

MINUTES OF COUNCIL MEETING
CITY OF UNIVERSITY HEIGHTS
JANUARY 18, 2011

Mayor Infeld called the regular meeting to order at 7:33 p.m.

Roll Call: Present: Ms. Frankie B. Goldberg
Mr. Steven D. Bullock
Mr. Kevin Patrick Murphy
Mr. Frank Consolo
Mr. Steven Sims (not at roll call)
Mr. Phillip Ertel
Mrs. Susan D. Pardee

Also Present: Clerk of Council Nancy E. English
Law Director Kenneth J. Fisher
Finance Director Jennifer L. Esarey
Chief of Police Gary Stehlik
Fire Chief John Pitchler
City Engineer Joseph R. Ciuni
Senior Services Manager Walter Stinson
Service Director Robert Jamieson

MOTION BY MS. GOLDBERG, SECONDED BY MRS. PARDEE to excuse the absence of Mr. Sims. On roll call, all voted “aye.”

Pledge of Allegiance

Minutes of the regular meeting held on January 4, 2011

There were no corrections or additions to the minutes of January 4, 2011.

MOTION BY MRS. PARDEE, SECONDED BY MR. CONSOLO to approve the minutes of the regular meeting held January 4, 2011. On roll call, all voted “aye.”

Comments from the Audience:

Sheila Hubman, 2528 Ashurst Rd., thanked Acting Service Director John Pucella for his hard work and efforts during the interim time between Service Directors. Mrs. Hubman noted that it seemed like a seamless transition – noting that the leaves were picked up, the snow was removed, and her sewer issue was handled extremely well.

Reports and Communications from the Mayor and the taking of action:

In lieu of presenting reports and communications, Mayor Infeld presented the State of the City Address under agenda item “A.”

Agenda Items:

The agenda was taken out of order as item “B” was considered first, but for the purpose of these minutes the agenda items are denoted in proper order.

Mr. Sims entered the meeting at 7:38 p.m.

A. State of the City Address by Mayor Infeld

Mayor Infeld presented the State of the City Address, dated January 18, 2011, which is attached hereto.

B. Appointment of Rob Jamieson as Service Director and Oath of Office

Mayor Infeld announced that Mr. Robert Jamieson was appointed as Service Director effective January 18, 2011. She then administered the oath of office to Mr. Jamieson.

C. Reappointment of Walter Stinson as Senior Services Manager

Senior Services Manager Walter Stinson reported that, in light of the Mayor's instructions, he has made an effort to provide informative programming on Thursday afternoons at the University Heights Public Library in order to encourage senior citizens to take part in community activities which they might find enlightening, enjoyable, and educational. Councilman Ertel commented that the schedule of events for the senior gatherings have been exceptional. He added that he has wished some of the presentations were held after business hours so he could attend.

Councilman Consolo inquired if there are any other plans for seniors activities. Mr. Stinson replied that there are no plans for expanded programming at this time. Mayor Infeld mentioned that Mr. Stinson still does some counseling for residents with senior issues. She commented that there is a proclamation ceremony planned for 5:00 p.m. on Friday, January 21, 2011 at the home of a 104 year old resident of Traymore Road, who is believed to be the oldest living resident in the city.

Vice Mayor Goldberg inquired if there is any way to expand the number of attendees at the senior gatherings. Mr. Stinson noted that the schedule of events has been included in the city newsletter, in the Sun Press, posted at the library and on the City's website page. He suggested that the CityWatch communication system could possibly be used also. Vice Mayor Goldberg mentioned that he might get better participation if some of the programs were at night. She also suggested that the programs be taped and put on the website or cable. Mayor Infeld noted that the video taping service is very expensive. Councilwoman Pardee agreed that it would be a good idea to put the programs online. She suggested that Mr. Stinson contact Jeff Glass, who runs the multi-media classes at Cleveland Heights High School because he may be willing to come with a class and videotape the program(s) to be streamed on the web.

Vice Mayor Goldberg asked the Mayor if questions on the resident survey would be geared toward seniors in terms of programs that they would like to see. Mayor Infeld responded that the survey questions will address existing services, but she will contact the person developing the survey to see if it could be added.

Councilwoman Pardee inquired if Mr. Stinson gets a lot of calls from seniors. Mayor Infeld replied that a lot of calls do come in and most are handled at City Hall, but the unique situations are referred to Mr. Stinson.

