

**The Village of Walton Hills**  
**Committee of the Whole Meeting**

Date: May 9, 2017

Time: 6:00 PM

Location of Meeting: Council Chambers

The roll call was taken. Present: Councilpersons Denny Linville, Mary Brenner-Miller, Paul Rich, Gloria Terlosky, and Don Kolograf. A motion was made to excuse Councilman Brian Spitznagel from the May 9, 2017, Committee of the Whole Meeting, seconded by Councilman Linville. No questions or comments, and five ayes approve.

Item C – Persons having business before council. At this time, Mayor Hurst gave the opportunity for anybody who has any questions or comments of Council or himself to please come forward, speak into the microphone, and give their address and their name. Josephine Wartl, 17850 Egbert Rd., Walton Hills, wants to make a comment to thank the Mayor and Council on behalf of the Citizen League for affording them the wonderful facility. All of the vendors were impressed with it, and all the attendees who came to buy merchandise also were very impressed with the facility. Ms. Wartl expressed that we are very fortunate and extended her thanks.

Denny Harkai, 7120 Hickory Dr., Walton Hills 44146, resident of Walton Hills, would like to get the Walton Hills International Raceway a new paving job. It really needs to be done. Mr. Harkai expresses that he does not know if Paul has his camera with him with the pictures that he took of it, and asked if he does, to turn it on and pass it around. The raceway is in bad condition and cannot be used the way that it is right now. Some of the cracks are bigger than the wheels on the racecars, and some of the bumps are so big that they shoot the cars into the walls. Mr. Harkai has done some research. He introduced two bids, one from Empire Paving and one from Buckeye Surface Maintenance. Empire can do the job for \$9,250, and Buckeye for \$13,345. Mr. Harkai expressed that he realizes this is a difficult time to ask Council for money after the levy failed. Mayor Hurst asked Mr. Harkai if Council can take it under consideration so not to go back and forth. If Mr. Harkai asks his question, then Council will make their comments under Other Business at the end. Councilman Kolograf stated they have a lot of things to consider and he probably would not give an answer in a week or so. Councilman Kolograf has read Mr. Harkai's emails and knows what the concerns are. Council will take this under consideration, but at this time the issue is not at the top of the Council's agenda. Councilman Kolograf stated Council will have a roundtable discussion and talk about the budget and see what they can do to have the littlest impact on the residents and the Village but also get the budget in line the best they can. Mr. Harkai expressed that he is not sure if he is better off to ask for \$10,000 to fix the racetrack or to ask for \$50,000 to fix the racetrack, the tennis courts, and the basketball courts because all three of those things are in bad shape and need work. Mr. Harkai appealed to Council to do something with all of those facilities if that is at all possible. Mr. Harkai has what he considers creative ideas and expressed his willingness to work with Council. He has gone to Marlene's office, our state representative, and has written to her and called her. Will London has responded to Mr. Harkai, and Mr. Harkai wonders if it is possible to get a capital grant from the state. Mr. London is sending Mr. Harkai the information needed to move in that direction. Mr. Harkai also has some ideas about a sponsorship. With the Mayor's permission, Mr. Harkai asked both contractors if they would be willing to work with the Village on pricing if it can be arranged for them to get some advertising at the park, such as a banner that advertises their business. Both contractors were amenable to coming down a little bit on their price if an advertising deal could be made. Mr. Harkai spoke to the possibility of getting sponsorship money from car dealerships in town where Mr. Harkai has contacts. Mr. Harkai stated they would like to start racing by Memorial Day if possible. Mr. Harkai asked what the next step would be. Mayor Hurst asked Mr. Harkai to give them an opportunity to look at the budget since the levy failed and that there are other options on the table to be looked at and the racetrack is not the #1 priority today.

Tom Nowicki, 17612 Egbert, would like Council to charge for trash immediately, \$12 or \$13 a month, to start getting some of the cash back. The next issue would be if there would be charges for other services such as brush and leaf pickup. Regarding the inside millage, Mr. Nowicki believes it would not be out of line to start up two mils perhaps by the middle of summer. An idea might be trash and two mils to start. Mr. Nowicki pointed out the side streets that are behind in the paving program. Mr. Nowicki believes they have to get more revenue or reduce spending. Mayor Hurst says after every item on the agenda, they do allow the residents to have a comment. When they get to the budget discussion, after Council is done discussing it, then they will let the audience make their comments. No more comments or questions from the Walton Hills residents.

