NORTH RIDGEVILLE MUNICIPAL COUNCIL
MINUTES OF
WORK SESSION JANUARY 21, 2002

CALL TO ORDER:
Council President David Gillock called the Council Work Session to order at 7:30 P.M.

ATTENDANCE:
In attendance were Council Members Nancy Buescher, Allen Swindig, Josanne Pagel, Bob Olesen, Bernadine Butkowski, Denny Johnson and David Gillock.
Mayor Deanna Hill was absent.

Also, present were Safety-Service Director Jim Johnson, Law Director Eric Zagrans, Auditor Chris Costin and Clerk of Council Charles Norris.

MINUTES:
Council Work Session Minutes of January 6, 2003
motion by Butkowski to approve, 2nd by Johnson
Yes, 7 No, 0

WORK SESSION:
President Gillock opened the meeting for discussion.

Law Director Zagrans reported on the law suits by Gerald Phillips.

Discussion held regarding a mathematical error on T 5-2003, 2A.

Tape begins.

Council Member Johnson reported that a serious issue had been brought to his attention of a possible impropriety by Safety-Service Director Jim Johnson. Displayed three documents involving sewer tap-in fees for Ridgeville Tire Center that had been prepared by the Engineering Department. The first document tap-in fee is for $7,831.25, based on four service bays, total of four use benefits. A residential single family home use benefit is one. On this document there's a note that says, "Recalculate per Tom B.", dated November 1. Assumed that would be Tom Beutler. On the second document, penciled in, is a date of December 2, changing the tap-in fee to $1,342.46, making a reduction of $6,488.00. The explanation notes tire retail, eight employees, use benefit of one. Noted that this is a rather large business for a use benefit of one, which was reduced to one by the Engineering Department. There's a note on the document which states, "Per Jim Johnson. No service. Tire service only. Per Tom B." Explained he didn't know who wrote the notes but they were changed after the notes were done on this document and the fee reduced. The third document is essentially the same, with all the notes removed, and Council Member Johnson assumed that's the one to be filed and feels that this is a serious matter. Safety-

Service Director Johnson attended the Utilities Committee meeting when Ordinance 3591 involving the tap-in fees was discussed. Service stations were discussed at length and he did not recall any statement from Safety-Service Director Johnson that he had a personal interest in it. This was apparently discussed between Safety-Service Director Johnson and his subordinates and resulted in a substantial reduction in the tap-in fee. Council Member Johnson noted that Safety-Service Director Johnson owes the public an explanation.
Safety-Service Director Johnson explained that it is not a service station. Looking at the codes, it is retail sales, not a service station, which is described as so many bays and so much per island or per pump. There are no gas pumps there at all. It is based on being a retail outlet, not a service station. Mr. Lance calculated it as a service station even though there weren't any pumps, strictly bays. The actual water consumption for one use benefit is 400 gallons per day. In 19 years of doing business, the average consumption has been less than 300 gallons per day, which is one use benefit. Puritas Metals on Race Road, which is a large industrial building, came in as one use benefit. They were under the 400 gallons per day. Under the interceptor, that business paid $2,500, paid for 1500 gallons per day and was only using 300. That was how it was designed for the assessments. The house adjacent to the tire center, his personal house, is $8,900.00 for the interceptor charge alone. Anyone else gets that for $1,300.00 at this time. As an assessment it's based on being four acres of B-3 property which is 1,500 gallons per acre, almost four units per day. Water consumption for the church, if we billed them by the square footage and the attendance, would be a very high fee instead of based on their water consumption and using engineering calculations.
Council Member Johnson stated he didn't believe water usage is one of the calculations in determining sewer tap-in fees. They are to be determined by the Engineer. There's not even a line for the Engineer to sign. It's a requirement of the ordinance, basically making this document invalid. It's not based on water usage but on benefits and the calculations are made using first the ordinance, and if it doesn't fit the ordinance, then the Engineer is charged with using State standards to come up with a calculation. Questioned Safety-Service Director Johnson's direct involvement in having this rate reduced and believes the public deserves an explanation as to why subordinates were contacted to get a $6,000.00 reduction. Reiterated that one use benefit is one residential home and can't believe eight employees, four bays, customers, waiting rooms, and so on, is only one use benefit.
Safety-Service Director Johnson explained that one use benefit goes for retail space with up to 16 people working. If there were 15 people there, it would be one use benefit for retail space. It's retail sales, it's not a gas station. Tony initially calculated that as a service station and there are no islands there.
Council Member Johnson noted that use benefits are decided by the Engineer. Whether Safety-Service Director Johnson agrees with his assessment or not, it's decided by the Engineer. Whether it's with or without pumps, he noted that the North Ridgeville Tire Center is a service center, not a gas station. That is to be determined by the Engineer using accepted engineering practices and he doesn't see his signature on here at all.
President Gillock referred this to the Law Director and asked Mr. Zagrans to review the

