later in this Council meeting, Ordinance 2022-2 will be introduced to appropriate for 2022, \$1,318,747 for several of these special purpose funds which enables the Village to use these funds for restricted purposes.

Budget - 2022

As reported at the December 2021 Council meeting, the Budget and Finance Committee approved a balanced budget for 2022 consisting of \$5.6 million in revenue and \$5.7 million in expenses. The expenditure figure of \$5,731,000 was approved in December in Appropriation Ordinance 2021-50.

Priorities for the first quarter of 2022 include the following. We will use the full year 2021 figures to inform us on the longer-range implications and revisit the financial projections developed in 2020 for LRP and update the long-range numbers. We'll look at the Special Purpose Funds evaluating the manner in which they are available to the Village for restricted purposes. And finally, we'll be evaluating the Federal COVID ARTA funds for qualified uses as the Final Rules were issued last week.

This report will be posted on the Village's website.

Steven L. Siemborski

Treasurer, Village of Gates Mills

Chair, Budget/Finance Committee

January 11, 2022