MINUTES OF A REGULAR MEETING OF COUNCIL CITY OF GARFIELD HEIGHTS, OHIO

Monday, September 13, 2010

MEETING CALLED TO ORDER AT 7:03 p.m. by President Frank J. Geraci, Jr.

INVOCATION BY:		Councilman Thomas Vaughn
ROLL CALL:	PRESENT:	President Frank J. Geraci, Jr. Council Members Dudley, Marincic, Nenadovich, Sarnowski, Suster, Mahoney, Vaughn

READING AND DISPOSAL OF MINUTES:

Moved by Clmn SUSTER to accept the minutes of the Regular Meeting of City Council of August 9, 2010 as submitted. The minutes were adopted with seven YES votes.

CLMN SUSTER: Mr. Chairman, I'd like to make a motion to take Resolution 40-2010 out of order and place it on the floor at this time.

PRESIDENT GERACI: Roll call.

AYES: 7

PRESIDENT GERACI: Anybody want to comment on this? Mayor?

MAYOR VIC COLLOVA: Is Ralph here?

PRESIDENT GERACI: I guess Ralph's not here.

MAYOR VIC COLLOVA: Not here? Before we get into the resolution I want to say that it's quite an honor Ralph Bodziony is getting this prestigious General Pulaski Award through the Polonia Foundation of Ohio for a lifetime of promoting his Polish heritage. This is a pretty good prestigious award, something that I'm certain he and his family will be very proud of and Garfield Heights is honored to be a part of this. With that said, I'll turn it over to read the resolution.

PRESIDENT GERACI: Thank you, Mayor. Consider by title.

RESOLUTION NO: 40-2010

A RESOLUTION BY THE MAYOR CONGRATULATING RALPH BODZIONY FOR RECEIVING THE PRESTIGIOUS GENERAL CASIMIR PULASKI AWARD THROUGH THE POLONIA FOUNDATION OF OHIO FOR A LIFETIME OF PROMOTING HIS POLISH HERITAGE. Moved by SUSTER to CONSIDER BY TITLE: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: CLWN MARINCIC: Congratulations. I vote Yes. AYES: 7

PRESIDENT GERACI: That passes 7-0.

WRITTEN COMMUNICATIONS TO COUNCIL: None.

CLWN MARINCIC: Mr. Chairman, at this point in time I'd like to make a motion that we waive the 72-Hour Rule on Ordinance 63 and place it on the Council agenda in the regular order of business for tonight.

PRESIDENT GERACI: Roll call. AYES: 7 PRESIDENT GERACI: That passes 7-0.

CLWN MARINCIC: Mr. Chairman, I'd like to make a motion that we waive the 72-Hour Rule on Ordinance 64 and place it on Council's agenda in the regular order of business this evening.

PRESIDENT GERACI: Roll call. AYES: 7 PRESIDENT GERACI: That passes 7-0.

CLWN MARINCIC: Mr. Chairman, I'd like to make a motion that we waive the 72-Hour Rule on Ordinance 65 and place it on Council's agenda in the regular order of business this evening.

PRESIDENT GERACI: Roll call.

CLWN MARINCIC: In case anybody out there wonders what we're doing is there are these three pieces of legislation that Council just received before the meeting tonight. So in order to get them on tonight's agenda we have to waive the 72-Hour Rule because we usually get these 72 hours before the meeting. All three of these pieces are posted on the bulletin board outside if anybody wants to read them. I vote Yes. AYES: 7

PRESIDENT GERACI: That passes 7-0.

LEGISLATION OUT OF COMMITTEE: None.

REPORTS OF THE MAYOR AND DIRECTORS:

PRESIDENT GERACI: We will move on to reports by the Mayor and the Directors. Mayor Collova?

MAYOR VIC COLLOVA: Thank you, Mr. Geraci, Council. Before I get started with my regular report I would like to introduce everyone to someone who is very excited. I am very excited about them being here today because over the last few months I've been talking about money leaving the city and this gentleman's bringing money to the city. I think that's great. What I wanted to do is I wanted to introduce at this time Mr. Leigh Herington. He's from NOPEC (Northeast Ohio Public Energy Council). Mr. Herington, if you would please come to the mic and talk a little bit about what you have there, we certainly would appreciate it.

Mr. Leigh Herington. Mayor Collova, Council President and City Council. My name is Leigh Herington and I have the pleasure of serving as the Executive Director of NOPEC, the Northeast Ohio Public Energy Council. Garfield Heights is a member of both our gas and electric programs. It is my pleasure to come this evening with good news and an envelope. You will recall that NOPEC late last year entered into an agreement with First Energy Solutions to provide the Garfield Heights residents with an electric program. We will provide your residential customers with a 7% rate on supply of the electricity for the next nine years and a 5% break for your small business customers during the same time. As a part of that negotiation we also were able to negotiate a plan whereby First Energy Solutions agreed to give us \$30.00/customer in each community to our member communities under our Powering Our Communities Grant Program. Garfield Heights applied for this program on July 22, 2010. Because you have been on fiscal emergency you qualify under our program for communities that are in financial distress. When you made your application however, you didn't just say give us the money. You prepared one of the most comprehensive packages that we have ever received to date. The application addresses major concerns of the city that were addressed in your performance audit. You were encouraged to spend money to update your financial reporting system. Therefore you will be using the money to upgrade your current municipal financial software, install a new server to protect documents, replace approximately 10 computers located in city hall and implement a new city Website for residents to obtain pertinent information. Updated software will provide the efficiency and productivity of each Finance Department employee. New hardware will encourage the conservation of energy and cut your utility costs. Implementation of the new Website will better inform residents of city functions and make available answers to questions at any time. I want to thank Mayor Collova and the staff including Economic Development Director Noreen Kuban for putting together this excellent application. Your application with NOPEC has been approved as written. You are to be applauded for your efforts and I'm here today to present you with a check for \$260,000.00.

MAYOR VIC COLLOVA: Thank you, Leigh. That's the first time I saw Ron smile since he's been a director.

CLWN MARINCIC: Mayor, who prepared that grant application?

MAYOR VIC COLLOVA: Actually Noreen and Becky was her assistant. They did a great job. I'm going to go from some great news to some somewhat disappointing news for me, but not so disappointing for everyone else. Saturday night there was a football game played between Garfield Heights High School and it's good to see Mr. Faust there. You can appreciate this. Also of course Garfield Heights High School played some little unknown school called Holy Name Green Wave or something like that. Myself and Clmn Vaughn made a somewhat wager on who would win the game and I have to tell you that Garfield was a much better team but because of the terrible conditions--rained throughout--Holy Name was able to slip through and win the game so I have to pay my bet and with that I have to wear the Holy Name jacket during the Council Meeting. I know my wife really appreciates this because that's the school that she got thrown out of. I want you to know that Tom told me many are called but are few are chosen. With that said, thank you very much, Tom.

CLMN VAUGHN: Tim, doesn't he look good in green? Looks good.

MAYOR VIC COLLOVA: I'm going to remember that when we do concessions.

CLMN VAUGHN: I do think we have to get a picture of him and send it to his mother-in-law.

MAYOR VIC COLLOVA: It's already getting warm so I don't know how long I can keep it on but there are some pretty good things that have gone on in the last few weeks and I want to report them. The first one is we talked about the company coming in – Overdrive. I want to read a response I got from the Ohio Department of Development:

"Dear Mayor Collova:

The Ohio Department of Development welcomes this opportunity to assist the city of Garfield Heights in attracting Overdrive Incorporated." It goes into talking about what the incentive is and what the proposed State incentive is. It says project assumptions: "Overdrive Inc. would relocate to the city of Garfield Heights Cuyahoga County. Overdrive would invest \$5.45 million for its proposed project. Overdrive would create 90 new full-time jobs at the project site within the first three years of operations and maintain 83 existing full-time jobs. The average hourly wage rate for all new positions at the project site would be \$26.50/hour exclusive of benefits." So this is good paying jobs. The State of Ohio was in competition with the State of Florida for Overdrive. We won this out. I also want you to know that Valley View was in the competition also and we won it out. Again, I know it seems like we're patting Noreen on the back a lot but she deserves it. She worked very hard at this along with the Engineer, along with Bill Wervey. Worked very hard to bring this in and this will be huge for Garfield Heights. It's going to be at the Nestaway Building, their world headquarters and this will be a great thing so we really appreciate this.

I want to read a notice from WOW! It says:

"Dear Mayor:

Please be informed that effective on September 22, 2010 WOW! will add the Golf High Definition channel 23 to our channel line up. If you have any questions, WOW! customers will be notified that we have another channel coming on." I believe it's free. That's a good thing.

Another good thing that I wanted to report or something that might be of interest to many of you. Time-Warner Cable is having a job fair. It's going to be at their new location, 15305 NEO Parkway, Garfield Heights. It's Friday, September 17th, 1 p.m. to 4 p.m. and Saturday September 18th, 8 a.m. till 12 noon. It says we are seeking motivated, friendly, dependable professionals for these opportunities but it also says we cannot accept unsolicited resumes and telephone calls. We require background checks as well as pre-employment drug screens. There are going to be several positions available. It might be something that if you're not interested in, you know somebody that is. You can contact my office if you need more information.

