
MEMORANDUM

TO: Members of Council
FROM: Tanisha R. Briley, City Manager
DATE: February 23, 2018
RE: February 26, 2018

MEETINGS & REMINDERS

Monday, February 26	-	6:15 p.m.	-	Committee of the Whole
Thursday, March 1	-	6:00 p.m.	-	Meet Your Police
	-	7:00 p.m.	-	Charter Review Commission

LEGISLATION

1. Returning Cedar Lee SID 2018 Plan, *Second Reading*
2. Electric Aggregation, *Second Reading*

GENERAL INFORMATION

1. Enclosed are the Council Update and Agenda.
2. Enclosed is the January financial information from the Finance Director.
3. Enclosed is an update from the Vice City Manager.
4. Enclosed are updates from the Public Works Director.
5. Enclosed is an update from the Planning and Development Director.
6. Enclosed is an update from the Economic Development Director.
7. Enclosed is an update from the Housing Director.
8. Enclosed is an update from the Parks and Recreation Director.
9. Enclosed is the weekly activity report from the Fire Chief.
10. Enclosed is the weekly activity report from the Police Chief.
11. Enclosed is an update from the Utilities Commissioner.
12. Enclosed is a letter from Helen Gann.
13. Enclosed are minutes from ABR.
14. Enclosed are actions from BZA.

TRB/jkw
Enclosures



COUNCIL UPDATE

FEBRUARY 23, 2018

1. LEGISLATION

- **Cedar Lee SID 2018 Plan, Second Reading.** This legislation acknowledges receipt from the Cedar Lee Special Improvement District of a Plan for public services and improvements, and returning said Plan to the Board of Directors without comments or recommendations for changes.
- **Electric Aggregation, Second Reading.** This legislation approves the Plan of Operation and Governance for the Northeast Ohio Public Energy Council (“NOPEC”) Electricity Aggregation Program for the purpose of jointly establishing and implementing an electricity aggregation program.
- **2018 Wage & Salary Ordinance, First Reading.** This ordinance establishes salary schedules, position classifications and other compensation for officers and employees of the City. This ordinance is updated and adopted annually. The draft will be included in next week’s Council packet in order to incorporate recommended changes per the compensation and classification study which will be discussed with Council on Monday.

2. COMPENSATION & CLASSIFICATION STUDY UPDATE

- Staff will present an update on the compensation and classification study that is being conducted for non-bargaining unit employees. The purpose of the study was to review our compensation practices within the context of the labor market in which we compete for talent as well as our classification practices. The study was designed to establish salary grades for like positions with ranges that include minimum, midpoint, and maximum rates of pay that are grounded in market data that will be governed by a compensation philosophy. The study is in its final stages and will have an impact on the annual Wage & Salary Ordinance. Staff will review the draft recommendations with Council on Monday and provide additional updates in the coming weeks as we move toward the final adoption of the Wage & Salary Ordinance in mid-March.



CLEVELAND HEIGHTS

Committee of the Whole

February 26, 2018

Agenda

1. Report of City Council Members 6:15 p.m. – 6:30 p.m.
Goal: Mayor and City Council members will provide updates on items of interest
2. Legislation Overview 6:30 p.m. – 6:45 p.m.
Goal: Discuss proposed legislation
3. January 2018 Monthly Financial Report 6:45 p.m. – 6:55 p.m.
Goal: Staff will present the monthly financial report for the previous month
4. Meeting Practices 6:55 p.m. – 7:15 p.m.
Goal: Council will discuss meeting practices such as meeting minutes and recordings
5. Council Priorities Discussion Pt. III 7:15 p.m. – 8:00 p.m.
Goal: Council will finalize 2018 -2019 Policy Priorities
6. Break 8:00 p.m. – 8:10 p.m.
7. Compensation & Classification Study Presentation 8:10 p.m. – 8:40 p.m.
Goal: Staff will present the results of a compensation and classification study
8. Discussion of Staff Reports 8:40 p.m. – 8:50 p.m.
Goal: Council members will ask staff questions about their reports and/or activities
9. Executive Session: To discuss, with an attorney for the public body, claims or disputes involving the public body that are the subject of pending court action 8:50 p.m. – 9:15 p.m.

Memo

To: Tanisha Briley, City Manager
From: Laurie Sabin
Date: February 16, 2018
Re: January 2018 Financial Statements

Attached please find the January 2018 Unencumbered Balances Statement for All Funds and Review of General Fund Statement.

Review of General Fund Statement

Revenue:

As of January 31, 2018, General Fund revenues are \$779,857 higher than 2017.

Due to timing of advance payments from Cuyahoga County, 2018 real estate taxes are \$554,000 than prior year. With one month activity, it is too soon to determine trends in other General Funds revenue differences.

Expenditures:

Total general fund expenditures are at 11% of the budgeted amount compared to 10% in January 2017. January 2018 Total General Fund expenditures are \$204,655 higher than prior year. This total increase is the combination of personal services expense decreases of \$387,544 and other than personal services expense increases of \$592,199.

January 2017 personal services are \$387,544 lower than prior year and are at 8% of the 2018 budgeted amount. This decrease is because there were two pay period ends in January 2018 compared to three pay period ends in January 2017. This difference will continue through all of 2018.

Expenses other than personal services as of January 2018 are \$592,199 higher in comparison to prior year. We are strictly adhering to a purchasing policy that requires the issuance of a purchase order before goods or services are ordered or purchases are made. January 2017 encumbrances are \$478,488 higher than prior year. The remaining \$113,711 is due timing in the processing of payments.

UNENCUMBERED BALANCES FOR ALL FUNDS
AS OF 1/31/18
Unadjusted for Revenue and Expense

FUND NUMBER	FUND NAME	UNENCUMBERED BALANCE AS ADJUSTED AS OF 1/1/18	YTD CREDITS	YTD DEBITS	ESTIMATED UNENCUMBERED BALANCE 1/31/2018
101	GENERAL	\$5,482,650	\$4,790,832	\$4,753,723	\$5,519,759
102	BUDGET STABILIZATION ACCOUNT	\$1,200,000	\$0	\$0	\$1,200,000
201	STREET CONSTRUCTION	\$1	\$129,564	\$14,119	\$115,445
202	FOUNDATION GRANTS	\$0	\$0	\$0	\$0
203	FIRST SUBURBS CONSORTIUM	\$79,930	\$0	\$596	\$79,334
204	COMMUNICATION SYSTEMS OPERATION	\$189,755	\$0	\$275,686	(\$85,931)
205	PUBLIC WORKS FACILITY IMPROVEMENT	\$423	\$0	\$0	\$423
206	LAW ENFORCEMENT TRUST	\$363,813	\$0	\$2,250	\$361,563
207	DRUG LAW ENFORCEMENT TRUST	\$22,286	\$0	\$44,145	(\$21,859)
208	CDBG RESOURCE	\$0	\$9,171	\$56,730	(\$47,559)
210	EPA BROWNFIELD GRANT	\$0	\$0	\$0	\$0
211	HOME PROGRAM	\$0	\$798	(\$2,800)	\$3,598
212	FEMA	\$106,901	\$22,379	\$13,122	\$116,158
213	POLICE FACILITY IMPROVEMENT	\$39,869	\$3,210	\$18,000	\$25,079
214	LOCAL TV PROGRAMMING	\$1,195,856	\$0	\$49,932	\$1,145,924
215	CAIN PARK	\$31,342	\$0	\$51,360	(\$20,018)
216	RECREATION FACILITY IMPROVEMENT	\$464,793	\$88,000	\$72,960	\$479,833
217	PUBLIC RIGHT OF WAY	\$122,267	\$0	\$0	\$122,267
221	INDIGENT DUI TREATMENT	\$225,859	\$2,643	\$0	\$228,502
222	MUNICIPAL COURT COMPUTERIZATION	\$0	\$4,626	\$20,139	(\$15,513)
223	DUI - ENFORCEMENT/EDUCATION	\$107,013	\$431	\$0	\$107,444
225	MUNI COURT - SPECIAL PROJECTS	\$1,924,558	\$7,711	\$1,802	\$1,930,467
226	LEAD SAFE PROGRAM - CUJAHOGA CNTY	\$0	\$0	\$49,171	(\$49,171)
227	NEIGHBORHOOD STABILIZATION PRGM	\$123,599	\$0	\$0	\$123,599
230	STREET LIGHTING	\$809,998	\$0	\$72,783	\$737,215
231	TREE FUND	\$471,546	\$20	\$269,421	\$202,145
232	POLICE PENSION	\$12,733	\$37,000	\$83,999	(\$34,266)
233	FIRE PENSION	\$0	\$37,000	\$111,918	(\$74,918)
234	EARNED BENEFITS	\$223,612	\$0	\$13,503	\$210,109
237	FIRST SUBURBS DEVELOPMENT COUNCIL	\$57,752	\$0	\$0	\$57,752
301	G.O. BOND RETIREMENT	\$1,148,855	\$189,000	\$0	\$1,337,855
402	FINANCED CAPITAL PROJECTS	\$1,553,299	\$0	\$65,000	\$1,488,299
411	ECONOMIC DEVELOPMENT	\$1,451,059	\$5,138	\$19,113	\$1,437,084
412	CITY HALL MAINTENANCE AND REPAIR	\$63,030	\$4,255	\$0	\$67,285
415	SEVERANCE RING ROAD RECONSTRUCTION	\$35,045	\$0	\$0	\$35,045
601	WATER	\$2,093,353	\$33,785	\$89,878	\$2,037,261
602	SEWER	\$0	\$0	\$170,063	(\$170,063)
603	PARKING	\$476,627	\$68,092	\$247,556	\$297,163
606	AMBULANCE SERVICES	\$1,095,221	\$65,961	\$78,208	\$1,082,974
701	HOSPITALIZATION	\$500,000	\$0	\$441,895	\$58,105
703	WORKERS COMPENSATION	\$194,768	\$0	\$0	\$194,768
804	OFFICE ON AGING	\$9,774	\$450	\$5,024	\$5,200
808	YOUTH RECREATION SCHOLARSHIP	\$38,512	\$0	\$0	\$38,512
809	POLICE MEMORIAL TRUST FUND	\$10,608	\$6,937	\$0	\$17,545
810	YOUTH ADVISORY COMMISSION	\$71	\$0	\$0	\$71
811	JUVENILE DIVERSION PROGRAM	\$2,484	\$0	\$2,596	(\$112)
857	SALES TAX	\$345	\$0	\$0	\$345
858	MISCELLANEOUS AGENCY	\$350,290	\$80,281	\$0	\$430,571
864	NEORS	\$0	\$5,658	\$0	\$5,658

