

**EASTLAKE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
JUNE 28, 2011**

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 7:14 p.m.

The Pledge of Allegiance was led by Mr. Knuchel.

ATTENDEES

Members of Council in attendance were Mr. Knuchel, Ms. Vaughn, Ms. DePledge, Mr. Hoefle, Mr. D'Ambrosio and Council President Mr. Morley. Also attending was Council Clerk Mrs. Cendroski. Mr. Lajeunesse was absent and excused.

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

APPROVAL OF MINUTES

SPECIAL MEETING TO ADJOURN INTO EXECUTIVE SESSION – JUNE 14, 2011

MOTION: Ms. Vaughn moved to approve the minutes of the Special Meeting to adjourn into Executive Session of June 14, 2011. Ms. DePledge seconded.

ROLL CALL: Yeas unanimous.

Motion carried. The minutes were approved.

REGULAR COUNCIL MEETING – JUNE 14, 2011

MOTION: Ms. Vaughn moved to approve the minutes of the Regular Council Meeting of June 14, 2011. Ms. DePledge seconded.

ROLL CALL: Yeas unanimous.

Motion carried. The minutes were approved.

FINANCE COMMITTEE MEETING WITH ADJOURNMENT INTO EXECUTIVE SESSION – JUNE 21, 2011

MOTION: Mr. Knuchel moved to approve the minutes of the Finance Committee Meeting with adjournment into Executive Session of June 21, 2011. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. The minutes were approved.

COUNCIL PRESIDENT'S REPORT – Mr. Morley

Meetings Scheduled

Mr. Morley: The next Council-as-a-Whole Committee Meeting is scheduled for Tuesday, July 12, 2011 at 7:00 p.m. The Regular Council meeting will be convened immediately following the adjournment of the Council-as-a-Whole Committee meeting.

2011 COUNCIL BREAK

MOTION: Mr. D'Ambrosio moved to move to approve, in accordance with Article V, Section 5 of the Charter of the City of Eastlake the suspension of the last meeting in July, 2011 and the first meeting in August, 2011 for the summer break. Mr. Knuchel seconded.

ROLL CALL: Yeas unanimous.

Motion carried. The 2011 Council break is approved.

Additional Comments:

Mr. Morley: I am glad we have more in attendance in the audience than usual. I would like to wish you all a happy holiday this July 4th.

COMMUNICATIONS & PETITIONS

Communications were received from the Administration regarding Conditional Use Permit Renewals for HBH, Inc., dba Handle Bar II, 34471 Vine Street; Charles Huston dba Chuck's Auto Repair & Snowplowing, 34220 Stevens Blvd.; Lake Transmissions & Car Care, Inc., 36036 Lakeland Blvd., Unit 1; Jalisco's Restaurant, Inc., 35757 Lakeshore Blvd.; and, Farinacci Excavating Co., 34980 Lakeland Blvd., Eastlake. These were referred to Planning Committee.

A communication was received from The Walter Drane Company regarding the replacement pages to the Eastlake Codified Ordinances. Mr. Morley explained that this was discussed in Council-as-a-Whole Committee and would be added to the evening's agenda as Legislation No. 06-28-(06).

A Conditional Use Permit recommendation was received from the Planning Commission for Pete's Internet Café, LLC, 35700 Lakeland Blvd., Unit B, Eastlake. This was referred to the Council-as-a-Whole Committee of July 12th.

A communication was received from Finance Director Slocum regarding the Agreements between the City of Eastlake and Lake County Telecommunications. Mr. Morley explained that this was discussed in Council-as-a-Whole Committee and would be added to the evening's agenda as Legislation No. 06-28-(07) and Legislation No. 06-28-(08).

A communication was received from the Administration requesting an amendment to City Ordinance Section 132.02(c). This was referred to Ordinance Committee.

A communication was received from City Engineer Gwydir regarding amendments to Codified Ordinance Chapters 906 "Erosion and Sediment Control," 913 "Comprehensive

Storm Water Management,” and 939 “Sewers.” Mr. Morley explained that Chapters 906 and 913 are referred to Ordinance Committee. Due to time sensitivity Chapter 939 is referred to the Council-as-a-Whole Committee of July 12th.

