

Village of Gates Mills  
MINUTES OF A REGULAR MEETING OF COUNCIL  
January 12, 2021

A regular meeting of the Council of the Village of Gates Mills, Ohio was held on Tuesday, January 12, 2021 at 6:00 p.m. with Mayor Schneider presiding in a remote, virtual meeting that was livestreamed to the internet.

Councilmembers present: AuWerter, Frankel, Reynolds, Sogg, Turner, Welsh, Whitney.

Also present were Chief Minichello, Chief Robinson, Service Director Biggert, Finance Administrator Mulh, Clerk DeCapite, Treasurer Reynolds, Village Engineer Courtney, Law Director Hunt, Dean Hayne (First Energy), and residents Patra Duangjak, Erin Shank, and Cara Sulzer.

Councilmember Welsh nominated Councilmember Reynolds to be the President of Council Pro Tem for a one year term. Councilmember Frankel seconded the motion.

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

Mayor Schneider administered the oath of office to President of Council Pro Tem Reynolds.

Mayor Schneider recommended the appointment of the following administrative positions:

Robert S. Reitman, Income Tax Administrator  
Todd Hunt, Law Director  
Mike Cicero, Prosecutor  
Janet Mulh, Finance Administrator and Assistant Tax Administrator  
Gregg Minichello, Chief of Police  
Tom Robinson, Fire Chief  
Dave Biggert, Service Director, Building Official and Building Inspector  
Trevor Murfello, Service Manager

Councilmember Welsh moved to approve the appointments with Councilmember Turner seconding the motion.

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

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

Architectural Board of Review for term ending 12/31/2023: Janet AuWerter and architect William Childs.

Historical Review Committee for term ending 12/31/2021: Sara Welsh, Laurie Deacon, Mary Holmes, Anne Steele, architects Dave Ellison and Joseph Giglio and alternative architect William Childs.

Planning and Zoning Commission for term ending 12/31/2024: Scott Broome and Jim Deacon.

Volunteer Fire Fighters' Dependents Fund Board: Larry Frankel and Ed Welsh.

Park Commission for term ending 12/31/2025: Karen Schneider, Mayor, Al Cowger, Cathy DiVincenzo, Paul Nemastil and Ed Welsh.

Councilmember Sogg moved to approve the appointments with Councilmember AuWerter seconding the motion. Councilmember Reynolds noted appreciation and thanks to those who volunteer to serve on the various boards and committees.

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

The minutes of the December 8, 2020 Council meeting were presented by the Clerk. Councilmember Turner noted a change on Page 2. The name of the article written by Jenny Sarkar was "Is Remote Learning Working for American Schools". Councilmember Welsh moved to approve the December 8, 2020 minutes, as amended. Councilmember Turner seconded the motion.

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

The minutes of the December 31, 2020 Council meeting were presented by the Clerk. Councilmember Welsh moved to approve the December 31, 2020 minutes. Councilmember Whitney seconded the motion.

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

Pay Ordinance #1245 in the amount of \$694,217.77 was presented by the Clerk. It was moved by Councilmember Welsh to approve Pay Ordinance #1245. Councilmember Reynolds inquired about the two payments made to Mayfield Village. The payments were for the 4<sup>th</sup> Quarter EMS service and the cost of runs over 100 for EMS. Councilmember Sogg asked about a payment to REDSS. It was noted that part of the court fine money goes to the County's REDSS program. Councilmember Reynolds seconded the motion to approve Pay Ordinance #1245.

Roll call: Ayes: AuWerter, Frankel, Reynolds, Sogg, Turner, Welsh, Whitney.  
Nays: None.

Motion carried.

Mayor Schneider stated that the Village received confirmation of a large income tax amount being received. The Village will be recording a payment in excess of \$2 million dollars in February. We will continue on with budgets and long range planning efforts though. Treasurer Reynolds noted there is no evidence that this is a one-time payment. Treasurer Reynolds read his report, which is attached. He stated the Village will work with RITA to understand the long and short term effects of the large tax receipt. We will continue to focus on efficient and effective management. Long range planning will focus on what sustainable revenues and expense levels looks like in the future. Councilmember Turner noted all departments were under budget for 2020 and congratulated the Mayor, Council and Department Heads for all of their work.

