

MINUTES

Council Committee Meetings

April 2, 2019

Present: Council President M. Harwood, Councilmembers G. Broski, L. Carouse, J. Petsche, L. Redinger, D. Rose, K. Veras, Mayor Jerry N. Hruby, Law Director D. Matty, Assistant Law Director S. DiGeronimo, Engineer G. Wise, Finance Director L. Starosta, Fire Chief N. Zamiska, Purchasing Director R. Riser, C.B.O. S. Packard, Service Director R. Weidig, R. Sandick, Northeast Ohio Media Group, M. Stuczynski, approximately 15 guests, Clerk of Council T. Tabor.
Absent: None.

Committee of the Whole Meeting: Motion by Harwood, seconded by Carouse, to convene a Committee of the Whole meeting at 5:30 P.M. Ayes: Ayes: Broski, Carouse, Harwood, Petsche, Redinger, Rose, Veras. Nays: None. Motion carried 7-Ayes, 0-Nays.

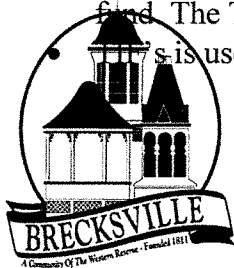
Approval of the March 19, 2019 Committee of the Whole meeting minutes. Motion by Harwood, seconded by Carouse, to approve the March 19, 2019 Committee of the Whole meeting minutes as submitted. Ayes: Broski, Carouse, Harwood, Petsche, Redinger, Rose, Veras. Nays: None. Motion carried 7-Ayes, 0-Nays.

Tax Incremental Financing (TIF) – Council President Harwood said a presentation has been arranged for this evening in response to Councilmembers who requested more information on Tax Incremental Financing regarding the former VA property development. Council President Harwood said there is no project information or development design as was incorrectly posted to social media. This meeting is to discuss what a TIF is and the laws regarding TIF's.

Council President Harwood introduced Greg Daniels with the law firm of Squire Patton Boggs LLP to present information in Tax Incremental Financing (TIF).

Mr. Daniels said he will provide information on what TIF's are and how they benefit municipalities. Mr. Daniels said he will also take questions.

- Two most commonly used TIF types, all implemented by Resolutions or Ordinances. 5709.40(.40) and 5709.41. (.41)
 - All TIFs have a base value. What the property is currently values No existing property taxes are directed into a TIF fund. New taxes above the base value are directed to the TIF fund. The TIF can benefit new projects and the school district.
- is used to generate Payments In Lieu Of Taxes (PILOT's)



(Committee of the Whole Meeting, Continued)

City Council can direct all or a portion of the increment taxes

School Compensation City and school agrees

Non-school TIF does not need school district approval. All of the TIF money generated by the school millage is directed back to the school.

Public Infrastructure Improvements. (ORC 5709.40)

- Traditional Government projects (roads, water & sewer lines, stormwater, etc.)
- Redevelopment Projects (land acquisition, environmental remediation & demolition)
- New Development (gas, electric, and communication service facilities)
- Projects can, in some cases, be located on private property (ORC 5709.41)
- Projects must benefit TIF Property

Councilmember Petsche asked for examples of an Urban Redevelopment TIF. Mr. Daniels said parking garages that are privately used may benefit. Money may be redirected into project. Urban Grocery Stores may benefit from a .41 TIF. Grocery stores are hard to accomplish in any area due to economic considerations. Councilmember Redinger asked if the money available for those type of projects be all debt or must there be equity. Mr. Daniels replied that it may be all debt and the TIF money as it comes in is fairly common. The taxes are always collected a year later, 2019 taxes are paid in 2020.

Mayor Hruby asked if the TIF would have any impact on the City's debt structure or debt limitations. Mr. Daniels said that would depend on the type of debt. If the City has roads that need to be constructed in the ROW to benefit the TIF, the City may choose to finance that project by general obligation debt. That general obligation debt counts against those debt limits. The hope is that the TIF revenue may pay some of the debt service. Leaving no impact on the City's general fund.

Councilmember Petsche asked what are the advantages and disadvantages of TIFs. Mr. Daniels said the advantage is one of the most powerful financing tool for development. Investors rely more on TIFs. Disadvantage: other taxing subdivisions do not receive all of the revenue they would receive without the TIF.

Councilmember Petsche asked what taxing subdivision would be at a disadvantage. Mr. Daniels said he does not see a disadvantage to other taxing subdivisions in the City.