MOTION BY MR. ERTEL, SECONDED BY MR. BULLOCK to reappoint Mr. Stinson as the Senior Services Manager. On roll call, all voted "aye."

D. Presentation about the TIF repayment plan by Virginia Benjamin of Calfee, Halter & Griswold

Law Director Kenneth J. Fisher reported that Mayor Infeld, Ms. Benjamin and he will attend a meeting on January 19, 2010 with the Board of the Cleveland-Cuyahoga County Port Authority. He mentioned that they attended the Economic Development Committee meeting last week, and it appears that everything will be able to move forward. Mr. Fisher turned the floor over to Ms. Benjamin to explain the status of the proposed agreement.

Ms. Virginia "GiGi" Benjamin stated that they are close to working out an agreement with all parties related to the repayment of amounts due under the TIF documents. The first item that needs to be corrected is the 2008 service payment which was not turned over to the bond trustee in the amount of approximately \$2M, of which, \$500K has been paid. The second is the rollback payments which were not paid to the bond trustee in calendar years 2003, 2004 and 2005 for tax years 2002, 2003 and 2004. Ms. Benjamin noted that the City entered into an agreement in 2005 with respect to those payments whereby they were to be paid over a seven-year period; however, the payments were not made. The third item is that there were payments due to the Cleveland Heights-University Heights City School District that were not paid to the School District, but are being held by the bond trustee. They are proposing to pay these funds.

Ms. Benjamin noted that she drafted an agreement (currently on draft six), but it has not been presented to the Council because she does not have everyone's comments. She noted that after comments are received from the School District's attorney, a final draft will be distributed to the Council for its consideration.

The draft agreement amends three (3) documents: 1) the Cooperative Agreement entered into among the City of University Heights, the Cleveland-Cuyahoga County Port Authority and Starwood Wasserman (former owner of University Square); 2) the TIF Agreement entered into among the City of University Heights, the Cleveland Heights-University Heights City School District and Starwood Wasserman; and 3) the Memorandum of Understanding from 2005 entered into among the City of University Heights, the Cleveland-Cuyahoga County Port Authority and Starwood Wasserman.

Ms. Benjamin noted that the bond trustee has acknowledged the agreement as well as the administrator of the Cleveland-Cuyahoga County Port Authority, on whose numbers everyone is relying on for the resolution of this issue. She noted that the City has acknowledged that the 2008 payment was not made in the timely manner, that the City has paid \$500K and agreed that the balance of \$1,496,927.38 would be paid over within ten (10) days after the execution of the agreement. It was also acknowledged that the monies held by the trustee in the amount of \$2,361,315.79, which represents monies generated by new voted levies for the School District, will be paid over to the Cleveland Heights-University Heights City School District within ten (10) days after the execution of the agreement.

Further, Ms. Benjamin explained that any surplus at the end of the year should have been paid to the School District, but were never paid. It has been suggested that the amounts which they are currently holding be retained for one year to make sure that there is enough money to pay the debt service on bonds and the surplus, if any is generated next year, would be paid to the School District in addition to any new levy money. They have also suggested modifying the agreement to the extent that if the City has to refund money as a result to changes in tax valuation, as it relates to University Square, that money is credited to the City. In addition, a new seven-year schedule for the repayment of the rollback payments is proposed. The agreement also includes a waiver and release with everybody agreeing that this is what happened, here are the monies that we are paying to bring everything up to date, and everyone agrees to move forward from here, but that there are no prior monies that are due and owing. Ms. Benjamin stated that is why she suggested that the City not make the payment until the document is signed so that it includes a full release by the School District and the Port Authority to the City.

Ms. Benjamin stated that comments have been received from the counsel of Inland Western, the trustee and the Port Authority. Although there have been talks with the School District, comments have not been received to date. They expect the treasurer of the School District to be at the Port Authority Board meeting in support of the proposal. Ms. Benjamin stated that the Port Authority's Economic Development Committee approved the draft of the agreement and proposal. She talked the Port Authority out of having the City indemnify them. Mr. Fisher noted that \$4M (10% of the proceeds) is being held in a fund by the trustee bank until the bonds are paid. In addition, Mr. Fisher pointed out that there is also an acknowledgment that there is no default on the bonds as part of the agreement.

