

Community Ward Meeting for Wards 5 & 6 was held at Bedford City Hall on Monday, March 27, 2017. Mayor Koci called the meeting to order at 7:03 p.m.

Present: Council Members: Mayor Stan Koci, Donald Saunders, Greg Pozar, Walter Genutis, Paula Mizesak, and Marilyn Zolata. Also Present: Clerk of Council Lorree Villers. Administration: City Manager Mike Mallis, Finance Director Frank Gambosi, Service Department Director Clint Bellar, Police Chief Kris Nietert, Fire Chief Dave Nagy, and Building Commissioner Calvin Beverly.

Mayor Koci welcomed all residents in attendance, he introduced those Council members that were present and Clerk Villers.

**Councilman Pozar reported the following for Ward 5:**

Councilman Pozar talked about government in general and how it is perceived nationally and the state. He said that how the Country was being run, was much deeper than any of us really know. It has little to do with the President and/or Congress. Both the President and Congress have personal agendas. They were in politics for themselves and they didn't really care as long as they got re-elected. The closest any Bedford resident could get to government issues was through their Elected Officials. Local Government was the purist form of government, and was the grass roots politics of every community. He explained the City held several meetings to inform the residents through monthly Council meetings, annual Ward meetings and the State of the City Address. He stated that a decision would be made in the future, to determine if the Council meeting time should be changed from 8:00 p.m. to 7:00 p.m. to accommodate the residents. That would be done with hopes for increased attendance, so that more residents could be kept informed.

The 900 pound gorilla in the room for the Ward meetings this year was the pending vote on a tax increase. The overriding theme of the ward meetings was to explain to the residents/voters why there were various financial short falls. These short falls have now led Council and the Administration to do their duty and to explain to the residents/voters why the need for an income tax increase.

Council relied on Mr. Gambosi the City's Finance Director for his professional guidance, with the support from the City Manager, the Administration. The State of Ohio had made various cuts to the City, which has seriously affected the budget, forcing the City to make difficult budgetary decisions. He explained how the outcome would be determined by the residents/voters on May 2<sup>nd</sup>.

Council members were elected to represent the residents and the decisions made would affect every resident, including the Council members themselves. His opinion was that the residents were not dependent upon their elected officials, but rather the elected officials were dependent upon the residents. Residents were not an interruption of the Elected Officials work, but rather the purpose for it. Elected Officials were not doing residents a favor by serving them, but rather that the Elected Officials were honored to be given the opportunity to serve their residents.

Tonight's meeting was a public service to inform the residents and explain the budgetary challenges their Elected Officials and Administration faced. Ultimately the decision was up to the residents/voters and hopefully Bedford would be better off after the May election.

**Councilman Saunders reported the following for Ward 6:**

Was pleased to see the increase of residents at the last six to nine months Council Meetings regardless of the reasons. He agreed with Mr. Pozar that the closest form of government was the Elected Officials



working for the residents in hopefully making the right decisions to move forward. Bedford celebrated its 180<sup>th</sup> year of when it became incorporated on March 15, 2017. The City has experienced its ups and downs and currently the City was experiencing one of its down points. The City of Bedford was not the only community experiencing problems and as history would have it Bedford usually steps up to the plate and moved forward. He hoped the May 2<sup>nd</sup> election was another positive direction for Bedford. The focus was to restore some of the eliminated programs in order to address the aging infrastructure plus focus on health and safety issues surrounding the changing society which demanded the need for additional Police Officers. He urged the residents to contact their Elected Officials at any time to express their concerns. He alerted the residents in Ward 6, especially in the Presidential area, that there was going to be some utility construction this season. Bedford was an aging community that needed to focus on addressing its utilities, roads, sewers and waterlines. Bedford continued to move forward with the support of the residents.

Mr. Mallis introduced the Department Heads. He explained it was this staff who took care of the day to day operations which he was fortunate enough to work with. He presented a PowerPoint of the State of the City Address. (See attached)

Mr. Mallis explained the Administration and Council in the past few years have been discussing the financial condition of the City because of the loss of Ben Venue and various other cuts. The Administration seriously focused on addressing several internal cuts and/or cost savings before considering an income tax increase. The slow continued growth of Xellia was promising but it would take years before the City would feel the positive effects.