Councilmember Petsche asked if the TIF is funded by property taxes? Mr. Daniels replied yes.

Tax Increment Generates PILOTs

- Existing Taxes are unaffected
- County Treasurer collects PILOTs along with real estate taxes
- Tax lien exists to secure PILOTs
- PILOTs are in the same amount as the otherwise applicable taxes
- Potential issues with diverting too much real property taxes to PILOTs

(Committee of the Whole Meeting, Continued)

General TIF Considerations

- School vs. Non-School TIF
- No School District approval for Non-School Municipal or TIF's that exceed 10 years, 75%
- School District approval required for all other TIF's over 10 years, 75%.
- Compensation Agreements with the School District-potential issues.
- Income Tax sharing applies for School TIF's
- Notice Periods
 - 14 Days for JVSD notices and for TIF's where school approval is not required.
 - 45 Business Days for all other TIF's.

Tax Benefit

- Local political subdivisions may exempt the private improvements from real property taxes up to 75% for a term of up to 30 years.
- With concurrence of the affected Board of Education (BOE) and any additional government entity, a local political subdivisions may exempt the value of improvements up to 100% for up to 30 years.

School Board Involvement

- State law required that local political subdivisions notify and in some case obtain the concurrence of, affected school boards prior to the enacting Incentive District TIF authorizing legislation.
- The affected BOE must approve, conditionally improve, or reject any proposed exemptions in excess of the statutory rate and term limits.
 - State law allows a BOE to waive its rights to approve exemptions or grant local government entities the ability to provide notice less than 45 business days in applicable circumstances.

Risks

- Anticipated real property improvements are not completed or valued at the anticipated level
- Real property improvements are completed but are later destroyed as a result of natural disaster or other casualty event
- Real property improvements are completed but the property owner encounters financial difficulty and is unable to make the Payment-In-Lieu-of -Tax. (PILOT)
- Decrease in assessed Valuation and/or level of real property taxation
- PILOTs are insufficient to pay debt service on securities issued to pay costs of the public improvements.

Committee of the Whole Meeting Adjourned: Motion by Harwood, seconded by Carouse to adjourn the Committee of the Whole at 6:26 P.M. Ayes: Broski, Carouse, Harwood, Petsche, Redinger, Rose, Veras. Nays: None. Motion carried 7-Ayes, 0-Nays.

Buildings & Grounds Committee

Chairperson - K. Veras

Committee members - L. Carouse, L. Redinger.

Chairperson Veras called the meeting to order at 6:26 P.M.

Roll Call – Present: Carouse, Redinger, Veras.

Absent - None.

Approval of the March 19, 2019 Buildings & Grounds Committee meeting minutes.

Motion by Veras, seconded by Redinger, to approve the, March 19, 2019 Buildings & Grounds Committee meeting minutes as presented. Ayes: Carouse, Veras, Redinger. Nays: None. Motion carried 3-Ayes, 0- Nays.

Spring Trees: Councilmember Veras said the annual purchase of Spring Trees has been submitted by the Service Department. A price tabulation was provided. Service Director Weidig said the City typically does spring and fall planting of trees throughout the city. The trees purchased will be planted in subdivisions, streets and City properties. The annual purchase includes new and replacement trees, projects on S.R. 21, the New Police Station and Fitzwater Road. Councilmember Broski asked if this purchase is separate from the SR 82 trees to be placed in the median. Service Director Weidig said that is a separate project.

- Motion by Veras, seconded by Redinger, to authorize a blanket vendor purchase requisition in the amount of \$9,174.00 for the annual purchase of spring trees. *\$ 4,540.00 Account # 252530 2201, \$4,634.00 Account #110171 2205.* Ayes: Carouse, Redinger, Veras. Nays: None. Motion carried 3-Ayes, 0-Nays.

Ohio EPA Section 401 Water Quality Certification application: Councilmember Veras said a Purchase Requisition has been submitted for costs of the application for the water quality application required for the Blossom School & Field House project. Engineer Wise said the application has been prepared and cost of the permit calculated by Chagrin Valley Engineers and is ready to be submitted. The payment will be made in part when the application is submitted and the balance when the permit is approved.

- Motion by Veras, seconded by Redinger, to submit to Council authorization of the Ohio EPA Section 401 Water Quality Certification application and required application fee in the amount of \$4,075.00 for the proposed school and field house at Blossom Hill. *Account # C480171 1302 Project # L1140001.* Ayes: Carouse, Redinger, Veras. Nays: None. Motion carried 3-Ayes, 0-Nays.