Ms. Benjamin anticipated a successful resolution of the agreement. She added that barring any unforeseen circumstances, when she receives comments from the school board, she should have a final draft of the agreement for the Council's consideration at the next Council meeting. Mr. Fisher noted that an ordinance will be prepared and submitted to Council for its consideration at the next regular meeting on February 7, 2010. He added that the documents will be attached to the ordinance in execution form.

Councilman Sims asked for clarification as to why the bond trustee is holding the \$2.3M which is due and payable to the School District. Ms. Benjamin explained that under the terms of the original TIF agreement entered into in April of 2001, any revenue generated by levies passed after that date with respect to the University Square project were to be paid to the School District so that the service payments in lieu of taxes were based on the tax rate in effect in April of 2001. She noted that those district additional levy payments were to be paid over to the School District, which was never done. Ms. Benjamin noted that the trustee did not raise an issue about the funds nor did anyone direct the trustee to turn the monies over to the School District. Mr. Sims inquired if the monies are in a separate trust account. Ms. Benjamin replied that the funds are not segregated; they are in a service payment revenue account held by the trustee. She added that the documents provide that the City shall direct the trustee where to put the monies, which never happened. Councilman Sims asked for suggestions on how the City can keep track of and ensure that it is executing all of its legal obligations under the various contracts and agreements. He was concerned that yet another set of documents will be executed and the Council will have no way of knowing if those terms of the agreements are being carried out.

Mr. Fisher explained that many of the issues should have been flagged by the advisor, which never happened. He noted that the original advisor of the Port Authority, Keenan Rice of Muni Financial, was replaced by Argus. Mr. Fisher added that Argus discovered the problem and immediately brought it to the City through Ms. Benjamin, and the administration has responded. Mr. Fisher further explained that the documents are complicated, but the obligations are clear. He mentioned that the reason the Port Authority has an advisor is to make sure that the obligations are met. He noted that Argus will review the entire portfolio to make sure that what was missed in University Heights was not missed on other bonds issued by the Port Authority. Mr. Fisher added that they have worked closely with Julie Burkhart of Argus to ensure that all the numbers are accurate. He added that Argus and Julie Burkhart have been very helpful in terms of getting to the point of having documents to present to the Council. Mr. Fisher could not say why things which were suppose to happen did not happen. But, he noted that the safeguards which were in place did not work.

Councilman Sims asked if the new documents addresses situations whereby there is reduction in real estate valuation. Ms. Benjamin replied that it does and explained that the way the agreement is structured the additional levy payment go off the top to the School District. Then the money goes into a debt service fund and is used to pay debt service. Any surplus at the end would go to the School District up to the amount it would have received if the TIF did not exist. Ms. Benjamin noted that a provision has been added to the agreement that the amount that goes to the School District can be reduced if the City over paid in the past because valuations were higher and have since been lowered. She noted that even though the attorney for the School District understood the position, but he did not say they agreed to that provision. The attorney was also concerned about the reduction in value of the properties.

Councilman Consolo stated that he remembers a conversation with former Finance Director Arman Ochoa in 2008 in which he questioned why the City was carrying the \$2M surplus in the TIF Fund. The response was that there were commercial properties appealing the valuation back to 2005 and they were successful. Therefore, he was holding the money because it did not need to be turned over to the trustee yet. Mr. Consolo stated that he is not convinced that the City owes the \$2M.

Councilman Consolo mentioned that he asked two things at the last meeting where this matter was discussed. The first being to inquire into whether the balance the City is holding was because of the changes in the valuation of the properties. The second being a letter was to be sent to the auditor requesting that they get involved in this matter. Ms. Benjamin stated that she sent a letter to the auditor. Mayor Infeld stated that there have been many conversations with the auditor and they are in the middle of this process. However, she noted that the nice thing about the restructuring is that these types of issues will be built into the agreement. Mayor Infeld added that by bundling items together it will get rid of the outstanding \$1.5M that is pending and the \$420,000 that they are hoping the Port Authority Board will agree to allow the City to push forward seven years. The new agreement is a mechanism whereby the administrator in consultation with the County Auditor's Office will on a regular basis be checking the valuation, especially the ones that have gone through the Board of Revision. Mr. Consolo reiterated that he is not sure the City owes the money because of the reduction in valuation. He noted that at the last meeting the Council was told that the City had to repay \$158,321.37 in real property taxes for the Macy's property. He added if that money was sent to the trustee, it is owed back to the City. Councilman Consolo stated that he had asked for someone to interview the former Finance Director or his attorney to get an explanation. He inquired if that happened. Mr. Fisher replied that it did not. Ms. Benjamin stated that the City's contractual obligations were clear that being the City was to turn over the amounts received as service payments from the County Auditor.