Mr. Gambosi suggested everyone review the PowerPoint he had posted on the City's website which detailed Bedford's Financial Condition. (See attached) He explained the Revenue losses of Municipal income tax, Revenue Reductions/Eliminations, Personal Property Tax Elimination, Inheritance Tax Elimination, Local Government Tax (State), Real Estate Taxes General Fund and the biggest hit was the closing of Ben Venue at a huge loss of 1,100 jobs. He listed the General Fund Expenditures starting 2012 – 2016 and talked about the serious situation the City was in with the Moody's Investor Services and Standard & Poor's Rating Services which were both continued to be downgraded. Also importantly the need to put a plan in place to address the City's aging infrastructure. He stressed the City's financial condition needed to be taken seriously.

Mr. Mallis explained there was a need for an 8 to 10 year plan to address the aging infrastructure and maintain the Safety Forces to ensure they continued to be strong as they could be. He reminded everyone the street and sidewalk programs were eliminated in 2008 which desperately needed to be revisited and implemented. He explained the Safety Forces levy was in 2009 and the last Income Tax increase was 19 years ago. The proposed income tax increase would be placed upon the ballot in May that would ask whether the rate of income tax be increased by three-quarters percent (3/4%) to three percent (3%) with an increase of the Tax Credit to 2.25% for the purpose of the payment of current expenses and general operation of the City effective January 1, 2018. If the income tax increase was supported by the residents it would allow: an additional Officer per shift, maintaining the current City services and address the aging infrastructure by starting a program to maintain the streets and sidewalks. The City needed to plan long term not one year at a time. Previous cuts addressed by the Administration was a savings of \$600,000 in medical coverages plus all three union and non-union employees took a pay freeze for 2017. If the income tax increase did not pass the listed cuts would average a savings of \$650,000 and the City would be still short \$500,000. Plus the various grant application opportunities being cut/limited and were now harder to get. The grant monies the City currently had would be utilized in the best interest of the City.



Mr. Mallis offered Mr. Gambosi's professional services to the residents if they had questions of "how" or "if" the income tax increase would affect them personally. Mr. Gambosi stated not all residents would be affected by the income tax increase and those who were retired with no earned income would not be affected at all. He prepared a chart of how the income tax increase would affect those who "live here and work here" and those who "live elsewhere and work here". The chart showed for those who "live in Bedford but worked elsewhere" the Workplace City Tax Rate/percentage and an approximate annual earnings difference for the amount starting at \$10,000 up to \$100,000. His decision was based on what would be the lesser effect to the residents. (See attached) Mr. Mallis added the dedicated Auto Mile knowing their employees would greatly be affected was in full support of the City's decision for the income tax increase.

Mr. Mallis explained there were job opportunities developing in Bedford but it was going to take years to recoup all that was lost with the closing of Ben Venue; Ben Venue was 40% of Bedford's budget and was the largest water consumer. Xellia was dedicated to Bedford and was slowly growing but would probably never employ as many as Ben Venue. There were some smaller businesses interested in the Historical District for a bakery and butcher shop. He spoke about the Willard Avenue new residential development, the many hurdles with the largest challenging landowner in the City who owned Meadowbrook, the \$35 million spent in renovations at the Bedford Auto Mile, the upcoming senior apartments at Villa San Bernardo and the Taylor / Willis property, the City trail-way / bike path, the improvements at the former Chanel High School, the deer management program, the increased recycling tonnage and the ongoing residential water meter replacement project. The City's focus was to place another catering business in the former Catered Elegance location. He explained to the residents the reasons why the City decided to withdraw from the SECC was due to the operational standpoint and secondly the financial savings. The City would make an announcement after everything was finalized. He urged the residents to take advantage of Free Permit Month for their home projects.

Mayor Koci opened the meeting to questions from citizens.

A resident thought apartment buildings were going to be built on the former Taylor Chair property. Mayor Koci explained the project failed in 2008 and the property was going to be utilized differently. Mr. Mallis explained the City purchased the Moonglow for \$160,000 two years ago after the appraisal. The City placed the Liquor License in escrow for a new restaurant utilizing the surrounding City owned property in the area near the Viaduct Park which was approximately 15 acres. During the purchasing process of the properties for various reasons the City also intended to sell the Harrison property for \$110,000 with a total investment of \$50,000 to the City. It was clarified the City also worked with the Cuyahoga County Land Bank and a marketing firm for the best deal. A resident thought the former Moonglow property was not very appealing to the eye. Mr. Mallis also pointed out the home located on the Moonglow property may have some historical value so the City could apply for a Historical Tax Credit so the City was going to plan wisely. A resident wondered if there was a restaurant built in this area where the visitors were going to park. Mr. Mallis clarified the 15 acres in this area which allowed adequate parking.