Adjournment: Motion by Veras, seconded by Redinger, to adjourn the Buildings & Grounds Committee at 6:30 P.M. Ayes: Carouse, Redinger, Veras. Nays: None. Motion carried 3-Ayes, 0-Nays.

Finance Committee

Chairperson - Laura Redinger

Committee members - L. Carouse, D. Rose.

Chairman Redinger called the meeting to order at 6:30 P.M.

Roll Call – Present: Carouse, Rose, Redinger.

Absent - None.

(Finance Committee, continued)

Approval of the March 19, 2019 Finance Committee meeting minutes.

Motion by Redinger, seconded by Rose, to approve the March 19, 2019 Finance Committee meeting minutes as presented. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Brecksville Center for the Arts: Councilmember Redinger said the Brecksville Center for the Arts has submitted a request from the City for funding general operations. Hearing no further comments or questions, Councilmember Redinger continued with a motion.

- Motion by Redinger, seconded by Carouse, to submit to Council for consideration a Resolution authorizing the issuance of a grant to the Brecksville Center for the Arts for the purpose of general operations. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Human Services Center Rental Rates: Councilmember Redinger said Council amended Chapter 911.01 of the Brecksville Codified Ordinances to include the rental of rooms at the Human Services Center for business purposes. Human Services Director Steve Paciorek has provided a schedule of proposed rates for rentals. Mayor Hruby said the rates are comparable to those for other rental costs in the City buildings.

- Motion by Redinger, seconded by Carouse, to recommend to Council for consideration passage of a motion to approve the rental rates for the Human Services Center. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Comp Management - Workers Compensation Claim Administrator: Councilmember Redinger said the annual third party administrator for the City's Worker's Compensation claims is up for renewal. Finance Director Starosta said the City typically participates in a worker's compensation group rated pool. The rates were compared with other providers and the Finance Director negotiated the rates listed. Councilmember Rose asked why there were two different rates for Comp Management. Finance Director Starosta said Comp Management provided an estimate and the second rate was figured by her, to reflect a closer estimate based on the City's payroll.

- Motion by Redinger, seconded by Carouse, to submit to Council for consideration a motion to approve a purchase order to Comp Management Inc. in the amount of \$2,832.00 for the third party administration of all Worker's Compensation claims in 2020. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Kyocera Copier Printer: Councilmember Redinger said the Finance Director has requested the purchase of a Copier Printer system for general administration use in City Hall. Finance Director Starosta said the purchase of a copier will be to replace the current machine used by the administration on the east side of City Hall. The current machine is no longer warrantied and the City's IT department has recommended replacement of the 10 year old copier. Finance Director Starosta said the Kyocera machine has been at City Hall on a trial basis and is working well. Councilmember Petsche asked if paper is included in the maintenance fees. Finance Director Starosta said not paper, the contract covers toner, parts, and labor.

(Finance Committee, continued)

- Motion by Redinger, seconded by Carouse, to submit to Council for consideration, a motion to approve a purchase requisition in the amount of \$7,490.00 for a Kyocera TaskAlpha 5052ci Copier/Printer from ACE for general administration use in City Hall. *Account #C110150 3300*. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

NOPEC Community Event Sponsorship: Councilmember Redinger said Fire Chief Zamiska has requested authorization to accept funding from NOPEC to assist in costs associated with the Firefighters Association Safety Fair and Ice Cream Social. Purchasing Director Riser said the City received these funds last year and used that funding for the Safety Town Fund Raiser. This is the second year the funding is offered through NOPEC, municipalities are required to submit an application to receive the funds.