Item D - Approval of the Committee of the Whole meeting minutes for April 4, 2017. Councilman Linville makes a motion for approval of the Committee of the Whole meeting minutes of April 4, 2017. Seconded by Councilwoman Brenner-Miller. No questions or comments. Five ayes approved.

Item E – Approval of Special Council meeting minutes of March 14, 2017. Mayor Hurst requested Mark Havens to come up to the microphone. Mr. Havens is part of the group that started in September evaluating the Village properties, the furnace, roof, lighting, and air conditioning, and he is here tonight to address it so we can move forward and make some decisions on how we are going to do it. Mr. Havens expressed that failure of the levy has put a din on a lot of projects in the Village. Mr. Havens would like to pose a solution for this project. We are all aware of the age of the equipment and its condition. It is original to the building. Mr. Havens' group has supplied some photos as part of their proposal. There are rusting air handling units in the basement.

Discussion ensues regarding the cost and the scope of work. Mayor Hurst asked for any other questions. No further questions or comments. Mayor Hurst told Mr. Havens they will get back to him possibly tomorrow or Thursday.

Item F - Ordinance 2017-6. Mayor Hurst stated this is basically an ordinance to clean up all our Codified Ordinances. This is housecleaning for American Legal. It corrects all our grammar, corrects all our past ordinances that we have written, and that is basically what we pay the service every year to get modified. Mayor Hurst asked for questions or comments from Council; no questions or comments. Mayor Hurst asked for questions or comments from the residents about Item F; no questions or comments.

Item G - Budget Discussion. Mayor Hurst stated as everyone knows, the tax issue failed 57-43. He knows everyone has strong concerns and everyone has a lot of comments. He has some options he is looking at to reduce the budget, and he would like to have Executive Session next week at the regular Council meeting because we are not going to solve this by next week. He will state publicly what he would like to do, for everyone to see what he is trying to do. Some of the items we are looking at are reducing the operations in the police department. No longer will we provide lockout service to our residents. If you are locked out of your car, you have to pay that service to an outside vendor instead of the Village Police coming to your house and unlocking your cars if your keys are in there. He wants to eliminate the animal warden process. This should be handled with outside contract. This used to be a charge to our residents. Since he became Mayor, we started doing it for free to the residents. That generates around \$8,000 a year. We will probably lose some manpower in the police department, and with the loss of manpower we will not have as many house checks, and that will be limited, too. We will no longer have outreach programs such as Senior Police Academy or Rape Aggression Defense (RAD) classes that we have been having. We have had them for the last four years with our residents, mostly with the business owners of the female gender and with some males, but mostly it is a program to make people aware how to defend themselves. We are going to change our towing service. Our response time right now with our existing towing service is almost an hour to two hours. It comes out of Maple Heights. I want quicker response to eliminate the overtime in the process of tying up man hours. We will increase our tow releases from \$10 to \$50 for each infraction. The communities around us are all anywhere between \$30 and \$100.

We have some reductions in the court system with some of the process there. One thing Mayor Hurst wants to be very aggressive on is selling our vacant properties in the Village. We have 16 acres on Walton Road that dumps out by Jefferson that is residential zoned, and I would like that considered for commercial zoned so we can sell that 16 acres and bring in a nursing home there. We can pass on the cost of trash to our residents at \$15 per home. It comes out to \$180 per home in the Village. We can reduce all our service administration and operations, except for the police, to seven-hour workdays at five days a week. That will save close to \$100,000 in operations. That is including for paying out all the benefits and everything with those hours. We can increase our insurance contribution 10% to 20% for all our employees. That would raise another \$42,000. We can let go of some other personnel to save approximately another \$25,000. Liberty News will no longer be used by the Village. That will save \$4,800. Renegotiating a lot of our contracts. Some of these options the Mayor is putting out for everyone to listen to could save approximately \$380,000. That is conservative with savings.