A resident felt since the senior population was not going to be affected by the proposed income tax increase their fees should be increased to help with the financial situation. Increasing the Senior Van fees would assist in offsetting the costs. He also suggested those who utilized the pool should also pay higher fees. Mr. Mallis explained the City had already increased some of the fees in 2016 realizing the fees were lower than most communities per a survey. Mayor Koci explained the fees would never cover all the costs for the services provided. The resident understood the fees would never cover all the costs but he



felt those utilizing the services should pay their fair share. Mr. Mallis explained it was \$200,000+ per summer season to maintain the pool alone.

A resident asked how many firefighters were scheduled per shift. Mr. Mallis replied, there were nine scheduled per shift; however, with nine being scheduled per shift it allowed vacations and time off. The Fire Department also applied for a grant to cover two firefighters.

A resident asked if the new Recreation Director's position had been filled. Mr. Mallis explained he was in the interviewing process with several qualified applicants. A resident asked if the new employee was going to be paid the same salary as the former Director. Mr. Mallis explained the employee pay ordinance listed a "beginning range" and the salary would be determined within that range at a lower salary.

A resident asked if there was a business in the former Taylor Chair building. Mayor Koci explained Art of Beauty moved to Bedford in 2014, they are a distribution center for cosmetics. A resident asked if Art of Beauty did animal testing. Mayor Koci informed her there were no animals at the facility.

A resident asked if the City had any plans for maintenance and repair on Columbus Road. Mayor Koci said if the income tax increase did not pass the City would still have to make repairs but the focus was to pass the income tax increase to restore the road program.

A resident asked if anyone was interested in the former Lally dealership facility. Mr. Mallis's opinion was current dealerships weren't looking at this type of enormous space. No decision had been determined at this time.

A resident asked for the status of the two employees in the Water Department and when the problem was brought to the City's attention. Mr. Mallis replied he was made aware of the situation in August 2016. Mayor Koci expressed his disappointment regarding the two employees who had been trusted and had been with the City several years. He said the employees had a scheme that the State Auditors were even amazed at what the two employees were doing. He stated the City had faith in its employees/departments heads and believed that they were doing the best job they could on a daily basis. In the case with the Water Department employees when the faith was breached it was hurtful to all and some people even became angry. Mr. Mallis explained the State Auditors perform audits annually on different departments focusing on checks and balances. In 2015, the Water Department was audited and the State Auditors recommended additional controls in the Water Department; however, the paperwork/drawer balanced. The controls were implemented in July 2015 and at that point the Finance Department noticed some irregularities. The Service Director identified the irregularities and contacted Mr. Mallis who immediately contacted the Police Department. The Water Department "Clerk" admitted to theft and was terminated immediately. The Police Department and the State Auditors continued to investigate jointly and the State Auditors found irregularities with the Water Department "Supervisor" who did not admit to theft. Mr. Mallis and Mr. Gambosi could not go into details because it was an ongoing investigation but the way the theft was conducted was very complicated. Mr. Mallis stated the Police Department was working hand in hand with State Auditor's Office in Columbus and a Cleveland Fraud Investigator. It has been determined all the water customer accounts were accurate and whole. Mr. Gambosi assured the method used for the theft allowed the accounts to be accurate. It took three weeks to review one week of transactions. The State Auditors estimated the investigation would take 8 to 10 months to complete. The two individuals involved have not been charged because an amount had to be determined. The amount of missing money would determine the level of felony charged. Mr. Mallis stated the positions had been filled by two new employees and the two former employees would have to answer to a higher authority in the future. The resident understood there was a cost involved with the Auditor's services. Mr. Mallis stated it made no



difference whether an employee took \$1 or \$5,000; they were not going to be employed. He explained how the employees were bonded and the money would be recouped; even the cost of the State Auditors. Mr. Mallis stated the City was not at liberty to answer a lot of questions as it was an open investigation.

He assured the water accounts were accurate and whole per the State Auditor's investigation. Mr. Mallis stated the issue was addressed swiftly and quickly; the City was not going to tolerate this type behavior. He was appreciative that the one employee in the Service Department, a former Water Department employee, was able to keep the Water Department up and running without delay. Mr. Gambosi said the State Auditors would address this issue accordingly. He added the process was going to take time as there were 15,000 transactions per month.

