

**EASTLAKE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
FEBRUARY 12, 2013**

The Regular Meeting of the Eastlake City Council was held at Eastlake City Hall, 35150 Lakeshore Boulevard. The Meeting was called to order by Council President Mr. Morley at approximately 7:02 p.m.

The Pledge of Allegiance was led by Mr. Licht.

ATTENDEES

Members of Council in attendance were Mr. Licht, Mrs. Quinn-Hopkins, Ms. Vaughn, Ms. DePledge, Mr. Hoefle, Mr. D'Ambrosio and Council President Mr. Morley. Also attending was Council Clerk Mrs. Cendroski.

Those attending from the Administration were Mayor Andrzejewski, Law Director Klammer, Finance Director Slocum and City Engineer Gwydir.

APPROVAL OF MINUTES

Regular Council Meeting – January 22, 2013

MOTION: Ms. Vaughn moved to approve the minutes of the Regular Council Meeting of January 22, 2013. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. The minutes were approved.

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COUNCIL PRESIDENT'S REPORT – Mr. Morley

Meetings Scheduled

Mr. Morley: The next Council-as-a-Whole Committee Meeting is scheduled for Tuesday, February 26, 2013 at 7:00 p.m. The Regular Council meeting will be convened immediately following the adjournment of the Council-as-a-Whole Committee meeting.

I would like to thank the members of the Blvd. of 500 Flags Committee. We sold out the fundraiser we are having on February 23rd and received a lot of donations from different groups. I have been contacted this week by two different Elks Clubs who are giving us donations in the amount of \$750 each that would go into the Flag Fund. I know Mr. Strand, Mr. D'Ambrosio and I are on the Committee and we thank everyone for all their donations and continued support.

COMMUNICATIONS & PETITIONS

A communication was received from the Administration requesting amendments to City Ordinances 1301.01 "Time Limit; Building Fees; Deposits; Refunds, subsection (d)"; 1309.10 "Homeowner's Exception"; and, 1385.16 "Annual Permits for Multiple Dwellings and Rooming Houses; Fees; Nontransferability, subsection (e)".

Mr. Morley: Mr. Klammer, have you had a chance to review these amendments before we put them in Ordinance Committee?

Mr. Klammer: I want to hold them back for a couple of reasons. One being I may want to go into Executive Session about the rental inspection lawsuit. I did advise CBO Stigalt on this.

Mr. Morley: We will hold these until they are reviewed.

A communication was received from Councilman D'Ambrosio regarding an ordinance chapter regulating scavengers. This was held pending receipt of the amendments being reviewed by Mr. Klammer.

COMMITTEE REPORTS

Mr. Morley: A Finance Committee Meeting was held.

Finance Committee – Ms. Vaughn, Chair

Ms. Vaughn: The Finance Committee meeting was held on January 29th. We are setting the next two meetings for strictly discussion of the budget. We reviewed about one third of the budget at the first meeting and are working line item by line item and indicating a list of wants versus needs so we can make sure we are all on the same page in reviewing this process. Our next meeting will be scheduled for Tuesday, February 19th at which we will be discussing the Fire, Building, Recreation/Service Departments and other funds. At our meeting after that we will be discussing the Task Force report and the revenues we are anticipating. We will wind everything up before the end of March which is the date we have to have the budget approved by. I will be making the following Motion:

Legislative Recommendation

Legislation No. 02-12-(01)

Ms. Vaughn moved to add Legislation No. 02-12-(01) to the evening's agenda amending Section 155.01 "General Administration" of the Codified Ordinances of the City of Eastlake, specifically subsection (d)." Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation No. 02-12-(01) is added to the evening's agenda.

Additional Comments

Ms. Vaughn: This concludes my report and I am open for questions.

Mr. Morley: Ms. Vaughn, did you have other days in mind besides February 19th?

Ms. Vaughn: They would probably be March 5th and if needed March 19th.

There were no further questions of Ms. Vaughn.

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Ms. DePledge – Port Authority Liaison

Ms. DePledge: Just a reminder that Port Authority will meet here tomorrow at 7:00 p.m.

RECOGNITION OF THE PUBLIC

Mr. Morley recognized the public input at this time; he reminded the speakers that there is a 3-minute limit for their comments; all comments are to be directed to the Chair and not include any personalities or individuals.

There was no one who wished to speak.

LEGISLATION PROPOSED - First number will be 2013-005

Requested by: Council
Sponsored by: Ordinance Committee

ORDINANCE NO: 02-12-(01)

An Ordinance amending Section 155.01
“General Administration,” of the Codified
Ordinances of the City of Eastlake, specifically
subsection (d),” and declaring an emergency.

DISCUSSION

Mr. Klammer: Under subsection (a) we are setting this at \$637.50 and \$547.50 but it still has the language in it that Council President’s salary shall be \$100 more.

Mrs. Cendroski: Yes, you told me to leave it in the last time we talked.

Mr. Klammer: I said to take it out. Now we have that \$100 problem that is only a problem since you took 10% off.