COMMITTEE REPORTS:

FINANCE COMMITTEE – Mr. Knuchel

Mr. Knuchel: The Finance Committee met on June 21, 2011 at 6:10 p.m. with Mr. D’Ambrosio and Ms. DePledge and me in attendance from the Committee. Also in attendance were Ms. Vaughn, Mr. Hoefle, and Council President Morley. Mr. Lajeunesse was absent and excused. Two items were on the agenda with the first being a discussion on a Recreational Fund establishment for internet café fees. We thoroughly discussed that item and felt it was in the best interest of the residents and City to table this idea but I would like to request my Committee to take this out of Committee with no action taken.

Mr. D’Ambrosio: I am okay with that.

Ms. DePledge: I have no objections.

Mr. Knuchel: We will talk about this on another date. Mr. Slocum did give us part of the information we requested about Fund #438 and how much was available in that fund. The Mayor wanted to put together a list of several options he wanted to review along with the prices. Then we will revisit this at a later date.

The second was an agreement between Eastlake and CCA. This was reviewed in Council-as-a-Whole Committee and is basically an agreement with CCA to do some of our delinquent tax collections. I will be making the following Motions:

Legislative Recommendation

Legislation No. 06-28-(06)

MOTION: I hereby move to add Legislation No. 06-28-(06) adopting current replacement pages. Mr. D’Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation No. 06-28-(06) is added to the evening’s agenda.

Invoice: The Water Drane Company

MOTION: I hereby move to approve payment to The Walter Drane Company for services rendered regarding the update of the City of Eastlake Codified Ordinances, said payment to be \$774.34 and taken from account #101.120.5446. Mr. D’Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Payment of the invoice for The Walter Drane Company is approved.

Membership Dues: The Ohio Municipal League

MOTION: I hereby move to approve the 2011 membership dues for the Ohio Municipal League, in the amount of \$2,519, said amount to be divided equally and taken from accounts #101.110.5214 and #101.120.5214. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Payment of the Ohio Municipal League membership dues is approved.

Legislative Recommendation

Legislation No. 06-28-(07)

MOTION: I hereby move to add Legislation No. 06-28-(07) to the evening's agenda authorizing and directing the Mayor and Director of Finance to enter into a Backbone Equipment Purchase Agreement with the Lake County Department of Telecommunications for the City of Eastlake's use and operation of Lake County's 800/700 MHz Radio System in the total amount of Sixty-Eight Thousand Six Hundred Fourteen Dollars and Thirty-Three Cents (\$68,614.33). Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation No. 06-28-(07) is added to the evening's agenda.

Legislation No. 06-28-(08)

MOTION: I hereby move to add Legislation No. 06-28-(08) to the evening's agenda authorizing and directing the Mayor and Director of Finance to enter into an Agreement with the Lake County Department of Telecommunications for the establishment and operation of an 800/700 MHz Radio System in the total amount of Twenty-Three Thousand Eight Hundred Eighty-Nine Dollars and Thirty-Seven Cents (\$23,889.37). Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation No. 06-28-(08) is added to the evening's agenda.

Additional Comments:

Mr. Knuchel: It has been both my great honor and privilege to serve the residents of Ward 3 in the City of Eastlake over the last 6 ½ years. As time marches on priorities change. Over the last 18 months many changes have come to the Knuchel family with the first big change being the addition of two grandchildren – Tyler and Mikayla. They bring great joy to our lives and I look forward to spending many quality hours with them. The second change includes a business opportunity which I am sure will take up considerable amount of time. Therefore, at this time I will not seek re-election as Ward 3 Councilman in November. Thank you for your continued support. This concludes my report and I am open for questions.

There were no questions of Mr. Knuchel.

ORDINANCE COMMITTEE - Ms. Vaughn

Ms. Vaughn: The Ordinance Committee has not met since our last Council meeting and due to holiday commitments I am unable to schedule an Ordinance Committee meeting at time. I am open for questions and will respond to anything anyone wishes to discuss. Everyone have a nice 4th of July. That concludes my report and I am open for questions.

There were no questions of Ms. Vaughn.

SERVICE/UTILITIES COMMITTEE - Ms. DePledge

Ms. DePledge: The Service/Utilities Committee has not met since our last meeting. There is nothing pending therefore no meeting will be scheduled. I am surprised about Mr. Knuchel's announcement this evening and will miss him terribly. Because there are so many people here and since that happens so rarely I want you to know that as Chair of our Finance Committee this man has done a remarkable job – down to the dime – watching your money – working with the Finance Director. He does an amazing, amazing job so I am surprised tonight and want to take that opportunity to get that out there because there are so many people here. I hope you all have a wonderful holiday. This concludes my report.