A resident asked for an update on the Ken Pund Point of Sale litigation. Mr. Mallis explained the litigation was regarding the Point of Sale inspections and rental inspections. The litigation was based on the landlord believing the inspections were a violation of a constitutional amendment. All inter-ring suburbs agree inspections were vital to keep the housing stock in good standards. The Court determined the City was able to resume POS inspections and rental inspections after some details were resolved.

A resident referred to the POS inspections and pointed out 475 Lamson recently sold with four (4) pages of violations. Mr. Beverly clarified the home was sold without the Building Department approval, knowledge or consent. As soon as the Building Department was made aware of the transfer the order was mailed to the new owners. The resident wanted to stop rentals in the City; 10 out of 30 were rentals on her street. Mr. Mallis explained the City increased fees but it wasn't going to stop rentals within the City.

A resident asked about the "small potato drug dealer" on Lamson. Police Chief Nietert explained the juvenile had been arrested twice and the problem with a low level offense, there was little to no repercussions. A possession charge/case was also a waivable offense and in order to make a significant impact a case needed to be developed for "trafficking" which was very difficult. The drug transaction had to be proven otherwise it would be a possession charge not a trafficking charge. The narcotics unit (SEALE) has done some work at this address but had not been able to develop any evidence of trafficking. He said it was a very difficult situation. The resident pointed out the people coming into Bedford were transients in rental homes. She asked if a letter could be sent to the landlord to alert them of the situation. She feared she was going to have to call Dispatch and tell them shots were fired because the transients were not stable. She suggested the Police Officers make their presence known to let them know they're being watched. Chief Nietert assured her the Officers were very aware of the address. Mayor Koci mentioned Chief Nietert would be introducing a program soon on how to take care of heroin addicts and get them in treatment.

A resident asked if the Criminal Nuisance laws were still enforced. Mr. Mallis explained the following activities occurring on properties in the City or involving an offender residing at a property within the City were hereby declared to be a public nuisance: 1) Any violation of a City ordinance. The City shall have full authority to abate such nuisances in accordance with law, and law enforcement costs incurred by the City. The property owners and/or offenders shall be charged \$250.00 for the first offense following a warning, \$500.00 for a second offense, \$750.00 for a third offense and \$1,000.00 for any subsequent offenses. An additional \$100.00 administrative cost will be charged if not paid within the time prescribed in abating any nuisance. Any charges not paid shall be certified to the County Fiscal Officer in accordance with law to be assessed as a lien on the real estate from which the nuisance originated or of which the same offender resides in.



A resident noticed there was some activity at the former Chanel building. Mr. Mallis explained the building was purchased very reasonably, the owner was trying to utilize various areas for several different businesses. Some of the applicants recently experienced some issues with the current zoning of the property and the "use" which did not allow certain applicants to rent a space for their business. The City was working with the new owner to assist him in the best possible "use(s)" for the various areas of the building; however, the codes had to be followed. There were certain things the City could approve and certain things they couldn't; however, the end result had to be a positive reflection on the City. The owner had a long term goal which stemmed on partnerships and could be very hard to do. Mr. Mallis stated the Diocese had not done the Cuyahoga County area any favors by closing schools and churches. Another resident pointed out there was a for sale sign posted on the property. Mr. Mallis felt the owner was trying to use the sign as leverage.

A resident asked if utility work was going to be done on Harrison this year. Mr. Bellar informed him the utility work was scaled down this season on Washington, Union, Taylor and Lincoln. In 2018, Harriman would be added to the list as well as some other streets.

A resident asked why the fence was replaced around the swimming pool when it's been in disarray for 9 - 10 years and if the income tax increase doesn't pass the pool would be closed. Plus the City property that abuts her property has a fence that was in very poor condition and needed to be removed. Mayor Koci said the pool fence still needed to be replaced. Mr. Bellar and Mr. Mallis explained the Parks were assessed in 2016 and if there were areas considered safety issues they had to be addressed. The resident offered pictures if the City needed to see them. Mr. Mallis asked her to provide an address and an employee would be out to inspect her concerns.

A resident informed everyone the tree lawn straw would be replaced by Dominion within the next two weeks.

A resident asked for clarification regarding the five points program. Mr. Mallis suggested the residents visit the City's website to stay informed regarding the farmer's markets and events.

A resident asked if the City was replacing trees on the tree lawns. Mr. Bellar replied, there was no monies budgeted for tree replacement; the stumps were ground and the area landscaped.

