

Village of Gates Mills
MINUTES OF A REGULAR MEETING OF COUNCIL
April 10, 2018

A regular meeting of the Council of the Village of Gates Mills, Ohio was held on Tuesday, April 10 at 5:30 p.m. in the Village Hall.

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

It was moved by Councilmember Whitney, seconded by Councilmember Sogg, that Councilmember Reynolds be excused from the meeting.

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

A presentation regarding Riparian Setback programs was given by Christina Znidarsic of Chagrin River Watershed Partners.

Police Chief Minichello introduced Joseph Godec. Chief Minichello shared that Mr. Godec is 23 years old and is a graduate of Kirtland High School, where he played football for four years. He then attended Lakeland Community College where he went through the Police Academy and received an Associate's Degree in Criminal Justice. He also has part-time police experience in Kirtland Hills as well as the City of Chardon. He expressed that the Police Department is very excited to have him.

Mayor Schneider administrated the Oath of Office to Full-time Patrolman Joseph Godec.

The minutes of the February 13, 2018 Council meeting were presented by the Clerk. Councilmember Whitney highlighted that Beth DeCapite is not in attendance today nor was she at Council's February meeting.

It was moved by Councilmember Sogg, seconded by Councilmember Turner, that Janet Mulh act as Clerk Pro Tem for the February and April meetings.

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

It was moved by Councilmember Frankel, seconded by Councilmember Sogg, that the minutes be approved.

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

Pay Ordinance #1211 in the amount of \$321,725.00 was presented by the Clerk.

It was moved by Councilmember Welsh, seconded by Councilmember Sogg, that Pay Ordinance #1211 be approved.

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

Pay Ordinance #1212 in the amount of \$356,179.90 was presented by the Clerk.

It was moved by Councilmember Welsh, seconded by Councilmember Sogg, that Pay Ordinance #1212 be approved.

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

Treasurer Reynolds provided the financial statement for the period ending March 31, 2018. He highlighted the following:

- Real estate and municipal tax receipts returned to more normal levels in March. YTD Revenues are substantially ahead of last year by approximately \$458,000. Monthly revenues in these two areas are expected to decline through the year as many residents prepaid their real estate taxes and first quarter municipal taxes.
- Currently, expenditures are running over last year's in all Departments. In order to fall in line with the Village's Annual Budget, each Department needs to slow their spending. Treasurer Reynolds noted significant variances include:
 - o *Administration:* Increased engineering costs due to the safety study and mapping. The general insurance is \$15,500 above last year which is mostly due to flood insurance. Increased County Auditors expense of \$7,000 which is an uncontrollable expense.
 - o *Police Department.* Personnel costs are \$20,700 above last year but are under budget for this year.
 - o *Fire Department.* Fire Department personnel costs are up by \$16,300 which is largely due to higher benefits costs -- applying the appropriate rate for workers' compensation insurance.
 - o *Service Department.* Personnel costs are \$20,500 above last year which includes about \$15,000 more overtime and related expenditures. Salt and aggregate expenditures are \$30,000 higher than last year. Equipment maintenance is \$19,000 above last year.
- Total Operating Expenses, including transfers, is \$390,000 above last year. He noted that \$220,000 of that total is for transfers.

Councilmember Welsh asked if Treasurer Reynolds had any ideas regarding recouping funds. Treasurer Reynolds responded that some expenses are uncontrollable. He said he raised it as it is a significant variance from last year but there is no cause for alarm. Treasurer Reynolds does not

{7358521: }

believe that anyone is over spending but that spending needs to be watched. Councilmember AuWerter commented that Departments have been good at adhering to their budgets and then asked if the benefits costs are a matter of timing. Treasurer Reynolds explained the workers' compensation rate adjustment. Finance Administrator Mulh commented that the Village had to true up at the beginning of the year based on salaries that were paid. She noted that the Fire Department is at a higher rate. She said this is the first year of the true up and as we go forward, it will be better accounted for. Councilmember AuWerter asked if we budgeted correctly. Finance Administrator Mulh said it will likely be higher which is why she is requesting an additional appropriation later in the meeting as payment will be made again later this year. Village Engineer Courtney said that the Village mapping costs will likely be reimbursed. Councilmember Frankel asked if that was a yearly expense. Mayor Schneider responded no. Village Engineer Courtney added that it was due to a change in the permit cycle and additional requirements. Treasurer Reynolds raised the need to be mindful to spending but that it is not necessary to adjust the Budget. Councilmember AuWerter asked if anything regarding the roads could be pushed out one more year. Treasurer Reynolds opined that would be premature. Treasurer Reynolds then asked about the Village's investment account. Councilmember Sogg replied that the same is on the Agenda for this evening.