We have had an ongoing and I mean ongoing for Lord knows how long, flood problem at Park Knoll and Overlook. We stopped out to see one of the residents that was having problems there, Dave Krock, Timmy and the Service Department, and this is what we came up with and I think this is pretty good and I hope we are able to do this elsewhere. It says, "Park Knoll and Overlook flooding repair issue. A number of homes on Park Knoll were having flooding problems during rain events. The issue has been going on for guite some time. Mayor, Engineer and Service Department met with the property owners to discuss the problem. The Service Department then coordinated with the Cuyahoga County Sanitary Engineer to have lines televised and jet-cleaned. Much debris were removed from the line and a water line was found to have been constructed through the center of the storm sewer at the intersection of Park Knoll and Overlook. This water line caused a virtual dam in the middle of the storm line collecting sediment and debris, blocking the normal flow of water." In this sewer they had another sewer line going through that narrowed the gap and all the debris was like closing it up like a dam which was causing the water to back up. "The Engineer and Service Department met with Cleveland Water to review options for removal of the water line from the storm sewer. After further discussion between the Engineer and Cleveland Water CWD declined to pay for the relocation of the water line. They said it wasn't their responsibility. The Engineer contacted the Cuyahoga County Sanitary Engineer to request the use of storm sewer funds to pay for the relocation of the water line from the middle of the storm sewer and CCSC agreed to allow Garfield Heights to utilize the funds to eliminate the flooding issues.

Water line relocation is expected to be approximately \$17,500.00 and it will be paid for out of the storm sewer fund. There is no cost to the city of Garfield Heights." This is a big thing and I give a lot of thanks to the Engineer, Dave Krock. Originally had he not gotten involved in this we would have been paying this. I know \$17,500.00 does not sound like a lot of money but believe me, it is. Even more than the \$17,500.00 I think we're going to have some happy residents that haven't been happy for a long, long time in that area. So I thank you, Dave, good job.

CLMN DUDLEY: Mayor, I see you mentioned that flood. What about some of the other areas? We got some houses in the Broadway area that's constantly being flooded. The Engineer has taken into consideration because some of the houses around the Forestdale area and the bottom of Cranwood, constantly flood after the rain. I mentioned it to the Service Department in several calls. Is anybody looking at that to see what can be done about those homes?

CITY ENGINEER DAVID KROCK: I know I've met with the Service Department on some of those issues but we're just starting to get through some of these. The storm sewer funding we have is rather small right now but as we go through the next couple years it's going to grow so we should be able to settle some of these problems.

MAYOR VIC COLLOVA: OK. Thanks. One other issue I wanted to bring up was at the last Council Meeting there was discussion about signs going up that called for the photo enforcement— "Warning photo enforcement traffic in Garfield Heights" and whether it was State routes or it wasn't State routes. We went out and put up signs on as many locations with the Service Department as we felt necessary. We exceeded what the State law said and we put them in a lot of locations. I wanted to show you that last week or last month the question was, was Rockside Road a State route or wasn't it and we had a resident that said it was a State route. Our Law Director said it wasn't. We checked with ODOT and I want to read this very briefly.

"There are signs on Rockside Road in Garfield Heights that denote State route 17 truck route. The department does not recognize this as an official State route. Truck State route 17 continues to be classified as a County road, city road or County highway and in no way should be considered a State route."

So there was no State route that we were supposed to put this sign up on but if you go down Rockside Road now, it is up. We're not trying to minimize this thing, we're trying to cooperate as much as we can so it's up and I think that should make some people happy.

The next thing that I wanted to say real briefly is this came about in the last couple hours. I think I am going to take the jacket off because it is getting warm. I certainly was proud to wear this jacket.

CLMN VAUGHN: Maybe now, Tim, he has a little green going through him?

MAYOR VIC COLLOVA: I was disturbed this afternoon because of a radio broadcast from a gentleman by the name of Mike Trivisonno that just beat Garfield senseless. We had a lady call up about an incident where she got beat up by a group of juveniles and Channel 19 got involved and WTAM 1100 got involved. She got on the radio and she gave quite a story. I just want you to know that everything she said is not exactly true. This thing is being investigated into. She talked about the lack of police response. She talked about the police not caring. She talked about the police not doing anything. Let me tell you what happened. There was an incident there and we don't know all the facts. It's being investigated. People are being interviewed. Our Prosecutor's involved. Our police detectives are involved and the County Prosecutor's involved because it's about juveniles. The school of course is involved and actually one of the people have been suspended but they talked about a lack of response time. Actually before the event was ever called in one of our

officers witnessed it going on and pulled in to the lot. He was there before anybody called and told him to be there and he happened to be patrolling down Turney Road and saw it. He broke it up. The young lady (I don't know how young she is. She was the mother of one of the students.) I guess she got beat up pretty good. All the facts about what happened, who started it, who was at fault is being investigated. But what Channel 19 tried to do and Trivisonno carried it through today was make it sound like we have this racial issue in Garfield Heights and it's so bad that if you come to Garfield Heights you better bring a gun. This really pisses me off because Trivisonno doesn't know his _____ from a hole in the ground as far as I'm concerned. Channel 19 the same way. This is absolutely ludicrous.

You know what? The lady that got involved in the fight was a White lady. The young juveniles who were beating her up happened to be Black, so it's a racial issue. If there were two White kids fighting it would be a fight. If there were two Black kids fighting it would be a fight. A White kid and a Black kid get in a fight and it's racial tension. This is crazy. This is absolutely ridiculous. I was highly insulted about how that radio station responded and Channel 19--that rag TV station-responded to Garfield Heights. I had a real estate person call me up during the interview amongst many others that said I'm trying to sell houses and promote houses in Garfield Heights and this guy's trying to rip us apart. And I mean he was. He was having a ball, laughing. Why would you go to Garfield? Get them out of there. Then he had a caller. I'd love to know who this caller was that said our police are afraid of Black juveniles. I would love for that guy to come up to the Police Department and tell some of our police officers that they're afraid. I'd like to see what he looked like when he left. I've said this before and I'll say it again and I mean it because I truly believe it. We got the best police and fire departments in this city and if you're in trouble you don't want anybody else coming to your aid other than that police person. We have a police officer that was there immediately and probably stopped something that could have gotten a lot worse. Yet they want to say they're afraid. There was probably 15 to 20 people although they said 30. Fifteen to 20 people that were involved in this and this one police officer, himself, got out and stopped this thing. Ran in the middle of it and they want to say he's afraid. He's not afraid of anybody. None of these police are. They do their job. If you're White, Black, green or yellow they're going to do your job. If you break the law they'll get you. So I don't know how I'm going to respond to Trivisonno but I am. I said this early on and I mean it. I can't stand when outside people attack Garfield. When our residents say we're doing something wrong. They don't like the lights. They don't like the rubbish fee. They have a right to say that because they live here, but when these clowns from out of town want to come here and make it look like Garfield is lower class than the other cities, as far as I'm concerned the hell with them. I mean that sincerely. Thank you.

With that let me get into the ordinances real quick and we have quite a few of them so we're going to do this as quick as we can. Ordinance 53-2010. This is setting the parameters for the flooding damage control in Garfield Heights. If somebody has questions they can talk to Bill Wervey. Ordinance 54-2010 is about who can/who cannot issue trash citations. Ordinance 55 and 56. What we're doing here is we're renewing an existing Internet access agreement for the city and Court. It's the same agreement we've had in the past. The difference is we actually had a savings of \$2,400.00. If you want more information Ron can fill you in on that. Ordinance 57 is a market development grant between Baumann Enterprises and the Ohio Department of Natural Resources. The city is acting as a go between between the two. It's at no expense or risk for the city whatsoever. Again, Bill can talk about that if you wish. Ordinance 58 talks about the grass cutting program. What we're doing is we're assessing the amount of money that people owe that they did not pay to their tax bills. Ordinance 59. This legislation sets the proper verbiage for our PERS language as directed by the State. There's nothing different. There's no extra money being spent. It's the same as it was. The only difference is that they need different language to cover it so we've changed the language for that. Ordinance 60. What we're doing is we're voting on to okay the refunds for the 10 mph speed camera tickets that we issued for the refunds that we talked about in

the past. Ordinance 61 is the SAFER Grant. We're asking for the Safer Grant. This is for the Fire Department. I'll explain it briefly. Chief Nemetz and Dave McKee have been working very hard on this. If anybody needs any questions they would be very glad to answer them. What we're doing is, as everyone knows, we laid off a firefighter. This grant that came out allows us to bring back laid off firefighters at no expense to the city. They will actually pay the wages and benefits for the firefighter for two years and the only thing the city would be responsible for is for any overtime. So this really helps us and it permits us to bring the firefighter that was laid off back. Hopefully this can come through pretty quick for him. Ordinance 62 is the authorization to assess the rubbish fee to the tax bill. I'm sure everyone is eager to hear that one.