Mrs. Cendroski: Yes, but because it had “beginning 1993” we discussed it and you said to leave it in. I guess I misunderstood what you were saying.

Ms. Vaughn: What do you want – do you want it at \$90 or \$100?

Mr. Klammer: I think it needs to be out because we are setting it at \$637 and \$547.

Mr. Morley: Then do we need to change the salary?

Mrs. Cendroski: How do you set the Council President’s salary?

Mr. Klammer: The rates are set - \$636.50 and \$547.50 with \$300 raises every other year thereafter.

Mr. Slocum: The \$90 would be maintained.

Mr. Klammer: The purpose of it was to once in for all set it instead of having to go back and calculate the 10% plus the \$100. So, anyone who wants to run for these positions will understand exactly what the salary will be.

Mr. Morley: I think the only reason it is complicated now is because of the cut. If we had not taken the cut Council President’s salary would have been more by \$100.

Mr. Klammer: Yes.

Mr. Morley: I have to issue with it.

Mr. Klammer: Now that we know what it is - \$637.50. You can calculate that from here to eternity based on the formula that is in there.

Mr. Morley: Do we need to place this on First Reading?

Mrs. Cendroski: No, I can make the correction.

Mr. Klammer: Just take out the sentence showing the \$100 difference.

Mrs. Cendroski was excused from the meeting and returned after making the requested correction.

MOTION: Ms. Vaughn moved to suspend the rules requiring separate readings and reading in full. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

MOTION: Ms. Vaughn moved to adopt. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Ordinance No. 2013-005.

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LEGISLATION PENDING

There is no Legislation Pending.

UNFINISHED BUSINESS

There was no Unfinished Business.

NEW BUSINESS

There was no New Business.

ADMINISTRATIVE REPORTS:

MAYOR/SAFETY DIRECTOR – Ted Andrzejewski

Mayor Andrzejewski: I went with a bus of many Mayors from northeast Ohio to Columbus on Wednesday to meeting with our State Representatives and Senators and to listen to a little bit of a rundown on the State budget. To put in a few words – as local government officials and Council members you should not be pleased. They are talking about adding a sales tax to every service you can think of – for example lawyers' fees, CPA's, architects, engineers – any type of services. I asked a question – “the only thing you guys sound like you are not going to tax is the food we buy in the grocery store” – and, they are forbidden from taxing the food in grocery stores. Several Mayor's asked – “you are speaking to a group of local mayors – what are you doing to help us? There is nothing in that budget that is going to help local government.” The way it was presented to us is we should be happy and embrace this budget because they are not cutting anything more from the local governments. Isn't that great? The Local Government Fund is going to be based on a formula the way it was many years ago where it is based on revenues – that may or may not help us in the future. Mine and all the mayor's and the Finance Directors biggest concern is the attack on the local income tax collections. Not only are they talking about standardizing forms but they are proposing changes that could mean to a City like Eastlake hundreds to thousands of dollars in losses. There are a couple of items of concern. One is the carry-forward loss. Mr. Slocum, I get confused – what do we allow to carry forward?

Mr. Slocum: We allow loss carry-forward of one year.

Mayor Andrzejewski: They want to standardize it to make it three years or five years like the federal taxes. If you can reason that out – Mr. Slocum provided an example of one company in Eastlake.

Mr. Slocum: We would have had to issue a refund of about \$70,000 dollars. That would have come straight out of the General Fund. We only allow a one year carry-forward – they were entitled to nothing.

Mayor Andrzejewski: Last year it was an attack on the Local Government Fund – now, they are putting their attention to the income tax collection. In a City like Eastlake that collects its own income tax it could be a danger. The good news is on that front there is a large, large opposition to this – not only from Lake County but all the counties in Ohio – southern Ohio and the Columbus area. That hopefully will not hurt us but you never know. The internet cafés – last year there was a bill to either regulate them or abolish them – this year from what we understand there will be only one bill – that is to abolish them. There is opposition to this so we don't know how it will pan out. I wrote a letter today with the help of Mr. Slocum to our State Representative John Rogers who with another individual has presented a bill to restore the Local Government Fund back to where it was in 2009. Since the Local Government, the CAAT tax, which was the tangible personal property tax, the kilowatt hour tax and the inheritance tax have been taken from us the City of Eastlake has lost \$2.4 million. \$2.4 million that used to come to us and has now been taken by the State of Ohio without anything in return. So, Mr. Rogers is sponsoring a bill to try to restore that. I thought one of the best comments made was “we should not be fooled by this rhetoric that we should be happy that we are not taking more from you.” We should be of the view that we want what you took from us before restored to the local governments because we are the first line of defense – we are the ones to supply basic services to the people. When you read the budget and read things that come out of the budget please be aware of how it affects local governments. Of course, the biggest thing they are going to proclaim is a 20% tax cut in income tax that happens to be about \$1 billion and that happens to be just about the amount of money they took from the Local Government Fund. I am sure people will be pleased when they read that but does that mean we can go to the people of Eastlake and can the school system go to the people of the City of Eastlake to replace what was taken from us – no. You know what the residents are going to say. Be very wary when you read this budget. It has a lot of things in it. I have nothing to report and am open for questions.

