

## State of the City

January 20, 2011

Thank you.

I would like to thank the North Ridgeville Chamber of Commerce for sponsoring this annual “State of the City” address. It’s great to have the opportunity to bring you up to date on what has happened in our City this past year, where we are currently from a financial standpoint, and of course, what we are looking forward to in 2011. And thanks to Dayle Noll and Sue Sawyer for all their hard work in putting it together.

I would like to acknowledge several people today, many of whom are here. I would like to recognize Superintendent Craig Phillips. Thank you once again for making this facility available. I would also like to recognize our Board of Education. Marie Sycz, Robin Hrabik, Robb Lyons Frank Vacha and Bo Truett .

I would also like to recognize our City Council members who play an in important part in the operation of the City. Kevin Corcoran - Council President, Bernadine Butkowski – Council at Large, Roseanne Johnson – Council at Large and President Pro-Tem, Nancy Beuscher – Ward 1, Dennis Boose – Ward 2, Dick Jaenke – Ward 3 and Bob Olesen – Ward 4.

Once again North Ridgeville has one of its own in the State House in Columbus. I am honored to have in attendance today State Senator Gayle Manning, a retired teacher and former member of the North Ridgeville City Council. North Ridgeville has a history in Columbus. When I was first elected Mayor, Gayle’s husband Jeff Manning was our State Representative and Jeff Armbruster was our

State Senator. My favorite picture in my office is of that election night of myself with Rep. Jeff Manning, Sen. Jeff Armbruster and Judge John Musson. What a great trio to be associated with.

Jeff Armbruster, has just finished his first year as Safety Service Director. Jumping right in, Jeff was instrumental in helping to renew our levies last May and has been totally immersed in our collective bargaining contract renewals.

Sandy Hall and Robin Mayda, administrative assistants keep our offices running smoothly. Would you please stand?

And of course, I want to recognize all of our City employees. In these tough economic times our employees have had to make sacrifices and they have done their part. I want to public acknowledge the sacrifices they have made. Representing them here today are several of our department heads. Would our City department heads please stand? Acknowledging all of our employees individually would obviously take too much time, but I want to single out a couple new department heads. Kevin Fougousse is our new Parks and Recreation Director. Kevin started August 1<sup>st</sup> and is doing an outstanding job. You will hear more about what he has already accomplished a little later. Scott Wangler is our new City Engineer. Scott has only been on staff a couple months and he has already bumped heads with a couple developers so we know he is doing his job! Our staffing has always been the minimum number of people needed to get the job done, and I think these individuals do more with less than any City I can think of and they are to be commended.

Lastly, I would like to recognize my wife Beverly, the first lady of North Ridgeville.

Almost exactly a year ago, on Jan 22, 2010 City Hall experienced a day that seemed to be a harbinger of the year to come. On that day, President Barack Obama was scheduled to speak in Lorain County at Lorain County Community College. I was excited about attending and seeing a sitting President in person, and I actually ended up sitting in the second row from the stage. Lt. Governor Paul Fisher sat right in front of me. We were in folding chairs and he kept leaning back in his chair, so we got to know each other more intimately than I really desired. But prior to that two things occurred that set the stage for the rest of the year. That being something good happening and something not so good happening.

About 10:00 a.m. the day of the President's visit I was in the police training room listening to the department prepare for their part in providing security for the President's visit. North Ridgeville cops had been coordinating with the secret service, and actually had a large part to play. We had more overpasses and ramps 18 total, to secure than anyone else. We knew that the Secret Service would tell us when the cavalcade would leave Hopkins. Chief Thomas had been able to schedule his personnel so that we would be able to accomplish all of this extra responsibility without any overtime! While enjoying even being an extremely small part of the behind the scene action, Chief Thomas pulled me aside and informed me that we had just been notified that the first homicide in North Ridgeville in several years had been reported. Suddenly, all the attention and focus was redirected to this terrible tragedy. Our department had to meet obligations to both events and they did so with a seamless efficiency impressive to all involved. I have never been more proud of our police department than I was that day. I watched, on the side lines, as officers and management worked efficiently to handle both events with professionalism and decorum. And I attribute most of this

to the leadership of Chief Rick Thomas who is retiring this week after 32 years on the force.