Resolution 39. We're recognizing and supporting that October is the month for Domestic Violence Awareness so we're just reinforcing that. That is, I believe, nationwide.

The ordinances 63, 64 and 65 were late on the agenda. We're going to take a few minutes about that. This has to do with the bonds. We're going to bring some people up to discuss this in a second. We have about \$11.5 million in notes and bonds that we were transferring over. The time is right to do this because of the interest rate being at a low position where they think now's the time to jump on it. Whatever we're planning on doing is we had booked unfortunately because of the upcoming event in November there has to be a change because they're a little unsure about giving us any money with the possibility of losing a large revenue stream in November so there had to be some adjustment made. What I would like to do now, if you would bear with me, we have two gentlemen here right now. We have Barry Keefe from Squires, Dempsey and we have Jeff Rink from Key Bank and if one or both of you gentlemen can come up and explain this a little bit for Council we would appreciate it?

Jeffrey Rink, Key Bank. Thank you, Mayor, Council President and Members of Council. My name is Jeff Rink. I am the Director of the Public Finance Group at Key Bank Capital Markets. Our role at Key Bank would be to actually sell your debt out into the market for investors to purchase. Those investors could be local residents that want to purchase Garfield debt. There are also going to be large, as we talked about earlier large institutional type investors that you'll see commercials for on TV like I mentioned Fidelity is one, Vanguard is another type of institutional fund. The plan all along has been, as you are aware, the city has \$5.5 million of short term notes and those come due every single year. There's an element of interest rate risk with that because every single year those have to be renewed or rolled over is the term at an interest rate set to those. Given as we talked about we all know where our own investments are given the interest rate environment it makes sense now to bond those out and essentially fix the interest rates on those for a long term. There's a number of purposes that are being financed so the term of the bonds would be for some 15 years and others as far out as 18 or 19 years. The point being that you would have a fixed interest rate, you would know what your costs would be and the Finance Department and Finance Director would be able to budget for that accordingly from year to year. So the process, and I apologize I will try and speed up, the process all along has been to work with a rating agency, Moody's Investor Service, to get a rating on the city and I am very pleased to report through great work from the Mayor, from Ron Tomola and the Finance Department and Noreen Kuban, Economic Development Director, sorry, Noreen, you're getting more kudos but the three of those folks were instrumental in working with us at Key and the rating agency to get a solid bond rating which was a BAA1 rating. When the city went into fiscal emergency to kind of put this in perspective the rating for the city was down to a BAA3. In each letter category there are three categories, a one, two or three. You want be at the one level where you can. Over time you were working yourself out of fiscal emergency and you're up to that BAA1 and foresee that only continuing to increase over time.

So we now fast forward to today or the last few weeks where we're really looking to market your bond issue out in the market. There is the opportunity to also pay a fee for bond insurance. It's a very cut and dried decision on whether you use bond insurance. You have to pay a one time up front fee to the bond insurer in exchange for the use of their credit. You would have your underlying rating this BAA1 but you'd also have a AA rate in bond deal because that's the credit rating of the bond insurer. In discussing with the bond insurer, and again, it's cut and dried. What you have to pay will either lower your interest rates that you would have to pay ultimately and therefore makes sense to pay that premium insurer or not. If it doesn't lower the interest rate enough then we would go to market and not use the insurance. But I think it's my responsibility at Key Bank to make sure that we position the city for the best offering or financing possible as we look to get out into the market. So in discussions with investors and also the bond insurer, we need to add one more layer of protection, we'll call it for investors and the bond insurer. That is when the County collects the property taxes, they always do, we would like the County to segregate out the amount of property taxes that would go to be paid towards debt service on the city's debt, on this particular debt issue. Instead of sending it directly to the city we'd like them to send it to an escrow agent that is in charge of paying those bonds. It's not mechanically that much different than what the city does now. It doesn't add costs in terms of what the city does currently but it does add that layer of security for the bond insurers and more so the large institutional investors that we'll end up selling a portion of this debt to.

So I apologize that this is just being placed on the agenda tonight. It's not something that we planned to do. At the same time it's not something that's never been done. Other cities have done this. If we don't have to and didn't have to we certainly wouldn't bother with it. The reason though we are here tonight and being added to the agenda is you have these notes that are coming due in two weeks and we believe it's probably going to take a little longer than two weeks to get these details ironed out so we want to provide for a quick rollover, not a long term rollover, but a very quick rollover. We're asking for 60 days of the note. I would tell you that will be out and complete the bond issue within 30 days so we have a little extra time regarding the 60 day window. That's kind of the background on it. It's entirely my doing at Key Bank. As I said earlier if you want to throw something I'm the one to throw it at. The Finance Department has been a pleasure to work with and continues to be a pleasure to work with. I will say part of the rating that came back was evidence of the city's I would call "management team" led by the Mayor in terms of working our way out of fiscal emergency so I ask your indulgence to accept the ordinances and authorize us to do what is necessary to keep the financing back on track. With that I do want to make a point too because I think this is important to realize going forward because we certainly hear this from investors.

One reason, and it isn't the only reason, but one very important reason we are here is because the bond insurer and a number of investors have taken note of the election that's coming up in November. We have to disclose that. It's public knowledge. We disclose that to potential buyers and so part of the plan of getting the city out of fiscal emergency are these other revenue sources and the fact that there will be a vote on those in November does cause concern to potential investors that are going to buy your debt and the bond insurers. This is kind of in response to that to try and mitigate some of their concern because at the end of the day we really want to be out in the market and get you the lowest interest rate possible. This is I think an item that will in some part mitigate what's going to happen in November. Obviously if everything passes in November then there won't be an issue (at least for the time being) for those folks. It is important that you're aware of the bigger picture here as far as the city's bond rating and the amount of interest you will pay over time on your debt. The last comment. The dollar amount is \$11.5 million. You will only have existing debt right now of \$5.5 million. The balance between that is primarily made up of two bond issues you issued back in 1998 that are eligible to be refinanced. Just like folks refinance the mortgage on their homes you have the ability to refinance your past debts and again that would be

very cut and dried. At the time you price the bonds the interest rates that we get for you will tell us when it makes sense to refinance those two bond issues or not, if you can save money by doing so then we'll work with you to do so and that will bring us up to that \$20 million figure. If not then we'll be closer to that \$5.5 million range because we won't refinance those remaining two bonds. Thank you and I'd be happy to answer any questions.

MAYOR VIC COLLOVA: Thanks, Jeff. Let me ask this, if it's OK to go out of order because they're last on the agenda? If Council could ask any questions they have now so they don't have to stay for the 23 pieces of legislation we have. If you have any questions, please they'll respond now.

CLMN SUSTER: What would have to be the difference in the interest rate before you would consider. You know lots of times it's a point and a half or two points. What would you consider a savings that the city would incur by doing this?

MR. RINK: The refunding piece? The refinancing piece? There are two bond issues out and they are both around \$2 million, a little over \$2 million each, so it's a small dollar amount. You really want to look at a percentage savings and really there's only about seven years left on their term on those two bonds so I would tell you we either do it now or we don't do it and why I say that is typically you look for either three to five percent in that range of savings. What I would tell you now and this is net of all costs so it does not cost you any more. We net it all out and we show you what you're savings are net of all costs. I would say even if it's one percent I would recommend strongly you do this now. The only reason you would not do it is because you were issuing debt anyway and there wasn't a need to do it or you were going to wait to see if you could do it further down the line and get more savings. I guess my point tonight is you have a short window to do this. They're not going to be outstanding for 15 more years. You're really only talking about five or six more years. It's extremely unlikely the city's going to access the bond market in that time anyways so I would tell you although the standard is typically three to five percent if we can get you one to two percent or any savings frankly you should jump on that now because you won't have the opportunity to do it again because of where we are with interest rates and those specific bond issue terms.

CLMN SUSTER: OK. Thank you.

CLMN DUDLEY: How would the November election concerning our rubbish issue affect these bonds as far as any interest? Would it determine what the interest rate is going to be if the rubbish passed or the cameras passed?

MR. RINK: Sure. It's actually an issue. That's a good question. We'd like to get the bond issue wrapped up before that so it ultimately doesn't affect that. That said that's a key reason why we're here today. The investors and the bond insurer looked at the fact that there's an election in November and are concerned. From the bond insurer's perspective they're not willing to insure the transaction with that out there. From an investor. That's not all bad. It's possible even with this protection we may go and sell the bonds without the insurance. It doesn't make sense depending on what the charge is for the insurance, but we want to position the city best to have the insurance so to deal with them as well as to deal with the market itself. Investors are going to demand a higher interest rate if we don't do some of these other protections because of the uncertainty surrounding some of the revenue the city's getting right now. In their mind there's more perceived risk in terms of the city's ability to pay their debt so they want to be compensated for that risk in the form of a higher interest rate. Again we feel strongly that we need to position the city to get the lowest interest rate out there possible based on your credit profile. If we can put these other protections in place which these ordinances address mainly it's about having the County wire

property tax revenue to the escrow agent. We can in some part mitigate that risk but probably not entirely mitigate that risk because the issue is still out there as far as the vote in November.