TOTALS \$22,279,897 \$5,592,941 \$7,091,891 \$20,780,948

**CITY OF CLEVELAND HEIGHTS
REVIEW OF GENERAL FUND
AT JANUARY 31, 2018**

REVENUES:	1/31/2017 Actual	2018 Budget	1/31/2018 Actual	Percentage 2018 Budget	Difference 2018 vs 2017
Property Taxes	\$641,000	\$6,500,000	\$1,195,000	18%	\$554,000
Municipal Income Tax	\$2,552,437	\$26,875,000	\$2,847,018	11%	\$294,581
Other Local Taxes	\$10,818	\$90,000	\$8,011	9%	(\$2,807)
State Levied/Shared Taxes	\$117,321	\$1,479,000	\$110,006	7%	(\$7,315)
Intergovernmental Grants & Contracts	\$0	\$915,000	\$0	0%	\$0
Charges For Services	\$240,990	\$3,300,000	\$116,229	4%	(\$124,761)
Fees, Licenses, Permits	\$206,697	\$1,810,000	\$249,420	14%	\$42,723
Interest Earnings	\$18,848	\$50,000	\$0	0%	(\$18,848)
Fines and Forfeitures	\$122,342	\$1,610,000	\$154,745	10%	\$32,403
All Other Revenue	\$100,522	\$1,165,000	\$66,242	6%	(\$34,280)
Sale of Assets	\$0	\$10,000	\$44,162	442%	\$44,162
Total Revenues	\$4,010,975	\$43,804,000	\$4,790,832	11%	\$779,857

EXPENDITURES:

Community Services	1/31/2017 Actual	2018 Budget	1/31/2018 Actual	Percentage 2018 Budget	Difference 2018 vs 2017
Commission on Aging	\$0	\$250	\$0	0%	\$0
Community Relations Personal Services	\$3,969	\$43,034	\$2,699	6%	(\$1,270)
Community Relations Other	\$1,062	\$13,550	\$417	3%	(\$645)
Public Relations Personal Services	\$9,809	\$213,027	\$14,090	7%	\$4,281
Public Relations Other	\$5,892	\$107,000	\$2,495	2%	(\$3,397)
Community Services Admin Personal Services	\$22,725	\$244,152	\$13,640	6%	(\$9,085)
Community Services Administration Other	\$3,315	\$6,600	\$1,974	30%	(\$1,341)
Public Health Administration	\$0	\$193,519	\$0	0%	\$0
Total Community Services	\$46,772	\$821,132	\$35,315	4%	(\$11,456)

Parks and Recreation

Parks & Recreation Commission Personal Services	\$25,409	\$236,564	\$15,617	7%	(\$9,792)
Parks & Recreation Commission Other	\$4,184	\$36,150	\$2,728	8%	(\$1,455)
Swimming Pools Personal Services	\$0	\$257,721	\$72	0%	\$72
Swimming Pools Other	\$563	\$40,450	\$1,144	3%	\$580
Cain Park Transfer	\$0	\$80,000	\$0	0%	\$0
Ice Programs Personal Services	\$27,071	\$218,211	\$19,273	9%	(\$7,798)
Ice Programs Other	\$10,067	\$20,850	\$8,741	42%	(\$1,325)
General Recreation Programs Personal Services	\$7,669	\$130,632	\$5,515	4%	(\$2,154)
General Recreation Programs Other	\$2,330	\$28,300	\$1,480	5%	(\$850)
Sports Programs Personal Services	\$8,840	\$116,246	\$5,105	4%	(\$3,735)
Sports Programs Other	\$5,447	\$106,500	\$19,738	19%	\$14,291
Community Center Personal Services	\$46,667	\$499,420	\$25,366	5%	(\$21,301)
Community Center Other	\$71,875	\$451,800	\$69,296	15%	(\$2,578)
Office on Aging Personal Services	\$12,948	\$132,152	\$8,642	7%	(\$4,306)
Office on Aging Other	\$13,065	\$32,894	\$26,535	81%	\$13,470
Total Parks and Recreation	\$236,134	\$2,387,890	\$209,253	9%	(\$26,881)

Finance Department

Finance Department Personal Services	\$36,878	\$453,113	\$26,450	6%	(\$10,428)
Finance Department Other	\$23,539	\$112,154	(\$24,962)	-22%	(\$48,501)
Income Tax	\$91,827	\$991,500	\$54,510	5%	(\$37,317)
Total Finance Department	\$152,244	\$1,556,767	\$55,999	4%	(\$96,245)

Planning & Development

Landmark Commission	\$0	\$4,150	\$0	0%	\$0
Planning Department Personal Services	\$39,139	\$378,543	\$24,595	6%	(\$14,544)
Planning Department Other	\$6,712	\$23,975	\$4,803	20%	(\$1,908)
Planning Commission Personal Services	\$540	\$7,670	\$0	0%	(\$540)
Planning Commission Other	\$1,056	\$3,950	\$0	0%	(\$1,056)
Architectural Board of Review Personal Services	\$675	\$5,478	\$450	8%	(\$225)
Architectural Board of Review Other	\$52	\$800	\$84	11%	\$33
Board of Zoning Appeals Personal Services	\$450	\$5,478	\$360	7%	(\$90)
Board of Zoning Appeals Other	\$1,058	\$3,475	\$108	3%	(\$950)
Total Planning & Development	\$49,681	\$433,519	\$30,400	7%	(\$19,282)

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REVIEW OF GENERAL FUND
AT JANUARY 31, 2018

Public Safety	1/31/2017 Actual	2018 Budget	1/31/2018 Actual	Percentage 2018 Budget	Difference 2018 vs 2017
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Traffic Signs & Signals Personal Services	\$5,472	\$58,155	\$3,716	6%	(\$1,756)
Traffic Signs & Signals Other	\$28,130	\$145,000	\$59,288	41%	\$31,158
Police Administration Personal Services	\$897,075	\$8,535,705	\$634,161	7%	(\$262,914)
Police Administration Other	\$122,380	\$1,359,730	\$230,548	17%	\$108,168
Police Academy Personal Services	\$0	\$4,500	\$0	0%	\$0
Police Academy Other	\$6,011	\$88,000	\$39,448	45%	\$33,438
Police Vehicle Maintenance Personal Services	\$0	\$0	\$0	--	\$0
Police Vehicle Maintenance Other	\$12,923	\$0	\$73	--	(\$12,850)
Fire Administration Personal Services	\$726,050	\$6,372,431	\$470,547	7%	(\$255,503)
Fire Administration Other	\$46,468	\$1,782,359	\$29,607	2%	(\$16,861)
Joint Dispatch (Transfer)	\$0	\$1,022,285	\$0	0%	\$0
Fire Prevention Personal Services	\$11,922	\$109,100	\$3,540	3%	(\$8,382)
Fire Prevention Other	\$392	\$5,850	\$291	5%	(\$101)
Building Department Personal Services	\$0	\$0	\$0	--	\$0
Building Department Other	\$35,644	\$361,700	\$23,207	6%	(\$12,437)
Housing Inspections Personal Services	\$43,305	\$487,348	\$31,952	7%	(\$11,353)
Housing Inspections Other	\$8,763	\$71,000	\$9,882	14%	\$1,119
Street Lighting (Transfer)	\$0	\$18,600	\$0	0%	\$0
Animal Control Personal Services	\$7,782	\$71,237	\$5,780	8%	(\$2,002)
Animal Control Other	\$4,110	\$29,000	\$28,842	99%	\$24,732
Total Public Safety	\$1,956,427	\$20,522,000	\$1,570,882	8%	(\$385,545)