Mr. Fisher stated that Councilman Consolo's point is valid in that the City has to refund almost \$200,000 from the last tax collection and a good part of that relates to University Square so in essence when does that reconciliation take place and when does the City get credit with the trustee for money that the City may have paid that now has been, in part, subject to refund. Ms. Benjamin stated that it will be subtracted from any surplus that would go to the School District next year. Ms Esarey stated that she is currently working with Ms. Burkhart in reviewing the Macy's appeal to the Board of Revision. She noted that they are attempting to assess what part of the \$158,321.37 that the City owes should have been taken out of the TIF money and not the General Fund. She added that hopefully the City should not have that much to owe back to the County.

Councilman Consolo stated that he will not be able to weigh in on any agreement until his questions are answered. He suggested that the answers be presented prior to the Council being asked to consider the agreement. Mr. Fisher stated that there has to be a mechanism when the City is subject to refund based on reduction of property value to be credited against money that the City paid.

Ms. Benjamin stated that her goal is to have an agreement that meets everyone's needs. She commented that the Port Authority Board is approving an agreement in substantially this form with such changes that are not adverse to the Port Authority. She added that there is room to revise the agreement after the Port Authority Board approves it. The Board of Education will have to approval the agreement as well as Council. Mr. Fisher stated that the other aspect is the obligation with the annual payment in lieu of taxes that the City receives from the County and are duty bound within ten (10) days to remit to the bank trustee, which could be adjusted based upon refunds. Ms. Benjamin agreed and pointed out that is why the mechanism was built-in to have the surplus, if there is one, to go back to the City rather than going to the School District to make up for any shortfall payments.

Mr. Consolo inquired if the City was to be the intermediary between the trustee and the School Board with regard to the \$2.3M. Ms. Benjamin confirmed that it is. Then, Mr. Consolo asked if the \$2.3M surplus in the City's TIF account could be the payment that is waiting to be paid to the School Board. Ms. Benjamin replied no that the \$2.3M was calculated based on new levy millage from the time new levies were enacted based on the property tax values in effect in 2005. Mr. Consolo suggested that there might have been a keeping of a surplus to anticipate that. Mrs. Benjamin commented that may have been, but was not sure why the money was not turned over. Mr. Consolo pointed out that \$500K was sent to the trustee when there are still questions and perhaps it was not necessary. He added that perhaps the City was holding that money to give to the School District and requested clarification. Ms. Benjamin reiterated that the contractual obligation was to send the money to the trustee.

Mr. Consolo requested that a copy of the letter sent to the auditor and the responses be given to Council. Mr. Fisher will forward the material to the Council. He added that the Finance Director is working with the County Auditor's Office and Argus to determine exactly what amount on the refund is attributed to University Square. Councilman Consolo understood that they are working on the issue, but the Council had asked that there be a fresh set of eyes in the form of the State Auditor. Ms. Benjamin noted that she did not write to the State Auditor, she wrote to James G. Zupka, who performed that City's audit. Mr. Fisher stated that he did not write to the State Auditor either, but the contract with James G. Zupka is through a contract with the State Auditor.

Councilman Bullock inquired if there is a legal reason as to why the former Finance Director has not been questioned. Mr. Fisher replied that Mr. Ochoa has been charged criminally on other matters, and he would have to talk with the Prosecutor to determine how to handle that through his attorney.

Mayor Infeld commented that Councilman Consolo had a conversation with Mr. Ochoa and perhaps that conversation was based in fact and 100% accurate and perhaps it was not. She noted that at the point where the City is at right now, every party involved has attorneys and financial analysts looking at the situation so she thinks they are almost there. She added that the \$200K to be allocated for the payback was actually a conservative way to financially plan for this situation. Mayor Infeld added that there will be a mechanism built into the agreement to address this and School Treasurer Scott Gainer will be notifying the City regarding information from the Board of Revision about properties that go before the Board asking for a revaluation. Ms. Benjamin noted that the Port Authority, Inland Western, and the bond trustee have been very cooperative and she has no reason to believe that the School District will not help to finalize the agreement.

