

SAFETY COMMITTEE MINUTES
May 15, 2007

The Safety Committee meeting was held on May 15, 2007 at North Royalton City Hall 13834 Ridge Road. The meeting was called to order at 6:31 p.m.

PRESENT: Committee Members: Chairwoman Lisa Uffman-Kirsch, Robert Stefanik, Denise Bobulsky; Council: Don Willey, Larry Antoskiewicz; Representatives from the City of Cleveland: Commissioner Nielson from the Cleveland Water Division, Margaret Jackson Manager of Public Outreach and Legislative Affairs, Paula Morrison the Director of the Office of Communications for the Division of Water, Julius Ciaccia Director of Public Utilities; Other Attendees: Jessica Ciaccia, Katie Maruszak, Danielle Prexta, Gray Prexta, Gary Huntz, Gary Petrusky, Nick Cinquepalmi, Larissa Romanovich, Kalty Kiczek.

Moved by Mrs. Bobulsky, to approve the minutes from March 20 2007, seconded by Mr. Stefanik. 3 yeas/0 nays. Motion carried.

Moved by Mr. Stefanik, to approve the minutes from April 17, 2007, seconded by Mrs. Bobulsky. 3 yeas/0 nays. Motion carried.

UNFINISHED/ONGOING BUSINESS

1. Police Department Report

No report.

2. Fire Department Report

No report.

3. Chapter 1620 Open Burning Code amendments

Mr. O'Donnell made the changes that were discussed last meeting and those were provided to the committee. He did not make the changes to the definitions. Mrs. Uffman-Kirsch said that he asked for committee input about whether we need these terms and whether the term "land clearing waste" should apply to one property or two or more as it currently reads. It was determined to wait for Chief Fabish to provide his input.

4. Safe Routes to Schools Project

Waiting on ODOT for guidelines for the grant application.

5. Nuisance Fire Code

Waiting on draft from Chief Fabish and Tom O'Donnell.

NEW BUSINESS

1. Cleveland Water Division commentary re: proposed Resolution 07-48 by Commissioner Nielson

Mrs. Uffman-Kirsch reviewed the proposed legislation opposing the Cleveland Water Department rate structure change including a quarterly service charge and rate increase. Presenting information to the committee were representatives from the City of Cleveland: Commissioner Nielson from the Cleveland Water Division, Margaret Jackson Manager of Public Outreach and Legislative Affairs, Paula Morrison the Director of the Office of Communications for the Division of Water, and Julius Ciaccia Director of Public Utilities. Several informational handouts were distributed.

Commissioner Nielson led a discussion about a rate increase began approximately two years ago with the Suburban Water Council of Governments, an arm of the Cuyahoga County Mayors and Managers Association. Rates and multipliers for cost of service were reviewed along with consideration of taking on responsibility for the replacement of local water mains in the system. Cleveland Division of Water is responsible for the primary facilities in the water system, while suburbs are responsible for local water mains, service connections and hydrants. The outcome was not being able to justify the

cost of multipliers to the suburbs and this downward adjustment has been made over the course of four years beginning this year.

There is a system-wide shortfall of about \$12-13 million. Rates and the customer service charge were reviewed to determine a way to equitably distribute the amount needed. Rates would disproportionately distribute the cost due to the multipliers used in rates. A customer service charge will more evenly distribute the money needed and has been added to the bills. The requested fee increase was lowered by Cleveland City Council so the full cost of customer service is not being recovered. The minimum mcf charge has been eliminated; customers are now billed according to use which has further reduced the money collected. The end result is that the base rates are being increased, the base rate multipliers are being decreased, the minimum mcf charge has been eliminated, and the flat customer service charge has been added.

A proposed change regarding maintenance as authorized by the Cleveland City Council was explained. The repairs will remain the same; the proposed change is with replacement responsibility of the local water mains. It is proposed that each city agrees to amend their water service agreement and enter into a joint economic development agreement.

The shared economic development agreement was explained. The water mains would be transferred to the Cleveland Division of Water by an agreement. This process would be a part of a regional economic development approach that was said to be a good starting point since Cleveland Water Department is currently a regional water supplier. By transferring the mains to them, Cleveland Water would borrow money to make investments in the system. Mrs. Uffman-Kirsch asked about any negatives regarding transfer of our assets. Transferring these assets may affect the ability of North Royalton to borrow money as well since assets are pledged when money is borrowed. Also, if any of the mains are used in current borrowing pledges they will not be able to be transferred to Cleveland Water. Some cities say it is not an asset transfer; rather they are looking at it as a liability asset transfer since their water mains are not of much value. However, if assets revert back to NR due to agreement termination, we pay the depreciated value of them. By the agreement the capital investment in the water distribution system will be the responsibility of Cleveland Water. Cleaning, lining and any capital renewal and replacements would be the responsibility of Cleveland Water. Fire hydrant maintenance would remain the responsibility of the fire departments; replacement of them would be that of Cleveland Water. Currently the city is on a year to year agreement with a five year cancellation clause. With the new agreement it would call for a 20 year agreement with a five year notice of cancellation clause and cancellation could not occur until after 15 years. This is due to the need to secure a customer base and the attempt to recover some of the investment in the system. Termination of the agreement would revert to the old agreement.

The joint economic development zone agreement will follow state law in that both parties are expected to bring something of value in the agreement. Cleveland Water brings the capital investment in the water system. The city is expected to keep up the rest of the infrastructure and both parties are expected to cooperate on economic development issues. The agreement would be coincident with the water service agreement amendment; 20 years and five year cancellation. It puts limits on real estate tax abatements of not more than 75% abatement for a period of not more than 10 years. There would be a ban on the use of income tax abatement. There would be incentives such as discounted property, low interest loans, tax deferred financing, relocation assistance and other incentives. The agreement is only between the city entering into it (North Royalton) and the City of Cleveland. There is also an income tax sharing provision based upon the payroll at the time of the move and other situations that might occur. There are independent audit rights.

Mrs. Uffman-Kirsch asked about the connection between the service charge/rate increase and a community's decision to participate in the joint economic development agreement. As it is now, the service charge and the rate increase is in place and occurring whether or not a City decides to participate in the economic development agreement. There is not a connection between issues of the

service charge/rate increase and the proposed changing of the capital assets with regard to maintenance and repair of the water lines if the individual cities agree to it.

The processing charge amount was questioned by resident Gary Petrusky with regard to the service charge, and an explanation was offered by Commissioner Nielson on how the bills are processed. The costs are being monitored and with expected automation some costs may come down where others may go up and all will be evaluated with the next rate period.

The agreement process was explained of asset transfer and asset reversion. Every agreement with every community is the same. The value of the agreement to the community needs to be determined. Mrs. Uffman-Kirsch noted that not all of NR has city water. Several residents still use wells or cisterns. The water mains in need of repair will be recommended by the city and all projects submitted will be evaluated by the Suburban Water Council of Governments to determine funding over a 5 year period.

Mr. Stefanik moved to recommend approval to Council of proposed Resolution 07-48, seconded by Mrs. Bobulsky. 3 yeas/0 nays. Motion carried.

2. Safety levies

This will be discussed at the next Safety meeting when the Police and Fire Chiefs are present. The Finance Director will be requested to attend the meeting.

3. Traffic back up Route 82 W 130th east to Abbey Road

This will be discussed when the Chief of Police is present at the next meeting.

Moved by Mr. Stefanik, to adjourn, seconded by Mrs. Bobulsky. 3 yeas/0 nays. Motion carried. Meeting adjourned at 7:00 p.m.