Public Works

Service Administration Personal Services	\$35,183	\$318,619	\$21,413	7%	(\$13,769)
Service Administration Other	\$6,031	\$3,575	\$5,005	140%	(\$1,026)
Capital Projects Administration Personal Services	\$0	\$21,000	\$0	0%	\$0
Capital Projects Administration Other	\$1	\$250	\$21,000	8400%	\$20,999
Refuse Collection Personal Services	\$185,560	\$1,513,331	\$109,272	7%	(\$76,288)
Refuse Collection Other	\$111,109	\$521,900	\$135,829	26%	\$24,720
Vehicle Maintenance Personal Services	\$63,166	\$833,967	\$53,484	6%	(\$9,682)
Vehicle Maintenance Other	\$175,657	\$1,278,375	\$403,752	32%	\$228,095
Street Maintenance Personal Services	\$128,787	\$1,171,992	\$86,458	7%	(\$42,329)
Street Maintenance Other	\$22,826	\$74,500	\$16,276	22%	(\$6,550)
Public Properties & Park Maint Personal Services	\$128,445	\$953,887	\$72,003	8%	(\$56,442)
Public Properties & Park Maintenance Other	\$112,633	\$983,350	\$261,522	27%	\$148,889
Forestry (Transfer)	\$0	\$18,600	\$0	0%	\$0
Total Public Works	\$969,397	\$7,693,346	\$1,186,015	15%	\$216,618

General Government

City Council Personal Services	\$7,784	\$78,550	\$5,189	7%	(\$2,595)
City Council Other	\$1,603	\$8,750	\$4,302	49%	\$2,699
City Manager Personal Services	\$50,199	\$352,843	\$29,388	8%	(\$20,810)
City Manager Other	\$13,733	\$19,620	\$11,916	61%	(\$1,817)
Civil Service Commission Personal Services	\$180	\$1,096	\$270	25%	\$90
Civil Service Commission Other	\$21	\$13,950	\$10	0%	(\$11)
General Operations Personal Services	\$0	\$601,102	\$0	0%	\$0
General Operations Other	\$463,725	\$1,447,900	\$524,001	36%	\$60,276
Management Information Systems Personal Services	\$31,236	\$305,803	\$21,801	7%	(\$9,435)
Management Information Systems Other	\$19,945	\$81,455	\$19,761	24%	(\$183)
County Fiscal Officer Deductions	\$0	\$229,500	\$0	0%	\$0
Law Department Personal Services	\$45,841	\$501,115	\$32,029	6%	(\$13,812)
Law Department Other	\$228,946	\$265,100	\$222,079	84%	(\$6,866)
Special Improvement Districts	\$122,537	\$371,131	\$174,556	47%	\$52,019
Municipal Court Personal Services	\$101,300	\$1,039,343	\$64,067	6%	(\$37,233)
Municipal Court Other	\$35,607	\$189,435	\$23,146	12%	(\$12,461)
Total General Government	\$1,122,654	\$5,506,693	\$1,132,515	21%	\$9,861

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 AT JANUARY 31, 2018

Other	1/31/2017 Actual	2018 Budget	1/31/2018 Actual	Percentage 2018 Budget	Difference 2018 vs 2017
Transfers & Advances	\$0	\$100,000	\$0	0%	\$0
Hospitalization	\$15,759	\$4,416,250	\$533,345	12%	\$517,586
Total Other	\$15,759	\$4,516,250	\$533,345	12%	\$517,586
TOTAL GENERAL FUND EXPENDITURES	\$4,549,068	\$43,437,597	\$4,753,723	11%	\$204,655
Excess Revenue Over/(Under) Expenses	(\$538,093)		\$37,109		
Unencumbered Balance 1/1/18 vs 1/1/17	\$3,857,077		\$5,482,650		
ADD:					
Balance of Previous Year Purchase Orders Voided in Current Fiscal Year					
Estimated Unencumbered Balance	\$3,318,984		\$5,519,759		
Total Personal Services	\$2,727,834	\$30,688,815	\$2,340,290	8%	(\$387,544)
Total OTPS	\$1,821,234	\$12,748,782	\$2,413,433	19%	\$592,199

TO: TANISHA R. BRILEY, CITY MANAGER

FROM: SUSANNA NIERMANN O'NEIL, ASSISTANT CITY MANAGER

RE: COMMUNITY OUTREACH UPDATE

DATE: FEBRUARY 22, 2018

COMMUNITY RELATIONS:

- **The announcement /flyer for the Community Meeting with Chief Mecklenburg on Wednesday February 28th has been posted on the homepage, Facebook , Twitter and at the libraries.(See flyer attached)**
- **A reminder of the next Charter Review meeting on Thursday March 1st will be posted on Facebook /Twitter today. Staff will follow that procedure going forward. Meetings are already on the website calendar.**
- **Additional relocation packets were provided to the Keller Williams office.**

COMMUNICATION INITIATIVES:

- **Staff(Trupo) met with the Future Heights Director to discuss communication collaboration**
- **Staff (Trupo) met with the Noble Neighbors chair to discuss updating the Noble brochure that was collaboratively prepared 3 years ago between the City and Noble Neighbors. These brochures are used in Relocation packets.**
- **Staff (Boland, Trupo, O'Neil) met with Crain's Cleveland to discuss possible advertising options**
- **A press release went out concerning the development agreement on Top of the Hill being finalized**

SOCIAL MEDIA:

- **The following stories were posted on Facebook : 1.) A Jason Kelce (Cleveland Heightser and Super Bowl champion) story about his time at Heights High in the band 2.) The Community Meeting with Chief Mecklenburg 3.) Registration for the Heights High pool 4.) Cain Park auditions this weekend for the Alma Show *Memphis* 5.) Destination Cleveland share about Cedar Lee 6.) Photos from Coffee with the Cops at Phoenix.**

To All Residents of Cleveland Heights

A Community meeting with Chief Annette Mecklenburg

A community meeting will be held on
Wednesday, February 28, 2018 at 7:00pm
at the Cleveland Heights Community Center.

The Chief along with two of her officers
will discuss safety in Cleveland Heights
and will answer any resident questions
about neighborhood safety issues.

Questions?
Call Community Relations
216-291-2323



CLEVELAND HEIGHTS COMMUNITY CENTER
One Monticello Boulevard • Corner of Mayfield Road & Monticello Boulevard
www.clevelandheights.com





To: Tanisha Briley – City Manager
From: Alex Mannarino – Director of Public Works
Date: February 23, 2018
Subject: Public Works Weekly Update

Forestry:

- Tree Tracker work history from February 15, through February 21, 2018
- The Forestry Division assisted Street Division with snow removal
- YTD: Trimmed 36 trees, removed 20, and dumped 22 loads of woodchips and 8 loads of logs

Dispatch:

- Court Community Service Hours: 29/ Weekly Dispatch Calls: 265

Refuse:

- Transported 202.69 tons (15 loads) of refuse to Shiloh landfill and 78.30 tons (5 loads) to Harvard Transfer Station
- Transported 60.25 tons (6 loads) of mixed recycling to Kimble

Streets Maintenance:

- **Cold Patch:** Warrensville (Noble to Mayfield), S Taylor (at Fairmount, Meadowbrook), Parkhill at Mayfield (potholes), Washington, (3103, 3121, 3157, 3161, 3166), Warrensville (Mayfield to South Euclid Line), 3643 Antisdale (cutout), Quilliams (1078, 1060, 1044, 960, 850, 766, at Brinkmore, Randolph, Stoneleigh, Fenley, Runnymede), Coventry (at Corydon, Coleridge, 1710, 2206, 2228, Clarkson, 2251, 2207, 1995, 2269, 2073), Edison (3542, 3535, 3519, 3510, 3505, 3400, 3480, 3472, 3441, 3437, 3481, 3427), Demington (2352, at Fairmount, N St James, 2426), 3104 Coleridge (apron), Washington (3103, 2997, 2826, at E Overlook, 2904, 2986, 2940, 2956), Monticello (50ft from Noble Rd curb lane)
- **Miscellaneous:** Cleaned all salt/plow trucks, bullpen, and garage , Removed fence from Mayfield lot #3– pushing salt Thursday, Friday, Saturday, Monday, Tuesday, Wednesday
- **Leaves: 2990:** E Overlook
- **Snow/Ice:**
 - 02/13– Cleaned and checked all fluids in plow and salt trucks
 - 02/18 – Salted hills
 - 02/22 – Salted hills and school zones
- **Hauling:** Grinding leaves

MEMORANDUM

To: Tanisha Briley-City Manager
From: Alex Mannarino-Director of Public Works
Date: February 23, 2018
Re: Capital Projects Weekly Update

Cedar Road Resurfacing/Cedar-Fairmount Streetscape

No new updates

Mayfield Signalization

No new updates

Safe Routes to Schools – ODOT PID 101112

We are currently awaiting ODOT comments to the Stage 2 Plan Submittal.