- Motion by Redinger, seconded by Rose, to submit to Council for consideration a Resolution authorizing the Mayor to accept financial assistance through the NOPEC Community Event Sponsorship Program in the amount of \$2,000.00 the selected event will be a Safety Fair and Ice Cream Social sponsored by the Brecksville Firefighter's Association. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Rambus Inc., Economic Incentive Agreement: Councilmember Redinger said legislation has been prepared authorizing a Settlement Agreement and Mutual Release with Rambus, Inc. Mayor Hruby said in 2010, Rambus Inc. was granted \$230,000 via an Economic Development Incentive Agreement authorized by City Council to locate and remain in our city for at least ten (10) years. They remained and grew their business and staff dramatically. Rambus paid a total of \$1,075,290.00 beginning in 2010 till they closed this operation in 2018. In the agreement, if they did not meet the requirements of the agreement by paying a minimum level of income taxes (\$2.5 Million) the first five years and then again in the additional five years, Rambus would pay back to the city the grant awarded; \$230,000.00. In other words \$500,000 in income taxes. After months of on and off discussion, we recommend to City Council accepting a payment of \$115,000.00 in full settlement of our agreement. Rambus closed as a result of a takeover by another company. Mayor Hruby said Law Director Matty and Mayor Hruby negotiated the amount to accept 50% of the economic incentive, \$115,000.00. Councilmember Petsche said Council did not receive the original agreement and said Mayor Hruby had told Councilmember Petsche he does not mind if Council tables the legislation. Council President Harwood said the original agreement was in the packets and why is Councilmember Petsche suggesting to table the legislation. Council President Harwood asked if Councilmember Petsche would like to take action against Rambus. Councilmember Petsche said he did not look at his meeting packet until Monday evening and realized he could not find the original agreement. Councilmember Petsche said he did not have time to study the original agreement. Mayor Hruby said Council will do what it wishes. However, Mayor Hruby said he has negotiated this agreement for the best outcome he could. Councilmember Redinger said all members received the packets on Friday and Councilmember Petsche should have looked at the packet before Monday. Councilmember Petsche said he looked at the packet Monday night and e-mailed the Mayor to request the original agreement. Councilmember Redinger said the entire packet is available on Google Docs as well. Council President Harwood said if the agreement has been negotiated with Rambus and agreed upon, Council needs to take action to

(Finance Committee, continued)

close the issue.

Council President Harwood said the Mayor has advised that this is the best amount the City will get, and asked if Councilmember Petsche needed to review this with someone else before making a decision. Councilmember Petsche said he is not reviewing with anyone. Council President Harwood said the Law Director has provided his opinion and the Mayor has told Council what he has negotiated. Councilmember Petsche asked if Law Director Matty recommends the agreement. Mayor Hruby said Law Director Matty will have to answer that. Councilmember Redinger asked why Councilmember Petsche suggested to table the issue, a valid reason is needed. Councilmember Petsche said he would like to hear the Law Director's opinion. Council President Harwood said Law Director Matty stepped out of Council Chambers for a moment, and requested Assistant Law Director DiGeronimo to request Law Director Matty return to Chambers to continue the discussion. Council President Harwood advised Councilmember Redinger to table the Finance Committee Meeting and continue the discussion when Law Director Matty returns to Council Chambers.

Mayor Hruby said the original agreement was in the packet and also e-mailed to Councilmember Petsche and it is also available on Google Docs for Council to access.

- Motion by Redinger, seconded by Carouse, to table the Rambus discussion. Seconded by Carouse. Ayes: Carouse, Rose, Redinger. Nays: None. Motion carried 3-Ayes, 0- Nays.

Monthly Bills: Councilmember Redinger said the Monthly Bills have been prepared and submitted for Council approval. Hearing no comments or concerns, Councilmember Redinger moved forward.

- Motion by Redinger, seconded by Carouse, to recommend to Council approval of monthly bills for professional services as follows: Matty, Henrikson and & Greve in the amount of \$6,381.33; Sergio I. DiGeronimo in the amount of \$6,627.50; Kulchytsky Architects, LLC in the amount of 506.25; J Neusser, LLC in the amount of \$2,000.00; and Donald J. Bohning & Associates in the amount of \$17,912.23; and Sixmo in the amount of \$1,575.00. Total of all invoices \$35,002.31. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Motion by Redinger, seconded by Carouse, to adjourn the Finance Committee meeting at 6:50 P.M. Ayes: Carouse, Rose, Redinger. Nays: None. Motion carried 3-Ayes, 0- Nays.

Legislation Committee

Chairperson- Dennis Rose

Committee members - J. Petsche, K. Veras

Chairperson Rose called the meeting to order at 6:50 P.M.

Roll Call – Present: Petsche, Veras, Rose.

Absent- None.

Approval of the March 19, 2019 Legislation Committee meeting minutes. Councilmember Rose requested the completion of a sentence, to reflect Councilmember Rose's action in the Streets and Sidewalks Code discussion of the Legislation Committee minutes.