I mention this because 2010 was that kind of year, a lot of ups and downs. Overall, we successfully maneuvered flat revenues and the increased cost of doing business without layoffs and still maintain City services. It was our Bicentennial year and the Historical Society did a tremendous job. Many others, too numerous to mention donated tremendous amounts of time and energy to make it a year to remember. And we have some major forward movements and grants to talk about. But this year was without a doubt the most stressful year I have ever had as Mayor. I know we had more ups than downs, but there were certainly plenty of both. There are two primary issues we need to speak about as we look back at 2010: personnel and finance, but there were many other incidents and so forth that impacted our year. A third grader at Liberty pointedly let me know that maybe I sometimes let my frustrations show a little bit. After speaking to all the third graders at Liberty, one of the most fun things I get to do, they usually write me follow up letters. I think I may have read a few before. But this one got straight to the point. And I quote, “Dear Mayor Gillock. Thank you for coming to Liberty. I learned that it is hard running North Ridgeville. I don’t think I would have fun being the Mayor. I wouldn’t get much sleep, and I would be so cranky. I’m already cranky when I wake-up. So that’s why I don’t want to be the Mayor. Izzy.”

In my first six years as Mayor I do not believe we terminated any individual that hadn’t somehow gotten involved with a legal problem that required us to part company. Other than retirement or death, I think we have had two employees total leave City employment in six years and both had left for what they saw as better job opportunities. Last year, for one reason or another we “discontinued” the

employment of five individuals and demoted another. Terminating an employee is never an easy or enjoyable thing to do. But because of our cautious nature and sincere desire to be fair to all concerned, we felt comfortable that the actions we were taking were correct. But that doesn't make it any easier.

On top of that, because of a number of upcoming retirements including the police chief, police captain and a senior lieutenant, promotional exams were held in the Police Department for Chief, Captain, Lieutenant and sergeants positions. And let me interject here recognition of those three individuals for their many years of outstanding service to the citizens of North Ridgeville. Captain Rick Thomas will officially retire this week, as I mentioned earlier. In addition Captain Allan Dent and Senior Lieutenant Barry Accorti will also be retiring in the next several weeks. Would you please join me in once again showing our appreciation to these gentlemen for what they have given to North Ridgeville. (Clap) In the police and fire departments it's often said that the most stressful times in those departments other than what they deal with in their job on a daily basis, are during promotional exams and negotiations. Lucky us, we got to deal with both at the same time. In fact, just a small but important preview, tomorrow evening right here we will conduct swearing in ceremonies for six officers that will be moving up as well as recognizing Chief Thomas on his retirement.

I would also point out that firemen Tom Schultz, Gene Kleinholtz and Lou Simoni also retired this year. Jeff Tate retired from the Service Garage. Somehow we have survived that, but it hasn't been easy. Larry Griffith retired from the Engineering Department. Rita Taylor retired as our Computer Director and Mark Francis will retire as assistant superintendent of the French Creek Plant at the end of this month. Obviously this has been a year of tremendous personnel changes. And because of budget concerns, we have not replaced all of those individuals. In

some cases, we delayed replacements for months putting additional work load on the remaining employees.

Yet, with all of these changes in staffing and personnel we have been able to maintain services throughout all of our departments. We have an outstanding group of dedicated employees that do a great job. That makes the negotiations we are currently involved in that much more difficult, which I will talk more about later.

One interesting story while we are talking about retirements and promotions. A couple weeks ago I had the distinct privilege and honor of swearing in an outstanding officer named Adam Freas to the rank of Sergeant. I'm sure many of you know Adam, as he has been our School Resource Officer, recognized by the FBI for his efforts in a child pornography arrest that is interesting in itself. In that case, a North Ridgeville individual had sent pornography to an individual in Australia, who reported it to the FBI. With Adam's assistance, it was traced back to a certain house in North Ridgeville. When the owner was contacted, he swore there wasn't anything pornographic on his computer. And he was right. It turned out it was his neighbor who was accessing the internet through the resident's unsecured internet connection. There's a lesson right there. The FBI recognized Adam for his outstanding assistance in resolving the case.