#18-01 North Park – Buffered Bike Lane – ODOT PID 106001

No new updates – sealed bids are being received today.

Edgehill and Overlook Intersection Re-Design – ODOT PID 106749

Currently awaiting Stage 1 Plan submittal comments from ODOT.

2018 Street Resurfacing Program

Currently finalizing the quantities for the program

2018 Surface Treating Program

Currently finalizing the quantities for the program

Dominion East Ohio

Woodview and Elbon PIR-1527

The contractor has not experienced any major setbacks.

Hyde Park PIR-2132

The contractor has not experienced any major setbacks.

MEMORANDUM

To: Tanisha Briley, City Manager
From: Richard Wong, Planning Director
Date: February 23, 2018
Subject: Weekly Update



Board of Zoning Appeals

Jeffrey Bradish's Paws CLE 8'-high fence was unanimously approved in the rear yard, 46' from the residential properties to the west. His next step is to apply for a building permit and fence permit.

13 two-and-three-story townhomes next to the College Club. Ex-ABR member Rich Bozic said variances for setbacks wouldn't be needed if the townhomes were stacked with walk-down units beneath other units. The BZA, however, relied on less speculative testimony and facts to determine that the applicants demonstrated enough practical difficulties of the property to merit the variances. The attached rendering was prepared at the request of a Derbyshire Road neighbor to show the view from his back yard.



WXZ developers received all variances for

Motorcars' Chuck Gile received sign variances at Rainforest Car Wash, Toyota and the Collision Center. Flags, low walls, landscaping and electronic message center signs will creating more visual consistency between the various properties. The sites' grading, building locations, neighboring buildings, and volume of Mayfield Road traffic, were among the factors discussed.



Architectural Board of Review

A joint meeting with Landmark Commission yesterday approved Fawaky Burst's projecting sign at the Heights Center Building in the Cedar Fairmount district. Liquid Planet is being replaced by Fawaky Fix, a counter service restaurant focusing on healthful foods. The original Fawaky Burst will remain on Mayfield Road in South Euclid.

Cleveland Heights
Economic Development



To: City Manager Tanisha Briley
From: Economic Development Director Tim Boland
Subject: Activities Report – February 23, 2018

Activities and Initiatives:

1. Opportunity Zones

Staff has been actively tracking the Opportunity Zone Program and preparing the City's response to the State and regional partners. The Opportunity Zone Program was created as part of the tax bill in late December. The program allows investors to receive a tax deferral and other tax benefits when they invest unrealized capital gains into Opportunity Funds for five years. These funds are then used to invest in development projects located within designated Opportunity Zones. Opportunity Zones are low income areas per Census tract data. Included in your packet is a map of eligible Cleveland Heights census tracts.

States have until March 22 to nominate areas to be Opportunity Zones. The State has opened up an online form for communities to nominate eligible Census tracts. Those nominations are due to the State by March 2. States are permitted to nominate up to 25% of qualifying census tracts. Ohio has approximately 1,300 qualifying Census tracts, meaning the State may nominate up to 325 census tracts as Opportunity Zones to the Treasury Department. The State has emphasized that recent investment or planned investment in a Census tract will be a determining factor in the determination of what tracts will be selected.

The City has 13 Census tracts that meet general eligibility requirements: seven Census tracts qualify per income guidelines and another six qualify as being contiguous to a qualifying Census tract.

Staff has responded to requests for information regarding our Census tracts from First Suburbs, the Greater Cleveland Partnership and Cuyahoga County.

2. Former Rite Aid Building

Staff has been working with Jeff Bradish, who has a purchase agreement in place for the former Rite Aid at 1970 Lee Road. Mr. Bradish intends to open a dog daycare. He will also be leasing a portion of the building as his business will not need the entire 12,000 square feet. As part of his financing, Mr. Bradish is pursuing an SBA 504 loan to purchase the real estate. Staff identified this project as a candidate for the SBA Performance Grant, and Mr. Bradish has been administratively approved to use this program based on review of his application and supporting materials. He has also completed the required business plan review with the SBDC. Per our process, the City will proceed with the required agreements upon receiving documentation of SBA financing approval. Council will be updated once the project closes.



3. Outreach

Staff participated in or attended the following meetings this week:

- Cedar Fairmount SID – Staff met with the SID director to go over the requirements and schedule for their SID renewal
- “State of the School District” presentation on February 21
- Staff met with two businesses along the Taylor Road corridor to discuss investment opportunities and possible use of City programs
- Staff continues several leads regarding opportunities on Lee Road

4. Cedar Lee SID Renewal

The Cedar Lee Special Improvement District formally submitted their updated Plan of Services for the October 2018 to September 2023 fiscal years. This is the first step in the renewal process, which is required every five years. City Council is required to review and return to the SID with any comments. Legislation to return the Plan of Services to the SID is included in your packet along with a copy of the submitted plan. Staff has reviewed the plan and supports moving forward with it as is.

The Cedar Fairmount SID will also be going through the renewal process this year. Coventry Village SID renewed in 2017.

5. Loan Portfolio Update

Attached is an updated chart of our loan portfolio through the end of the 4th Quarter of 2017. All of our loans are current and in good standing. Of note since the last update to Council, GMG/Motorcars has begun repayment on the loan for the Medusa property. Per the loan agreement, payments on the loan would begin after they had paid off the previous back property taxes. Evo DOMUS began repayment on their loan in January. Boss Dog Brewery begins repayment in May.

Thank you,

Tim Boland

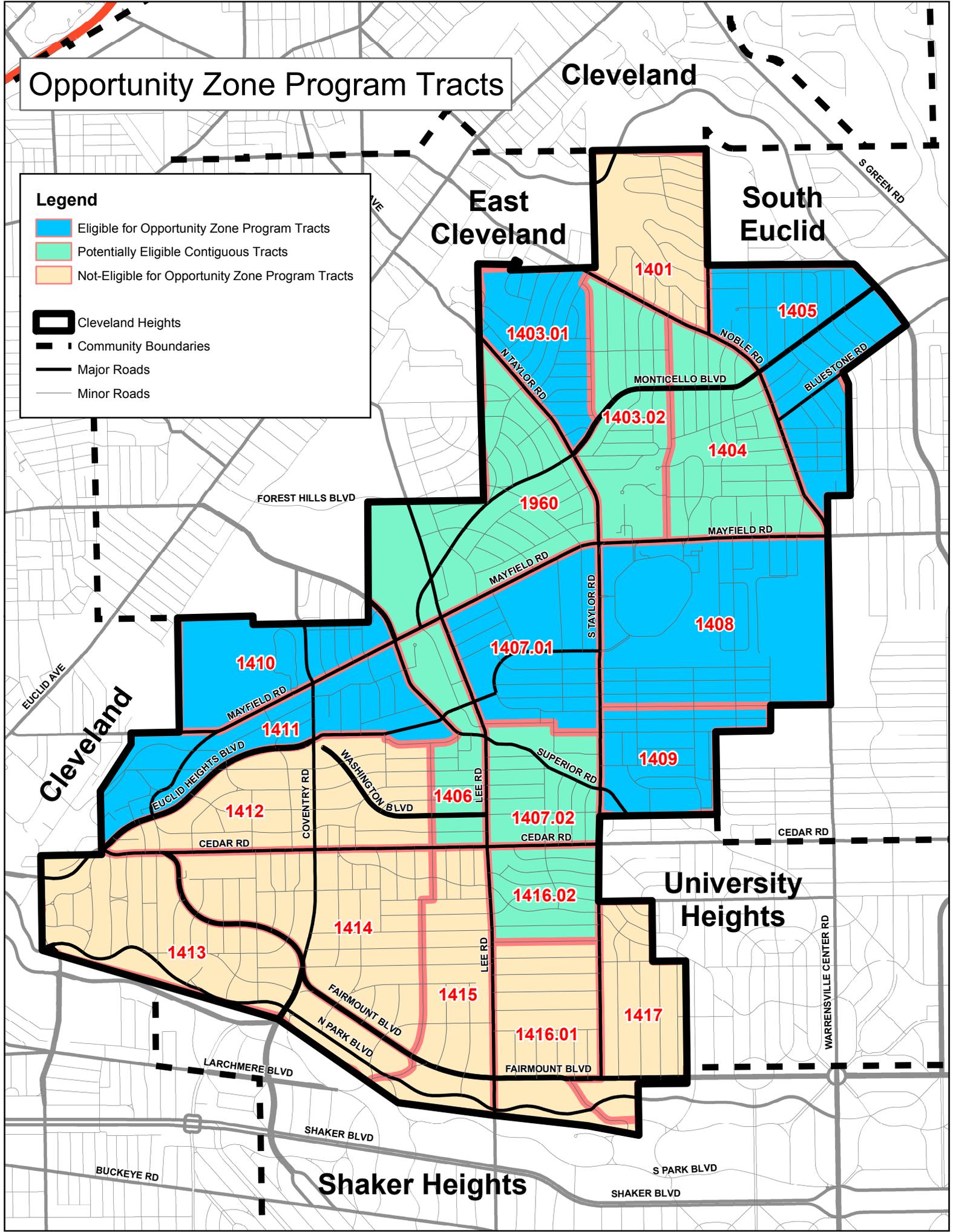
Economic Development Director

Opportunity Zone Program Tracts

Legend

- Eligible for Opportunity Zone Program Tracts
- Potentially Eligible Contiguous Tracts
- Not-Eligible for Opportunity Zone Program Tracts