Mayor Schneider distributed the State Fire Marshall's Newsletter that featured the Gates Mills Fire Department. She complimented Chief Robinson on his great job with the different programs offered by the Fire Department. Mayor Schneider then congratulated Town Hall Coordinator Jean Misch for her appearance on *The Price is Right*. Next, Mayor Schneider reported that Joe Petrella (owner of Gates Mills Fitness) purchased the Old Livery Tavern from Alan Rosskamm. She explained that he is looking for tenants and would like our help with renting out available space. She said if anyone had any ideas to please share the same with Mr. Petrella. Councilmember Welsh asked how much space is available. Mayor Schneider responded that it is approximately 1,100 square feet of adjustable space. Mayor Schneider then announced that Cedar Road is going to get funded by the County for 2019 as opposed to 2020. Service Director Biggert provided a reminder that he, Councilmember AuWerter, Mayor Schneider and Village Engineer Courtney had a meeting with County representatives regarding Cedar Road. The representatives directed the Village to submit a request which Village Engineer Courtney did. Village Engineer Courtney said the area is between S.O.M. and Woodstock which is the worst portion of the road. The cost estimate is \$1.2 million and he explained that Cedar Road is half in Gates Mills and half in Hunting Valley with the boundary running down the middle of the road. It was confirmed that the County will fund the construction by 80% and offered to do the design work. Village Engineer Courtney expressed his assumption (to be clarified) that it is based on the cost estimate the Village submitted which included paving, widening, curbs, drainage improvements, etc. Councilmember AuWerter referred to a road study done wherein it was looking to be at least \$750,000 cost to the Village for Cedar Road improvements. He further stated this would be 10% to the Village because it gets split with Hunting Valley. Village Engineer Courtney said he will try to push the project to the eastern limit of the Gates Mills/Hunting Valley line. He said doing so would be just a few hundred feet past Woodstock. Councilmember Welsh asked about the area below Woodstock. Village Engineer Courtney responded that is Hunting Valley. Mayor Schneider added that was done not long ago. Councilmember AuWerter asked if the Village could now do patching work in 2018 and get reimbursed. Village Engineer Courtney confirmed that as there is an agreement with the County that any money spent by the Village to rehab Cedar Road in advance of the road

project would be credited (not reimbursed) against the Village's contribution percentage. Councilmember Sogg extended her congratulations. Service Director Biggert expressed he was glad that it is happening in 2019 rather than 2020. He then asked if that would be fiscal year 2019. Village Engineer Courtney confirmed and suggested it would likely be in the Summer of 2019. Mayor Schneider thanked everyone involved.

Clerk's report. None.

On behalf of Positively Gates Mills, Councilmember Turner announced the next Community Awareness Day is scheduled for Saturday, June 2. She advised that all community organizations as well as other groups that contribute to the Village will be invited. In addition, she will coordinate with realtors to hold open houses to coincide with the event. Mayor Schneider emphasized that this is an event for Gates Mills residents and that the coordination with open houses is to hopefully get new residents. Councilmember Welsh asked what time the event will be. Councilmember Turner said it is from 10:00 – 3:00 p.m. She further commented that notice will be in the April and May editions of the *Pink Sheet*.

The Village Park Project was updated and presented by Service Director Biggert. Service Director Biggert shared that after application to ODNR last year, the Village received the NatureWorks grant. He explained that it is a 75/25 grant. The Village's 25% can be in funds or in-kind contributions such as labor, equipment, material or any combination thereof. The cost of the project is approximately \$103,000. He provided an overview and illustration of the project which includes a variety of walkways, all handicap accessible, redoing parking, the addition of picnic tables, bleachers by the tennis courts, a main playground area (with equipment on a safe surface), adult exercise equipment, a children's activity area, pavilion area with picnic tables as well as two bocce courts with benches. He said a dog walk could be considered and explained that some paths are soft paths that will connect to the Arboretum. Councilmember AuWerter asked about selling bricks with names for a walkway. Mayor Schneider said there are areas that could be done. Service Director Biggert said he would like to use different color walkways in different areas. He also shared the idea of possible children's activities and highlighted trying to provide for educational, exercise and gathering opportunities. Councilmember Welsh asked about a possible fishing dock. Mayor Schneider said items could be considered and added later. She said that everything must be approved. Finance Administrator Mulh expressed her concern of kids being too close to the water. Further, Service Director Biggert said the existing recycling containers will be moved so that they are screened from the area. He then advised that the Village received another grant for just under \$5,000 from Cuyahoga Solid Waste which will be used to purchase some recycling containers and pay for shredding events. Councilmember Sogg asked about improving some of the walkways in the Arboretum. Service Director Biggert said this is a good opportunity to address that. Per Councilmember Sogg's suggestion, he suggested that Village Engineer Courtney expand the drawing to show the other entrance through the Arboretum that could be used. Mayor Schneider suggested steps leading to parking by the Wash House. Councilmember Sogg suggested improving the steps by the Arboretum also. Councilmember AuWerter asked how much vegetation was budgeted. Service Director Biggert said much of the vegetation that is shown already exists. Mayor Schneider said the Village has money to spend on plants and trees. A brief discussion took place regarding the gas well in that area including possibly painting the same. Councilmember Frankel asked if the illustrations

