

Village of Gates Mills  
MINUTES OF A REGULAR MEETING OF COUNCIL  
February 14, 2017

A regular meeting of the Council of the Village of Gates Mills, Ohio was held on Tuesday, February 14 at 6:00 p.m. in the Village Hall.

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

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

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

Councilmember Reynolds moved, Councilmember Sogg seconded, to appoint Janet Mulh as Clerk Pro Tem for February 14, 2017.

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

The minutes of the January 10, 2017 Council meeting were presented by the Clerk. Finance Administrator Mulh highlighted that she and Chief Robinson made a change to page five wherein the word "jump" was replaced with "decrease." It was moved by Councilmember Welsh, seconded by Councilmember AuWerter, that the minutes, as corrected, be approved.

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

Pay Ordinance #1198 in the amount of \$827,513.79 was presented by the Clerk.

Councilmember AuWerter noted his observation that there were three pay periods in January. Finance Administrator Mulh confirmed that there will be a total of 26 pay periods for the year and that the same was taken into consideration when preparing the Budget. Councilmember Frankel suggested having an appraisal done in an effort to obtain potential savings with regard to real estate taxes. Councilmember Sogg advised that most properties' value in the Village increased over the last three years, however, added that she would not have any problem looking into it. Mayor Schneider highlighted the cost to have an appraisal done. Councilmember Frankel replied it may be worthwhile. Councilmember Sogg suggested having a volunteer from the Real Estate Committee look into the numbers. Finance Administrator Mulh questioned if any of the parcels could be tax exempt. Mayor Schneider suggested taking a look

at the list of properties. Councilmembers Sogg and Welsh commented that it was a good suggestion.

It was moved by Councilmember Sogg, seconded by Councilmember Welsh, that Pay Ordinance #1198 be approved.

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

Councilmember Whitney read the financial statement submitted by Treasurer Reynolds for the period ending January 31, 2017. She highlighted the following:

- Revenues are \$18,632 lower YTD than 2016 due to lower real estate receipts – partially offset by higher municipal tax receipts. The lower real estate receipts are likely due to timing.
- Operating Expenses across all Departments are inline with the Budget.
- Salary and Benefit expenses appear higher for January 2017 than January 2016 due to January being a month with three pay periods.
- General Fund Surplus is up by approximately \$262,000 from this time last year
- Total Fund Balance is just above \$4,600,000 which is approximately \$200,000 higher than last year.

In response to Councilmember AuWerter's inquiry, Finance Administrator Mulh advised that the parks expense was for real estate taxes. Councilmember AuWerter asked about salt usage. Service Director Biggert noted usage was close to budget. After a brief discussion among Council, it was agreed to investigate possible tax exemption status for certain parcels of land owned by the Village.

Mayor Schneider reported that she and Service Director Biggert attended an ODNR presentation regarding forestry/tree harvesting. She advised that Matt Dolan offered to assist the Village if needed. She noted that Councilmember Sogg will be involved as well. Mayor Schneider informed Council that the State of the Village was mailed out.

Clerk's report. None.

Committee reports. None.

Police Chief Minichello provided a written report. Addressing the Gates Mills Boulevard case, Chief Minichello advised that the subject is currently incarcerated and the case is going through the court system. He expressed his opinion that he does not think the case will go to trial and that a plea bargain is likely. The prosecutor assigned to the case has been providing updates. Councilmember AuWerter said the suspect was previously in prison for 10 years and tied someone up and wondered if those facts would impact the case. Police Chief Minichello indicated that recommendations have been made but it will be up to the judge. Mayor Schneider asked about the charges. Chief Minichello said the suspect has been indicted on six different felonies. He advised that the suspect was on parole at the time and had four months remaining.

Chief Minichello confirmed that there is no connection to other burglaries. Councilmember Reynolds commented on the high traffic in that area. Chief Minichello reported that the victim is doing well. Councilmember Welsh raised the issue of prison mentality and the possibility that the crime was committed in order to return to prison. Next, Police Chief Minichello advised of two events: Coffee with Safety Forces on March 8 and a Safety Program at the Community House on March 28.