So, while swearing Adam in as a new Sergeant, I asked him to repeat after me as I gave him the Oath. You all know how these go. I asked him to state his name, (which he got right). Then it goes I promise to support the Constitution of the United States, and the Constitution of the State of Ohio which he also got right. But, when I said the ordinances and laws of the City of North Ridgeville, Adam said, and I quote, "the ordinances and laws of" and he drew a blank. He couldn't

recall what I just told him and he couldn't remember the name of the City where he worked! With a lot of ribbing from his fellow officers we did get him sworn in. Congratulations Adam.

Let's now take a look back at some of the high and low points of 2010.

I want to mention a couple of highly unusual and thankfully rare occurrences we went through last year. Both of these events were firsts in my administration, and I do not want to go through either again. On April 1<sup>st</sup>, while our officers were attempting to arrest an individual for a domestic dispute, the individual almost ran down two of our officers with his vehicle. Our officers, certainly in fear for their own lives fired at the individual, wounding him three times. Both of our officers were unhurt but the adrenalin level at City Hall was off the chart. Thankfully, the individual recovered. Then, in early June of 2010, a little 2 ½ year old girl, Allison Dutton, tragically drowned in a neighbor's pool. She was found face down by one of our officers. Events such as these surely put a huge strain and stress on our safety forces. But they do give you a little more respect and appreciation for the jobs that these men do day in and day out. And you will hear more about our police and fire forces later.

We received a number of grants last year that are certainly appreciated. The fire department received a grant for \$130,000 which will be used to install a light at the firehouse on Lorain, enabling them to get in and out of the house much safer. We will also be able to purchase some new, much needed turn out gear as part of that grant.

Through the Ohio Public Works Commission we received a grant that let us complete the Lorain Road project. This phase was a \$1,052,000 project for which we received a grant for \$620,680. Lorain Road, except for the sidewalks that still

need to be completed, is finished. Next year, we anticipate starting on Chestnut Ridge Road. We need to renovate the culvert on Chestnut just east of Lear Nagle to allow for future improvements to both Chestnut and Lear Nagle. As part of that project we also plan on replacing the northbound through lane on Lear Nagle at Chestnut. Let me interject here that progress continues to be made on widening Lear Nagle. We continue to work on the design plans. Our next step will be to go back to NOACA for revised financing to reflect current conditions and begin the land acquisition that is necessary for the project.

The railroad quiet zone project was funded with an \$800,000 earmark and should be completed in 2011. Our new Parks and Recreation Director Kevin Fougerousse hit the ground running in August and has already obtained an outstanding grant that will help keep our kids safe and healthy. Through the Ohio Ophthalmological Society, Kevin was able to obtain 210 new baseball helmets and 100 softball helmets with protective face masks for the upcoming baseball/softball season free of charge. We received approximately \$900,000 from the Transportation Review Advisory Committee to complete the Environmental Study on the Center Ridge Road widening project. The study is being completed as we speak. The next step will be to begin applying for funding. That project is currently scheduled on the NOACA Transportation Improvement Plan for 2014, but I thoroughly anticipate that being moved back as funding continues to tighten for transportation projects. But progress continues to be made on widening Center Ridge Road.

We received \$60,000 from NOACA for a Transportation for Livable Communities grant to study the area of Rte 83 and Center Ridge down to the turnpike, and from 83 over to Root Road to make that area more accessible with bike paths, stream restoration and street landscaping.

Through NOPEC we received four grants. These grants are for 100% requiring no local match or contribution. The largest is for \$144,000 that will be used to purchase a new fuel efficient diesel dump truck that will replace one of our 1970 models. The second grant is for \$23,770 for traffic signal upgrades to LED lights that will be installed at CRR/Mills Creek, Lorain/Avon Belden, Bainbridge/Avon Belden, Chestnut Ridge/Avon Beldon, Bainbridge/Root, and Chestnut Ridge/Lear Nagle. A \$12,205 grant will be used to insulate City Hall and Town Hall, and \$15,227 will be used for window and door replacement at several City buildings including Parks and Rec/Senior Center and City Hall. These grants benefit our taxpayers in 2 ways. One, they are 100% grants that require no matching funds thus saving us money immediately, and two, they will all save us money in the future.

