

Village of Gates Mills  
MINUTES OF A REGULAR MEETING OF COUNCIL  
February 11, 2013

A regular meeting of the Council of the Village of Gates Mills, Ohio was held on Monday, February 11, 2013 at 6:30 p.m. in the Village Hall.

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

Councilmembers absent: Bletcher.

Mayor Riley presided.

It was moved by Councilmember Reynolds, seconded by Councilmember Schneider, that Councilmember Bletcher be excused from the meeting.

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

Mayor Riley announced the appointment of the new Law Director, Margaret Ann Cannon, and Assistant Law Director Todd Hunt.

Ordinance #2013-01 entitled "An Ordinance Confirming The Mayor's Appointment Of The Law Director And Assistant Law Director, Authorizing The Mayor To Enter Into An Agreement With Walter Haverfield LLP, Effective March 1, 2013, And Declaring An Emergency," was introduced by Councilmember Schneider and read by the Clerk. It was moved by Councilmember Schneider, seconded by Councilmember Turner, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2013-01 be placed upon its final passage.

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

It was then moved by Councilmember Schneider, seconded by Councilmember Welsh, that Ordinance #2013-01 be approved.

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

Mayor Riley summarized the process of selecting the Law Director. With Councilmember Sogg's lead, a request for proposal (rfp) was sent to those requesting it. The Law Committee selected 4 candidates. He and Councilmember Sogg interviewed the four.

Mayor Riley administered the Oath of Office to Law Director Margaret Cannon and Assistant Law Director Todd Hunt.

Mayor Riley presented a gift to retiring Law Director Charles Riehl who worked for the Village for 23 years.

The minutes of the January 8, 2013 were presented by the Clerk. Councilmember Turner requested the first, second and third roll call include her name and confirmed her participation in the same. It was moved by Councilmember Sogg, seconded by Councilmember Welsh, that the minutes as amended be approved.

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

Pay Ordinance #1149 in the amount of \$686,374.88 was presented by the Clerk. Councilmember Turner inquired about check #5910 payable to the Division of Water. Finance Director Lechman explained it was the annual charge for maintenance of the water hydrants. It was moved by Councilmember Sogg, seconded by Councilmember Schneider, that Pay Ordinance #1149 be approved.

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

The financial statement for period ending January 31, 2013 was presented by the Clerk. Councilmember Barnes pointed out the property tax income is ahead of last year and unfunded debt is about \$750,000 compared to \$1 million last year. Councilmember Turner asked about the rental income. Finance Administrator Lechman explained that income from the cell tower is included in that category, but it has not yet been received for 2013. Councilmember Turner also noted that the rental income from the Mills Building was high and questioned if that was caused by one tenant paying only once a year. Finance Administrator Lechman confirmed.

Mayor Riley presented his report which included the proposal by Sara's Place to expand the Mills Building. He has asked Nancy Sogg, Robert Reitman, Debbie Batt, and Joe Lencewicz to work on the project. Councilmember Sogg said the group is meeting on Wednesday.

Mayor Riley reported that Police Chief Szeredy was awarded the J. Edgar Hoover Foundation Award for Excellence in Law Enforcement. Chief Szeredy explained that the honor is given to those who have put in several years of service with success. Only one or two people are honored each year. Councilmember Sogg said it should be published in the *Pink Sheet*.

The Clerk had nothing to report.

Councilmember Welsh presented the Cemetery Committee's plat recommendation to expand the North Cemetery by 180 lots with 5 sites per lot. Service Director Biggert has a layout for Council's consideration. There are only 10 or 11 usable lots left in the North Cemetery and no lots available in the South Cemetery. There is property for sale next to the Cemetery. Councilmember Welsh explained that first Council needs to decide to expand the cemetery. He said the Gates Mills Land Conservancy should be contacted to see if they would take over part of the property. Mayor Riley asked if there was any interest in expanding the cemetery. Councilmember Schneider said she thought it was a good idea. Councilmember Sogg said it depended on the cost. Law Director Riehl said there were some legal issues connected to the property that he is going to run down. Councilmember Turner felt it was an enormous number of sites to be added. Councilmember Welsh explained there was a new road included. Councilmember Reynolds asked for a formal presentation including what the demand for lots is per year. Mayor Riley suggested that Councilmembers Welsh and Sogg, along with Service Director Biggert get together to make a presentation for council at either the March or April Council meeting. It should show the needs, what the plan looks like, if it can be done in phases, and how to pay for it. Councilmember Reynolds said she thought the future lots should be sold for \$200. Councilmember Welsh said residents pay taxes and should be provided this benefit.

Councilmember Turner announced there will be a dedication at Mayfield High School that Council and Mayor will be invited to.

Chief Szeredy presented a written report for the Police Department for the preceding period. Three thefts were reported. Two of those reports were at Gilmour Academy during sports events. The other was at a private home.