A resident pointed out the snowplow trucks were plowing snow too close to the asphalt curbs and damaging them and it was hard on the equipment. Mr. Bellar explained most people didn't realize the difficulty in plowing unless they've ever done it and with the coverage of snow it was hard for the drivers to see exactly where the curbs were. He said the Service Department was not intentionally damaging the curbs because they didn't want to create more work for themselves. The intent was to plow curb to curb to avoid flooding when the snow melted plus the asphalt curbs in which the resident spoke were not quality curbs.

A resident suggested the Juvenile Diversion Program clean up the rubbish on West Grace and Turney Road area. Another resident pointed out the rubbish at the baseball field and creek area.

A resident questioned where the Broadway Avenue markers were near the Union Street intersection. Drivers were crossing over the center painted yellow lines instead of staying in the right lane approaching the railroad tracks. He also questioned if crossing over the solid white line was a ticket-able offense. Mr. Bellar said the former Police Chief claimed the street markings were illegal. Chief Nietert explained



crossing over the solid white line was against the law and drivers were being cited traveling in both directions.

A resident asked if a signal light could be installed downtown at the crosswalk. Chief Nietert stated the problem was the crosswalk was located in the center of the block and signal lights were determined by the State; not the City.

A resident asked if the Drug Enforcement Officers would focus more on the drug problems if the income tax increase passed. Chief Nietert explained SEALE was an organization comprised of seven (7) cities controlled by the SEALE members; not by the individual cities. Chief Nietert explained there could be a possibility of adding another Bedford Officer to the organization but SEALE was a unique organization within itself. It was not conducive for each City to manage their own SEALE program because of the costs and duties. These members did an incredible amount of work that nobody saw. In 2016, SEALE seized three (3) kilos of Fentanyl and 13 pounds of California marijuana. The three kilos was huge when it came to saving lives on the street. SEALE operates at a higher level to accomplish the most impact.

A resident asked for the staffing levels for Police and Fire. Mr. Mallis stated currently the Police Department was staffed with 31 employees; the goal was 34 employees replacing those who retired. The resident asked for clarification regarding the SAFER Grant in the Fire Department. Mr. Mallis explained the 2012 three year grant was covered at 100%, the 2015 three year grant was covered at 100%; however, the City was just notified the next SAFER Grant would be decreased as follows for the next three years should the city choose to re-apply: first year at 25%, second year at 50% and the third year at 75%; again another funding source utilized by the City was cut. The decision had not been made at this point and time as to how this would be addressed. It was stated that the City was committed to keeping the staffing within the Fire Department at the level it was following the tax levy in 2009. The additional firemen added through the SAFER Grant was a way to bolster the staff. However, with that funding source being cut, difficult decision will have to be made. Mr. Mallis reiterated if the income tax increased passed it would allow the hiring of three additional Police Officers, the opportunity to restore the street and sidewalk programs and start addressing the aging infrastructure over several years. The City was not in the situation to borrow any more money. He also stated the pie was only so big, should the City absorb the cost of the two firemen; something else would have to give.

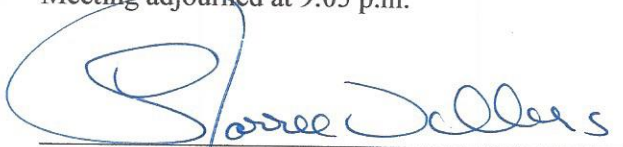
A resident asked why the fence was taken down at the Cemetery and if it was going to be replaced. Mayor Koci explained the very poor rotten condition of the fence so that was why it was removed. He said the City did not have \$70,000-\$80,000 to replace it. He welcomed donations.

Councilman Saunders thanked everyone for their attendance and assured the residents that Bedford was not the only City facing budgetary problems. He suggested the residents write their Congressman and State Senators asking them to reverse the funding for Cities. He suggested the residents write the State Governor and ask him what he was doing with the Sales Tax. He supported the income tax increase in order to move the City forward.

Councilman Pozar explained as a Council member it was their duty to represent and report to the residents. He personally did not think there was a finer assembly of professionals running the various departments, they were the most responsive in the area and Council reacted according to what they thought was in the best interest of the residents. He did not feel Council was smart enough to make decisions without the guidance of the professionals running the departments. He urged the residents to become involved through their Council member so their requests/concerns could be addressed by the appropriate department.

A resident appreciated the efforts/work the City departments did on behalf of the residents.

Meeting adjourned at 9:05 p.m.



Sherie J. Jones

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Clerk of Council



Mayor – President of Council