definitions of service station and retail, how it applies in this situation, Safety-Service Director Johnson's involvement and if it was or was not improper.
Safety-Service Director Johnson stated that Mr. Lance signed that, he's not the Engineer but he was directed by the Engineer, as you stated, on the one copy that Mr. Beutler signed.

Auditor Costin pointed out that the December report is a preliminary report and not complete. Historically, Council waits until the final December report for passage. The preliminary report is for information only. The final report will have some adjustments.

President Gillock adjourned the Work Session at 7:48 P.M.

Council Member Johnson moved that the meeting be reconvened so that Kevin Corcoran could address Council, seconded by Council Member Buescher.
YES, 7 NO, 0

Council reconvened at 7:50 P.M.

Kevin Corcoran, President of North Ridgeville Chamber of Commerce, 34845 Lorain Road, noted that tonight Council is considering a tax abatement request by Summit Tool Company. While the Chamber of Commerce wishes tax abatement wasn't necessary to entice business to our City, cities, counties and states throughout the country use them, therefor, so must we. Summit Tool has been in operation since 1932 and enjoys a dominant position in a very specialized market. They've chosen the AAR building. AAR was granted an abatement which was rescinded when they moved out of town, leaving a debt owed to the City. Summit Tools abatement was discussed and approved by the tax abatement committee. The committee's recommendation was then communicated and negotiated by Mayor Hill and Summit Tool has agreed with that recommendation. The Mayor has negotiated a beneficial deal for Summit Tool, the City and the schools. The abatement and the school contribution are on a sliding scale which increases the benefit to the City each year. The City gains an additional employer whose employees will contribute to our businesses, schools and City. As a condition of the sale, AAR will pay its' outstanding debt to the City of approximately $48,000.00. The abatement is for personal property only, real property taxes will still be paid and the schools will receive a direct contribution which allows them to use the money as they see fit. Summit Tool is anxious to complete the sale of the building and begin their transition to North Ridgeville but the approval of the abatement is necessary. Respectfully requested that Council approve the abatement with the emergency provision since the County Commissioners must also approve it. Any delay may cause Summit Tool to look elsewhere.
President Gillock noted that this would not be voted on or addressed until after the Lobby session because it will come up under New Business and, if we do give it a first reading tonight, it will still be after the Lobby. Added that Council still appreciates the comments.
Safety-Service Director Johnson noted that the Mayor sent to Council a memo stating the

conditions of the abatement. The review board unanimously approved this and we don't want to take a chance on losing a business. We prefer that it would be passed by emergency so it can then go for approval to the County Commissioners.
Council Member Johnson supports this tax abatement as negotiated and supports suspending By-Laws to have it passed tonight, but does not support adding the emergency clause. It has legal ramifications beyond just speeding up the process. Believes the administration has been adamant in their support of it. Council can back that up tonight, if they wish, and feels that is enough to convince the business that the City is serious about it and moving forward. Doesn't believe adding the emergency is completely necessary and it hasn't been discussed, that he knows of, by the business.
President Gillock noted this could be addressed when Council gets to that point.

Safety-Service Director Johnson explained that the Mayor sent a memo regarding the solid waste management plan that we have to have and which is before Council tonight, asking that this be passed by emergency when it comes up.
President Gillock noted it has a deadline in February.
Safety-Service Director Johnson further explained that they want to make sure the correct verbiage is on it because it still has to go to the EPA for their approval.

ADJOURNMENT:
President Gillock adjourned the Work Session at 7:55 P.M.

Respectfully submitted,

Charles A. Norris

CLERK OF COUNCIL OFFICE USE ONLY

These minutes were approved by Council at their Work Session held on February 3, 2003.

Attest: ______________________
Clerk of Council