Mayor Schneider introduced Dean Hayne, Regional External Affairs representative of First Energy Corporation, to discuss power outages, storms and how they are handled. Mayor Schneider noted she had submitted questions to Mr. Hayne prior to the meeting. Mr. Hayne noted storms have been a big thing lately, with three back to back storms effecting the same area. The December 1st storm resulted in 180,000 customers losing power with 750 Gates Mills customers affected. Trees are the biggest issue when there is a power outage. He encourages customers to report outages, which is very important in helping First Energy evaluate circumstances. Customers can use [firstenergycorp.com](http://firstenergycorp.com) or call 1-888-LIGHTS to report outages. Updates are available on the website or via text, if you sign up. They assess the damages and prioritize the work in order to get the largest amount of customers back up the soonest. They may do a temporary repair and then come back to finish the work. Mr. Hayne noted that 98% of the Village is serviced by three substations. First Energy has worked on the insulation of re-closers and the ability to transfer some circuits to other circuits when possible. During big storms, it doesn't help as much because they cannot switch to other circuits when so many are down. Six of the seven Village circuits have been on the smart circuit switch system for over five years. The seventh one will be done this year. Substations are maintained and inspected routinely. Thermal imaging is also used on lines to locate trouble areas. In 2020 a thermal inspection of Village lines was completed and there were no significant issues found. A scan is scheduled for the summer of 2021 to identify any hot spots. Vegetation management and tree trimming is completed every four years at the substations. Gates Mills had a lot of vegetation management and tree trimming done in 2020; however the snow weighed heavily on trees and the management is only done at the right-of-ways. Mr. Hayne stated First Energy has a tree trimming referral service available. The amount of the work can be added to a customer's electric bill to be paid over three years. The phone number for this service is 1-800-505-SAVE. Mr. Haynes then answered questions for Council and residents. Mr. Hayne, in answering questions, provided the following additional information:

- Problems traditionally occur at the circuit level.
- First Energy monitors circuits for issues.
- A sectionalized portion of a circuit could go down which enables isolating an issue.
- Lines can be buried going from the house to the pole, but the lines on poles are still able to get hit by trees or the elements.
- Service Director Biggert noted the Village looked at burying lines about 10 years ago and the estimated cost was one million dollars per mile.
- Mayor Schneider stated an option is the installation of a whole-house generator.
- The number of homes on a circuit depends on the load that is on the circuit.

- Mr. Haynes, in response to Councilmember Sogg, noted they can look into an area further where the wind, in addition to storms, causes outages all the time.
- Data from First Energy is not generally shared with the public. One has to know and understand what is behind the data for it to be useful. First Energy monitors the data all the time.
- Resident Erin Shank thanked the Mayor and Mr. Hayne. She noted frustrations she has had over the past 8 years and her family home of 30 years. She agreed with Councilmember Sogg that the area south of Old Mill Road and West of Chagrin River Road needs to be looked into further due to the frequent outages, which happen at least monthly.
- Treasurer Reynolds stated many people are working from home now and the quality and consistency of power is important. The quality of power has become an issue. He stated there needs to be an action plan.
- Councilman Frankel asked Mr. Hayne to work with his engineering staff and get back to the Village with a plan.
- Councilmember Welsh voiced frustration with the extra protection he pays for on his bill and Councilmember Sogg suggested he contact an ombudsman at First Energy.
- Councilmember Reynolds asked if funding or grants are available for battery back-up units for computers. Mayor Schneider asked if there is any help available for installing generators. Mr. Hayne stated there is not, as needs and types vary too much.
- Councilmembers Sogg and Welsh offered to work with Mr. Hayne on the issues.

Clerk DeCapite did not have a report.

For the Gates Mills Improvement Society, Councilmember AuWerter reported on the collection of donations to the holiday fund. Two years ago, they collected \$49,000, last year was \$54,000 and this year was \$59,000. They sent out an additional post card this year, in addition to adding personal notes to letters the last two years.

For the School Liaison Committee, Councilmember Turner announced that Michael Barnes will be the new Mayfield Schools Superintendent when Dr. Kelly retires.

Chief Minichello provided his report. In response to a question from Councilmember Reynolds, Chief Minichello noted COVID had a lot to do with the decrease in fines this year. Also, the Bureau of Motor Vehicles has suspended violations, that could typically be enforced, until April.

Service Director Biggert provided his report. Councilmember Frankel thanked the Service Department for setting up the Menorah. He also asked for an update on the contract with AKE to take over the wastewater maintenance. Service Director Biggert noted he wants them to watch the County employees work in order to get a handle on what is required. We will need to change the contract with the County as the wastewater facility is in the same contract as the work they provide on the pump stations. He anticipates AKE taking over the reins on February 1. We do not get billed from the County for maintaining the sanitary sewer pump stations. Councilmember Turner

noted Rumpke sent out an email with upgrades to the recycling program. Mayor Schneider noted the Village does not look as well community-wide as far as recycling percentages. Councilmember Frankel noted the total construction value for 2020 in relation to tax dollars. Councilmember Whitney confirmed the County does follow up with new construction and adjusts tax bills appropriately, as she completed an addition on her home and it has been updated on her tax bill. Councilmember Reynolds thanked those who gave to Olivia's Dream toy drive.

Chief Robinson provided his report. He thanked the Service Department for the toys donated to Olivia's Dream. He stated that Olivia was his niece. He congratulated Dave Biggert on his 23-year anniversary with the Fire Department. Chief Robinson had given Dave the opportunity to be a firefighter and Dave loves it. Service Director Biggert also has 21 years with the Willoughby Hills Fire Department. Councilmember AuWerter thanked Chief Robinson for assisting with Zoom meetings. Mayor Schneider announced that Dorothy Slunski received the Police Department's Employee of the Year Award.