Ms. Esarey stated that when she talked to James Zupka's office based on Ms. Benjamin's letter, the major issue that was discussed was that the statements presented were not materially misstated in any way because of the City not remitting the approximate \$2M because it was segregated in its own fund as a type of a liability. She added that because of the non-material misstatement that is why new statements were not generated and, at the same time, the City will be audited by the State for 2010 and that can be a notation in the audit. Councilman Consolo stated that the only problem is that Ms. Benjamin has said the City was contractually obligated to make the payment, and Mr. Zupka ignored that fact. Mr. Consolo could not believe the City went back to him for further advise. He added that if there is a contractual arrangement the auditor is suppose to make sure the City follows the contract. Ms. Benjamin agreed and apologized for misunderstanding what the Council wanted.

Councilman Sims stated that he understands the concern expressed by Councilman Consolo with regard to the entire issue. He added whether or not the City owes the money is a valid question as are the other questions very legitimate. However, he believes there has been enough eyes on this issue and that it probably has been resolved the way it should be resolved. Mr. Sims commented that he hopes when the agreement is finalized it will be an agreement that the City can stay in compliance with by some monitoring process.

Mr. Sims noted that the response which Mr. Zupka gave was a response to cover himself. He added that all auditors are held responsible for not issuing statements or opinions in a situation where there would be a material misstatement so course he would say there is nothing material about what happened. Councilman Sims appreciated everyone's efforts on the issue.

Councilman Bullock hoped that the agreement can be supported and understood by everyone, especially the people who have to administer it because he feels different interpretations and a lack of understanding has been a part of the problem. Ms. Benjamin stated that she did not start over by redrafting all the documents, but rather she amended the particular sections that were affected by the issues. She is trying to make it as easy an amendment as possible. Mr. Benjamin stated that after the agreement is finalized, she will sit down with the Finance Director and the administrator to develop a schedule of what is to happen when and to make the schedule accessible to the Finance Director's successors. Mr. Bullock agreed that if there is a process in place there is no reason for this type of situation in the future.

Vice Mayor Goldberg stated that there is frustration because now the city has to pay for the malfeasance from 2001 and 2005 when the City was obligated to pay the seven-year payments. She commented that the malfeasance that went on with the contracts between the administrator, the trustee and the Finance Director is unacceptable. Vice Mayor Goldberg pointed out that there should not have been anything for the new administrator to uncover because there were written, signed agreements in place.

Mayor Infeld thanked Ms. Benjamin for attending the meeting and mentioned that she will let the Council know how the meeting goes with the Port Authority.

E. Continuation of appeal to the Board of Zoning Appeals' decision of December 8, 2010 by Mr. Robert H. Weizman, 4394 Groveland Rd., regarding the revocation of a 5ft. front setback variance

Mr. Robert Weizman was present with his attorney Mr. Fred Schwartz and Mr. Thomas Hall of Thomas Hall Construction Company to continue the appeal to the Board of Zoning Appeals' decision of December 8, 2010 to revoke the 5ft. front setback variance required in order to construct a front vestibule. This item was continued at the Council meeting of January 4, 2011 upon the conditions that Mr. Weizman return to this meeting with a contract with a bonafide contractor, who is registered with the City, to address the vestibule issue and perhaps other issues related to completion of the structure at 4394 Groveland Road.

Mr. Schwartz stated that Mr. Weizman has hired a contractor, Thomas Hall Construction Company, and the contract was presented to the Law Director at this meeting. He added that the contractor has purchased a bond and placed said bond with the City and a permit has been taken out by the contractor. Mr. Schwartz also noted that under the contract the work shall commence on January 24, 2011 and shall be completed no later than February 24, 2011. If the contractor fails to complete the work by the specified date, he shall pay the property owner \$50 per day until the work is completed. Since the conditions established by the Council had been fulfilled, Mr. Schwartz asked the Council to extend the 5ft. front setback variance required in order to continue construction of the front vestibule.

Mr. Fisher noted that access was granted to the interior of the dwelling. Mayor Infeld reported that Housing Inspectors Gil Pace and Shawn Kelly toured the interior of the dwelling and noted an absence of smoke or fire detectors. She noted that the building department will continue its inspection process in terms of the interior and follow the normal channels. Mayor Infeld warned Mr. Weizman that if the time limit is exceeded on any permit, a violation notice will be filed and he will be referred to court. Mr. Schwartz mentioned that there are inspections scheduled for February 2, 2011 and they will continue until completed.