- Cleveland Heights
- Community Boundaries
- Major Roads
- Minor Roads



Economic Development Finance Programs Summary - January 2, 2018

Commercial Loans (CDBG)

Borrower	Current Balance	Next Payment Due	Original Loan	Date Disbursed	Terms/Payment	Security
B & W Management, 2636 Noble Rd; Tenant - Rainbow Veterinary	\$92,361.11	1/1/2018	\$234,000.00	3/2004	2% - 10 years on a 20 year amortization schedule. Repaid in months 13 through 120 (108 payments) of \$1183.75/mo. Balloon of \$140,158.65 due 3/31/2014. Balloon payment amended July 2016 to sixty payments of \$1385 (months 1-11); \$1410 (months 12-36) and \$3235 (months 37-60)	First mortgage on property located at 2636 Noble Road; personal guarantees of Carl Bleick and Robert Woodbridge
DeSota Berkeley, 3246 Desota Ave.; Tenant - Beth El Synagogue	\$134,683.00	1/1/2018	\$165,000.00	8/2005	15 years on a 25 year amortization schedule. 2.5% on first \$100,000; 0% on balance of \$65,000. No payments for the first 36 months. Payments for months 37-180 @ \$449/mo. Payment 181 @ \$110,127	Second mortgage (first to Beth Hamidrosh Anshe Galicia Congregation - \$175,000) on property located at 3246 DeSota Ave.
Auburn Partners, 2040 Lee Rd.; Tenant - Elgin Furniture	24,673.00	1/1/2018	\$200,000.00	12/2008	120 months @ 3%; \$1,931/mo	Second mortgage (first mortgage to National City Bank - \$500,000); guarantee of Elgin Furniture and Appliance, Inc.; personal guarantee of Jed Brenner; and security interest in all inventory at 2040 Lee Road
Heshney LLC, 2196 Lee Rd.; Tenant - Lopez	\$170,679.78	1/1/2018	\$460,000.00	9/2001	Repayment @ \$1600/mo Oct - April; \$3200/ mo May - Sept for both loans. Final payment 7/1/2025	Second mortgage (first to First National Bank) on property located at 2196 Lee Road; personal guaranty of owners
GMG (Medusa), 3008 Monticello	\$467,081.51	1/1/2018	\$470,536.97		120 months @ 2.5% to begin when taxes are paid off. Montly payments of \$4,435.75	First mortgage on property located at 3008 Monticello (aka 3008 Lee Road) ppn 681-39-003

Commercial Loans (CDBG) cont.

Borrower	Current Balance	Next Payment Due	Original Loan	Date Disbursed	Terms/Payment	Security
NeuroWave, 2490 Lee Blvd. (Rockefeller Pointe)	\$76,585.64	1/1/2018	\$200,000.00	10/2008	60 months @ 0% (amended to 84 months @ 0% in April 2013)No payments until 84th month. At that time the principal was reduced by the amount of income tax paid during term of loan. A total of \$105,205.97 was paid. Balance of \$94,749.03 being repaid 120 months @ 1%	All real, personal and intangible assets of Borrower; and a personal guaranty of Borrower's President, Bob Schmidt for \$30,000
Phoenix on Coventry, 1793 Coventry Rd.	\$12,117.38	1/1/2018	\$50,000.00	8/2013	60 months @ 2% \$876.39/mo	Third mortgage in the amount of \$50,000 on property at 3194 Oak Road.; first position on furnishings and equipment owned by Coventry Phoenix LLC at 1793 Coventry Road; guarantee from Sarah Wilson-Jones and Phoenix Coffee
Boss Dog Brewery, 2179 Lee Rd.	\$200,000.00	5/1/2018	\$200,000.00	10/2017	60 months at 2%,	First position lien on brewing equipment; second position mortgage on 2179 Lee Rd.; guarantees from Josh and Jason Sweet
Total Outstanding Principal	\$978,181.42					

Economic Development Fund Loans

Borrower	Current Balance	Next Payment Due	Original Loan	Date Disbursed	Terms/Payment	Security
Katz Club, 1975 Lee Rd.	\$118,153.70	1/1/2018	\$200,000.00	11/2012	84 mos @ 3%. Up to \$50,000 to be forgiven equal to payroll taxes paid in years 2014-2018. \$1,982/mo	First mortgage in the amount of \$200,000 on property at 1975 Lee Road; a guarantee from Dakota LLC, dba fire.
David Waite/Fran Sarro, 2195-2197 Lee Rd.; Tenant - Fix Bistro	\$10,814.11	1/1/2018	\$50,000.00	5/2013	60 months @ 4% \$920.83/mo	First mortgage in the amount of \$50,000 on property at 2195-97 Lee Rd.
Cleveland Cinemas, 2163 Lee Rd.; Tenant - Cedar Lee Theatre	\$9,457.98	1/1/2018	\$25,000.00	8/2014	60 month @2% \$438.19/mo	Second mortgage (first mortgage of \$282,927.73 to First Merit Bank) on property at 2163 Lee Rd.
K and K One Holding, LLC (dba evo DOMUS), 2179 S. Taylor Rd.	\$100,000.00	1/1/2018	\$100,000.00	9/2017	60 months @ 3%	Second mortgage on 2179 S. Taylor, lien on business equipment and furnishings at 2179 S. Taylor, personal guarantees of owners
Total Outstanding Principal	\$238,425.79					

Storefront Loans

Borrower	Current Balance	Next Payment Due	Original Loan	Date Disbursed
Vangar Holdings, LLC (dba AV Remodeling), 2860 Noble Road	\$30,274.25	1/1/2018	\$30,787.57	5/2016
Heshney LLC, 2196 Lee Road; Tenant - Lopez	\$22,110.86	1/1/2018	\$50,000.00	9/2001
Smith Investments, 13433-13437 Cedar Road	\$0.00	N/A	\$23,733.90	11/2013
Quintana's, 2200 S. Taylor Road	\$8,866.00	1/1/2018	\$13,366.00	8/2015
Verne & Ellsworth Hann, 2026 Lee Road	\$51,676.33	1/1/2018	\$51,676.33	12/2016
Total Outstanding Principal	\$112,927.44			

Microenterprise Loans

Borrower	Current Balance	Next Payment Due	Original Loan	Date Disbursed	Terms/Payment	Security
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SBA Performance Grants/Forgivable Loans

Borrower	Current Balance	Original Loan	Date Disbursed	Terms	Security
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MEMORANDUM

TO: Tanisha Briley- City Manager
FROM: Allan Butler- Housing Programs Director
DATE: February 23, 2018
RE: Housing Update

- I met with Diana Woodbridge of the Greater Cleveland Congregations last week to discuss some of the concerns and projects that GCC is working on. They have had discussions with US Bank regarding a number of foreclosed properties where US Bank acts as the trustee on the foreclosure for other banks. The US Bank representative was helpful in providing the servicer of the bank loan for the foreclosures. Future meetings with the US Bank representative are scheduled to discuss city requirements for sale of properties and future opportunities for community reinvestment.
- My staff and I met with Deanna Fisher of Future Heights and CSU graduate student Matthew Keri to discuss housing needs in the city. We explained some of the processes for property transfers and discussed opportunities where Future Heights may benefit with regards to acquisition and renovation of vacant properties and new construction on vacant lots.

Memorandum

To: Tanisha Briley, City Manager
From: Joseph P. McRae, Parks and Recreation Director
Subject: Parks and Recreation Department Update
Date: February 23, 2018

Please find a brief summary of the Parks and Recreation Department announcements and activities attached for your review:

Sports/Ice Programs

- Final Cleveland Suburban Hockey League (CSHL) playoffs, semi-final round games Sunday, February 25 on the South Rink from 8:00am to 3:15pm
- Cleveland Heights Women's Basketball Playoffs conclude Wednesday, February 28.
- Spring program registration begins Monday, March 5.
- Spring Community Swimming at Cleveland Heights High School begins Monday, March 5.