Service Director Biggert provided a written report. In response to Councilmember AuWerter's question regarding road material reimbursement, Service Director Biggert – highlighting that it is a new program – said it was the first time that the Village has received funds. Finance Administrator Mulh confirmed that funds from the 2016 road program have been received and added that the funds would be applied as reimbursement to Capital Improvement. Village Engineer Courtney advised that he expects the Village will soon receive information regarding another recent application.

Service Director Biggert raised the Sudbury Bank Stabilization Project where a retaining wall is falling over and the priority to restore the same. He confirmed the project is included in the Budget at \$120,000.

It was moved by Councilmember AuWerter, seconded by Councilmember Sogg, that an advertisement be placed for bids for the Sudbury Bank Stabilization Project.

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

Service Director Biggert then brought up the Sanitary Sewer Separation Project. He advised the project is in the Budget for \$145,000. He explained the need to move the garage drains from the storm drains to the sanitary lines. Councilmember Sogg opined that even if it were not mandatory to do so, it should be done to help keep the rivers clean.

It was moved by Councilmember Welsh, seconded by Councilmember Sogg, that an advertisement be placed for bids for the Sanitary Sewer Separation Project.

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

Fire Chief Robinson provided a written report. Chief Robinson addressed a carbon monoxide call wherein a resident reported the odor of natural gas and contacted both the Fire Department and the gas company. When the Fire Department first went to the home, no odor was present nor did tests evidence the same. When the gas company representative later arrived, a problem with the furnace was discovered which caused the odor to only be present when the furnace kicked on. Upon the gas company's request, the Fire Department returned to the residence. High levels of carbon monoxide were found outside the home due to a furnace flue. He advised that carbon monoxide was never inside the home and that it has been repaired. Councilmember Sogg noted complaints expressed by the resident and requested Chief Robinson

follow up with her. Chief Robinson agreed to do so. Next, Chief Robinson reported that the high number of calls in January (21) were due to storms. Councilmember Frankel suggested that Chief Robinson provide a reminder to residents regarding carbon monoxide detectors. Chief Robinson confirmed he includes reminders a couple of times a year in the *Pink Sheet*. Discussion took place regarding carbon monoxide detectors. Fire Chief Robinson said that primary detectors should be located in bedrooms.

Resolution #2017-03 “A Resolution Strongly Opposing The State Of Ohio Governor’s Proposed 2017-2018 Budget, Which Proposes Centralized Collection Of Net Profit Tax Returns And Other Provisions Related To The Municipal Income Tax Which Will Cause A Substantial Loss Of Revenue Needed To Support The Health, Safety, Welfare And Economic Development Efforts Of Ohio Municipalities, And Declaring An Emergency” was introduced by Councilmember Whitney. Councilmember Frankel requested an explanation on how it decreases money to the Village. Councilmember Whitney referenced HB49. Councilmember Sogg said the process results in loss of money to the Village. Councilmember Whitney highlighted elimination of certain reimbursements. Finance Administrator Mulh said the Ohio Municipal League is encouraging all communities to pass such a Resolution. She committed to forward e-mails from the Ohio Municipal League to Council members.

It was moved by Councilmember Whitney, seconded by Councilmember Welsh, that the rules requiring ordinances to be read on three different days be suspended and that Resolution #2017-03 be placed upon its final passage.

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

It was moved by Councilmember Whitney, seconded by Councilmember Welsh, that Resolution #2017-03 be approved.

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

Ordinance #2017-04 “An Ordinance Providing Appropriations For Expenditures For The Village Of Gates Mills, Ohio, For Fiscal Year Ending December 31, 2017, Repealing Certain Ordinances And Declaring An Emergency” was introduced by Councilmember Whitney. Discussion among Council took place wherein it was highlighted that Finance Administrator Mulh has to submit information to the County which sets the limits that the Village must spend within and that such information is based on the Budget. However, the actual budget is less than the appropriated amounts to allow room for emergency expenses. Law Director Hunt said this is an annual appropriations ordinance approved by Council.

It was moved by Councilmember Whitney, seconded by Councilmember Welsh, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2017-04 be placed upon its final passage.

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

It was moved by Councilmember Whitney, seconded by Councilmember AuWerter, that Ordinance #2017-04 be approved.