would be shared at the Community Day event. Mayor Schneider said she hopes that some of the work may be done before then.

Police Chief Minichello provided a written report. Chief Minichello reported that he has been working with Councilmember Frankel on a Bike Rodeo event. It will be held on June 9 between 11:00 – 1:00 p.m. at the Community House. Details of the event are still being worked on. The age range of 5 to 12 year olds is being considered. RSVPs will be requested. He said that they will reach out to bike shops to request donation of helmets, etc. Next, Chief Minichello informed Council that a representative from Your 911 Safety App will be at the Community Day event to help get residents registered. Chief Minichello and Chief Robinson spoke to some of the staff at Gilmour regarding the App. Currently, he advised there are approximately 350 people registered. The last day of Code Red will be June 27. He plans to send a notice a few days in advance regarding the termination of Code Red. Councilmember AuWerter referencing the Mayor's Court shared his opinion that he thought the fines would be higher. Chief Minichello said more citations are going to court. He added that there are many variables including a lot of mandatory court appearances. Councilmember Turner asked about Chagrin Valley Dispatch. A brief discussion took place including confirmation of new communities joining and a satellite office being built in Broadview Heights. Councilmember Turner asked if any reduction in costs is projected for the Village. Mayor Schneider said it should go down. Chief Minichello said it would not go up. Councilmember Frankel asked Chief Minichello about Lexipol. Chief Minichello said that it is still in the customization stage and hopes to have it going by May.

Service Director Biggert provided a written report. Councilmember AuWerter raised the issue of salt. Councilmember AuWerter informed Council that the Village had to buy additional salt outside of contract. A purchase of 200 tons was made at \$60/\$70 per ton versus the contract price of \$27 per ton. Assuming no further storms, the Village's salt bin will be half full. Consideration was given to the summer purchase program opportunity. However, Councilmember AuWerter speculated that it would be more expensive than the fall purchase program. As such, it was decided to wait for the fall program and make a decision at that time for how much to contract for. Finance Administrator Mulh advised that \$22,000 was spent out of the State Highway Fund for salt. Councilmember Turner opined that it is hard to budget for the amount of salt needed.

Fire Chief Robinson provided a written report. Fire Chief Robinson said it was nice to see the Fire Department recognized and noted that the Newsletter goes to every fire department in the State of Ohio. He then said that a big part of such recognition is due to the Administration. He emphasized that funding allows such programs to be possible. Fire Chief Robinson then advised of a change to the formatting of his reports to reflect the trends of the year. In conclusion, he highlighted Scott Magoch's 30 years with the Fire Department.

Councilmember Welsh moved, seconded by Councilmember Sogg, to advertise for bids for the 2018 Road Maintenance Program, Brigham Culvert #6 and NatureWorks Village Park Project.

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

{7358521: }

Motion carried.

Ordinance #2018-06 “An Ordinance Amending Various Sections Of Chapter 792 (Earned Income Tax) Of The Codified Ordinances Of The Village Of Gates Mills To Correspond With Ohio Revised Code Chapter 718; Enacting New Section 792.22; And Declaring An Emergency” was introduced by Councilmember Whitney. Law Director Hunt referred to an e-mail he sent earlier to Councilmembers regarding the same. He said this essentially adopts the HB49 requirements or provisions that were passed at the end of last year. He explained that Net Profit Taxes for tax payers who are persons who are not individuals (businesses) can have taxes collected by the State Tax Commissioner. A payment of those taxes would then be made back to the municipality with an administrative fee being taken out. Such fee is less than RITA’s fee. He advised that there would be some reporting requirements by the Village should commercial tax payers opt to have taxes collected by the State. Due to some pending litigation, Law Director Hunt strongly encouraged Council pass this Ordinance and pass it by emergency. Councilmember Frankel asked, other than the way funds are collected, how it would affect the residents of the Village. Law Director Hunt said it would not impact residents. It would only affect those businesses in the Village that opt to do so. It does not change the tax rate. Finance Administrator Mulh said it would also apply to businesses that do business in the Village as well. Councilmember Turner asked how businesses would be notified. Finance Administrator Mulh said the State has notified businesses. She confirmed payments are made through the Ohio Business Gateway. Treasurer Reynolds explained the rationale is that businesses would pay local taxes all through one source.