MAYOR VIC COLLOVA: If I can add to that, Mike, just very briefly. When we had the conference call one of the questions that was asked and the key question they wanted answered was if in fact in November we lose that revenue from the two issues, what is Plan B? I assured them that there was a Plan B and we would be able to make up that money. I thought that would end it and obviously they didn't take my story. I sort of gave them the old no problem; we got it covered; don't worry about it, but they didn't buy into that so basically what he's saying, Jeff. Correct me if I'm wrong, they are taking the money out of the taxes directly and putting it directly what we owe for the bonds directly into a trust fund. So in other words we're putting escrow up. Instead of paying it through our own General Fund or the funds we have set up in Finance we now have to put that into a guaranteed pay. We're going to put that into a trust fund so we are guaranteeing their money. So they're going to get their money no matter what else happens. That's what this is all about. Is that correct, Jeff?

MR. RINK: That's correct.

CLWN SARNOWSKI: I'm not sure if my question goes to Ron or Mr. Rink. So is Ordinance 65 set up so that we can put any of our bond rollovers into it? It's a special account?

ACTING FINANCE DIRECTOR RON TOMOLA: The way it's set up is that the millage rate that's set up the tax budget that would go to our bond retirement fund will go to the escrow account now instead of to our bond fund and in the tax budget we had about 3.64 mills we said to go to retirement of debt which was about \$1.5 million per year before 2011. That will change every year based on what the payments are for that particular year.

CLWN SARNOWSKI: All our other notes that when they do roll over and are coming before Council we can.

ACTING FINANCE DIRECTOR RON TOMOLA: There are no more notes left in this bond sale. All of our debt will be in long term bonds. The balance of those bond payments annually comes from other funds. The debt amortization fund, which is 7% of the income tax, which is pledged toward debt so we'll pull money from there. We pull money from the permissive tax, which is the license plate \$5.00 additional tax that Garfield gets through the State. We pull money from the Storm and Sanitary Sewer fund that covers some of the sanitary lines that were put in. So we pull money from other areas, not just from the millage to pay our total debt service.

MR. RINK: This special account will address just this bond issue. Your other bond issues won't have to comply. They won't have to do this. The revenues will come to the city as it typically does and Ron will put it in the bond retirement fund which is an account held by the city.

CLWN SARNOWSKI: But you did say that there's two other bonds that might?

MR. RINK: Might be refinanced, so what that would mean is we would pay those off entirely with proceeds from this bond issue and so it would become part of this bond issue but it still would be one single bond issue, that Series 2010 bond issue that were talking about and that's the one that we have the special account.

PRESIDENT GERACI: Any other questions? If not, thank you, Mr. Rink.

MR. RINK: Thank you.

MAYOR VIC COLLOVA: I will finish my report. Thank you, Jeff. I will finish up my report by saying that there's been a lot of discussion throughout the Council Meetings and throughout the city about the red light cameras, the rubbish fee and the finances of the city so we have set up a town hall meeting that you may be aware of for Wednesday so I don't need to get into any of that tonight. Please come by Wednesday. We're going to have the numbers and have everything broke out for you. This way when you do come up in November to vote you can vote knowing all the facts and that's all we're looking for. How you vote is your choice. We want you to know the facts so I'd be glad to answer any questions if anybody wants to ask me any but it will all be covered on Wednesday night. With that you have my report.

PRESIDENT GERACI: Any questions for the Mayor?

CLWN SARNOWSKI: Again, Ordinance 60 that we are refunding the money. In the verbiage of the Red-Flex contract it says 10 and above. So are we going to change the verbiage in our contract?

MAYOR VIC COLLOVA: Yes, it is. There's going to be a memorandum of understanding put in there that has the 11 mph speed limit.

PRESIDENT GERACI: Any other questions for the Mayor?

CLWN MARINCIC: I want everybody out here to know that this is really good news for Ward 2, the residents of Park Knoll that our City Engineer, Dave Krock and our Mayor have taken special interests in the flooding problem that was there. It was just freaky what was going on there. It would drizzle and these residents' basements would flood. It had been going on for 30 and 40 years and it took this administration to take the bull by the horns and solve it. I know there's going to be some people with really happy feet out there because they're going to be dry. Thank you, Mayor and thank you very much, Dave. I appreciate that. That's all I have.

PRESIDENT GERACI: Any other questions for the Mayor? If not, we'll move on. City Law Director Mr. Riley.

LAW DIRECTOR TIM RILEY: Thank you, Mr. Chairman. I have no report tonight.

PRESIDENT GERACI: Any questions for Mr. Riley? We'll move on. Service Director Mr. McLaughlin.

SERVICE DIRECTOR TIM McLAUGHLIN: Thank you, Mr. President. This is Week 2 of the Hazardous Waste Roundup at the Service Garage. It will be open Saturday from 8 to 12. That will be the final day. So far there's been a large response. We are in the process of repairing the roads from water breaks. We had over 100 holes to fix and have about 50 of them done and we'll be billing Cleveland Water. I had the tree truck out. We're trying to complete the striping of the school crossings. Trying to get ready for the fall programs. That's all I have. Thank you.

PRESIDENT GERACI: Any questions for Mr. McLaughlin?

CLWN SARNOWSKI: Is there a certain time that you have to do the water cutouts and bill Cleveland? Is there a due date?

SERVICE DIRECTOR TIM McLAUGHLIN: Usually it's about the end of September. Ron could answer that better for you because we've had some problems during the last couple years.

SERVICE DIRECTOR TIM McLAUGHLIN: Usually it's the end of September if you want to get paid by the end of the year. I did push last year and we were able to get the money in December. Again it all depends on the City of Cleveland and the Water Department when they're going to disperse funds. If you don't get them in surely by the end of October you won't get money this year.

PRESIDENT GERACI: Any other questions?

CLMN VAUGHN: Mr. McLaughlin, I have a safety concern on Rockside Road. When you're talking about the tree truck being out. At night when you're driving down Rockside the trees are over covering the lights. It's very dark, unsafe. Is there any way we can get those trees trimmed on Rockside Road so it would be a little safer for everybody over there?

SERVICE DIRECTOR TIM McLAUGHLIN: Yeah, I'll put it on the list. We're far behind on trees. We'll do what we can there.

CLMN VAUGHN: What has happened over the past few years is on the lawns where there is a light pole they've planted a tree so now there's no light coming through. If we could get that taken care of? Thank you.

PRESIDENT GERACI: Any other questions? If not we'll move on. Recreation Director Mr. Dobies.

PARKS AND RECREATION DIRECTOR BOB DOBIES: Mr. President and Council Members, good evening. This is short report. We are about to begin our fall/winter programs with beginning signups through this past weekend and they're still taking registration this week for those that have missed. That was for the following programs: soccer, hockey, in-house hockey, programs for beginners, learn-to-skate, community figure skating along with our fitness programs which begin September 14th, tomorrow. I bring that to your attention because it was reported in the Neighborhood News that they started on the 24th. I wanted to make that correction. That concludes my report.

PRESIDENT GERACI: Any questions for Mr. Dobies? Finance Director Mr. Tomola.

ACTING FINANCE DIRECTOR RON TOMOLA: Good evening. One of the comments I'd like to make would be on legislation 58, 62, 63, 64 and 65. If passed by Council this evening, if Mr. Geraci you could sign everything this evening? And the Mayor also? Because if they are approved I would need to file these pieces in the morning with the County to get that rolling so we could keep this project moving. The investments need to be filed if Council approves those. That's my report.

PRESIDENT GERACI: Any questions for Mr. Tomola?

CLWN MARINCIC: Mr. Tomola, could you just reassure everyone here that the PERS piece is not the city picking up both portions and it's a clarification in the verbiage?

ACTING FINANCE DIRECTOR RON TOMOLA: Yes. What happened with that piece. We had some questions on the way the verbiage was written in the policy manual so we faxed the information down to PERS (what we currently had in there). They sent back to us the correct language that we *should* have in our policy manual. That's what you see in front of you. If you look in Sections 3 and 4 on the second page to assure you that the city is no longer paying any portion of anybody's pension. Under Section 3 it says, "...in order to provide for a salary reduction pick-up of the employee contributions to PERS". It's employee salary reduction. It's a deduction from the employees' pay and we forward that money on for them and that's why it's called pick-up. We

forward it on to PERS for the employees. If you go into Section 4 the second and third line, "...the deferred salary shall be equal to that percentage of that employee's total salary which is required from time to time by PERS to be paid as an employee contribution by that employee, and shall be paid by the City to PERS on behalf of that employee as a pick-up". It's a deduction from their paycheck and we're paying it as a pick-up. The cash salary portion of it is the difference between what we deduct from the employee and what they get paid pretty much.

CLWN MARINCIC: How much has the city received thus far for the speed cameras?

ACTING FINANCE DIRECTOR RON TOMOLA: As of today I have not received anything from Red-Flex. Everything's been kind of in limbo because of the refund situation that we were in, which is another piece of legislation that you have before you tonight.