There were no questions from Ms. DePledge.

SAFETY COMMITTEE – Mr. Lajeunesse

Mr. Lajeunesse was absent and excused.

RECREATION COMMITTEE – Mr. Hoefle

Mr. Hoefle: The Recreation Committee has not met since our last meeting and nothing has been placed in my Committee so I will not be scheduling a meeting. Mr. Knuchel caught me by surprise as well with tonight's announcement. Mr. Knuchel, I wish you the best. You have done a great job. I am open for questions.

There were no questions of Mr. Hoefle.

PLANNING COMMITTEE – Mr. D'Ambrosio

Mr. D'Ambrosio: The Planning Committee met on June 21st with all members of Council present except for Mr. Lajeunesse who was absent and excused. In attendance from the Administration were Mayor Andrzejewski, Finance Director Slocum, and our Tax Administrator Mrs. Keneven-Zanella. There were quite a few items on the evening's agenda - most of which we discussed in Council-as-a-Whole Committee. The first four were Conditional Use Permit renewals for Wayne A. Priggens, dba Top Quality Sealcoating, 1194 East 362nd Street, Walter Meech dba SMJ Painting, 34047 Iris Lane, Gary Maiden dba Gary's Creative Jewelry, 35341 East Shore Blvd., and Karen Bartell dba Karen's Kurls, 1427 East 332nd Street. These were all typical renewals and were approved by the Building, Fire and Tax Departments. As all the conditions of their permits were complied with we agreed to move these forward. The amendments to the renewals which we also discussed were for The Eastlake Baptist Church of Eastlake, Ohio, Inc., 35401 Stevens Blvd. and Eastlake VFW Post 3863, Non Profit Corporation, 33641 Vine Street. As I mentioned in Council-as-a-Whole all we are amending is to take it out of the person's name and put it into the business name. There were also two new businesses – All The Perks Coffee, LLC, 36616 Vine Street. This

was the drive-thru coffee shop. The other new business was Lofty Dreams, 258 Shelton Blvd. – a graphic design business which will be done out of the home. There are quite a few regulations as far as not having a lot of traffic going in and out – no big trucks or major deliveries. The last item on the agenda was the accessory structure request from Ivan Zavasnik, 36920 Reeves Road and we talked about that. He wants to build an accessory structure larger than 750 square feet – this had to go through Council for approval and we all agreed on that – there were really no issues. I will be making the following Motions:

Accessory Structure Request

MOTION: I hereby move to approve, in accordance with City of Eastlake Ordinance Section 1145.13 “Accessory Buildings and Uses: Garages and Parking Facilities, subsection (f)” the accessory structure request for Ivan Zavasnik, 36920 Reeves Road, Eastlake, Ohio. Mr. Knuchel seconded.

ROLL CALL: Yeas unanimous.

Motion carried. The accessory structure request for Ivan Zavasnik, 36920 Reeves Road, Eastlake is approved.

Conditional Use Permit Renewals

MOTION: I hereby move to approve the Conditional Use Permit renewals for:
The Eastlake Baptist Church of Eastlake, Ohio, Inc., 35401 Stevens Blvd., Eastlake
Eastlake VFW Post 3863, Non Profit Corporation, 33641 Vine Street, Eastlake
Wayne A. Priggens, dba Top Quality Sealcoating, 1194 East 362nd Street, Eastlake
Walter Meech dba SMJ Painting, 34047 Iris Lane, Eastlake
Gary Maiden dba Gary’s Creative Jewelry, 35341 East Shore Blvd., Eastlake
Karen Bartell dba Karen’s Kurls, 1427 East 332nd Street, Eastlake
Mr. Knuchel seconded.

ROLL CALL: Yeas unanimous.

Motion carried. The Conditional Use Permit renewals are approved.

Additional Comments

Mr. D’Ambrosio: Mr. Knuchel, you caught me off guard too. It has been great. I know you have a lot of time to go yet. You have to do what you have to do and I know you have some grandkids and you are very proud of them. This concludes my report and I am open for questions.

There were no questions of Mr. D’Ambrosio.

Mr. Morley: I will save my accolades but I know Mr. Knuchel is a man of his word. So, anyone in the audience or anyone who knows anyone in Ward 3 the elections are this year and they have until July 22 if someone wants to pull petitions and run for the office.