Senior Center Programs

- The AARP group had their general meeting.
- AARP tax preparation and Chronic Pain Management workshops continue for seniors.
- ESOP held a workshop on Understanding Credit and Debt.
- The Senior Center observed the Chinese New Year with box lunches prepared by China Gate.



Cleveland Heights Fire Department

Weekly Activity Report

Total Emergency Calls Year To Date	1,022
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Total Emergency Calls for Period	126
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Report Date Period: 02/16/2018 - 02/23/2018

Fire Data

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year to Date</u>	<u>Current Year % of Run Count</u>
Emergency Fire Run Count	31	216	156	21.57 %
Emergency Structure Fire Count	2	14	12	
Emergency Non Structure Fire Count	29	201	143	
Emergency Vehicle Fire Count		1	1	

Emergency Medical Data

Total Emergency Run Count	95	806	783	78.43 %
Emergency Medical Run Count	93	780	761	
Automobile Accident Run Count	2	26	22	
Advanced Life Support Run Count	35	216	220	
Basic Life Support Run Count	57	583	562	
Total EMS Transports	64	552	520	
Total EMS Non Transports	26	207	228	

Mutual Aid Run Count to Date

Mutual aid received	SEFD A - 7 SHFD A - 4 ECFD A - 0 UHFD A - 6
Mutual aid given	SEFD A - 10 SHFD A - 5 ECFD A - 8 UHFD A - 2
Automatic aid received	SEFD A - 1 SHFD A - 4 ECFD A - 1 UHFD A - 2
Automatic aid given	SEFD A - 0 SHFD A - 3 ECFD A - 0 UHFD A - 0

<u>Fire Prevention Bureau</u>	<u>Current Period</u>	<u>Year to Date</u>
Total Completed Fire Inspections	3	104
Company Fire Inspections		
Fire Prevention Fire Inspections	1	4
Fire Alarm Test Inspections		
Kitchen Supression Test Inspections		
Sprinkler Test Inspections		
Other Inspections	2	100
Smoke Detectors Distributed	7	35

CITY OF
**CLEVELAND
HEIGHTS** 

DEPARTMENT OF POLICE

ANNETTE M. MECKLENBURG, CHIEF

40 SEVERANCE CIRCLE, CLEVELAND HEIGHTS, OHIO 44118 – Telephone 216-291-4974

MEMORANDUM

To: Tanisha R. Briley, City Manager

From: Annette Mecklenburg, Chief of Police

Date: February 24, 2018

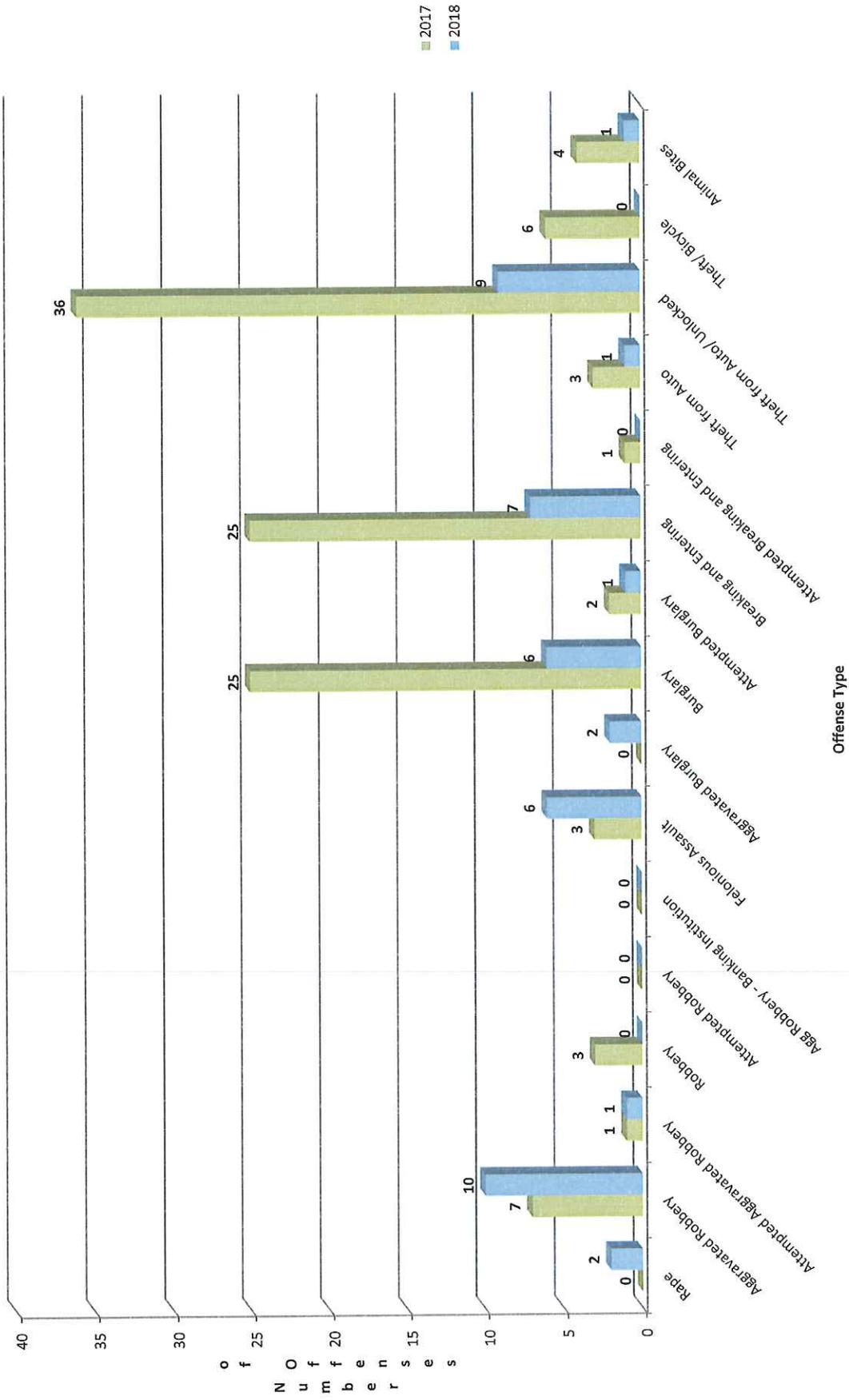
Subject: Weekly Update

On Thursday, February 22nd Kenneth Matthews, 22 year old male from Cleveland, was charged with Felonious Assault for the shooting that occurred a week prior at Windsor and Roanoke. He received a \$50,000 cash/surety bond and was bound over to the County Jail. Investigation has revealed that Matthews was shooting at a group of males who were walking in the street in front of the victim's car. Detectives have identified some of the males and are working at identifying the others and their connection to this incident.

On Wednesday, February 21st around 2:00 am a male reported being the victim of robbery at his apartment in the 2500 block of Overlook. According to the victim he was robbed after setting up a meeting with the suspect on the dating app GRINDR. The suspect came to the victim's residence along with another male, brandished a firearm, and robbed the victim of personal property. Officers were able to arrest one of the suspects a couple of others later when they attempted a second meet. Further investigation by detectives revealed several suspects were involved in this robbery and four males are in custody. Detectives also recovered numerous pieces of property from victims who were also robbed by the same suspects in at least two other cities. Detectives are investigating jointly with other Police Departments on these cases. The four suspects are being charged with multiple counts of Aggravated Robbery, Aggravated Burglary, and Kidnapping.

The Community Meeting to discuss the recent crime incidents in the City will be held Wednesday, February 28th at 7:00 pm in the Senior Multipurpose Room at the Community Center. In attendance from the Police Department will be myself, Captain Christopher Britton from the Detective Bureau, and Investigator Quintero Mack of the Community Response Team. All residents are welcome to attend. On Thursday, March 1st, myself Sgt. Sean Gideon, and Inv. Quintero Mack will also be present for Meet Your Police from 6:00 – 8:00 pm to speak with residents who may not be able to attend Wednesday's meeting. Meet Your Police will held at the Police Academy.

**Crime Comparison:
January 1 - February 22, 2017 Compared to January 1 - February 22, 2018**





Date: February 23, 2018

To: Tanisha Briley, City Manager

From: Collette Clinkscale, Utilities Commissioner

Subject: Utilities Department Weekly Update

Water

- CWD has completed approximately 9,500 meter change outs
- Obtained final and misc. readings for CWD
- Courtesy leak investigations performed
- Investigated water main break complaints
- Installed water box top at 2373 Kenilworth Lane

Sewer

- Ran sewer machine on Rydalmount, Tullamore, Elbon (2), South Taylor, Helmsdale, East Derbyshire, Randolph, Shaker, Stoneleigh, and Berkeley
- Ran jet on South Taylor and Cedarbrook
- Cemented road holes on Monticello, Rosedale, Hereford
- Prepped road holes on Kenilworth, Randolph, Bellfield, Crest, Staunton @ Shannon, Rosedale, Monticello and Pembroke
- Investigated Overflow Routes A, B and C due to significant rainfall this week
- Inspected sewer mains

Other

- Increased phone volume related to customers calling regarding local sewer bills and inquiries for the homestead and affordability programs
- Working to build workflow design with Lucity, Inc. (IT, GIS and Utilities).