He does have some other options he is looking at. He wants everyone to be aware of it so we can discuss it next week in Executive Session. It will mean reducing some of our manpower and our personnel. He does not want to mention names or positions, but he does have an aggressive way of downsizing. Mayor Hurst asked for any comments from Council and from the audience. Josephine Wartl, 17850 Egbert Rd., is sorry about the situation with the levy not passing. She did have a sign in her front yard because she supports the police department. The school, if a levy fails, always puts it back again the following year. Ms. Wartl opined that some consideration be given to that so the residents who really understand the impact of those who voted against it and realize that we need the money, and with some of these cutbacks being talked about, if you did some of those cutbacks then they may see that things are being done in the administration to help the situation, and try it again. It is obvious we need the money, and Ms. Wartl feels that charging for the sewer and all these other little things are going to diminish the integrity of the community. Tom Nowicki, 17612 Egbert, questioned the \$380,000, which includes the trash, and with that Mr. Nowicki would not be against 2 mils more. Mr. Nowicki questioned Katie if she knew what 1 mil would bring in, or 2 mils, approximately. Katie replied about \$253,000 for 2 mils. Mr. Nowicki is still not against doing that, and the residents would see that you are cutting things which apparently some people brought up at certain Town Hall meetings, and adding a little millage might be another option to reach it the rest of the way. Mr. Nowicki wishes he had known about the equipment from 1972 or he would have brought that up at Town Hall meetings. No further questions or comments. Mayor Hurst is putting together a portfolio of all the vacant lands. He is going to push very hard to try to get them developed. It still takes 12 months to turn everything around. Nothing happens overnight, and we have always said that. Between now and next week, as Council members, weigh out the different options. The millage issue is something everyone can talk about. Everyone can talk about the trash and some other options. We have done this before. We have removed \$400,000 before, and we are removing money now more again. We have experienced more growth in the last six years than we have experienced in 30 years. It is sad because our residents make false statements and continue to do it. Be prepared next week.

Item H – Discussion of marijuana moratorium. Mayor Hurst stated we had a moratorium on the usage or the manufacturing of marijuana in the Village of Walton Hills, and that expired on May 1<sup>st</sup>. He is asking Council to consider allowing medical marijuana to be processed or manufactured in Walton Hills with the same guidelines that the Cuyahoga Heights community passed ordinances with. Mr. Mason, our law director, did draft that language. It is a pretty tight process. The reason why I would like to do that is because June 1<sup>st</sup> is the deadline for investors to petition the state for their licensing. Before it gets too far out of everyone's understanding of what medical marijuana is, this is state law, it is allowed to happen. Walton Hills has good criteria for it because we have no schools and we have no daycares. It has to be within so many thousand feet of homes in the criteria. Walton Hills has some land that might be beneficial to the investors. If we would pass this, then investors have about a two-week opportunity to consider the vacant land we have in Walton Hills for the processing. You get about \$100,000 a year permitting fee, and then you get employee's payroll tax and profit tax. The profit could be in the millions, so 2.5% on millions.

At this time, Mayor Hurst asked for anybody who wants to make any comments on Council about that. Councilman Kolograf welcomed Bill, who is very familiar with the state laws and where this is going with his law firm, to jump in at any time. This is not the first discussion we have on this. We have discussed this quite a bit. The moratorium was passed in September, and then we talked about it in February, March, and April. He was leaning toward how Paul Rich felt in not allowing anything in the Village and even struggled a little bit when the Mayor talked to him last night about it. From a moral standpoint, it bothered him. His job here is to make the best decisions for the Village based on what the majority of the residents want, but also makes decisions based on his morals. The Mayor and he had a discussion on that. He did some research today on how the church community feels about medical marijuana, and they do not frown on it. Recreational marijuana is a whole different story. The church does not feel that same way on it. What we are talking here is medicinal, medical marijuana, and not recreational. He will have no problem supporting the ordinance that Bill has put forth. There is revenue there, it is legal, it is going to help people who need it, so he would have no problem supporting it.

Councilman Linville stated he has seen firsthand the use of medicinal marijuana with a family member suffering cancer. He saw this person be helped by the use of marijuana. In terms of medicinal marijuana, he has no trouble with that in terms of approving any kind of legislation that would in effect do that for our community. Councilman Rich thinks marijuana is a really bad drug. It is against the law. It is habit-forming. It gets in the wrong hands. It is not controlled today in these medicinal marijuana patches and stores. Anybody can go to your neighborhood dealer and get some of this dope that is coming in from Colorado. Anybody can get this dope coming in from these colleges where the stuff is being grown as well. The marijuana is very powerful, and it is going to lead to other drugs. Councilman Rich certainly would not want to see this in his community.