Mr. Knuchel: They need 45 valid signatures.

Mr. Morley: 45 valid signatures of people who are registered to vote. If we do not get anyone we will end up appointing someone after the 1st of the year. I told someone today that if they were looking to run in a Ward that they had until July 22nd. Anyone wishing to do so would have to get to the Board of Elections.

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.

Yvonne Marn, 272 Heather Lane, Brookside Condos, Eastlake

Ms. Marn: We are supposed to have a new super WalMart – when is this going to come? I thought it was to be by Christmas.

Mayor Andrzejewski: WalMart is a big company. Everything is a go. I ran into the manager of WalMart this afternoon and she indicated construction would start in a couple of weeks. We were told August 1st. With a big company like that – they had to get all their ducks in a row. The last piece of the puzzle was to get a piece of land from Charter One Bank in the back for additional parking so they can meet the parking requirements. That paperwork is about complete. They are looking for a completion date of next fall. The next question that would come up would be – what about the old WalMart. The old WalMart is owned by WalMart. I have had discussions with their representatives and they very much want to rent that out because they own the building and they can get rent from there. It is on schedule – it is on course – all the building plans have been approved. We are waiting for WalMart to take that shovel and knock the building down.

Ms. Marn: So, we will have one.

Mayor Andrzejewski: Yes.

Michael Slocum, 36355 Sandy Knoll Drive, Eastlake

Mr. Slocum: I would like to report for the record that I have as a citizen – not as a Finance Director – formed a Committee for the passage of the levy. If there is anyone interested in donating for us to be able to put on an effective campaign I will be taking any contributions at my home address of 36355 Sandy Knoll Drive.

There was no one else who wished to speak.

LEGISLATION PROPOSED - First number will be 2011-089

Requested by: Administration
Sponsored by: Mr. Knuchel

RESOLUTION NO: 06-28-(01)

A Resolution authorizing and directing the Mayor and Director of Finance to enter into an Agreement with the City of Cleveland to utilize the Central Collection Agency (CCA) for the purpose of Administering the income tax laws of the City of Eastlake, and declaring an emergency.

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

ROLL CALL: Yeas unanimous.

MOTION: Mr. Knuchel moved to adopt. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Resolution No. 2011-089.

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Requested by: Administration
Sponsored by: Mr. D'Ambrosio

ORDINANCE NO.: 06-28-(02)

An Ordinance amending Ordinance No. 1994-075, adopted April 26, 1994, and authorizing the issuance of a Conditional Use Permit to The Eastlake Baptist Church of Eastlake, Ohio, Inc., 35401 Stevens Blvd., Eastlake, Ohio 44095, and declaring an emergency.

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

ROLL CALL: Yeas unanimous.

MOTION: Mr. D'Ambrosio moved to adopt. Mr. Knuchel seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Ordinance No. 2011-090.

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Requested by: Administration
Sponsored by: Mr. D'Ambrosio

ORDINANCE NO.: 06-28-(03)

An Ordinance amending Ordinance No. 1996-164, adopted June 11, 1996 and authorizing the issuance of a Conditional Use Permit to Eastlake, V.F.W. Post #3863, Inc., 33641 Vine Street, Eastlake, Ohio, for the sale of alcoholic beverages, and declaring an emergency.

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

ROLL CALL: Yeas unanimous.

MOTION: Mr. D'Ambrosio moved to adopt. Mr. Knuchel seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Ordinance No. 2011-091.

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Requested by: Administration
Sponsored by: Mr. D'Ambrosio

ORDINANCE NO.: 06-28-(04)

An Ordinance authorizing the issuance of a Conditional Use Permit to All The Perks Coffee, LLC, 36616 Vine Street, Eastlake, Ohio 44095, and declaring an emergency.

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

ROLL CALL: Yeas unanimous.

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

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Ordinance No. 2011-092.

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Requested by: Planning Commission
Sponsored by: Mr. D'Ambrosio

ORDINANCE NO.: 06-28-(05)

An Ordinance authorizing the issuance of a Conditional Use Permit to John L. Bowles dba Lofty Dreams, 258 Shelton Blvd., Eastlake, OH, 44095, and declaring an emergency.

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

ROLL CALL: Yeas unanimous.

MOTION: Mr. D'Ambrosio moved to adopt. Mr. Knuchel seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Ordinance No. 2011-093.

