

Wickliffe City Council Meeting
January 26, 2015

A regular meeting of Wickliffe City Council was called to order by Council President David Krych at 7:00 p.m. on Monday, January 26, 2015. The following were present at roll call:

MAYOR:	William Margalis
COUNCIL PRESIDENT:	David Krych
COUNCIL :	Bala, Ely, Jaworski, Koski, Levon, Matyja
LAW DIRECTOR:	William Gargiulo, excused Scott Zele in attendance
FINANCE DIRECTOR:	Martin Germ
SERVICE DIRECTOR:	D'Ambrosio
ENGINEER:	Peter J. Formica
BUILDING COMMISSIONER:	Raymond F. Sack
RECREATION DIRECTOR:	Timothy E. Stopp
POLICE CHIEF:	Randy E. Ice
FIRE CHIEF:	James G. Powers
ECONOMIC DEVELOPMENT:	Jason Laver

APPROVAL OF MINUTES

Moved by Mr. Bala seconded by Ms. Koski that the minutes of the council meeting held on January 12, 2015 be approved as presented.

ROLL CALL: Yes: Bala, Ely, Jaworski, Koski, Krych, Levon, Matyja
No: None

Motion carried.

REPORTS AND COMMUNICATIONS FROM MAYOR/SAFETY DIRECTOR - Mayor Margalis reported the following: Last Friday a quarterly meeting was held with the schools, for a school collaboration meeting, Mr. Krych, Mr. Ambrosio and Ron Strauser also in attended on behalf of the city and the meeting was held with members of the school board. A couple of items that came out of the meeting were that we have had the task force meeting and the school is looking to host or sponsor one of these meetings hopefully looking at the end of April, they are looking at holding it at the community center or the high school. We look forward to doing what we can with that. Also interesting that they are looking into is to change the start of the school year this year, they would like to push it up to August 17 to begin school in order to follow the testing which will make it better for the tests that they have to take, this means that they will be getting out of school earlier before Memorial Day, The school board has to vote on this but it is a recommendation coming out of the administration. This may affect us as to when our pools would close after the 17th. They also commended the Police Department last week when they conducted Alice Training at the schools, this was organized for them and they appreciated it.

He also referred to a letter regarding power outages and the more recent ones took place on some of our street lights, particularly at Lakeland and the Lloyd Road exit, whatever happened during that outage either was a surge or a reduction but it blew out some circuit boards and it had to be replaced a couple of times over two weeks and we also had to spend man hours overtime. Mr. Ambrosio sent a letter and an invoice to First Energy to cover the cost of the material and time spent which was about \$3,300 just on parts for the controller box that was burned and we wanted to charge them for the labor and manpower. A letter was received back from the Illuminating Company regretting that they are not responsible or liable for any of that type of damage, they quoted sections of the PUCO code stating that the company should not be liable for any lost box damage or expense that customer by sustain by reasonable

damage or destruction of any property because of variances of high or low voltage, base failure or reversal. We attempted to do that but they say their company is not responsible for that. Their suggestion was made to may be to submit this to our insurance carrier for coverage but this does not benefit us in the long run.

Lastly he pointed out that he distributed to council a 2015 chart showing a \$100,000 home value change, this was in the Plain Dealer yesterday. This is interesting because it shows all the Lake County communities and the school districts associated with those communities and what the 2015 property tax will be on a \$100,000 home, Wickliffe's number is one of the lowest of the communities.

REPORTS AND COMMUNICATIONS FROM THE LAW DIRECTOR: Mr. Zele had no report.

COMMUNICATIONS FROM COUNCIL PRESIDENT - Mr. Krych reported that he will place into the Finance Committee the 2015 Capital Improvements and a Finance Committee meeting will be scheduled for Monday, February 2 at 7:00 p.m. to discuss the 2015 Capital Improvements.

THERE WERE NO ADDITIONS OR AMENDMENTS TO THE AGENDA

ADMINISTRATORS:

A. Police Chief – Chief Ice had no report.

B. Fire Chief – Chief Powers reported on an incident which happened in the city and the help provided by the Fire Department.

C. Finance Director – Mr. Germ had no report.

D. Engineer – Report attached. Mr. Formica added that the construction of Grand Blvd. resumed last week and they are working on it to get the waterline wrapped up before spring.

E. Service Director – He reported on the snow removal progress, there has not been much accumulation this year. 1,000 tons of salt has been received that were ordered, last year at this time at the end of January we ordered 2,600 so we are not using as much as last year.

F. Building Commissioner – Mr. Sack had no report.

G. Recreation Director – Mr. Stopp thanked everyone that attended the Annual Winter Festival.

H. Economic Development Director – Mr. Laver informed council that the Mozeley Hotel which has been closed has received multiple offers and potential users for the site and they anticipate that in the future something will come of that.