(Legislation Committee, continued)

Motion by Rose, seconded by Veras, to approve the March 19, 2019 Legislation Committee meeting minutes as revised. Ayes: Petsche, Rose, Veras. Nays: None. Motion carried 3-Ayes, 0-Nays.

Community Improvement Corporation: Councilmember Rose said legislation has been prepared to amend the Third and Eighth Articles of Incorporation for the Community Improvement Corporation. Finance Director Starosta said the changes to the Articles of Incorporation are being made at the suggestion of the Internal Revenue Service (IRS). Finance Director Starosta said the CIC is requesting tax exemption, the IRS recommended the changes to the Articles of Incorporation. Legal Counsel, Thompson Hine has prepared the legislation based on the IRS recommendations. Councilmember Rose asked if the original Articles of Incorporation were prepared by Thompson Hine. Finance Director Starosta said she was unsure who prepared the original documents. Councilmember Petsche said he is not familiar with why the CIC is being called a 501c3, but does not know why the CIC is being considered a 501c3. Mayor Hruby said the IRS is suggesting the change. Councilmember Petsche said, it must be correct.

- Motion by Rose, seconded by Veras, to submit to Council for consideration an Ordinance amending the Third and Eighth Articles of Incorporation of the Community Improvement Corporation. Ayes: Petsche, Veras, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Codified Ordinance Supplement S-27: Councilmember Rose said Supplement-27 to the Brecksville Codified Ordinances has been prepared for Council's approval. The S-27 Supplement includes local legislation current through 11-20-2018 and State Legislation current through 8-2-2018. Councilmember Rose verified the review by the Law Director and Assistant Law Director that the Supplement -27 has been reviewed for compliance with the laws.

- Motion by Rose, seconded by Veras, to submit to Council for consideration an Ordinance enacting and adopting a supplement to the Codified Ordinances of the City of Brecksville. Ayes: Petsche, Veras, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Councilmember Rose said in preparing articles for the City's Bulletin, he would like Councilmember Petsche to forward the e-mail that Councilmember Petsche was reading from regarding a resident's concern over the city's Martin Luther King Jr. holiday hours. Councilmember Petsche replied OK.

Adjournment: Motion by Rose, seconded by Veras, to adjourn the Legislation Committee meeting at 6:55 P.M. Ayes: Petsche, Veras, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Chairperson- Louis Carouse

Committee members- G. Broski, K. Veras

Chairperson Carouse called the meeting to order at 6:55 P.M.

Roll Call – Present: Carouse, Broski, Veras.

Absent: None.

(Safety-Service Committee, continued)

Approval of the March 19, 2019 Safety-Service Committee meeting minutes.

Motion by Carouse, seconded by Broski, to approve the March 19, 2019 Safety-Service Committee meeting minutes as submitted. Ayes: Carouse, Broski, Veras. Nays: None. Motion carried 3-Ayes, 0-Nays.

Rumpke of Northern Ohio for Disposal of Rubbish: Councilmember Carouse said the final year of the three year agreement with Rumpke of Northern Ohio is up for renewal for trash disposal services.

- Motion by Carouse, seconded by Veras, to submit to Council a motion requesting authorization to proceed with the third year renewal of a 3-year agreement, #17-5064, with Rumpke of Northern Ohio for the disposal of rubbish, leaves, recycle, street sweepings and vector debris at the same prices as years 1&2 for the term of April 22, 2019 – April 21, 2020. Ayes: Carouse, Broski, Veras. Nays: None. Motion carried 3-Ayes, 0-Nays.

Thermal Imaging FLIR System: Councilmember Carouse said the Fire Department is requesting authorization to purchase a thermal imaging system. Fire Chief Zamiska said the previous system was purchased 10 years ago. The system is used to detect heat behind walls and is also used for search and rescue. The current unit has been repaired, but the life expectancy of the unit is unknown.

- Motion by Carouse, seconded by Broski, to submit to Council a motion approving a Purchase Requisition in the amount of \$15,975.00 for the purchase of a Thermal Imaging FLIR System from Fire Force, Inc./Eagle Emergency. *Account #C450260 3300*. Ayes: Carouse, Broski, Veras. Nays: None. Motion carried 3-Ayes, 0-Nays./0

Adjournment: Motion by Carouse, seconded by Broski, to adjourn the Safety-Service Committee meeting at 6:58 P.M. Ayes: Carouse, Broski, Veras. Nays: None. Motion carried 3-Ayes, 0-Nays.