Mr. Fisher stated that the City wants to work with Mr. Weizman and his attorney to bring closure to the situation and for the renovations to be completed in a timely manner. With regard to the vestibule, Mr. Hall stated that he will complete the foundation, install the door, siding and windows in the one month time period.

Mr. Sims inquired if an escrow has been established for the project because he does not have the confidence that the project will be completed the way it should or in the time frame stipulated. He added that a great amount of consideration has been given to the project over time and it is a nuisance to the community, especially the surrounding neighbors.

Mr. Fisher inquired if an escrow account was established on the point of sale violations when the property was purchased. Mr. Weizman responded that there was an escrow account, but all the point of sale violations were corrected. Mr. Schwartz stated that a \$10,000 contractor's bond was posted with the City. Therefore, in the event there is an issue with the construction, the City could use the bond to complete the project.

Mayor Infeld stated that the Building Commissioner's recommendation was to require a tight time frame of approximately two (2) weeks. However, he was unaware of the signed contract that extends the time frame to four (4) weeks. She noted that he was also concerned about the eyesore to the neighbors if the vestibule had to be taken down.

Councilwoman Pardee commented that it is unfortunate that the situation has gone on for so long and affected the neighbors the way it has, especially since the vestibule is attractive and adds to the appearance of the house. Mrs. Pardee inquired if Mr. Hall will perform the work during standard construction hours and clean up the site after construction. Mr. Hall replied that he will maintain standard construction hours and clean up the site.

Vice Mayor Goldberg inquired if only the vestibule is to be completed by February 24, 2011 or other work as well. Mr. Hall responded that the vestibule is to be finished by February 24, 2011, but there is a possibility that the work could be completed sooner. Following a question from Vice Mayor Goldberg, Mr. Hall noted that payment from Mr. Weizman is due in full upon completion.

Councilman Ertel inquired as to what will happen if the work is not completed by February 24, 2011. Mr. Fisher stated that through the contractual remedy, the contractor will be assessed \$50 per day. Mr. Consolo noted that if the work is not complete by February 24, 2011, the City could ask that the bond be paid in order to use the money to complete the work. Mr. Fisher mentioned that the City could make a claim against the bond if the work is not done, but there is a process, it is not paid automatically. Mr. Hall stated that he has had a license in University Heights for several years and the work will be done.

MOTION BY MR. CONSOLO, SECONDED BY MR. ERTEL to grant Mr. Robert Weizman's appeal for a 5ft. front setback variance contingent upon the vestibule project being completed and inspected by February 24, 2011 as stated in the contract between Robert Weizman and Thomas Hall Construction Co., dated January 18, 2011, and if not so completed the 5ft. front setback variance would be vacated. On roll call, all voted "aye," except Mr. Sims, who voted "nay."

F. Ordinance No. 2011-02 Amending Section 1270.01(d)(3) of the Codified Ordinances by repealing the durational time limit of political signs

Ordinance No. 2011-02 amends Section 1270.01(d)(3) of the Codified Ordinances by repealing the durational time limit of political signs.

Councilwoman Pardee reported that the amendments to Ordinance Nos. 2011-02, 2011-03, 2011-04 and 2011-05 takes the temporary language out of the political sign ordinances. She recommended that all four (4) ordinances be placed on first reading. Mr. Fisher advised that the ordinances could be presented on two readings and still be adopted on emergency at the second reading. He added that the ordinances have been amended to make sure that political signs are treated in the same manner as other signs per the First Amendment to the United States Constitution.

Ordinance No. 2011-02 was presented on first reading.

G. Ordinance No. 2011-03 Amending Section 1270.02(b) and (c) of the Codified Ordinances by allowing political signs in U-1, U-2, and U-4 Residential Districts

Ordinance No. 2011-03 amends Section 1270.02(b) and (c) of the Codified Ordinances by specifically allowing political signs in U-1, U-2, and U-4 Residential Districts.

Ordinance No. 2011-03 was presented on first reading.

H. Ordinance No. 2011-04 Amending Section 1270.03(a)(2) of the Codified Ordinances by excluding political signs from permit application procedures

Ordinance No. 2011-04 amends Section 1270.03(a)(2) of the Codified Ordinances by specifically excluding political signs from permit application procedures.