CLWN MARINCIC: Is Red-Flex the one who's going to issue the refunds to residents?

ACTING FINANCE DIRECTOR RON TOMOLA: Yes.

CLWN MARINCIC: The city does not have to do that?

ACTING FINANCE DIRECTOR RON TOMOLA: No. Thank God.

CLWN MARINCIC: Thank you very much.

PRESIDENT GERACI: Any other questions for Mr. Tomola? We'll move on. City Engineer, Mr. Krock.

CITY ENGINEER DAVID KROCK: Thank you, Council President. I want to provide a couple updates on some construction status. Henry Street, the closure there between McCracken and Southern, the best guess at this point appears to be the first part of October. This project continues to be delayed. We stay in contact with them and will let you know if things change. Thraves and Grannis Roads storm and sanitary reconstruction project looks to be a November/December time start. We'll talk to the County Sanitary Engineer a little bit more about that. North Granger and East 88th there's a sanitary sewer project there. The bid date on that is the end of the month. We may well see that start this fall. The big sanitary manhole construction project that the County Sanitary Engineer is doing in town. They did finally get their funding there so they're in place and may well start in a couple months. That's going to take months to get though 500 and some manholes. That's my report.

PRESIDENT GERACI: Any questions for Mr. Krock? We'll move on. Economic Development Director Ms. Kuban.

ECONOMIC DEVELOPMENT DIRECTOR NOREEN KUBAN: Thank you, Mr. President. As most people are aware the theater building is being demolished. It's probably better than 50% down. I know they had to stop early today because it was windy. The crane was moving a little too much. On September 22nd which is next Wednesday, we're having a CDBG meeting. We are asking our residents, Council people to give us ideas if they have any ideas for CDBG applications this year. Becky Repasky over here who is doing our filming will be working with me on that. On the 19th of September we'll be having a dance at the Senior Center. We've been able to continue the dances with the help of sponsors and this Sunday the Mayor and his wife Jeannie will be sponsoring the dance. That's from 6 to 8 p.m. We're going to be starting it a little earlier because it gets darker earlier in the evening. Finally the Mayor would like to invite local businesses to a breakfast meeting on September 28th at 8"30 a.m. (donuts and coffee) in the dining room at the Civic Center, just to

talk about how local businesses can partner with the city to work on some issues in the city. That concludes my report.

PRESIDENT GERACI: Any questions for Ms. Kuban?

CLWN MARINCIC: What time is the CDBG meeting?

ECONOMIC DEVELOPMENT DIRECTOR NOREEN KUBAN: Seven o'clock. That will be here in Council Chambers.

CLWN MARINCIC: Thank you.

PRESIDENT GERACI: Any other questions? Building Commissioner Mr. Wervey.

BUILDING COMMISSIONER BILL WERVEY: Good evening, Mr. President. As Noreen stated the theater is on its way down. The Land Bank continues to take down residential properties. There's been a couple properties in the last couple weeks that have come down and they've got a couple more scheduled for the next couple weeks. I'd like to urge passage of Ordinances 53 and 57 and other than that I don't have anything this evening.

PRESIDENT GERACI: I have a question for you, Mr. Wervey. In regards to Pesano's down there? This mound of dirt that they are putting up down there?

BUILDING COMMISSIONER BILL WERVEY: They will be appearing before the Planning Commission this Wednesday evening to present their plans. They are looking into or are proposing to raise the elevation down there so that they will be out of the flood plain. This is one of the things that Ordinance 53 addresses. It's a free board and raising elevations and changing the flood zone maps.

PRESIDENT GERACI: The reason they're doing that is because they're going to be possibly selling it?

BUILDING COMMISSIONER BILL WERVEY: They would like to market the property and they feel it's much more marketable if it's out of the flood plain.

PRESIDENT GERACI: OK. Any other questions for Mr. Wervey?

CLWN MARINCIC: Mr. Wervey, just a reminder I had asked you in Caucus to get me a list of the properties that the "community service" had helped out?

BUILDING COMMISSIONER BILL WERVEY: We'll get it to you tomorrow.

CLWN MARINCIC: Thank you.

PRESIDENT GERACI: Any other questions? If not we'll move on.

COMMENTS BY CITIZENS:

PRESIDENT GERACI: Comments from the Citizens On The Agenda. The rules are this portion of the meeting is for the residents' comments on tonight's legislation only. Comments are limited to five minutes. No one can speak more than once. Please raise your hand to be recognized.

Leroy Salee,13402 Christine Avenue. I didn't really understand on the bond issue. With the bond issues are you raising our taxes? Property taxes? He was talking about something coming in and going out?

MAYOR VIC COLLOVA: No, what we're referring to is there is no raising of any money. It's going to be a savings of money. We're going to get a better interest rate, just like if you refinance a home. The only new twist to it was because of the vote taking place in November that could limit the stream of money coming in to the city, they want a guaranteed payment and the guaranteed payment will be instead of the County sending the money directly to the city they will put it in a fund, sort of in escrow so to speak. That fund will pay them that money that they have coming instead of the city. That guarantees them their money. It doesn't really cost us anything except minor money to set this up.

MR. SALEE: Thank you.

PRESIDENT GERACI: Thank you. Anybody else? We'll move on.

COMMITTEE REPORTS: None.

PRESIDENT GERACI: We'll now move on to Ordinances and Resolutions.

ORDINANCES AND RESOLUTIONS: ORDINANCE NO: 49-2010 AN ORDINANCE ABOLISHING THREE FIRE LIEUTENANT POSITIONS IN THE CITY.

CLWN MARINCIC: I'd like to make a motion to pass for a Third Reading.

Motion to PASS FOR A THIRD READING: AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 50-2010 AN ORDINANCE ABOLISHING TWO POLICE CAPTAIN POSITIONS IN THE CITY.

CLWN MARINCIC: I'd like to make a motion to pass for a Third Reading.

Motion to PASS FOR A THIRD READING: AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 53-2010

AN EMERGENCY ORDINANCE ADOPTING SECTION 1173 OF THE CODIFIED ORDINANCES OF THE CITY OF GARFIELD HEIGHTS RELATIVE TO FLOOD DAMAGE REDUCTION. Moved by SUSTER to CONSIDER BY TITLE:

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: AYES: 7 **PRESIDENT GERACI:** That passes 7-0.

ORDINANCE NO: 54-2010 AN ORDINANCE AMENDING SECTION 913.07 OF THE CODIFIED ORDINANCES OF THE CITY OF GARFIELD HEIGHTS ALLOWING DESIGNATED EMPLOYEES IN THE BUILDING DEPARTMENT TO ISSUE CITATIONS FOR VIOLATIONS OF CHAPTER 913. Moved by NENADOVICH to CONSIDER BY TITLE: AYES: 7

Motion by NENADOVICH to PLACE IN LEGISLATIVE COMMITTEE: AYES: 7

PRESIDENT GERACI: That will be placed in the Legislative Committee.

ORDINANCE NO: 55-2010

AN EMERGENCY ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO A CONTINUATION OF THE DEDICATED ACCESS AGREEMENT WITH IMAGINE NET, INC. IN ORDER TO PROVIDE FOR CITY WIDE INTERNET ACCESS AND T-1 CONNECTION SERVICES, PER THE ATTACHED AGREEMENT, FOR A TERM OF TWO (2) YEARS. Moved by MAHONEY to CONSIDER BY TITLE: AYES: 7

Motion to WAIVE RULE 24: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 56-2010

AN EMERGENCY ORDINANCE AUTHORIZING AND DIRECTING THE CLERK OF THE MUNICIPAL COURT TO ENTER INTO A CONTINUATION OF THE DEDICATED ACCESS AGREEMENT WITH IMAGINE NET, INC. IN ORDER TO PROVIDE THE GARFIELD HEIGHTS MUNICIPAL COURT INTERNET ACCESS AND T-1 CONNECTION SERVICES, PER THE ATTACHED AGREEMENT, FOR A TERM OF TWO (2) YEARS. Moved by MAHONEY to CONSIDER BY TITLE: AYES: 7

Motion to WAIVE RULE 24: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: AYES: 7 PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 57-2010

AN EMERGENCY ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO AN AGREEMENT WITH BAUMANN ENTERPRISES INC., ATTACHED HERETO, PURSUANT TO THE OHIO DEPARTMENT OF NATURAL RESOURCES, MARKET DEVELOPMENT GRANT AWARD.

Moved by MARINCIC to CONSIDER BY TITLE: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

LAW DIRECTOR TIM RILEY: Mr. Chairman, I would suggest you waive Rule 24 on this because the money will be coming to the city.

PRESIDENT GERACI: I did have Yes on that and I neglected to do that. I'm sorry. I apologize.