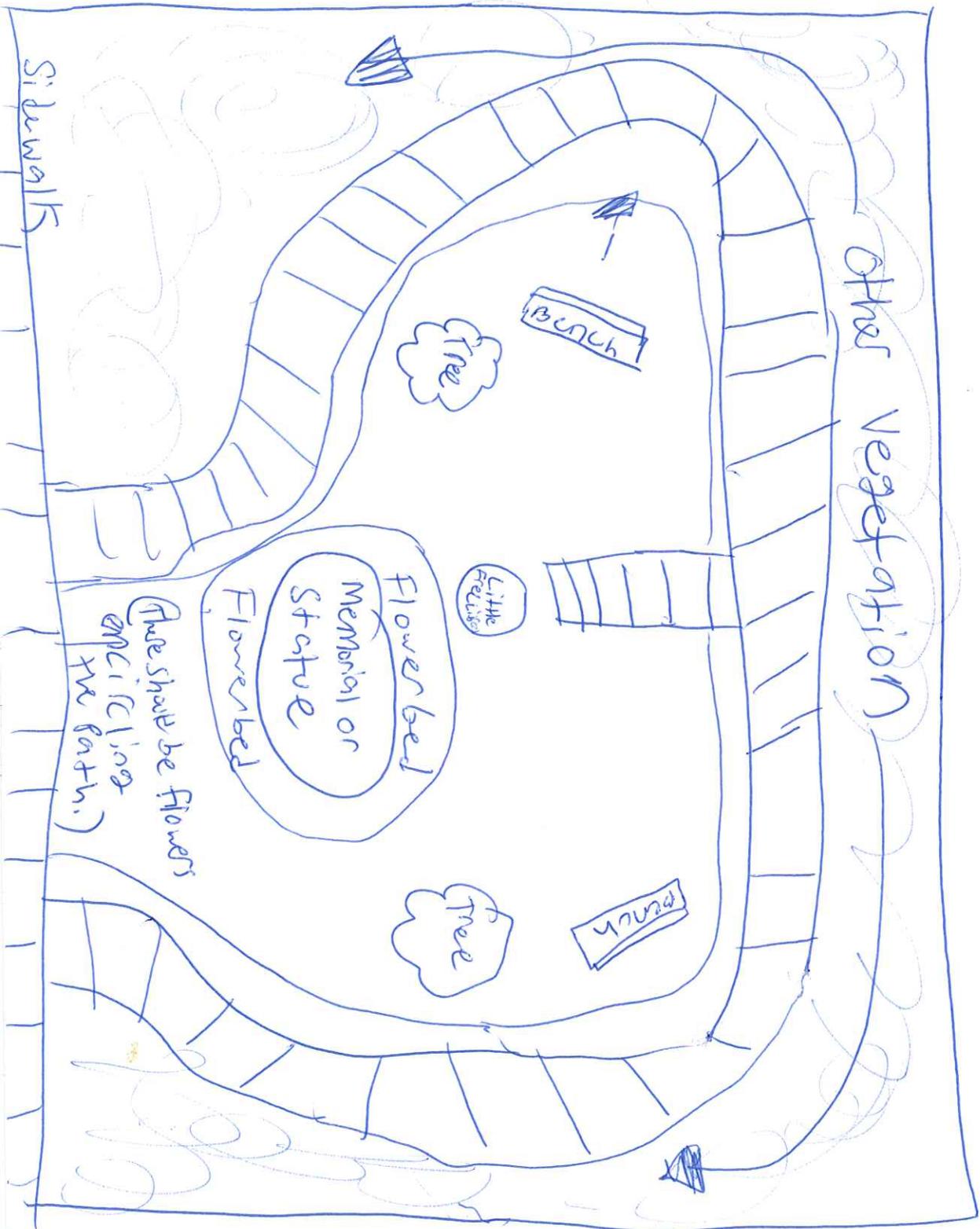
Dear City Council,

Hello. My name is Helen Gann and I'm 11. I have a proposal for the empty plot near me that once had the Mayfield Building. I believe that you should build a Park in honor of the police and fire department members that have passed. There should be lots of trees and flowers, a path to walk, bike, or walk dogs on, and a Little Free Library. This would be a nice addition to our city because it gives people a place to enjoy nature's creation and get a break from the stress in our lives. Enclosed is a plan for the park. You can write me back and send your letter to: 1378 Ardoon St. Cleveland HTS, OH 44121. Thank you for your time.

Yours,

Helen Gann

The Plan (top view)



**CITY OF CLEVELAND HEIGHTS
ARCHITECTURAL BOARD OF REVIEW
MINUTES OF THE MEETING
FEBRUARY 6, 2018**

MEMBERS PRESENT:

Melissa Fliegel, Chair
Erik Lund
Jonathan Kurtz

STAFF PRESENT:

Richard Wong, Planning Director

CALL TO ORDER

Mr. Wong called the meeting to order at 7:00 PM at which time two members were present including alternate member Jonathan Kurtz, filling in for Michael Wellman, whose absence was excused.

APPROVAL OF THE JANUARY 18, 2018 MINUTES

Members had no comments or questions so the minutes were approved as submitted and were signed by Ms. Fliegel who arrived just before conclusion of this action item.

SPECIAL JOINT MEETING WITH LANDMARK COMMISSION

Mr. Wong explained that the meeting's agenda was altered to accommodate the schedule of the Landmark Commission who would jointly review the College Club's house renovation and alterations. The new construction was not to be reviewed by them. Planning staff member Kara O'Donnell called the roll of the Landmark Commission.

LANDMARK COMMISSION MEMBERS PRESENT:

Mazie Adams, Chair
Jim Edmonson
Ken Goldberg
Margaret Lann
Thomas Veider

**PUBLIC HEARING
FEBRUARY 6, 2018**

ABR 2018-263: WXZ Residential Group/CC, LLC, 2350 Overlook Road, request to adaptively reuse for 10 apartments the home that had been College Club's location, remove newer 1-story addition, renovate historic carriage house for 4 apartments and construct on the existing parking lot three buildings containing 13 two-and-three story townhomes including site improvements.

- WXZ's James Wymer and Dave Swindell, 22720 Fairview Center Drive, #150, 44126, and Dimit Architect's Paul Glowacki, 14414 Detroit Road, #306, 44107, described the renovation. Mr. Wymer said that the plan was to use historic tax credits to renovate the one-hundred-plus-year-old home and carriage home into fourteen market-rate rental units. Thirteen for-sale attached townhomes would be constructed on the same property.
- Paul Glowacki described the context with photos. An addition would be demolished and a patio constructed in its place. The exterior of the house and carriage house would be cleaned and restored with techniques approved by Ohio Historic Preservation Office. Seventeen parking spaces will be in back. The lawn in front would remain. A window of one of the apartments will become a door to a deck. Mechanical units will be on the flat roofed part of the house, not easily seen from the ground. Third floor skylights are proposed and have been approved by OHPO. In response to a question from Ms. Lann, Mr. Glowacki said an historic consultant, Heather Rudge, provided much direction and information for the project team. Modifications to the interior walls and doors were minimized for historic preservation reasons. The mechanicals will be concealed in dropped ceilings in bathrooms and hallways.

ACTION: Ms. Lann moved to approve alterations to this property as shown on the plans by Dimit Architects, received January 18, 2018. Seconded by Ms. Adams, the motion was unanimously approved by the Landmark Commission. Note: At this time, the regular ABR agenda resumed. The new construction at the College Club would be reviewed last.

ABR 2018-256: Fitness Zone, 3554 Mayfield Road, requests to install Fitness Zone sign replacement for World Gym sign.

- Brilliant Electric Sign's Major Harrison, 4811 Van Epps Road, 44131, said the sign's materials would match the previous sign's.

ACTION: Ms. Fliegel moved to approve the sign as shown on the plan by Brilliant Electric Sign, received January 18, 2018. Seconded by Mr. Lund, the motion was unanimously approved.

ABR 2018-257: Tim McDonough, 3392 Dellwood Road, requests to blacken glass of three first floor windows on side of home, install sliding door, remove two sets of casement windows and replace kitchen door with window.

- Tim McDonough said a relocated kitchen required blacking out three windows. He had planned to remove the three windows but found that his home's vinyl siding was not available, so the patch would not have matched. An 8' sliding door and other alterations were proposed on the back wall. In response to a comment from Mr. Lund, he said grids could be on the sliding doors.
- Mr. Lund suggested that the grids match the proportions of window mullions of the house.