Ordinance No. 2011-04 was presented on first reading.

I. Ordinance No. 2011-05 Repealing Section 1270.11(a)(1) of the Codified Ordinances by excluding political signs from the temporary sign requirements

Ordinance No. 2011-05 repeals Section 1270.11(a)(1) of the Codified Ordinances by excluding political signs from the temporary sign requirements.

Ordinance No. 2011-05 was presented on first reading.

J. Ordinance No. 2011-06 Amending Section 2 of Ordinance No. 2009-16 by amending the annual compensation rate of the Service Director

Ordinance No. 2011-06 amends Section 2 of Ordinance No. 2009-16 by amending the annual compensation rate of the Service Director at \$70,000.

MOTION BY MR. ERTEL, SECONDED BY MR. SIMS to approve the passage of Ordinance No. 2011-06. On roll call, on suspension of rules, all voted “aye.” On roll call, on passage, all voted “aye.”

K. Motion to hold an executive session immediately following this regular meeting for the purpose of discussing personnel, litigation and real estate matter

MOTION BY MRS. PARDEE, SECONDED BY MR. CONSOLO to hold an executive session immediately following this regular meeting for the purpose of discussing pending litigation and the purchase of real estate. On roll call, all voted “aye.”

Directors' Reports:

Finance Director Jennifer Esarey reported that she is preparing for the audits. The GAAP conversion which is being performed by Ciuni & Panichi C.P.A., Inc. will start this month. The first portion of the annual audit, which is being performed by the State Auditor's Office, will be an IT audit to begin on February 8, 2011. Then the actual audit will follow.

Ms. Esarey stated that 136 applicants applied for the accounting analyst position. The first round of interviews will be held on January 18, 19, and 20, 2011.

Chief of Police Gary Stehlik reported that the member chiefs of EDGE have accepted applications for commander of the SWAT Team and will be conducting interviews this week. They also began discussions on other efforts to expand on the cooperative efforts, such as a fatal accident unit that will service the five (5) cities. The cities will pool their resources and experts. Chief Stehlik mentioned that the group will meet with the Mayors of the five (5) cities to finalize the agreement.

Councilman Bullock asked if the commander of the SWAT Team will be someone who is currently on staff at one of the member city departments. Chief Stehlik replied yes; they received applicants from three (3) of five (5) departments. He added that the collective team is smaller than the five (5) individual teams, therefore, each of the departments will be reducing staff.

Fire Chief John Pitchler, in response to a question from Councilman Sims, reported that the fire pumper truck should arrive by the end of February or the first week of March. He should have the exact date by the end of the week.

Service Director Robert Jamieson thanked the Mayor and Council for the trust placed in him as the new Service Director. He looks forward to working with everyone and extended an invitation to everyone to contact him with questions or concerns. Mr. Jamieson stated that he will be formulating his action plan within the few of weeks.

Committee Reports:

Finance Committee Chairman Steven Sims reported that list of Finance Committee meetings relating to the budget review are incorporated in the upcoming meetings list. The committee will meet on the following Thursdays at 7:00 p.m. in Council Chambers: February 10, 2011, February 17, 2011, February 24, 2011 and March 3, 2011.

Governmental Affairs Committee Chairman Susan Pardee reported that a Governmental Affairs Committee meeting is scheduled for Monday, January 24, 2011 at 7:00 p.m. in Council Chambers. The Master Plan will be reviewed at that meeting and possibly the NEO|SO Exceptions Analysis, time allowing. She invited all members of Council to attend. Mrs. Pardee mentioned that the meeting may be moved to the Board of Education building in order to utilize technological equipment, but proper notice will be given if the move is to occur.

Recreation Committee Chairman Kevin Patrick Murphy reported that a Recreation Committee meeting is scheduled for February 15, 2011 at 7:00 p.m. in Council Chambers.

Service and Utilities Committee Chairman Phillip Ertel reported that he will meet with the new Service Director to exchange their respective visions.

Mr. Ertel announced that dates will be circulated this week for a series of three (3) Service and Utilities Committee meetings to address the rubbish study. He invited all members of Council to attend as well as the public to offer input.

There being no further business to discuss, the meeting recessed into executive session. Following the executive session, the meeting was adjourned.

Susan K. Infeld, Mayor

Nancy E. English, Clerk of Council