AUDIENCE PARTICIPATION OPENED

Bob Leone, 764 North Elmway Ave., said he is very upset regarding the garbage removal program. He feels the residents should have been notified by the city of this change and not by the Kimble Co. telling us what they will charge and how the garbage has to be handled. This was very insensitive to the people that live in this city. This is totally ridiculous because other cities are doing that. He asked if there was a contract with Kimble and asked if the price could be increased at any time they want to. Mr. Krych informed him that any increase in price is set by the consumer price index and is only a small percentage but it has

but it has been communicated on the Mayor's report on TV on numerous times and it has also been on the Wickliffe Connection and the web site but the letter came from Kimble since they would be handling the contract specifically but the reason we are doing this is not because other cities are doing it, this was a default we have been reduced over the past few years for a total of 1.3 million dollars a year from the Ohio state for the local government funding and the other cities have been reduced too, we have been talking about this for years and we have held off as long as possible because there would be no way to make up that amount of money without doing that plus a little from the capital improvement fund to the general fund but still that does not even make to not run a deficit this year. The Mayor apologized about the people not knowing about that, anyone that attended the State of the City address or town hall meeting, this issue was brought up that this was coming and would happen, we did not know when, the reason we are doing it now is not because other cities are doing it, the reason we are doing it is because the city is running a deficit and we have been balancing our budget out of our reserve amount up to this point and we are still doing that, we are down to a point now that if we do not do something drastic, and this is a drastic move, no one on council here or himself really want to do this, we don't want residents to have to pay for services but if we want to continue a level of services that we have, we have go do something, we have to increase revenue and reduce expenses, both of them and this is about an \$850,000 expense for the city that we spend every year, we were fortunate to have a large carry-over, that's why other cities over the past five years have gradually taken on this move transferring the service over to the residents, we are the last ones that have to do it because we were subsidizing our deficit out of our carry over balance, we cannot continue to do that so this was an idea we had, this was coming and would happen, this was on the agenda the first of October and it went through three readings and six weeks and it was finally voted on the first or second week of November and we started then to get the residents notified. We ran a deficit in 2014 of almost two million dollars that we paid out of our cash reserves so right now at the end of 2014 our carry over balance is 3.2 million dollars so if we left everything the same for 2014 we will for sure have a deficit of two million plus so at the end of 2015 we will have an unsafe amount of money to go forward, this is a drastic change to our residents but there is no other way.

Robert Myer, 1653 Drenik Drive, said he feels ashamed for the reason that the residents were not notified by the city of this change. He referred to the Wickliffe Connection regarding a statement made by the Mayor and objected to the way the residents were notified of this change.

Jim Vanjek, 29815 Phillips Ave., also commented on the same problem with Kimble. He requested a senior discount be considered and asked if there is an opt-out program for seniors. He wants to combine with his neighbor for pick-ups or maybe pick up every other week. He also asked who voted for this to which council members responded. He also asked about apartment complexes and how they are charged.

Jim Swike, 1861 Cedarhurst, stated he lives alone and his neighbor picks up his garbage cans, how does Kimble take care of people who only have garbage once a month. The Mayor responded as to how this can be accomplished and regarding the amount of bags used. Mr. Swike also questioned the carry over balance and the budget issue.

Mary Jensen, 30201 Regent Road thanked the fire department for their help that she received in an emergency. Regarding Kimble, she also questioned the fee charged for the fuel surcharge. The Mayor pointed out that the city has not been charged for the surcharge even though we have been with Kimble for three years, we have never paid a surcharge, we don't pay it until diesel goes up and then there is a percentage of what goes over four dollars a gallon. This was in our previous contract with Waste Management. She further commented on her situation with garbage disposal.

Mr. Ely interjected that he understands what she is saying and said he voted for this and it was a lot of work for him to decide to do this. He does stand on behalf of the city and the seniors and feels very strongly about the direction the city may take in the future. This is so much bigger and is a complex situation, there was so much more that he was thinking about when he voted yes, for example, people have brought up points that you brought up, and the reason he chose to opt out because when people live in the city if they don't have insurance and they need emergency help they do not get billed for that, he said he does not use the emergency vehicle but he pays his taxes for people to use the rescue vehicle but if we start trying to make it so that I want to have my garbage this way or that the cost will be so much higher, who is going to decide who is doing what, what happens when a neighbor calls a councilman and tells him my neighbor has these cans forever and are not putting them out because they don't want cans, he said he has heard all of this, he also took a look at as to what the cost is of a resident to live in the city of Wickliffe. He asked about a \$100,000 home and the tax is about \$300 a year, about 80% goes to the schools, that's not for the services we provide like fire and police. Wickliffe has never looked like that and we don't want to. There is no good answer because we have to pass the cost on to the residents because of the bad publicity we could get and then prices drop and people don't want to live here, house prices have fallen so property taxes have been reduced. There is no inheritance tax for seniors, that is no more. The state balanced their budget on our backs, they don't increase taxes but they don't give us our taxes back. Garbage disposal cannot be provided by our cost, these type of cans are used because the trucks pick them up not the drivers. If you think \$300 a year is for all the services provided, most of our income comes from income taxes. We all enjoy the companies that we want to keep here such as Lubrizol and if we have trash sitting on our streets does not look good.