Motion to WAIVE RULE 24: AYES: 7

VOTE ON ADOPTION: AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 58-2010

AN EMERGENCY ORDINANCE AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO LEVY SPECIAL ASSESSMENTS TO THE COUNTY AUDITOR, AS IDENTIFIED IN ATTACHMENT A, AND INCORPORATED HEREIN, TO BE ASSESSED AND COLLECTED ON THE NEXT TAX COLLECTION, PURSUANT TO THE REQUIREMENTS OF CODIFIED ORDINANCES CHAPTER 551: WEEDS. Moved by SARNOWSKI to CONSIDER BY TITLE: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 59-2010

AN EMERGENCY ORDINANCE AUTHORIZING THE CITY OF GARFIELD HEIGHTS TO PICK UP THE STATUTORILY REQUIRED CONTRIBUTION TO THE PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO FOR THE EMPLOYEES OF THE CITY PURSUANT TO I.R.C. SECTION 414(H)(2) AND, IN DOING SO, REPEALING ORDINANCE 23-2009 WHERE INCONSISTENT. Moved by SUSTER to CONSIDER BY TITLE: AYES: 7 Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 60-2010

AN EMERGENCY ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO AN AGREEMENT WITH REDFLEX TRAFFIC SYSTEMS INC. TO REFUND MOBILE UNIT TRAFFIC CAMERA VIOLATIONS WHERE THE CITATION WAS ISSUED TO A VEHICLE TRAVELING TEN (10) MPH OVER THE POSTED SPEED LIMIT IN A NON-SCHOOL ZONE. Moved by NENADOVICH to CONSIDER BY TITLE: AYES: 7

Motion to WAIVE RULE 24: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 61-2010

AN EMERGENCY ORDINANCE AUTHORIZING THE MAYOR TO APPLY FOR A STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE (SAFER) GRANT OFFERED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) TO PROVIDE FUNDING TO EMPLOY A PREVIOUSLY LAID OFF FIREFIGHTER.

Moved by VAUGHN to CONSIDER BY TITLE: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION:

CLMN DUDLEY: Before I vote, I'd like to say that I'm glad that this grant has gone through; that we can get that fireman back who was laid off and I vote Yes.

CLWN MARINCIC: Before I vote, I'd' like to just say that it was so sad to just see one of our safety forces being laid off our fire department, but it is such a thrill to see him coming back and in such a creative way that I really appreciate the fact that you guys went out and thought of this and did this. I gladly vote Yes. AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 62-2010

AN EMERGENCY ORDINANCE AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO LEVY SPECIAL ASSESSMENTS TO THE COUNTY AUDITOR, AS IDENTIFED IN ATTACHMENT A, AND INCORPORATED HEREIN, TO BE ASSESSED AND COLLECTED ON THE NEXT TAX COLLECTION, PURSUANT TO THE REQUIREMENTS OF ORDINANCE 19-2010; COST OF GARBAGE AND REFUSE COLLECTION. Moved by SUSTER to CONSIDER BY TITLE: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: **CLWN MARINCIC:** Before I vote, Mr. Tomola, is this costing us anything to have the County assess this additional fee?

ACTING FINANCE DIRECTOR RON TOMOLA: No.

CLWN MARINCIC: OK. I vote Yes. AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 63-2010

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$1,100,000.00 NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS, FOR THE PURPOSE OF PAYING COSTS OF IMPROVING CERTAIN STREETS AND PROPERTY IN THE CITY, INCLUDING MARTIN LUTHER KING DRIVE, PARKVIEW AVENUE, BLYTHIN ROAD, EAST 85TH STREET, SAXON ROAD, EAST 131ST STREET, MAPLE LEAF DRIVE, GRANNIS ROAD, EAST 90TH STREET, EAST 117TH STREET, EAST 134TH STREET, AND CERTAIN OTHER STREETS DESIGNATED BY THE CITY, BY RECONSTRUCTING AND RESURFACING, RECONSTRUCTING CATCH BASINS AND OTHERWISE IMPROVING, EACH ALL TOGETHER WITH ALL NECESSARY APPURTENANCES THERETO; AND DECLARING AN EMERGENCY. Moved by MARINCIC to CONSIDER BY TITLE:

AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

CLWN MARINCIC: Excuse me. I believe we have to waive Rule 24?

PRESIDENT GERACI: We do have to? Sorry about that.

Motion to WAIVE RULE 24: AYES: 7

VOTE ON ADOPTION: **CLWN MARINCIC:** All three of these, Mr. Chairman, will require waiving Rule 24 and I vote Yes.

AYES: 7

PRESIDENT GERACI: That passes 7-0.

ORDINANCE NO: 64-2010

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$4,408,000.00 NOTES, IN THE ANTICIPATION OF THE ISSUANCE OF BONDS, FOR THE PURPOSE OF PAYING COSTS OF (1) RENOVATING, IMPROVING AND EQUIPPING THE RECREATION CENTER, (2) ACQUIRING AND EQUIPPING MOTOR VEHICLES. INCLUDING POLICE CARS. AN AERIAL PLATFORM TRUCK AND OTHER TRUCKS, AND RELATED EQUIPMENT FOR USE BY THE DEPARTMENTS OF THE CITY, (3) IMPROVING BROADWAY AVENUE BY CONSTRUCTING, WIDENING, GRADING, CURBING, PAVING, RESURFACING AND OTHERWISE IMPROVING THE SAME, (4) CONSTRUCTING, INSTALLING AND EQUIPPING TRAFFIC SIGNALS IN TURNEY ROAD, BROADWAY AVENUE, GARFIELD PARK BOULEVARD AND OTHER STREETS AND LOCATIONS IN THE CITY, IN COOPERATION WITH THE STATE OF OHIO **DEPARTMENT OF TRANSPORTATION, (5) IMPROVING STREETS WITHIN THE CITY** INCLUDING BUT NOT LIMITED TO RECONSTRUCTION AND REHABILITATION OF TRANSPORTATION BOULEVARD AND ANTENUCCI BOULEVARD, WIDENING, UPGRADING AND IMPROVING BROADWAY, INSTALLATION OF TRAFFIC SIGNALIZATION, AND INCLUDING PREPARATION OF PLANS, SPECIFICATIONS AND ESTIMATES, AND OTHERWISE IMPROVING STREETS OF THE CITY IN ACCORDANCE WITH PLANS OF THE CITY ENGINEER, (6) IMPROVING EAST 131ST STREET BY CONSTRUCTING SIDEWALKS, CURBS, RAMPS, INSTALLING SIGNALIZATION AND SIGNS, LANDSCAPING AND OTHERWISE IMPROVING, AND (7) IMPROVING AND EQUIPPING HATHAWAY PARK INCLUDING DESIGN, ENGINEERING AND SITE IMPROVEMENTS, EACH ALLTOGETHER WITH THE NECESSARY APPURTENANCES AND EQUIPMENT, AS APPLICABLE, THERETO AND DECLARING AN EMERGENCY. Moved by MARINCIC to CONSIDER BY TITLE:

AYES: 7

Motion to WAIVE RULE 24: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION:

CLWN MARINCIC: Mr. Tomola, this might be a dumb question? We don't have to have a Fiscal Officer's Service Report read on these?

ACTING FINANCE DIRECTOR RON TOMOLA: No, because it was just done as Bond Counsel explained to me a few months ago.

CLWN MARINCIC: That's adequate?

ACTING FINANCE DIRECTOR RON TOMOLA: I asked the same question myself.

CLWN MARINCIC: OK. I vote Yes.

AYES: 7

PRESIDENT GERACI: That passes 7-0.

<u>ORDINANCE NO: 65-2010</u> AN ORDINANCE AUTHORIZING AND ESTABLISHING A SPECIAL ACCOUNT IN CONNECTION WITH THE CITY'S ISSUANCE OF GENERAL OBLIGATION BONDS AS

PREVIOUSLY APPROVED AND DIRECTING THE DIRECTOR OF FINANCE TO ENTER INTO AN AGREEMENT WITH THE BOND REGISTRAR AND PAYING AGENT RELATING TO THAT SPECIAL ACCOUNT; AND DECLARING AN EMERGENCY.

Moved by MARINCIC to CONSIDER BY TITLE: AYES: 7

Motion to WAIVE RULE 24: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: AYES: 7

PRESIDENT GERACI: That passes 7-0.

<u>RESOLUTION NO: 39-2010</u> A RESOLUTION RECOGNIZING THE MONTH OF OCTOBER AS DOMESTIC VIOLENCE AWARENESS MONTH.

Moved by SARNOWSKI to CONSIDER BY TITLE: AYES: 7

Motion to SUSPEND THREE READING RULE: AYES: 7

VOTE ON ADOPTION: AYES: 7

PRESIDENT GERACI: That passes 7-0.

CLWN MARINCIC: Mr. Chairman, I make a motion we take a five minute recess.

PRESIDENT GERACI: Roll call.

CLWN MARINCIC: I'm going to vote Yes but if the rest of my City Council Members judging by the moaning from the audience want to vote No, I understand, but I'm going to vote Yes. AYES: 6 NAYS: 1 **PRESIDENT GERACI:** That passes 6-1.

(The Council Meeting was recessed from 8:30 p.m. to 8:35 p.m.)