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

First reading was held for Resolution #2017-05 "A Resolution Authorizing The Mayor And The Clerk To Enter Into An Agreement With The Gates Mills Land Conservancy To Provide Funds To The Conservancy From The 1 Mill Charter Land Conservation Fund" was introduced by Councilmember Reynolds. Mayor Schneider advised of changes to sections 3 and 4 of the contract. Councilmember Reynolds asked if the Mayor had a sense that the Land Conservancy would accept without issue. Councilmember Welsh asked if it was ok with 95%. Mayor Schneider confirmed and added that historically that is how it has been. Councilmember Frankel referred to page two and expressed that the wording "virtually identical" was confusing. Councilmember Sogg suggested changing the wording to "substantially similar." Mayor Schneider said she would look at the language and fix it. Councilmember Reynolds' said she liked Councilmember Sogg's suggestion.

First reading was held for Ordinance #2017-06 "An Ordinance Amending Section 155.04, "Investment Policy" In The Codified Ordinances Of The Village Of Gates Mills, And Declaring An Emergency" was introduced by Councilmember Whitney. Councilmember Whitney explained that the Investment Policy Committee was formed as a result of the Long Range Planning Committee's recommendation for a way to increase revenues for the Village. Investment Committee members include Pat Mullin, Frank Linsalata, Mike Shaughnessy, Treasurer Tim Reynolds, Councilmember Whitney and Finance Administrator Mulh. Councilmember Whitney explained that other municipalities' investment policies as well as legal advice from Law Director Hunt were considered. She explained the overall goal of the Committee is capital preservation and prudent management. The Committee believes that the same can be accomplished while earning a higher rate of return through investment vehicles such as high-grade corporate bonds, commercial paper, government obligations and certificates of deposit. Councilmember Whitney advised that the next step is to hire a manager who will agree to operate within the policy and report on a regular basis. Additionally, she informed that a draft of the policy will be provided to the State Auditor for review. She said this Ordinance covers the process, investment parameters and what are approved investments. Councilmember AuWerter asked Finance Administrator Mulh what funds she is comfortable investing versus what is needed for day-to-day cash. Finance Administrator Mulh responded that would be Council's decision. Councilmember Whitney said that you can review pay ordinances to determine what cash is needed. Councilmember AuWerter indicated that he attended a meeting of the Committee wherein an associate from Law Director Hunt's law firm pointed out some of the discrepancy with state law. He then asked Law Director Hunt if he has any concern with going ahead. Law Director Hunt said he believes the policy is fairly conservative and feels comfortable having the Auditor review it before passage. Finance Administrator Mulh noted that

when she sends the same she will highlight that Gates Mills is a Charter Village. Councilmember AuWerter expressed his opinion that the Committee did a wonderful job. Councilmember Sogg asked if bonds with insurance were discussed. Finance Administrator Mulh said that is something the investment advisor would likely be looking at. Councilmember Sogg mentioned that such investment may offer slightly less return but more security, however, she emphasized that she was only curious as to whether it was discussed. Finance Administrator Mulh said the monthly investment reports would lay things out nicely. Councilmember Whitney said there is a lot of process to still be undertaken.

Resolution #2017-07 "A Resolution Authorizing The Mayor To Purchase Two 2017 Model Year Trucks From Preston Ford" was introduced by Councilmember AuWerter. Service Director Biggert informed Council that the F250 truck was purchased in 2003 and the F150 truck was purchased in 2004. He further remarked that the Village has gotten good use from the vehicles but expensive repairs would be necessary to keep them going. Addressing the questions regarding trade-in value, Service Director Biggert said one truck includes a trade price and, once approved, he will try and get more leverage. The F250 truck may be sold outright. Councilmember AuWerter stated the purchase for the new trucks is in the Budget for \$66,000. He then said it appears the purchases will fall under budget and highlighted the possibility of receiving proceeds.

It was moved by Councilmember AuWerter, seconded by Councilmember Reynolds, that the rules requiring ordinances to be read on three different days be suspended and that Resolution #2017-07 be placed upon its final passage.

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

It was moved by Councilmember AuWerter, seconded by Councilmember Reynolds, that Resolution #2017-07 be approved.