Edward Waitenton, 1814 Kennedy Drive, stated that it seems that Kimble is riding the show. Is it possible for council to cancel the contract with Kimble or re-negotiate it.

Resident, 29445 Euclid Avenue, reported that one of his neighbors is living in fear because the house across the street from her has people driving in and out at all hours of the night and she has received no help from the police who she has called many times. She lives on Rockefeller Road and there is something going on in that house, there are police cruisers there all the time and when she calls to find out what is going on she gets no response. Chief Ice will look into this.

Glen Miller, 1855 Cedarhurst, also commented on the contract with Kimble. He questioned the contract and the amount the residents will pay. It seems that the state pushed the problem and the city pushed it onto the residents.

Resident, 2249 Green Ridge Drive, does not understand why the city has a right to give him a bill for services which he is already paying for, that is property taxes and now you are telling me that I have to pay a rubbish bill, if you need money for this put it on the next tax ballot and let everyone know how and why you need the money. He requests an audit to re-address this issue, cancel that contract, put it on a tax levy and do what's right.

Mr. Matyja made the following comments: he reiterates what was already in the council minutes, this is really a bad decision, he has said this before, when this was first brought up and put into committee he said he would not vote for it, how can we bring up an issue when we are carrying five million dollars at that time and we rejected four million and ended up with still 3.2 million dollars, council men are making comments on this but the point is Kimble contract was a bad contract seven years with increases automatically in it, it's not a good thing for the citizens of Wickliffe, it should have been discussed further it's just a bad deal. From the time the vote was made to when you got the note from Kimble he think the city really dropped the ball and he asked how council would notify the residents, it's not a good thing, not a good decision and he is only giving his opinion, why consider a tax increase when you have a five million dollar carry over, do we do it in the winter when people aren't out talking, Kimble set the rates

with council not looking at the contract, they set the rates because they had to do the recycling every week and in that rate they have to pay for their bins and for recycling every week not every other week, Kimble set the contract, it was in front of us, yes or no, the comments made by the residents are absolutely right.

Mr. Levon added that he accepted all the comments made and what Mr. Brenner said was that last thing that the city dropped the ball, he has a newsletter and he tried to tell the residents that this would happen that this would be voted on and would be discussed this, some people read it and assumed we were still discussing it and would not vote on it. He knew this would happen but once it was voted on we should have had the notices go out right away and he asked Kimble when the notices would be sent out and he said he failed to push to have the city do it right after and send the letter instead of Kimble. He said at the December meeting he asked when the letter would go out so we should not have waited ten days before people started getting the letter. This is a bad situation confusing the people as to how to work this. As far as communication going out people on fixed incomes should have known before Christmas that they would have to spend more money on garbage this year. He regrets that this was done the way it was.

Mr. Matyja added that this city had zero debt the only thing we have is the bond issue so if you look at Worden Road, Grand Blvd., Lloyd Road, Jindra Park, take out of our funds right now, We are so much better financially and set up infra structurally wise than anything else. When we bring that up it does not apply to Wickliffe and when we look at Wickliffe's finances compared to anyone else's it is a different ballgame and should not be a part of this discussion.

Mr. Jaworski also added that he had a lot of telephone calls about the letter and he did not see the letter until the day after most residents got it. The version of the letter was somewhat uncalled for it was rude and pushy and the lack of communication on the city's part was not sufficient, we can all agree on that, he has heard from residents that are upset that if they want to pay by credit card they have to write it down on a piece of paper and send it to Kimble instead of going on to some secure web site and pay on line, he has heard about the fuel surcharge and from residents wanting to have some kind of tax or levy instead of paying for the rubbish, he has heard of a lot of things and it is a shame that this happened the way it did. He wishes it had not been as bad as it was but there are some things you unfortunately can't undo once it's opened.

AUDIENCE PARTICIPATION CLOSED

COMMITTEE REPORTS

Mr. Krych read the report of the Committee of the Whole meeting held on January 21 which is attached.
Mr. Matyja read the report of the Improvement Committee meeting held on January 21 which is also attached.

THERE WERE NO COMMISSION REPORTS

THERE WAS NO OLD BUSINESS

THERE WAS NO NEW BUSINESS

THERE WERE NO ORDINANCES

THERE WERE NO RESOLUTIONS

There being no further business, it was moved by Mr. Levon seconded by Mr. Bala that the council meeting of January 26, 2015 be adjourned.

ROLL CALL: Yes: Bala, Ely, Jaworski, Koski, Krych, Levon, Matyja
No: None

Motion carried. Meeting adjourned at 8:35 p.m.

Clerk of Council

Council President and Presiding Officer