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Requested by: Council Clerk Sponsored by: Mr. Knuchel	<u>ORDINANCE NO.: 06-28-(06)</u> An Ordinance to revise the Codified Ordinances by adopting current replacement pages, and declaring an emergency.
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MOTION: Mr. Knuchel moved to suspend the rules requiring separate readings and reading in full. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

MOTION: Mr. Knuchel moved to adopt. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Ordinance No. 2011-094.

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Requested by: Administration Sponsored by: Mr. Knuchel	<u>RESOLUTION NO.: 06-28-(07)</u> An Resolution authorizing and directing the Mayor and Director of Finance to enter into a Backbone Equipment Purchase Agreement with the Lake County Department of Telecommunications for the City of Eastlake's use and operation of Lake County's 800/700 MHz Radio System in the total amount of Sixty-Eight Thousand Six Hundred Fourteen Dollars and Thirty-Three Cents (\$68,614.33), and declaring an emergency.
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MOTION: Mr. Knuchel moved to suspend the rules requiring separate readings and reading in full. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

MOTION: Mr. Knuchel moved to adopt. Mr. D'Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Resolution No. 2011-095.

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Requested by: Administration
Sponsored by: Mr. Knuchel

RESOLUTION NO.: 06-28-(08)

An Resolution authorizing and directing the Mayor and Director of Finance to enter into an Agreement with the Lake County Department of Telecommunications for the establishment and operation of an 800/700 MHz Radio System in the total amount of Twenty-Three Thousand Eight Hundred Eighty-Nine Dollars and Thirty-Seven Cents (\$23,889.37), and declaring an emergency.

There was no Motion to suspend the rules requiring separate readings and reading in full.

DISCUSSION:

Mayor Andrzejewski: Mrs. Cendroski, I tried to listen – it is for maintenance.

Mrs. Cendroski: I understand what it is for. I looked at the agreement and took the verbiage for the heading of the legislation right out of the agreement. The terms might be for maintenance but this is how they had it written in the paragraphs in the beginning of the agreement. It also says the Agreement is attached.

Legislation No. 06-28-(08) is placed on First Reading.

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LEGISLATION PENDING (Placed on First Reading 05/24/2011)
(Placed on Second Reading 06/14/2011)

RESOLUTION NO.: 05-24-(02)

Requested by: Administration
Sponsored by: Council

A Resolution Submitting to the Electors of the City the question of an Additional 4.0-Mill Tax for the Purpose of Current Expenses, and declaring an emergency.

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

ROLL CALL: Yeas unanimous.

Motion carried. Legislation is adopted as Resolution No. 2011-096.

Additional Comments:

Mr. Morley: The 4-mill levy will be on the November ballot for the residents to vote on.

UNFINISHED BUSINESS

There was no Unfinished Business.

NEW BUSINESS

There was no New Business.

ADMINISTRATIVE REPORTS:

MAYOR/SAFETY DIRECTOR – Ted Andrzejewski

Mayor Andrzejewski: This will be a couple of busy weeks. First of all we have our festival scheduled for the week after July 4th – July 8th, 9th, 10th, and 11th at the festival grounds. We changed the date due to the death of the ride operator's father. We had a choice to move the festival up or have no rides and without rides the kids would not want to come. So, the festival will be the July 8th, 9th, 10th and 11th. The parade is Sunday, July 10th and forms at North High at noon and starts at 1:00 p.m. with the same parade route – North High to Willowick Drive to Roberts Road – North on S.R. 91 to Lakeshore Blvd. to the festival grounds. If anyone wants to be in the parade – any civic group or organization – please let us know so we can assign you a spot in the parade. We were going to cancel the flea market – I have had a lot of calls from residents and vendors asking that we give it another chance. The reason we were going to cancel it was because we were losing a little bit of money – not a lot – but to cover the cost of our Service Department employees. We need about \$200 on a Saturday to cover the cost of the employee. We would need 20 vendors at \$10 each. We are not looking to make any money on this. All we want to do is provide another activity for the people of Eastlake and bring people into our community. So, the vendors are going to help. We are going to run it through the month of July and will charge \$15 a spot. If the vendors succeed in getting enough people there we will continue into August. If not, then we will show them the numbers needed to at least break even and we will discontinue it. People seem to like it but we are not in the position where we can lose any money. That is why we were initially going to close it. There are two concerts coming up at the stadium. The young people in the back probably know these groups – Stone Temple Pilots and WMMS's Roverfest – apparently they are good groups. We like it because we are going to get some revenue to help pay off the stadium debt. So, if you know any young people please tell them that concert one is July 19th and the other one is in August 13th – they just announced it. Also, two movie nights – we did this last year and it proved very successful. All we are doing is looking to break even. On Friday, July 15th we are going to have an outdoor movie at the stadium – Yogi Bear – it is \$1.25 per person. People sit on the third base line to home plate to the outfield. We have a movie projectionist come in and show the movie. We need about 800 people there to break even – we got that last year. We have to pay \$450 to show that movie one night so you can imagine what drive-in movies have to pay. The second one will be August 26th and will be Gnomeo and Juliet – another cartoon. People can buy tickets at the Mayor's office in City Hall for \$1.25. I would suggest you do that because last year everyone waited until the last minute to buy tickets. You can buy them ahead of time or the day of the event at the stadium.