It was moved by Councilmember Whitney, seconded by Councilmember Sogg, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2018-06 be placed upon its final passage.

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

It was moved by Councilmember Whitney, seconded by Councilmember AuWerter, that Ordinance #2018-06 be approved.

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

Resolution #2018-07 “A Resolution Authorizing The Mayor And Clerk To Enter Into An Agreement With Ancora Advisors, LLC For Investment Management Services And To Enter Into A Prime Brokerage Agreement With National Financial Services LLC, Related To The Village’s Investments; And Declaring An Emergency” was introduced by Councilmember Whitney. Councilmember Whitney said the need to suspend is to not further delay the Village’s funds from being invested. Councilmember AuWerter shared that he would need to abstain as he is currently doing some work with Ancora.

It was moved by Councilmember Whitney, seconded by Councilmember Sogg, that the rules requiring ordinances to be read on three different days be suspended and that Resolution #2018-07 be placed upon its final passage.

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

In response to Councilmember Welsh's question, Law Director Hunt confirmed his approval and added that, in addition to meeting with Ancora, one of his partners also reviewed the contract and that Ancora made changes to the same as requested by the Village. Treasurer Reynolds opined that this particular agreement is much more realistic. Councilmember Welsh asked if Ancora was bonded. Law Director Hunt confirmed. In response to Councilmember Frankel's inquiry, Treasurer Reynolds said that the Village's Investment Policy includes some other instruments but much of what will be done will be fixed income securities. Councilmember Frankel then inquired about the advisory fee in the agreement. Councilmember Sogg highlighted that fees are not listed in the agreement for the items that Ancora will not be doing per the Village's Investment Policy.

It was moved by Councilmember Whitney, seconded by Councilmember Sogg, that Resolution #2018-07 be approved.

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

Resolution #2018-08 "A Resolution Authorizing An Addendum To The Agreement With Mayfield Village For The Provision Of Emergency Medical Services" was introduced by Councilmember Frankel. Councilmember Frankel explained that Mayfield Village is making more runs than they had anticipated. He further stated that this agreement allows for the Village to receive any income collected for the first 140 runs and Mayfield Village would keep the over run funds as compensation for the additional runs. Councilmember AuWerter asked about the financial impact to the Village. Finance Administrator Mulh indicated that the Village already budgets for the maximum. Fire Chief Robinson highlighted that discretion is being used when determining when an ambulance gets called. He advised of the assistance by the Police Department in an effort to lower the number of ambulance runs. Treasurer Reynolds said the maximum payment is \$185,000 for 140 runs. He added that the Village gets insurance reimbursement unless it is beyond 140 runs. He confirmed the Village is capped out at \$185,000. Councilmember Welsh expressed his concerns about liability and recommended considering the use of waivers.

It was moved by Councilmember Frankel, seconded by Councilmember Whitney, that the rules requiring ordinances to be read on three different days be suspended and that Resolution #2018-08 be placed upon its final passage.

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

It was moved by Councilmember Frankel, seconded by Councilmember AuWerter, that Resolution #2018-08 be approved.

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

Ordinance #2018-09 "An Ordinance To Amend The Annual Appropriations Ordinance No. 2018-02 To Increase Certain Appropriations And Other Expenditures Of The Village Of Gates Mills, Ohio For The Fiscal Year Ending December 31, 2018" was introduced by Councilmember Whitney. Councilmember Whitney explained the need to suspend is to have funds available to pay bills.

It was moved by Councilmember Whitney, seconded by Councilmember AuWerter, that the rules requiring ordinances to be read on three different days be suspended and that Ordinance #2018-09 be placed upon its final passage.

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

It was moved by Councilmember Whitney, seconded by Councilmember Turner, that Ordinance #2018-09 be approved.

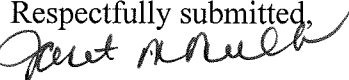
Roll call: Ayes: AuWerter, Frankel, Sogg, Turner, Welsh, Whitney.
Nays: None.
Motion carried.

Business from the audience: None.

Councilmember Turner advised that signed agreements have been obtained with regard to the 319 grants. She will discuss the same at Council's next meeting.

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

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

Respectfully submitted,

Janet Mulh, Clerk Pro Tem

Approved:



Karen Schneider, Mayor

{7358521: }