COMMENTS BY CITIZENS:

PRESIDENT GERACI: We'll now move on to Comments From the Citizens. The rules are you cannot bring up anything of a first nature. You must have previously brought this problem to a Councilperson or a City Hall department. You are limited to speak only once for a period of five minutes. Please raise your hand to be recognized.

Art Hanford, Chairman of the Garfield Heights Board of Zoning Appeals. I feel it's my duty to come here tonight to plead with the Council. Very disappointed that our agenda this evening, as long as it was, did not include any kind of ordinances concerning Internet Cafes in the city. We're being

invaded. We have no defense at all. Earlier this year the City Council adopted a change in he Codified Ordinances regulating amusement devices. It's always been there. The change added computers to its definition of permitted amusement devices. The Council also adopted an ordinance amending the special use section regulating amusement devices. Despite provisions of the Codified Ordinances that impose licensing and regulation of amusement devices, the addition of computers has opened the door to speculators who have found the establishment of Internet Cafes to be popular and evidently quite profitable. Although public sentiment seems to be opposed to cafes the Board of Appeals was told the operation apparently does not violate State gambling laws and might be a harmless pastime for older residents. I refer to me especially. Although the Board conducted the hearings we were told the decision to oppose or approve café proposals was up to City Council. All we did was hold the public hearings.

Since January the Board of Appeals has held public hearings on four café proposals and a social club. There was a hearing on March 3rd by a group that wanted to convert the old Denny's restaurant to an Internet café. It was approved by the City Council. It is now a thriving business. At the same hearing was a proposal to establish a café in the abandoned Polish club at 5637 Turney Road. Neighbors complained about location and that proposal was later withdrawn. On April 7th a hearing was held on a similar use request to establish a social club in the industrial park at 54th and Transportation Blvd. That request was denied. On May 6th a hearing was held on a request to establish an Internet cafe on the premises of the dollar store at 3934 Turney Road. At the end of the hearing the Board voted to pass the decision to City Council. The Lucky Internet Café is now open at that location. On August 4th a hearing was held on a proposal to establish an Internet café on the premises of the dollar store at one stablish an Internet café is now open at that location. On August 4th a hearing was held on a proposal to establish an Internet café on the premises of L&L Billard's located at 4827 Turney Road. Because of neighborhood concerns, the restrictions on available parking space that proposal met considerable opposition.

This Wednesday there are five new proposals for Internet cafes in Garfield Heights. I was hoping that the Council would take up some sort of legislation to limit these Internet cafes somewhat on the same line as the State limits liquor establishments. A license that you can't have so many in a certain neighborhood. That they can't be located near a church or a school. Right now we have some regulations to that regard but it's wide open. We have two of them that are going to be within 100 feet of each other. The old Denny's and the old Pizza Hut are going to both have these places. If there is so much profit in these things why doesn't the city close a couple of buildings and open up an Internet café and we'd be out of debt in no time? That's all I wanted to be able to say. Thank you very much.

MAYOR VIC COLLOVA: Art, Clmn Vaughn can respond to that because he is talking about legislation right now. The reason it isn't up tonight is because we have to determine how we're going to limit it and what process we're going to do it in. Tom, you want to talk?

MR. HANFORD: I'll sit down and let him explain.

CLMN VAUGHN: OK. Mr. Hanford, as Mayor Collova explained, Mr. Riley, myself and the Mayor are putting together legislation. We hope to have it at the next meeting. We wanted the wording, etc. to be right so it would be upheld. We wanted to do it right. We agreed that we can't have three or four of them in one neighborhood. We've got to look at what the other communities are doing and when we took this on in January/March this was all new to everybody. So it's kind of a learning as we're going process. You compared it to bars. I don't want to do it like bar legislation because then we'll have an Internet café every 500 feet. When you go up and down Turney Road in its heyday there was bars more than there are now. We still have plenty of bars. We got to do this correctly and the same time there's a growing industry, kind of like gas stations were in the 60s when they were on every corner. I hope in the next meeting we'll have this. We'll be able to get it taken care of. Anything else, Mayor?

MAYOR VIC COLLOVA: I believe, Mr. Hanford, today's your birthday? Tomorrow? Happy birthday. Eighty years young? Happy birthday.

PRESIDENT GERACI: Anybody else?

Peg Dawson, 5274 East 135th Street. I actually face the sign that was taken down on East 133rd. It's a billboard sign. The city has had it up for I'm not guite sure, minimum two years, maybe longer? Illegally. They have it on State property and they signed contracts with Clear Channel for 30 years and obviously back then our neighborhood we weren't made aware of it. Probably a lot of this will be directed to Mr. Riley. It turns out that under the Freedom of Information Act I would like some information as to what's going on in this new deal. They say it's going through. I've called ODOT, Columbus, a Mr. Hart over here on Granger and he was nice enough to give me information and I'm going to go to whatever levels I have to find out exactly if I can find out the information as far as what is going on in this deal. Two years ago everyone in city hall told me don't worry it's a done deal. It's too late. It's legal. It wasn't. What makes me believe that it is now? I would like to have access. I think everybody should know if they switched it from State to city property are you following all the rules? So that you can get it back up? I faced that thing for many years and I feel that you may not be crossing all your t's and dotting all your i's and I'd like to find out. Obviously I'm against the sign. I'd like more time. Maybe since it's a new contract does it mean that the public has more time? Is it a continuation of an old deal? What's the history of the property? All I'm asking is as a citizen we weren't properly notified the last time and I think that we deserve to be notified this time. That's what I'm really about. There is an act that in 1965 called the Highway Beautification Act. In that act they made Federal laws stating against these.

PRESIDENT GERACI: Please talk into the microphone. Talk to Council.

MS. DAWSON: OK. Against these signs in 1965. I have just touched on the tip of an iceberg for a week now and I'm still going. I talked to a Mr. anyway the controller of ODOT in Columbus concerning the signs. He said it was their property and it stayed their property and that sign would stay down. Because of that act it is a fine line between a lot of States and cities and counties have switched these rules around. The original idea was so many feet away, a certain size. I'd like to find out if how are we getting away with putting the signs up? Because the State was the one as I was told, not our city, that brought it to the attention of our city that that sign is illegal.

PRESIDENT GERACI: Thank you. You have 30 seconds to wind down.

MS. DAWSON: The summary is I would like in writing your response, Mr. Riley and I would also like access to what is going on and what is going down in this deal.

LAW DIRECTOR TIM RILEY: Can I respond? You can come in any time to the Law Department and I'll give you a copy of the contract and all the documents dealing with the sign. It is not illegal. The property is being transferred to us. The sign will be going up. I can show you everything. As a matter of fact the ordinance went through Council for the sign so I can show you anything you wanted in the file.

MS. DAWSON: When did it go through? For this recent sign?

LAW DIRECTOR TIM RILEY: Yes.

MS. DAWSON: I'm not sure. I didn't know that it went through.

LAW DIRECTOR TIM RILEY: Yes, I'll show you the ordinance if you want to come in.

MS. DAWSON: So what you're saying is that why weren't we as citizens of this area given a chance to discuss this?

MAYOR VIC COLLOVA: If I could respond, maybe I could sum it up like this? I think it was four, five, six years ago. It was a while that this sign has been up. When it was put up there was a contract signed with Clear Channel. That contract was signed with Garfield Heights. After the sign was erected it was found out that through some sort of mistake that land did not belong to Garfield Heights. It belonged to the State. The State at that time said if it's our property we should get the money. The sign's been up that long. What happened was is we contacted ODOT shortly after getting in office and talked about this sign because it was sitting on that piece of property and it was going to stay there and the State was going to get the money. Now if that sign is going to be up and we did the contract I felt it was important for us to get the \$500,000.00 and not the State. So I sat down with ODOT and that is through the State, they contacted me and I sat down with them and they explained to me how we could do it as transfer the land to Garfield Heights and the sign would go back up on Garfield Heights property in the exact same location, maybe a few feet over, whichever they choose, but not anywhere else and we would then receive that half a million dollars. Had I not done that, that sign would have stood up, we would not have gotten the half million dollars and you'd still be looking at that sign. So that's why we did it. That sign is up. If we can get the money let's have the city of Garfield Heights get the money and not the State.

MS. DAWSON: I talked to a Mr. Brian Moore of ODOT just last week and he is in charge of advertising control in Columbus of all signs. He said no. If that sign had gone down they would take it down because of the Beautification Act of 1965 so we have some misunderstanding here. Mr. Moore runs the State agency that watches the control over signs, etc. He was the one that told me that because of the Highway Beautification Act there are so many laws and regulations that to them it would have been down. They had no intention of keeping the money. They wanted the sign down and he told me only a few days ago that the sign is down would stay down if it was in State hands so perhaps there's a miscommunication?

MAYOR VIC COLLOVA: Well there certainly is a miscommunication because it's been in State hands. It's been in State hands this whole time. The property is theirs.

MS. DAWSON: He said that they recently they're the ones that approached the cities so they were the ones that just found it out. Otherwise they would have been getting the money five years ago.

MAYOR VIC COLLOVA: So do you think that Garfield Heights is powerful enough to take away from the State and get paid? It's in their hands, Ma'am. If they don't sign it over to us it's theirs.