Speaking of NOPEC reminds me of an incident that occurred last year on Martin Luther King Day. City Hall is closed on MLK day and I was at home when I heard a knock on the door. When I answered a young man from an Energy Company asked me if I wanted to save some money and he could lock in my savings on my electrical costs. I asked him if he had a solicitation permit from City Hall, and he told me he had been at City hall earlier that day and the Mayor told him it was OK. I love it when that happens! Needless to say, he was done for the day and the next day he was in my office getting a permit.

By the way, I don't know if it made any difference, but I serve on the NOPEC Grant Award Committee. Surely it didn't hurt any that I was sitting at the table when these grants were voted on, even if I did abstain.

And speaking of boards I sit on, I would like to report to you that again, I am serving on several that I think will benefit North Ridgeville. I continue to be a

board member of NOACA, the Northeast Ohio Areawide Coordinating Agency that is responsible for Planning in Cuyahoga, Geauga, Lake, Lorain and Medina Counties. I also continue to be a board member of the Ohio Public Works Commission District 9 Coordinating Committee and its Executive Committee, for Lorain, Huron and Medina Counties. This year I am Secretary of the Ohio Mayors Association, an affiliate of the Ohio Municipal League. I am a member of the Board of Team Lorain County, and it's Executive Board. This year, North Ridgeville was a recipient along with Team Lorain County and Oberlin, Oh of the prestigious Team NEO Economic Development award. We were recognized for our combined regional efforts in attracting Greenfield solar Corporation to locate its offices in Oberlin and its manufacturing facilities in North Ridgeville. Lastly, I was recently elected Chairman of the Northeast Ohio Mayors and Managers Association, an organization that promotes economic development and pride in our respective communities as well as the entire region. The organization consists of the mayors and city managers in Ashtabula, Cuyahoga, Geauga, Lake, Lorain, Medina and Summit Counties. This organization is the primary sponsor of the Regional Prosperity Initiative, an effort to develop a program that will lead to greater economic prosperity in our region. This group is part of a Consortium that recently landed a \$4.25 million dollar federal grant to set regional priorities in land use, fair housing, transportation, economic development and environmental protection. And, the Mayors Associations are working closely with the new State leadership on several fronts including addressing issues with Collective Bargaining, a statewide healthcare program for all municipalities and villages, elimination of the police and fire DROP program, preservation of the Local Government Funds, new legislation that allows communities to share services, protection of the Property Tax rollback and preservation of the Estate Tax. Regionalism is certainly one of *the* buzzwords today, and municipalities are

working together more than ever to accomplish their goals. We also work closely with the Westshore Council of Governments as a member of the Westshore Central Dispatch. Last year we received the results of a regional fire district study that will enable us to look at other ways we can work together with fire departments in the area. I would like to mention that our fire department calls were up 11% from the year before with 2,380 EMS calls and 594 fire calls. We also learned last year that our Insurance Services Office (ISO) grading went from a class 5 to a class 4 to make us one of only 308 communities in the State of Ohio to receive a class 4 grading. ISO has rated 2380 fire departments in Ohio and only 147 have a higher rating than North Ridgeville. Why is this important? Because the lower your rating is means the better your fire department is and the lower your insurance rates will be.

We also have a small international connection that I am proud of. Lorain County Community College has a number of international students attending that need a place to live while here. Colonial Apartments in North Ridgeville works with the college to make housing available to these students and provide them some amenities to make their stay easier. We currently have about 20 students living together in the apartments. The program is working so well that we may be able to expand it to even more students in the future. Although the City specifically has no direct involvement in the program, I am proud of the partnership between the private owner and the college and its existence in North Ridgeville.

We, almost, completed major improvements to Old Town Hall. I say, almost, as we are still waiting on the chair lift to be installed as the manufacturer is completing the requirements for their UL listing, but we tuckpointed the exterior walls, rebuilt the chimneys, installed air conditioning, and several other improvements. The building is simply a very beautiful landmark structure. The

chairlift should be completed in the next few weeks. We also received approximately \$70,000 in CDBG grant funds that were used for renovations at Frontier Park where we installed new restrooms, a new sidewalk and improvements to the bridge. This year we will use the same grant to install new restroom facilities at South Central Park. This will complete our four year program to use the CDBG grant funds to provide modern, clean restroom facilities at all of the City parks.