Resolution No. 2021-1 "A Resolution Requesting the Director of Transportation to Proceed with the Mayfield Road/Chagrin River Road Improvements and Authorizing the Mayor to Execute a Contract and Provide Payment, and Declaring an Emergency 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. 2021-1 be placed upon its final passage. Councilmember Sogg seconded the motion to suspend the rules. Councilmember Reynolds asked if this project is in the 2021 budget. The project is in the budget. Councilmember Frankel stated the project will address a very important safety issue and is very glad it is moving forward. Engineer Courtney noted ODOT is covering 2/3 of the cost of the project when one adds in the cost of the design work paid for by the Village.

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

It was moved by Councilmember AuWerter, seconded by Councilmember Frankel, that Resolution No. 2021-1 be approved.

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

Resolution No. 2021-2 "A Resolution Authorizing the Mayor to Enter into a Contract with Nerone & Sons for Emergency Storm Sewer Repairs for Mayfield Road; and Declaring an Emergency" was introduced by Councilmember AuWerter.

Councilmember AuWerter moved that the rules requiring ordinances to be read on three different days be suspended and that Resolution No. 2021-2 be placed upon its final passage. Councilmember Welsh seconded the motion to suspend the rules.

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

Councilmember Frankel asked what the work will entail on the Mayfield Road and Old Mill Road Storm Sewer Repairs. Engineer Courtney responded that a catch basin is exposed on Mayfield Road and the outlet pipe fell apart. The ravine has two catch basins that are filling up with water and the structures will be rebuilt. Old Mill Road has a sinkhole next to a catch basin. Two catch basins will be replaced along with 100 feet of pipe. It was moved by Councilmember AuWerter that Resolution No. 2021-2 be approved. Councilmember Reynolds seconded the motion.

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

Resolution No. 2021-3 “A Resolution Authorizing the Mayor to Enter into a Contract with the C.A. Agresta Construction Co. for the Emergency Storm Sewer Repairs for Old Mill Road; and Declaring an Emergency” 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. 2021-3 be placed on its final passage. Councilmember Welsh seconded the motion.

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

It was moved by Councilmember AuWerter, seconded by Councilmember Frankel, that Resolution No. 2021-3 be approved.

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

There were no questions from the audience.

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

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Beth DeCapite". The signature is written in a cursive style with a large initial "B".

Beth DeCapite, Clerk

Approved:

A handwritten signature in blue ink that reads "Karen E. Schneider". The signature is written in a cursive style.

Karen E. Schneider, Mayor

Village of Gates Mills  
Treasurers Report  
Year Ended December 31, 2020

Village Real Estate revenues were \$15,792 higher than last year and \$77,614 higher than budget. The way to think about this is that to the extent that the pandemic impacted real estate tax receipts, this impact was overcome by normal growth.

Municipal Income tax revenues were \$541,675 higher than last year and \$644,240 higher than budget. As noted at our December meeting, the Village received an unanticipated tax payment of approximately \$790,000. Without this payment Municipal income taxes would have been below last year by \$248,235 and below budget by \$145,760. This is the likely pandemic impact, though other factors could also play a part.

Overall, Village revenues were \$500,799 above last year and \$787,235 above budget, (\$2,765 below budget and \$289,201 below 2019, net of the unexpected payment)

Our managers responded quickly and well to the potential impact of the pandemic. As a result of careful management and deferred expenses, total operating expenses ended the year \$419,384 below last year and \$401,826 below budget. Nearly all of the deferred expenses represent items that will ultimately be necessary, and our 2021 budget will reflect much of this spend.

Overall, our General fund ended the year \$805,156 in surplus (\$15,156 without the payment).

Total Village funds at year end are \$5,929,048 Vs. \$4,925,018 last year. This approximately \$1,000,000 gain reflects the unexpected payment plus deferral of capital and other expenses in anticipation of the pandemic's impact on Village revenues. Our Ancora reserve account stands at \$4,881,891, including accrued interest. Estimated income over the next 12 months is \$90,689.

As mentioned in the Mayor's remarks, we have been notified of a very large payment of 2020 Municipal taxes that is outside our previously normal receipts. Currently, there is no indication that this is a one-time payment nor, however, is there clarity on whether this represents a structural change in village tax receipts. Our 2021 budget will reflect this, and other payments as advised by RITA, our tax agency. The budget will be presented to Council at the February meeting. In addition, our LRFP projection will be updated to reflect the significantly higher Municipal tax receipts anticipated for 2021.

While the unexpected increase in Municipal tax receipts is positive for the village, I would echo the Mayor's comments that we should continue to pursue the various projects identified in the LRFP. Further, while the surplus will now give us flexibility to advance capital projects, particularly in roads and culverts, it remains important that we continue to focus on efficient and effective operations. Our budget committee will work hard to ensure that residents tax dollars are spent wisely, and that the Village maintains adequate reserves. Our LRFP work will focus on what a sustainable financial structure in both revenues and expenses looks like in the years to come.