MS. DAWSON: Then if I talk to now I've got Mr. Jack Hughes who is in charge of real estate. All I'm saying is that I've talked to people who is in different departments in Columbus and I am saying if they're willing if I can find that contract if they're willing to keep it, keep the land and keep the sign down that's OK with you.

MAYOR VIC COLLOVA: No, that's not what I said. I said it's in their hands now. They contacted Garfield Heights and said we will turn this over to you because we contacted them about the money. I did not call the State. The State called me and said we will transfer this into your name to get you the money. Believe me, Garfield Heights did not pull this off. This is the State.

MS. DAWSON: Garfield Heights is stating that 35 years ago the State promised them that land. That's how come the State is switching it, that's what I've been told.

MAYOR VIC COLLOVA: Obviously we're hearing two different stories but I can tell you this. If they start tearing down signs I hope they start tearing them down all over because there's a whole lot of them up there. Whatever that act is?

MS. DAWSON: I think, Mr. Riley, weren't you the one who told me that 35 years ago?

PRESIDENT GERACI: Ms. Dawson, I need to ask you to sit down.

MS. DAWSON: I'm really sorry. All I'm bringing out is there's a miscommunication and before that sign comes up I'd like to speak to you.

PRESIDENT GERACI: Thank you, Ms. Dawson. Anybody else?

Tom Nemetz, Garfield Heights Fire Chief. I'd like to thank you, Mayor Collova, and all of City Council for passing Ordinance 61. Thank you, and I'd also like to recognize the efforts of my partner in his efforts, Lt. McKee. He did a lot of work on the grant, along with all the other work he does and thank you, Finance Director, Ron Tomola and Becky Repasky for helping with this. Thank you.

PRESIDENT GERACI: Thank you, Chief. Is there anybody else wishing to speak?

Cliff Faust, 5512 Carol Jean Blvd. I just dropped by tonight to say thanks a lot, Mayor Vic, for doing one great job. I'd like to say this. You have a great Council here because you're all together and that's a wonderful thing for Garfield Heights. You know when you had to lay off some people it wasn't your fault. You were under State control. So you said well, let's put in the red lights. You know what? Everybody was in accord at that time, so you put them in. It doesn't cost the citizens one penny. Not one penny, unless you break the law. Now you believe in breaking the law in Garfield Heights there's a lot of people saying let's take those down. What a ridiculous thing because three weeks it's a pleasure to drive in Garfield Heights. The next thing you did was great. You said the citizens have to help out a little bit. We're in trouble. So what did you do? You're going to charge us for garbage. By God, I'm glad to pay it. I'm glad to help out this town. I love this town.

Two weeks ago I had to call up the Service Department. I had water going out from my house to the sewer it was blocked up. I called about 2 o'clock in the afternoon and I said I got problems. I need to have my drain fixed. The gentleman was real nice down there. He said they're out on a job now, be glad to call them up and get them out there. When I got off the phone my wife said they're coming out? I said I don't think so. Maybe tomorrow sometime because there's no overtime anymore. Well about 20 minutes later, old Cliff got a knock on the door. Hi, Mr. Faust, ready to do your drain. Wow. They came in. Nice gentlemen. I'll tell you one thing they came in, went to work and I said I didn't think you'd be out here today. It's too late. He said we're hustling. We're going to aet this job done. We're going to get the drain open for you. You know the nice thing about it? He says I'm glad we're doing it for you because we're going to get some more people laid off if we don't get help. I said yeah, I know about that. I'm sorry for you. But he said the Service Department is so great in this town. The Service man is sitting over there. I never met him. He's never met me. Wrote him a letter last year. Thanked him for doing some work. But I tell you that guy has a good Service Department. There's no nonsense there. You're lucky to have him. I just want to say this. If you citizens would just get that thing that tells you all about the city of Garfield Heights and all of the services you have here. It's terrific. We've got to keep it so we got to keep this town going. I'll vote for those lights to stay and I'll be glad to vote for the garbage. I got to do my job. We've got to get together in this town and I'll tell you I met an old coach years ago.

PRESIDENT GERACI: Cliff, you've got 30 seconds. I'd like you to go for 10 more minutes but you've got 30 seconds.

MR. FAUST: I don't know if you remember Eddie Finnegan? Great man. He said to me, hey coach, remember one thing. Don't ever forget. It's easy to be ordinary. It takes courage to excel. You know what, Mayor? You and Council are excelling. God bless you.

PRESIDENT GERACI: Thank you, Cliff. Is there anybody else wishing to speak? We'll move on to Miscellaneous. Clmn Vaughn. We'll have short comments by Clmn Vaughn.

MISCELLANEOUS BUSINESS:

CLMN VAUGHN: Short? I think he's censoring us. On the Internet cafes we hope to have the legislation at our next Council Meeting. There will be a Zoning Board Meeting. There's a meeting this Wednesday night at 7:30 p.m. Any interested citizens please come on up. If anybody wants to talk about these issues we'll be able to discuss them then. That's ail have to say. I hope everybody has a good week.

PRESIDENT GERACI: Thank you, Councilman.

CLWN MAHONEY: I would also like to wish Mr. Hanford a very happy birthday tomorrow. You're a very nice man and I've been blessed for many years to know you and thank you for all your help always. Ms. Dawson, I'm sorry you didn't like the response I gave you when you called my home. I was honest with you and told you what I knew in regard to that. I'm sorry that it wasn't what you wanted to hear. I have nothing else. Mr. Faust, thank you for your kind comments as well.

PRESIDENT GERACI: Thank you, Councilwoman.

CLMN SUSTER: I, too, wanted to thank Mr. Faust for his comments. He's been in Garfield Heights for God knows how long? Thanks, Cliff, very much. Two things I have. The other thing I have we'll be starting a new Block Watch in Ward 5 on September 21st. It will be at 7 o'clock at Fire Station No. 1 so anybody that can attend I'd sure like to have you there. This is something we brought up and I've been getting quite a few phone calls and it's been brought up before and this will go to Mr. Riley. This goes back to the baggy pants issue. Not only that with the baggy pants now we have everybody walking down the street with no shirts on. I don't know what type of legislation that you can put up, but I would like to see it both on the baggy pants issue with their shorts showing and also include in that about shirts. That's all I have.

PRESIDENT GERACI: Thank you, Councilman.

CLWN SARNOWSKI: I'd like to thank the Fire Department for going out and getting that grant and replacing the person you laid off. That helps our city and thank you for that. I'd also like to tell everybody if you're interested in going to a meeting that's going to talk about the six candidates that are running for Executive Position, the Northeast Ohio Council City Council Association is having a meeting this Thursday at the Parma Heights City Council. It's free and open to the public. All six candidates will be there and have a forum there so you're welcome to come there. That's all I have.

PRESIDENT GERACI: Thank you, Councilwoman.

CLMN NENADOVICH: I have a very short comment. I'd like to thank Noreen Kuban, Becky and Bill for all the work they've done, especially in Ward 3 getting these vacant homes down that have

been an eyesore in our neighborhood for a long time. The last one came down. They're getting ready to demolish. We have a few more we're going to work on so I'll be pestering you again, but Noreen, Bill, Becky, great job.

PRESIDENT GERACI: Thank you.

CLWN MARINCIC: I, too, would like to thank Mr. Faust for his comments and just let him know it's not just because it was you. Our Service Department treats everybody like that. They are absolutely remarkable and Timmy, please pass that on. Mr. Riley, can we limit legally the amount of Internet cafes we can have square mileage? I know Maple Heights just did something. Is it legal what they did?

LAW DIRECTOR TIM RILEY: We're looking at theirs and we're looking into whether we can limit it. Maple Heights did it two ways. They limited it to where they could be located as far as schools go and they also limited it by the number of only so many cafes I believe per 6,000 residents. That's a number we would have to discuss if we went that route because at some point that would mean only four or five in the whole city. We've got to look into the legality of it. If that will hold up. If you could do that.

CLWN MARINCIC: I was just curious if we could legally do that.

LAW DIRECTOR TIM RILEY: That's what we're checking into now. That's why it wasn't ready for today.

CLWN MARINCIC: Also would you add my name to this legislation because I would like to also sponsor it? That's all I have tonight.

LAW DIRECTOR TIM RILEY: OK.

PRESIDENT GERACI: Thank you.

CLMN DUDLEY: I thank all the speakers tonight, you know, regardless of what they had to say and the gentleman that had the kind words and that he's really supporting to get these measures through. I also thank the ones that got the grant for us that we finally got the house torn down on Thornhurst, thank God, I'm glad to see it go. I thank all of you all for showing up tonight. God bless you all.

CLWN MARINCIC: I make a motion to adjourn.

PRESIDENT GERACI: Roll call. AYES: 7

PRESIDENT GERACI: The meeting is adjourned. Next meeting--September 27, 2010.

MEETING ADJOURNED AT 9:07 p.m.

APPROVED:

RESPECTFULLY SUBMITTED:

Frank J. Geraci, Jr. President of Council Barbara Molin Clerk of Council