Let's talk a little bit about economic development. Through my involvement with Team Lorain County, I believe we have an insider's view to what is happening throughout North East Ohio. I work closely with Steve Morey, Executive Director of Team Lorain County, and I see what is happening in Lorain County as well as the surrounding area. Commercial development continues to be slow but there are signs of improvement. Housing starts continue to be significant in North Ridgeville. In 2010 we saw 243 new dwelling permits. New commercial projects underway in the last year include Mulligan's Family Fun Center on Victory Lane across from the once called Ohio Sports Park. A new McDonalds is underway at Center Ridge Road and Avon Belden. Panera Bread continues to move forward on Lorain Road. Ridgecrest Apartments Community is building on the former Crystal Springs property, and, hopefully, the RV "park" will be gone by this time next year. A new advanced dialysis center is being constructed on the north end of Center Ridge Nursing Home and, of course, Davida Diagnostics opened in the shopping center by Aldi's. Kalt Manufacturing is putting on a 16,000 square foot addition for work that they do involving wind turbines. They did receive Job Creation Tax Credits from the State Dept of Development and we were fortunate to have Governor Strickland and Congresswoman Betty Sutton visit the plant last year. Poppee's Popcorn is also added an addition of almost 15,000 square feet.

US Refractories took over the vacant buildings on Race Road once occupied by Retay Welding. US Refractories received Job Creation Tax Credits and has committed to adding 40 new employees to the 19 they currently have at that location. Just last week I received word from the State Dept of Development that it has made a preliminary commitment to another new company, that will be moving into the building on Taylor Woods often called the Marconi or Real Tec Building. I can't mention the specific company yet, but they will bring 50 new full time jobs to North Ridgeville and as part of the commitment with the State, will add an additional 25 full time jobs in the first three years. We look forward to this becoming a reality. And, the Ohio Sports Park, now called Victory Park will be up and running full steam this year with new owners. Tournaments are already booked for every weekend and work is being done to complete the bathrooms and restaurant.

Our Office for Older Adults continues to go strong with almost 9,000 people involved in activities such as cards, exercise, crafts, bingo, health fairs, dances and trips. Two of our programs excelled last year in the number of adults making use of the services. Our Meals-on-Wheels program is serving about 25% more individuals than in 2009. Where we had typically served 40-45 meals a day, we are now doing 50-60. On a side note, drivers are always needed, even if only for a couple hours a week, and it is extremely rewarding to the volunteers. In addition, the Lock Box program, which allows safety personnel easy access to a seniors' home in case of an emergency, more than doubled in requests compared to 2009.

Last February the Center introduced their "Twilight Dance" which was such a success that this year they will hold four such dances.

Let me look forward into 2011 and mention a few things you will see. First, we will institute all city recycling. April 1 is our targeted start date, and you will hear much more about this project as we move forward. We started a two year pilot project with 1000 homes, and it has worked so well we are moving forward with it early. It will substantially reduce the waste we put into the landfill. In the pilot study area, the amount of goods recycled increase from 6 pounds per household per week to 14.5 pounds per week. This extrapolates to an additional 234 Tons of material per year that is no longer going into the landfill, in the study area alone. With 11,000 homes in the City we anticipate an increase in recycling of over 2,500 Tons per year. This will not only help extend the life of the landfill and help us “go green”, it will save us money by reducing our tipping fees. And, we were able to negotiate an agreement with Allied Waste to undertake the program with no increased cost in our resident’s monthly fees.

Hopefully, we will also see a biogas facility at our French Creek Waste Water Treatment Plant. We are in the final phases of negotiations to make this happen. For several years disposal of our waste sludge at the plant has been a problem. We could easily put it into a landfill, but that is wasteful and extremely costly. As an alternative we instituted a program to dispose on the sludge on farmers fields. Although less costly than the landfill, it’s still not cheap and it comes with its own problems. Last year we had to plow the snow off a field so the ground could freeze so we could drive on it. Once, our truck got stuck. And, we would have to build a barn to hold approximately 90 days worth of sludge production. And, I believe in the next few years the EPA will disallow this practice. A biogas facility would allow our contractor to burn the sludge producing electricity that can be sent back to the plant or sold on the grid, and give us a dedicated source to dispose of all of our sludge. A win-win all around.