Streets & Sidewalks Committee

Chairperson Gerald Broski

Committee members J. Petsche, L. Redinger.

Chairperson Broski called the meeting to order at 6:58 P.M.

Roll Call – Present: Broski, Redinger, Petsche.

Absent: None.

Approval of the March 19, 2019 Streets & Sidewalks Committee meeting minutes.

Motion by Broski, seconded by Redinger, to approve the March 19, 2019 Streets & Sidewalks Committee meeting minutes as presented. Ayes: Broski, Petsche, Redinger, Nays: None. Motion carried 3-Ayes, 0-Nays.

SR 82 Widening Project Update: Engineer Wise reported DiGioia Suburban Excavating was awarded the contract for the project at \$10,023,725.00 Engineer's estimate was approximately \$10.7 Million. This is an ODOT project and ODOT will need to accept the bid. Broadview Heights will hold a meeting April 15th in the Broadview Heights Council Chambers, residents & businesses directly affected, on and off the corridor, will be notified by mail. Councilmember Broski said the

(Streets & Sidewalks Committee, continued)

City of Brecksville is responsible for 30% of the cost of the project, must Council formally accept the bid. Engineer Wise said no. Mayor Hruby said Broadview Heights is managing the project, and the City will reimburse Broadview Hts. for the amount owed by the City. Engineer Wise said the City is responsible for 30% of the un-funded portion of the project, approximately \$1.8 Million. The contractor will need to work some overnight hours. Engineer Wise asked if Council would like information for approval of overnight work on the project. Councilmember Redinger asked how the residents will be notified and who is responsible for those notifications. Engineer Wise said it will go through the Project Manager. Mayor Hruby said he plans on a City e-mail in the near future and will include information in the e-mail.

Engineer Wise said the National Park is requesting Brecksville vacate a portion of Station Road. The City maintains a portion of Station Road for one (1) resident and some utilities. The National Park is hoping to apply for a grant to manage the stormwater on Station Road to fix flooding problems at the train station. The National Park would like to divert the stormwater to the opposite side of the roadway. Engineer Wise does not have a reason to keep the unused portion of the road. Engineer Wise said he believes the National Park will expect the City to prepare all of the plans and filing. Councilmember Redinger asked if the resident will be inconvenienced. Mayor Hruby said no, the resident would not be affected.

Councilmember Petsche said he forwarded photos of bike route and share the lane signs from Pepper Pike and wanted to know if Council would consider signs along Brecksville and Snowville Roads. Council President Harwood said the Police would have to enforce that. Mayor Hruby said as the Safety Director would need to decide if that is possible. Councilmember Petsche said the City of Brecksville does not have a requirement for bikes to stay off sidewalks.

Service Director Weidig said the asphalt plant has opened and the service crews have been working to repair some of the damaged roads.

Councilmember Broski said he will be scheduling a time for the committee to do a visual tour of the roads to determine what additional repairs may be needed for 2019.

Adjournment: Motion by Broski, seconded by Redinger, to adjourn the Streets and Sidewalks Committee meeting at 7:13 P.M. Ayes: Broski, Redinger, Petsche, Nays: None. Motion carried 3-Ayes, 0-Nays.

Utilities Committee

Chairperson: Jack Petsche

Committee members: G. Broski, D. Rose

Chairperson Petsche called the meeting to order at 7:13 P.M.

Roll Call – Present: Petsche, Broski, Rose.

Absent: None.

(Utilities Committee, continued)

Approval of the March 19, 2019 Utilities Committee meeting minutes.

Motion by Petsche, seconded by Rose, to approve the March 19, 2019 Utilities Committee meeting minutes as presented. Ayes: Petsche, Broski, Rose, Nays: None. Motion carried 3-Ayes, 0-Nays.

Chippewa Road & Calvin Dr. Sanitary Sewer Project Update: Engineer Wise said he has received the soil boring reports and have determined the amount of underground utilities will require the location of the sewer to be under the north edge of the pavement. Engineer Wise said if the sewer project and the repaving project is combined it would be easier to complete. If an Urban Paving Grant is accepted for the project, ODOT requires a Construction Manager and the cost of the Construction Manager may be more than the grant award. Engineer Wise said the road will require repaving, and that may be completed as a separate project 1-year after construction is complete to verify all construction issues are addressed and making sure the area has a chance to settle. Engineer Wise said if there are two separate projects, at the end of the sewer project a portion of the road would remain as asphalt until the road project could be done and replaced with concrete. Councilmember Petsche said Engineer Wise said the road will be ground down. Engineer Wise said yes, it may be a year or more before coming back to repair the road. Council President Harwood said the City would be required to hire a contractor to do the road repairs. Engineer Wise said if Urban Paving grants are accepted, ODOT requires a contractor to be hired for the project. Councilmember Broski asked what the cost of the project is. Engineer Wise said \$2.5-\$3 million for the sewer project, the cost of the repaving is unknown at this time, the soil conditions are similar to Riverview Road.