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

First reading was held for Ordinance #2017-08 "An Ordinance Amending Chapter 1157, "Zoning Uses," Of The Codified Ordinances By Enaction New Section 1157.09, "Medical Marijuana." Councilmember Sogg explained the desire to slow things down in possible medical marijuana activities in the Village until more information from the state legislation is available. Councilmember AuWerter asked if this was the second recording. Law Director Hunt clarified that this Ordinance is to completely prohibit such activities. Councilmember Frankel asked what drives this kind of ordinance. Mayor Schneider said it comes from the Village and shared that an inquiry was made to Service Director Biggert regarding office space to sell medical marijuana. This request got the ball rolling. She added that other municipalities have contacted Law Director Hunt as well. Mayor Schneider emphasized that Gates Mills is really a residential community. Councilmember Frankel indicated he has concerns with the language. He referred to page two regarding delivery, distribution as well as prohibited zoning. Councilmember

Frankel questioned if a patient living in Gates Mills would be prohibited from receiving delivery. Law Director Hunt stated that the definitions came straight from the statute. He clarified that medical marijuana can only be dispensed from a licensed dispensary. He said that initially there will only be 40 dispensaries in Ohio and that is what this ordinance would outlaw. Councilmember Sogg added that a dispensary cannot have a delivery service into Gates Mills. Mayor Schneider confirmed that a person must go to a licensed dispensary to get it and that there is also no marijuana growing in Gates Mills. She then advised that as it is also a zoning issue, it needs to be referred to Planning & Zoning. The second reading would be in March and the third reading in April. Law Director Hunt said the six month moratorium put into place in December was to allow for additional time to consider the same.

It was moved by Councilmember Sogg, seconded by Councilmember Frankel, that Ordinance #2017-08 be referred to Planning & Zoning.

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

First reading was held for Ordinance #2017-09 “An Ordinance Amending Section 191.04 Of The Codified Ordinances Of The Village Of Gates Mills To Set Forth A Schedule Of Fines And Costs For Waiverable Offenses For The Village’s Violations Bureau.” Councilmember Sogg advised this came from the Long Range Planning Committee and will provide for the direct payment to the Village of fines and costs. She said that Law Director Hunt has reviewed the fee schedule. Councilmember AuWerter asked when it would go into effect and questioned the timing of the same. Mayor Schneider confirmed this is on first reading. She said that software will be purchased in hopes the same will be activated by April 1. Law Director Hunt suggested adding an effective date. Police Chief Minichello indicated there is not yet a signed contract. Councilmember Reynolds suggested having the effective date being the date the contract is signed. Councilmember Sogg noted that the contract is just to purchase the software. After discussion, it was agreed to suspend the rules at the April meeting. Police Chief Minichello added that the only change to the fee schedule was the increased fine regarding child seat belt.

Councilmember Sogg said the governor recently announced the return of more money to the schools than in the past. She said Council supported Mayfield Heights recent levy which passed and commented on the significant resulting increase to the Village. She noted Council’s support was partly based on the loss of state funding. Councilmember Sogg asked if consideration has been given to a reduction. Law Director Hunt said he is unsure how the money will be allocated and how much Mayfield Heights will receive. He advised that it is currently the governor’s proposal which could change as the budget will not be passed until June 30. Councilmember Sogg asked if there is any procedure to reduce the levy. Finance Administrator Mulh said Mayfield Heights would have to tell the County they do not want to collect it. Councilmember AuWerter opined that other school systems will likely go toward a levy and that the Village is ahead of the game.

Regarding the Budget, Councilmember AuWerter put together and distributed a summary schedule. He expressed his belief that at the end of the year, the Village may be about even. He highlighted the potential need and cost for Fire Department equipment. He further commented

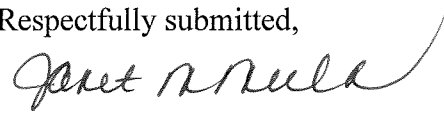
on the anticipated work this summer with regard to creating a five-year road plan. Finance Administrator Mulh suggested possible assistance from the Finance Committee as well.

Business from the audience:

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

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

Respectfully submitted,



Janet Mulh, Clerk Pro Tem

Approved:

  
Karen Schneider, Mayor