Councilwoman Terlosky agrees with Councilman Kolograf and does not believe in the recreational but does the medicinal. If it can bring in a million dollars, we went to the voters and we asked them for \$25, and they turned us down. As Mr. Harkai said, he has the radio cars. The park is a beautiful park, but it needs work. We need money in this Village. We did see information that was given to us how this is handled, how it is policed, the fencing, etc. She believes that we should do this to help our Village with the money to bring things we need done in this Village. Councilwoman Terlosky opined it does not matter what we do, the people are against it. She cannot believe that it failed. Councilwoman Terlosky thanked Mr. Nowicki for the time and effort that he put into this and to the other people who put signs in their yards. We are up against a wall. If we can get a million dollars, her vote is yes, she will vote for it. Morally, Councilwoman Terlosky does not like the idea, but she will vote for this. Councilwoman Brenner-Miller agrees with Councilman Kolograf. At first, she had apprehension about it. It should not be a recreational use drug. This is medicinal. It is legislated. It is legal. It can profit our Village. If it can make us a million dollars and it is policed, it is legislated, I think we should do it because that is what this Village needs is an influx of cash. She will say yes to what Councilman Kolograf stated.

Councilman Spitznagel stated all we are doing is putting an ordinance in place. It does not mean it is even going to happen. We are just putting something in there that if somebody was interested, it is allowed in our community. Councilman Spitznagel asked Mr. Mason if there is anybody other than Cuyahoga Heights that has this. Mr. Mason replied there are plenty of communities. Off the top of his head, he knows the City of Parma Heights has, Richmond Heights, Eastlake, so a lot of the communities are contemplating it. Everybody passed these resolutions prohibiting it back in September when this first started happening. Now they are just turning around the resolutions that they passed and saying that they will look at it. If somebody were to remove the resolution that you passed, somebody might be interested in talking to you about potential sites in Walton Hills. You still have to take more action. Certainly some of the agricultural areas and light industrial areas might be some of the areas that would be considered. It is still a process. It would have to still come back before this body because we do not have anything in our Code that says you can grow marijuana, but he would think the agricultural districts and the light industrial areas might be something it would fit in. No further comments from Council. Tom Nowicki, 17612 Egbert, stated his

brother just got Parkinson's last year at 64 years old. Mr. Nowicki challenged anyone to go online and see what medical marijuana is going to do for him at stage 4 and stage 5. Mr. Nowicki is all for it. Councilman Linville reported he is not a big medicine person, but if something can alleviate a person's awful pain, then he would support that for sure.

Other Business: Mayor Hurst stated on next week's agenda we have the ordinance to clean up our Codified Ordinances and also the medical marijuana for next week's agenda. Mayor Hurst called on Councilman Paul Rich, who wanted to make a couple comments. Councilman Rich states we are obliged to take action on what happened last week, and we cannot take a wait-and-see attitude and put all of the burden on the Mayor. It is a Council duty for us to come up with suggestions. He thinks we should consider immediately to put the ordinance together to charge the residents for garbage collection. This will bring an immediate \$173,000 back into the Village. It may have an impact on what we collect on our recyclables, but we will have to see how that happens. He feels in the next 60 to 90 days we ought to launch a daycare center at the new community center for residents and nonresidents to bring their children or babies to the community hall rather than paying outside sources, charge a minimal fee of \$100 a week per person or \$150 a week for nonresidents. That is \$50,000. He does not believe in laying some people off, but if we have to, then he is sure we will get to that point. Regarding our departments, he thinks we should look at possibly regionalization or consolidation. If we just take a look at these two little things about trash collection and a daycare center, that is about \$225,000. When you add this in to what the Mayor already described, it is a lot of savings. The Councilman hopes all of us can come up with some ideas and not put the sole responsibility or the sole burden on the Mayor's shoulders. He thinks we have to work quickly. He thinks we have to work before summer recess and put a lot of these things to bed.

Councilman Kolograf does agree with Paul that we are the final group, but looks at this a little differently. He looks at this that we are the Board, the Mayor is the CEO, and we have departments run by department heads. In the Councilman's world, he does not say we should cut that or cut this because he does not do the everyday running of that department. If we take the task and say each department needs to be cut 10%, 15%, or 20% to reach our goal of what we as the Council decide to reach, he would have no problem with that. He does not look at himself to go into each department and look to see what areas should be either cut, slimmed down, or changed. He looks at that department head to be tasked to do that, and if they cannot do it, then the Mayor, who is their boss, it is his task or our task with him. He does not feel that the department heads have the right to sit back, we go and do it, and then they say "Well, they shouldn't have done that." They have a budget, and they should work within that budget, and we want to dictate to them that we want to trim so much of their budget, give a percentage. We have to remember that we put a police levy out there to the people. We did not put a recreation levy out there. We did not put an operation levy out there. We put a police levy out there. I think it is very important what we do here, how we approach this, and how we look at it, but I do feel that it is up to the department heads to bring something to us. If they are not up to the task, then it is up to us to do it.