Mr. Slocum: That \$2 million is an annual number. It is not a cumulative number – that is how much we are losing each year from what we used to receive. It will be \$2 million this year - \$2 million next year... When we took a look at it earlier today if we would just try to replace that \$2 million with a property tax we would have to add on 4.65 mills which would increase our property tax for the City by almost 80%. This is what has happened to us.

Mayor Andrzejewski: What we need is – if any of the Council people feel like writing a letter to their State Representative and Senator to let them know this is going on and that we are not going to sit here and just keep taking more and more cuts from the State of Ohio.

There were no questions of Mayor Andrzejewski.

LAW DIRECTOR – Randy Klammer

Mr. Klammer: When the federal law changed as to when the County Board of Elections needs to print and send the overseas ballots because of the way our Charter lays out our primaries by the time our September primary is certified our certified primary election will have passed the time the County needs to print and send overseas the ballot for the military and all the absentee ballots they have to send by federal law for the federal and state elections. So, because of the way our Charter lays out our non-partisan primary election this year our November elections, should there be a primary, will have paper ballots for all our mayoral and council-at-large candidates that make it to the November election because we will have missed the time to print the November ballot. It is nothing the City has done – the Charter has this non-partisan primary procedure which we have had for decades and with the change in the federal law to make the ballots available for overseas personnel and votes the way everything falls we are just learning little by little how these things are not meant to work together. We are going to have, if I can speak for Council and the Mayor, a Charter amendment that will make it to the ballot. There was a little discussion about whether we wanted to do that this year to prevent people from having to deal with the paper ballot in November but I think the consensus is it would create a little too much confusion in light of the at-large and mayoral elections that are up this year and no one wants to create anymore confusion or suspicions when such important elections are up. So, if there are any more than two candidates who file there will be a primary and that will cause this to come into play to have the paper ballots. If one or two people file there will not be a problem but if more than two people file there will then be a paper ballot at the November election. And, the same theory for the at-large Council people.

Ms. Vaughn: That does not apply to the at-large.

Mr. Morley: The at-large calls for more than six – not two.

Ms. Vaughn: Just so it is clear for the record – it is more than six.

Mayor Andrzejewski: What it means is that you will vote electronically on issues and then you will be given a separate paper ballot for Mayor and Council. It is not a paper ballot for everything.

Mr. Klammer: So, to the extent that the residents can help spread the word to residents and I think some of the elderly folks get suspicious of anything different – that an electronic ballot and paper ballot are appropriate this year for Eastlake. I know Council wants to use every opportunity to let the candidates know if we have a primary we will have these paper ballots. So the primary can go as smooth as can be.

Mr. Morley: When we found this out and discussed it with the Law Director we only had one day to rush through any amendment and I chose for Council not to rush anything through to try to change something because I felt we would make more confusion than we would have had anyway. So, we will look at making an amendment next year – it was the same instance we just had with the Charter amendments last year that affected Mr. Licht. When Mr. Licht ran we had paper ballots even though he was unopposed. We will have to try to figure it out so it coincides with the Board of Election timeline and have any extra costs.

Mr. Klammer: Other than that we will move forward and answer questions as they come.

Mr. Slocum: The cost of the election for last year for Mr. Licht was \$4,000. I imagine if this happens in the November election that cost will be much greater. Where that covered one Ward the other will cover all four Wards. There is some financial incentive to change.

There were no questions of Mr. Klammer.

FINANCE DIRECTOR – Mike Slocum

Mr. Slocum: We published the January financial reports today. The emails went out this evening and you should have the paper copies. I am open for questions.

Mr. Morley: Do you want to discuss the people that are here?

Mr. Slocum: As I informed all last week the IRS is in the process of conducting an audit. We are not targeted but it is a random audit of us. I anticipate the audit will remain open until sometime in March, if not early April, at which time I will be able to report the findings. We are working with them. They are no longer on site but are finishing it off site. There is more work they are doing.

There were no further questions of Mr. Slocum.

CITY ENGINEER – Tom Gwydir

Mr. Gwydir: Other than a few minor resident issues it has been quite and I am open for questions.

There were no questions of Mr. Gwydir.

SERVICE DIRECTOR – Mike Semik

Mr. Semik was absent.

CHIEF BUILDING OFFICIAL – John Stigalt

Mr. Stigalt was absent.

POLICE CHIEF – Larry Reik

Chief Reik was absent.

FIRE CHIEF – Ted Whittington

Chief Whittington was absent.

ADJOURNMENT

The meeting was adjourned at approximately 7:25 p.m.

DENNIS MORLEY, COUNCIL PRESIDENT

APPROVED: _____

ATTEST: _____
DEBORAH A. CENDROSKI,
CLERK OF COUNCIL