Mayor Hruby asked if the Utility Committee has considered combining the two projects and having the residents assessed for the entire project. Councilmember Petsche said no, it is a public road, why would the City assess the residents. Council President Harwood said Engineer Wise is preparing to do an assessment to pay for the project. Council President said Riverview Road residents were assessed for a similar project. Mayor Hruby said the City has done this type of assessment before. Engineer Wise said by combining the projects, it would create a larger project. Council President Harwood asked Councilmember Petsche if he would assess the residents for the project. Councilmember Petsche said it would not be fair to assess the property owners the entire cost, only a portion of the sewer. Councilmember Petsche said assessing the property owners for a portion of the sewer cost is what would be fair, as it serves their home, the road serves more vehicles. Council President Harwood commented that would then require the entire city residents to pay for the project. Mayor Hruby has not met with ODOT at this time. Mayor Hruby is hoping to negotiate additional funding and the required use of a construction manager as part of the contract for accepting funds. Mayor Hruby asked if Councilmember Petsche is in favor of the City of Brecksville paying for the road paving and the residents paying for the sewer project. Councilmember Petsche said the residents should only be required to pay for a portion of the sewer cost, since that is usually what the City does. Councilmember Carouse said Council had discussed this previously, however Councilmember Petsche's statement is contrary to his previous comments, that the residents should pay the entire amount of the Four Seasons Assessments, since the entire City is not benefitting from Four Seasons. Councilmember Petsche said the deal for Four Seasons was done in 2001 and the City changed the deal because the County did not collect the

(Utilities Committee, continued)

money for the assessment. Councilmember Carouse said the City had not contributed any funding to the Four Seasons project and when this Council agreed to contribute to the Four Seasons project, Councilmember Petsche found that to be egregious. Councilmember Petsche said Four Seasons was a case of first impressions. Councilmember Carouse said Council fully understood the Four Seasons situation, apart from the e-mails being circulated. Councilmember Carouse said the project is no different than what the City will do for S.R. 82 Project or any other project in the City. Councilmember Petsche said the developer requested the assessment, if in 10 years the county did not collect and the City paid the difference that is similar. Councilmember Carouse said he was part of Council when Four Seasons project was done. The project involved many other issues to be constructed and City Council agreed to pick up the balance of the debt since no other funding was given by the City for that project. Councilmember Carouse said the effluent from his house does not flow through Four Seasons sewer or the sewer on SR 82, so why should the city contribute anything. Mayor Hruby said it does not matter when the decision was made, it was when the City was made aware there was a need, and the City determined it should help part of the community. The difference with this is, the City should know the cost of the project upfront and perhaps recommend how much the City should pay. Mayor Hruby said when the discovery was made of the problem with the Four Seasons Project, the solution was determined to help was made at that point. The overall cost was unknown for the Four Seasons, the project was initially to be paid by the contractor. Mayor Hruby said the project then required blasting, issues with the road and underground rock. What was expected to be a \$1 million dollar project became a \$3 million dollar project. That is why the Four Seasons project became an assessed project. Mayor Hruby said he will continue to negotiate with ODOT to keep the Chippewa Road Calvin Dr. Sanitary Sewer and Road projects together. If the Committee does not want those projects combined, Mayor

Hruby said to let him know. Councilmember Petsche said the Committee would like to help the residents on SR. 82 and Calvin Dr. and will look forward to seeing the costs.