I will give a 5 minute synopsis of why we need the levy – and, please tell the residents that we will have as many meetings as we can with residents in City Hall to let them know the facts and what is going on and answer any questions. Also, Mr. Slocum, Council and I are available to speak with any groups. I know Mr. Slocum has already spoken at the Block Watch and I had a couple of people ask me to come speak. On March of this year Council in working with the Administration passed a balanced budget. We were going to have about \$10,000 left over in the General Fund. So, it was going to be a tight year but we passed a balanced budget without any layoffs and we thought we could get by. Shortly thereafter the new Governor announced several changes to the budget he is proposing. One, and the most

important one, is called Local Government Funds. When you see that in the paper please take the time to read it. For all the millions of dollars we sent to Columbus in the form of State income tax – those of you who are working and have worked in the past – you know what you paid the State of Ohio in income taxes. For that what we received as a City is \$1.9 million dollars back in the Local Government Fund. That is all we get from the State. They get to keep every red cent of the rest and also the sales tax. The Governor announced that as of the next biennial budget they were going to cut that in half – right off the bat with a stroke of the pen Eastlake would lose \$950,000. Mind you we had a balanced budget. This year we will lose half of the \$950,000 because there is ½ year left but in future years we will lose the full \$950,000. Watch the papers the next few days because the Senate is going to pass the budget and when they pass the State budget it will be clearly written in there how much we are losing. We were told yesterday at a Mayors and Managers meeting that number is not going to change. We will lose 50%. The cities were prepared along with the counties and the schools to lose 15%-20% - that is what we were always told we were going to lose and we would have adjusted to that. No one expected them to cut us by 50%. We are by far – the cities, counties and local governments – by far the largest hit entities. Other agencies and programs were hit with 15%-20% in cuts. The second hit they hit us with is what is called the CAAT tax – commercial activities tax. There used to be in Ohio something called the tangible property tax – when business owner owned equipment or inventory they paid a small tax on that. A lot of those funds were returned to the local cities. They changed it to a commercial activities tax a few years ago but they told the cities we will keep you whole until 2018 then we will decrease it but you will still get some. Now, they have announced to forget that agreement – they are going to keep all that tax. So, we lost step 2 – around \$200,000. So, you have \$950,000 in Local Government Funds and \$200,000 in CAAT tax which we were promised until 2018. The third thing he did was to take away the utility tax. These again were long standing revenue sources that were returned to the City. We have the great luck to have a utility plant in our back yard which means we got more utility tax than Willoughby, Wickliffe – any of those cities. And with the utility tax he did the same thing. Rather than extend the agreement to where they promised he said he was going to keep that money too – that was \$400,000. Take those three items together – in the stroke of a pen – they took \$1.4 million away from the City of Eastlake. Those are facts – they are in writing and are indisputable. We are not making them up. We are not pulling those numbers out of a hat. They are on the internet and newspapers. So, how does a City of 19,000 make up \$1.4 million when we had a balanced budget? About 70% of our budget is personnel. Cities are labor intensive – we need men – we need policemen, firemen, Service workers. So, 70% of our budget is personnel. The other 30% is the rest of the budget. Here is our choice. We have to make up \$1.4 million – for police and fire it is \$90,000 – that includes their base pay, benefits, PERS, unemployment, workers comp. You have a choice – you can lay off about 16 total police, fire, service and City workers or you can ask the people for some help. We have cut as much as we can cut over the last few years. I can't cut anymore. We don't have enough people to plow the roads, we don't have enough policeman, we don't have enough firemen without going into overtime. That is why we have come to the people. So, the people are going to have a choice to make. We are asking for \$10 per month per \$100,000. We know from statistics that most homes in Eastlake are \$150,000 or less. Yes, Valley Creek and Garretts Cove and places like that have higher income homes but most of the homes in Eastlake are \$150,000 and less. We are asking for \$10. For those of you who smoke that is 3

packs of cigarettes – for those of you who go out to eat that is a meal – to help your City. That is why we are asking for the money.