Service Director Biggert submitted a written report for his department for the preceding period. He highlighted the recent focus of the department has been on the weather. Service Director Biggert also summarized the need for a replacement traffic light at the intersection of S.O.M. and Cedar Road. Mayor Riley said it will cost about \$50,000. Four communities are involved. Finally, Service Director Biggert confirmed the supply of salt was not an issue.

Chief Robinson presented a written report for the Fire Department for the preceding period. Chief Robinson addressed the large number of January collisions at Mayfield and Chagrin Roads were likely due to the heavy volume of traffic passing through that intersection. Additionally, the Chief reported that he will be meeting with the Safety Committee with regard to new smoke detectors.

Mayor Riley reported on a proposed agreement with the Gates Mills Land Conservancy regarding the "triangle" property behind the homes on Gates Mills Boulevard. The Gates Mills Land Conservancy is applying for accreditation. To obtain that, it needs a certain sum of money for each parcel for which it has responsibility. Therefore, they are asking the Village to take responsibility for the "triangle" property. It will save the Land Conservancy about \$30,000. The Village can subcontract the annual inspection of the property to the Land Conservancy. Mayor Riley said he has not seen an agreement yet. Law Director Riehl said he has seen a very rough

draft from Tom Quintrell. Councilmember Welsh asked if this will affect the Clean Air Grant that the Village received for the property. Law Director Riehl said their easement is on the back seven parcels. Mayor Riley said this proposal will cost the Village nothing. John Kramer, President of the Land Conservancy, said he needed to know tonight if the Village plans to proceed. It was moved by Councilmember Welsh, seconded by Councilmember Schneider, that the Mayor be authorized to sign the appropriate agreements with the Gates Mills Land Conservancy. Law Director Riehl said the actual agreement will come back to Council for approval of legislation for the agreement.

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

Mayor Riley and Finance Director Lechman reported on the state collection of city income tax. Mayor Riley said the purpose was to make uniform definitions and rules. Law Director Riehl said it may also include central collection of the tax. Finance Director Lechman said a negative for Gates Mills is in the past exceptions to the Central Collection Agency rules have been made because of the type of income Gates Mills residents earn. Subchapter S income in excess of a fair salary is not taxable. Winnings over \$250,000 are taxable. Mayor Riley pointed out that without those exceptions we would collect more tax. This change could result in a sizable reduction of revenue for several communities. An analysis of the negative for Gates Mills shows about a \$12,000 reduction. The positive for Gates Mills has not been analyzed. Finance Director Lechman said that some of the changes Gates Mills made were due to challenges of the law. She feels the challenge would be made again if the exceptions are reversed. Councilmember Schneider asked if we have to be part of this. Mayor Riley said he felt we wouldn't. He explained that what a lot of people fear is a uniform tax rate. It probably would benefit Gates Mills. Finance Administrator Lechman asked if a resolution was to be passed saying we do not support the proposal. Law Director Riehl said he understands that this is just a proposal that has been introduced to the Ohio legislature. This will be a long process. Mayor Riley said he felt this was an infringement on 'Home Rule'.

Ordinance #2013-02 entitled "An Ordinance To Make Appropriations For Current Expenses And Other Expenditures Of The Village Of Gates Mills, State Of Ohio, During The Fiscal Year Ending December 31, 2013," was introduced by Councilmember Barnes and read by the Clerk. Councilmember Barnes explained the process of creating the Budget. The Budget Committee met and had a good discussion. The Department budgets were reviewed with extensive detail. The \$350,000 Inheritance income would be a spillover from deaths before January 1, 2013. The 2013 budgeted General Fund income is slightly lower than the income for 2012. The Wage Committee approved a 1% salary increase and there was a significant health care insurance increase. Those increases are reflected in the budgeted General Fund expenses. He feels the Department Heads were as realistic as they could be. There is no new staff included; there are a couple positions that opened and will not be filled. A big positive is the reduction in Ambulance Expense from \$300,000 to \$175,000. If this forecast materializes there will be a surplus (before capital expenses) of about \$500,000. The unfunded debt will drop \$100,000. Cash and Investments will drop \$600,000. We will not prepay any unfunded debt since it is interest free. This year, unlike last year, there will be major infrastructure

improvements. That is why Cash and Investments will be dropping. Councilmember Barnes also pointed out that we have applied for funds for the Mayfield Road culvert. 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 #2013-02 be placed upon its final passage.

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

It was then moved by Councilmember Barnes, seconded by Councilmember Schneider, that Ordinance #2013-02 be approved.

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

Business from the audience:

Katherine Malmquist from the Gates Mills Library thanked the community that came out to support the Library's recent fundraiser and reported on employment positions at the Library, including new hires and position(s) still to be filled. Ms. Malmquist also raised her concerns regarding the expansion of Sara's Place.

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

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

Respectfully submitted,

Beth DeCapite, Clerk

Approved:

Shawn M. Riley, Mayor