Adjournment: Motion by Rose, seconded by Broski, to adjourn the Utilities Committee meeting at 7:30 P.M. Ayes: Petsche, Broski, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Finance Committee: Motion by Redinger, seconded by Carouse, to reopen the Finance Committee meeting at 7:30 P.M. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Rambus Settlement & Mutual Release: Councilmember Redinger said Councilmember Petsche had concerns regarding the Rambus Economic Incentive Agreement (EIA) and suggested tabling the agreement. Councilmember Petsche asked Law Director Matty if he believes the settlement should be accepted at \$115,000.00 or should the City seek additional funds. Law Director Matty said the company was meeting and exceeding the EIA by hundreds of thousands of dollars. Through a purchase agreement of the company, the company found they were in violation of their EIA. Through a settlement agreement, the company has exceeded the total commitment by \$500,000.00 + the \$115,000.00. Law Director Matty said he felt the way the Company acted toward the City and agreeing to \$115,000.00 was more than he would have expected. Asking for

(Finance Committee, continued)

the entire amount returned would have been against what the City stands for. Law Director Matty said he feels this is a very good deal for the City. Councilmember Petsche thanked Law Director Matty and will vote for the agreement when it comes to the Council floor.

Councilmember Redinger asked for further comments:

Mayor Hruby said he does not know how Council will vote on this matter. It is Council's decision and he will accept whatever Council decides. However, he does not want to read in the newspaper that Mayor Hruby forced Council to agree to this. Mayor Hruby said he said the same thing that Law Director Matty said, there must be a matter of distrust between Councilmember Petsche and Himself. Council President Harwood said he had a discussion with Councilmember Petsche today and Councilmember Petsche agreed that it was probably a good deal and Council should avoid litigation with Rambus. Councilmember Petsche said that is true but he did not have a chance to read the original agreement. Councilmember Petsche said he respects Mayor Hruby and his concerns should have no reflection on the Mayor. Councilmember Redinger reminded Councilmember Petsche meeting packets are received on Friday before a Tuesday meeting. Councilmember Redinger asked that Councilmember Petsche read the information and if there are any questions or missing information, it may be addressed before the meeting. Councilmember Petsche said he e-mailed the Mayor at 11:00 P.M. and requested a copy of the original agreement, that is was not provided to Council. Council President Harwood said the agreement was provided and all Councilmembers agreed it was in their packets. Council President Harwood said all documents are also available on Google Docs. Mayor Hruby said an electronic copy was also sent to Councilmember Petsche. Councilmember Petsche said he also had a very busy day and was unable to read the document. Mayor Hruby said it is not the fault of the Mayors Administrative Assistant and Council Clerk's fault of a document is not read. Mayor Hruby said the amount of paper to prepare packets is very large, perhaps Council will go back to electronic packets. Councilmember Redinger said we will discuss this issue at a later time.

Councilmember Rose said he is fine receiving electronic information for the packets and will begin using Google Docs. Councilmember Rose asked Councilmember Petsche to stop creating false information on social media regarding City Council. Councilmember Rose said Mayor Hruby and Council President Harwood worked to put together the presentation on TIF's (Tax Increment Financing) and Councilmember Petsche's Facebook account said Council was having a meeting about I-77. Council President Harwood said people were in attendance because they thought the farm would be discussed because of the postings. Councilmember Rose asked Councilmember Petsche to stop posting incorrect information, Council is dealing with very important projects and does not need to be dealing with someone posting incorrect information. Councilmember Petsche said he does not know what Councilmember Rose is asking him to stop doing. Councilmember Rose said he would like him to stop posting misinformation. Councilmember Petsche said when TIF's were previously discussed, the I-77 interchange was discussed. Council President Harwood said this meeting was in response to Councilmember Petsche's request to know more about what a TIF is. Councilmember Petsche thanked President Harwood for that. Councilmember Petsche asked if a TIF is considered, will he interchange not be part of it. Council President Harwood said it is not known what projects would be included if a TIF is proposed. Council President Harwood
(Finance Committee, continued)

said Councilmember Petsche has been in attendance when Engineer Wise has presented information on the studies. The I-77 Interchange is not even a project at this time.

- Motion by Redinger, seconded by Rose, to submit to Council for consideration, a Resolution authorizing a settlement agreement and mutual release with Rambus Inc. regarding an economic Incentive agreement. Ayes: Carouse, Redinger, Rose. Nays: None. Motion carried 3-Ayes, 0-Nays.

Adjournment: Motion by Redinger, seconded by Carouse, to adjourn the Finance Committee meeting at 7:41 P.M. Ayes: Carouse, Rose, Redinger. Nays: None. Motion carried 3-Ayes, 0-Nays.

/tt

cc: Members of Council,
Mayor Jerry N. Hruby,
Law Director D. Matty,
Asst. Law Director
S. DiGeronimo,
Engineer G. Wise,
Department Heads