You will see Internet gaming facilities in several currently vacant buildings in the City. You will notice I said gaming, and not gambling. In these facilities computers are available for the customer. The customer buys a time card from the proprietor, that allows him to go on the internet and play several different games that allow them to either use up their available minutes, or if they are lucky they win more minutes. These minutes can then be sold back to the proprietor. Now, that explanation may not be 100% accurate, but that is my understanding how it works. The State has taken a position, at least for now, that this is a grey area and they are not enforcing laws against gambling in these establishments. We have heard from several citizens, mostly seniors, who tell us they enjoy the facilities very much, and they are very social in nature. Therefore, trying to be proactive, we passed legislation to regulate the establishments. It does a number of things for us. First, it occupies a few of our vacant buildings. Plus it gives our seniors another social outlet. It provides a few jobs, and much needed tax income to the City. So we are going to allow them, at least in the short term. It is my personal feeling that they will be successful until Casino's become a reality and then they will disappear.

Finally, let's talk finances. Let me give you the bottom line. When I compare our unencumbered balances in the General Fund, Streets, State Highway, Street Levy, etc. our balances are down about \$800,000 from 2009. Our property taxes are actually up \$250,000, mainly due to the levies we passed in May. Our income tax revenues remain flat, actually down about \$6,000. While there isn't anything to laugh about when actually discussing the budget, I do have to tell you about an email our income tax department received from an extremely distraught resident last March. It seems he received an email from North Ridgeville City Hall, 548 State Route 83, Gordon Thompson, City Tax Account Manager. The subject of the

email was “TAX EVASION!” In all caps with an exclamation point. The email said “It has come to the City of North Ridgeville attention that you have failed to pay city taxes for the 5<sup>th</sup> straight year. As of today, March 26<sup>th</sup>, you are considered in default. If this matter is not taken care of immediately your home may be seized and sold on market. Please contact us at City Hall.” The individual contacted us regarding his email at 9:37 am. We would never do anything like this, so it was turned over to the police department for investigation. Later that day at 3:49 pm he again contacted us saying he received another email with a phone number to call. Finally, at 4:37 pm, he called and apologized, saying he just found out this was a prank from his son. The phone number was his sons, which he didn’t recognize because he had it on speed dial. I know the son is still alive, but he may still be grounded.

But back to our potential deficit of \$1,800,000. We are currently completing negotiations with our three unions. We have a signed three year agreement with AFSCME which is all union members except police and fire. They have agreed to take a 3.8% wage reduction for two years, give up ½ of their longevity pay for two years and to contribute 10% of the health care annual premium. As a result of the concessions by AFSCME and the non-union employees the City will save approximately \$600,000. Police have tentatively agreed to the same concessions for one year except for the longevity. In regards to the longevity pay they have agreed to accept whatever is negotiated with the fire department. Those negotiations with the fire department continue. But, with the help of all the City employees we will be much closer to covering the deficit. With continued intense scrutiny of all expenditures, overtime and outstanding account receivables, delay of some expenditures, implementation of cost savings measures such as our new copier contract which is saving the city \$33,000 per year, and delayed employee

replacement or avoidance altogether, I am confident that we can accomplish two goals. One, we will cover the deficit and without a major reduction in services. Two, we will not have to lay anyone off as a result of the deficit. Frankly, we don't have excess employees to lay off, and if we do it will result in a direct cut in services to the community. We don't want that to happen and I think we can avoid that for 2011.

Compared to many Cities' around us, we are in fairly good shape. Our residential growth has helped and will continue. We are slowly seeing new business and industry. We have an outstanding work force. Things could be worse, but I fervently look forward to a rebound in the economy that would give us some stability and predictability in our funding. And with the new State government leadership, this year promises to be even more unpredictable. It will again, I am sure, be an interesting year.

Thank you once again for the opportunity to speak to you. Thank you for being here in the fastest growing community in Northeast Ohio, and thank you for allowing me once again to be your Mayor and serve the community.