Councilman Kolograf said that residents have said to him that we still have a reserve and money in the bank. He thinks we need to lower the budget, but if we still have to take \$200,000 to \$300,000 out of our reserve, he would not have a problem with that either to keep this a nice place to live. One thing we do not want to do is approach everything so quickly without seeing the big picture. What we do not want to do is ruin our beautiful community. Councilman Kolograf is not afraid to make the cuts and the tough decisions, but it is not just the responsibility of the Council and the Mayor. It is the responsibility of every employee in the Village. The success of a good operation is for everybody to take ownership. Councilman Rich has been in probably 15 up-and-down recessions in his business career, and opines the only way you are going to get out of a low point is by increasing revenue and increasing profit. We have to increase the revenue in the Village in order to get out of this hole. We have to come up with some timelines or else it is just going to hang out there. Councilman Rich is asking for something that is almost immediate, 30 or 60 days. In doing the budgets for the last several years, there was no growth in those budgets. We have cut it down to the bone every year. Mayor Hurst stated that we did grow the budget the last year revenue-wise \$400,000

with the JEDD. We have not increased any of our expenditures. If we had not gotten the JEDD, we would be in ten times worse shape. We have had 23% increase on all payroll taxes collected of the companies that are here, so we do have ownership of what we have tried to do to promote an increase. We have had over \$12 million of expansions in our Village in six years on all the businesses.

Mayor Hurst wished to go into his memo so Council has it in their portfolio, the Recreation Department, Service Department, and Police Department. Also in this memo is a letter of interest from Ed Pollock. Mayor Hurst does not want to have to look for another person for the Zoning Board. With your approval tonight, Mayor Hurst would like to bring him in and swear him in. We have a zoning issue coming up for a variance on Todd Industries to add on a loading dock for the expansion of the building. They need a variance because they have to go toward the property line in the back of the building that abuts another commercial property. It is not a big issue but needs to go through the Zoning Board of Appeals. Recreation information is in front of you. Mayor Hurst pointed out the Service Department so everyone is aware of the situation. One Councilman had asked the Mayor if we are punishing our residents by not chipping. The Mayor stated that we are not punishing anyone. Our equipment is 15 years old. The bearings went out on the main shaft for the drum that does the chipping. We replaced the bearings. Unfortunately, you cannot find those bearings anymore, so we had to turn the shaft down to fit the bearings, and then we ordered special bearings. We are working with very antiquated products. We have not bought a new chipper in 15 years. That is something that may have to go away because either we buy new equipment or we no longer have the chipping service. Same thing with the vacuum system. In 2009 or 2010, the Village Council bought a new leaf machine. That is the same process with major wear and tear. Those things are breaking down, and they are a major job to replace. It is not easy to replace them. We are not punishing anyone. We are moving forward on keeping everybody's services up. While the chipper was down, we did borrow Oakwood Village's hotbox and their roller, and we patched Dunham Road. The only problem is that it is asphalt on top of concrete and does not last but one season because of the snow and the snow removal and the salt. Dunham Road is becoming a real issue. The last time we addressed that was in 2004, so 13 years now since service. There is going to be some major cost there in the future.

Councilman Linville stated he has walked every day in May and every day has seen the chipper out. Mayor Hurst reiterated that the machine was down, and we now have it back up and running. Mayor Hurst stated in the last set of memos that Council has is we had a Competitive Community Development Supplement Grant. That is the one that we applied for the \$150,000 in the industrial area because we are qualified through the targeted improvements areas. We were denied for the fourth year in a year. We have six more years to keep trying to get \$150,000. Also, for the \$150,000 grant from the county for our businesses to do improvements to the front of their buildings, we were denied on that as well. We do not really qualify for a lot. We do use the Bedford school demographics to qualify us for these grants, but a lot of times all the money stays in the inner city circles. We do not really get them out here in the outer suburbs, but we will continue to process it and apply. Most of the outer city suburbs do not even apply because they have never been qualified. Fuel Mart is being completely redone. Todd Industries is being improved. They are the ones getting the zoning variance. Penelope's old restaurant, there is a new restaurant going in there. That went through the Planning Commission, and hopefully they will be open within 60 days. Mayor Hurst asked for comments from the audience at this time or wants to move for adjournment.

No other comments or questions from the council or the audience.

Councilwoman Linville motioned to adjourn the Committee of the Whole meeting of May 9, 2017, seconded by Councilwoman Terlosky, and five ayes approved. The meeting adjourned at 7:14 p.m.