LAW DIRECTOR – Randy Klammer

Mr. Klammer: I have been working some things with the Building Department – the yacht club issue and that sort of things. Other than that I will remind you if we can still fit in an Executive Session at the end of the meeting I would request that. I am open for questions.

There were no questions of Mr. Klammer.

FINANCE DIRECTOR – Mike Slocum

Mr. Slocum: I would like to thank Council for approving putting the levy on the ballot. It is in my estimation a must. Second of all – a small victory – when they cut the CAAT tax reimbursement and the electric dreg reimbursement they had it for the Fire Fund that it would disappear entirely the second half of this year and it would have gone on forever. We did some investigation a week ago and dealt with the State Treasurer and got reimbursements to that fund for the next two years reinstated. The dollar amounts are not that great but we will have more money going into that fund. We will have less money going into that fund than anticipated at the beginning of this year but we will have some money coming in from the State in the next two years. After the next two years funds like that – like the Road Levy – that will entirely dry up. I am open for questions.

There were no questions of Mr. Slocum.

CITY ENGINEER – Tom Gwydir

Mr. Gwydir: It has been very quiet on the engineering front. Edwards Avenue is out to bid and will be coming in early July. We will be making recommendations for the successful bidder. We do have applications in for Erie View and East 347th Street to the OPWC. I am open for questions.

Mayor Andrzejewski: What Mr. Gwydir is doing is applying to the OPWC - a State of Ohio fund. Cities can request help with road programs. Over the years we have applied for a couple of streets to be redone and we get approximately 40% of that provided by the State. So, it is a way of stretching our Road Levy dollars. Every year we try to do some streets – South Lakeshore, the pump stations – all with State aid of about 40%. That money did not come out of the General Fund but out of the Road Levy you were kind enough to pass Right, Mr. Gwydir?

Mr. Gwydir: That is correct, Mayor.

There were no further questions of Mr. Gwydir.

SERVICE DIRECTOR – Mike Semik

Mr. Semik was absent and excused.

CHIEF BUILDING OFFICIAL – John Stigalt

Mr. Stigalt was absent and excused.

POLICE CHIEF – Larry Reik

Chief Reik: I have nothing to report and am open for questions.

There were no questions of Chief Reik.

FIRE CHIEF – Ted Whittington

Fire Chief Whittington was absent and excused.

TAX ADMINISTRATOR – Angela Keneven-Zanella

Mrs. Keneven-Zanella was absent and excused.

Additional Comments:

Mr. Morley: We need to go into Executive Session to discuss a lawsuit. We usually do it during the Council-as-a-Whole Committee meeting but I did not want everyone to think we were leaving and not coming back. We are going into Executive Session if anyone wants to wait. We should not be more than 10 minutes if anyone wants to wait and has questions for afterwards.

MOTION TO ADJOURN INTO EXECUTIVE SESSION

MOTION: Ms. Vaughn moved to adjourn into Executive Session for discussion of matters of litigation involving Lake County Case No. 11CV001250. Mr. D’Ambrosio seconded.

MEETING CALLED BACK TO FINANCE COMMITTEE MEETING

Ms. Vaughn moved to adjourn back into the Council-as-a-Whole Committee Meeting portion. Ms. DePledge seconded. The meeting was called back to the Council-as-a-Whole Committee Meeting with Ms. Vaughn, Ms. DePledge, Mr. Knuchel, Mr. Hoefle, Mr. D’Ambrosio and Council President Mr. Morley in attendance.

Also in attendance from the Administration were Mayor Andrzejewski, Law Director Klammer, Finance Director Slocum and Police Chief Reik.

ADJOURNMENT

The meeting was adjourned at approximately 8:16 p.m.

DENNIS MORLEY, COUNCIL PRESIDENT

APPROVED: _____

ATTEST: _____
DEBORAH A. CENDROSKI, CMC
CLERK OF COUNCIL