- Ms. Fliegel said approval should be only for the sliding door and blacked out windows, not for removal of the back door under the porch roof. Natural light to the breakfast area will be reduced.
- Mr. McDonough said he would drop the idea of removing the back porch door and leaving a blank wall. As shown in one of his renderings, a window will be installed where the door was.

ACTION: Ms. Fliegel moved to approve the three blacked-out windows, 8' sliding door, and window replacing a back porch door as shown on the plans by architect Lee Pozek, received January 12, 2018. Seconded by Mr. Lund, the motion was unanimously approved.

ABR 2018-258: Kathy and Rich Fox, 3402 Clarendon Road, request to change windows using double-hung style that doesn't match windows being replaced.

- Rich Fox said the seven new windows would replace ones that did not look like the home's historic windows.

ACTION: Mr. Lund moved to approve the proposed windows as shown on the drawings by Window Nation, received January 17, 2018. Seconded by Mr. Kurtz, the motion was unanimously approved.

ABR 2018-259: Peter and Heidi Robertson, 1965 Mornington Lane, #8, request to install bay window and skylights.

- TPA Builders' John Payne, 4310 St. Clair Avenue, 44103, said other Mornington Lane units have received approval of a similar design.
- Mr. Lund requested that the roof line be raised to align with other first floor roofs and the apron of the bay window be taller.
- Mr. Payne said the top of the window is set by a lintel but the apron could be taller.

ACTION: Mr. Lund moved to approve the window and skylights as shown on the plans by TPA Builders with the condition that the apron directly below the window be taller. Seconded by Mr. Kurtz, the motion was unanimously approved.

ABR 2018-260: Prospective purchaser Jeffrey Bradish, 1970 Lee Road, requests to install three sets of doors on west side and awning and signs for Paws dog day-care and kennel.

- Jeffrey Bradish and Justified Design Collaborative's architect Joshua Cunningham, 33845 Chagrin Boulevard, 44022, said part of this vacant Rite Aid will be reused as a dog day care and boarding facility. The proposed fence will be an 8'-high white vinyl fence as shown in the sample photos. Signs are proposed on the north, east and south sides of the building. Mr. Bradish said he preferred a blue background filling the margins to the brick rather than leaving strips of tan on the edges.
- Mr. Wong said the background color can be excluded from the sign's area calculation.

- Mr. Kurtz wanted the south sign abutting the brick rather than leaving a tan strip to the right of the sign.
- Mr. Bradish said three pairs of double doors would be added to the west side. The fence would hide the doors from view by the public. In response to Ms. Fliegel's question, he said the awning was an option under consideration.
- Ms. Fliegel said the awning should be as wide as the sign's blue background (spanning from one brick pilaster to the next brick pilaster).
- Mr. Lund said the awning's height should be at the same as the front awnings.
- Mr. Kurtz suggested that the fence be protected from vehicles by bollards or other similar objects. He also said the awning could be fabric.

ACTION: Ms. Fliegel moved to approve the signs, awning, fence and doors as shown on the plans by Justified Design Collaborative, received February 6, 2018 with the conditions that the signs' background extend to the brick as on the marked-up plan and that the awning be as wide as the brick pilasters and be as tall as the awnings on the front. Revised drawings are to be submitted for an ABR administrative approval. Seconded by Mr. Lund, the motion was unanimously approved.

ABR 2018-261: Cleveland Heights/University Heights Board of Education, 14780 Superior Road, requests to move unapproved, prefabricated 10' x 20' shed from west side to south side of main building.

- The School Board's Tige Dague, said the shed contains lawn care equipment and snowblowers.
- Mr. Wong said that the shed needed to be moved from the west to the south side to be code conforming.
- Ms. Fliegel said moving it helped the property's aesthetics. When the shed needed to be repainted, it would look better one color than two.

ACTION: Ms. Fliegel moved to approve the shed moved to the south side of the building as shown on the plans by McKnight & Associates, received January 18, 2018. Seconded by Mr. Lund, the motion was unanimously approved.

ABR 2018-262: Huntington Bank, 1865 Coventry Road, requests to replace front entry system.

- Architect Gerald Weber, 13711 Madison Avenue, 44107 and Huntington Bank's Don Sculrek, 40 Front Street, 44017, said the replacement front entry was needed for tighter security. The one-door entry will be replaced by this aluminum finished two-door design. In response to a comment by Mr. Lund, he said the finish would not be an anodized bronze color like the windows. It would be silver and would match the ATM's stainless steel finish. A special order for the dark bronze anodized finish would delay the doors' arrival. The

photo showed that the front lacked brightness and the silver would lighten it up.

- Mr. Lund said the windows were all dark bronze and did not like the look of a silver door.
- Ms. Fliegel said this building's look was iconic and the silver door would be regrettable.
- Mr. Weber said in response to Ms. Fliegel's question that the order for silver doors has already been placed.

ACTION: Members agreed to continue the matter so that the applicant could check on ordering a dark bronze anodized version. An ABR administrative approval would be possible for the dark bronze anodized finished door system at the next meeting.

ABR 2018-263: WXZ Residential Group/CC, LLC, 2350 Overlook Road, request to adaptively reuse for 10 apartments the home that had been College Club's location, remove newer 1-story addition, renovate historic carriage house for 4 apartments and construct on the existing parking lot three buildings containing 13 two-and-three story townhomes including site improvements. (Note: Landmark Commission had already departed, having approved the alterations to the historic home and carriage house at this time.)

- Dimit Architects' Paul Glowacki said the historic home was the heart of the project. It will still have a large green space in front. A lot of different configurations were looked at for the new buildings. Neighboring single-family homes surround the sites in modern and traditional styles. Beautiful views from the site were taken advantage of. Three clusters of eight, three and two buildings are proposed. A walkway between rows of townhomes connects to another mews fronted by porches. The double gable of the historic home becomes a shape used on the front eight townhomes. Brick is proposed as the primary material. The window bays and chimneys will be a cement panel product that is like a stone veneer. Clad wood windows are proposed. Interior views of first-floor master bedrooms, two-car garages and open floor plans were shown. Roof decks would have outdoor kitchen options. The shorter, two-story townhomes are on the ends, closer to the adjacent homes. The middle three townhomes have a more modern motif that will be gem-like. A perspective from a Derbyshire Road home's backyard was shown in response to his request.
- Mr. Lund said the new buildings' were rendered in dark materials, questioning if they needed to be as dark as shown. He also urged for more detailed refinement for a consistently high level of artistry and craftsmanship, citing brick details on the historic home and carriage house.
- Mr. Kurtz said the material sample boards depicted the new buildings' materials better than the renderings. The massing of the buildings was good,

but as a minor point, he found the openings in the double-gabled feature too big. The gable didn't look as stout as it should.

- Mr. Swindell said the two openings were still being studied, agreeing that they were slightly too big.
- Ms. Fliegel said overall, she really liked this project and it was very well-done. She questioned the modern forms' proximity to the traditional forms.
- Mr. Swindell cited the two modern-styled homes on Derbyshire whose backyards faced this property. The modern sections of this design add a reference to those homes and provide contrast and interest.
- Mr. Kurtz questioned the proportion of the two slit windows of the projecting third floor form on the end unit facing the seating area. He also asked about the material to be used for the gray panels. He didn't want the building to have expensive materials contrasted with materials having a cheap look.
- Mr. Glowacki said those were to be "Fiber C" panels which were a rainscreen with concealed fasteners. Hardi materials would have had a cheap look but the proposed panel system is engineered to look right.
- 9th Avenue Designs' landscape architect Pat Beam, 1588 Sheridan Road, 44121, said that plantings included evergreens, shade trees, flowering trees, perennials and grasses for year-round color.

ACTION: Ms. Fliegel moved to approve the adaptive reuse of the house and carriage house and the construction of the 13 townhomes as shown on the plans by Dimit Architects, received January 18, 2018. Seconded by Mr. Lund, the motion was unanimously approved.

Old Business

ABR 2018-249: GMC Cleveland, LLC, 2900-2916 Mayfield Road (continued from January 18, 2018), requests to install: a) Freedom Motors 6' x 6' electronic message center sign replacing Rainforest Car Wash internally lit sign; b) low wall with six flags on poles approximately 20'-high; c) 6'-6" wide by 7'-10" high Rainforest Car Wash electronic message center sign.

- Cornachione & Wallace's architect, Todd Wallace, 505 West Park Avenue, 44203, said that the Rain Forest Car Wash sign cabinet would still be reused for Freedom Motors' electronic message center. In this revision, the cabinet would have a stone-look material surrounding it. The material would be similar to Motorcars Honda's wall. Rainforest Car Wash's and Motorcars Toyota's signs would have an electronic message center smaller and lower than the original proposal. These would also have a stone-look surrounding them.
- Mr. Lund said he appreciated the revisions.
- Ms. Fliegel still had a concern about the closeness of the electronic message center signs. The images on the sign changed every few seconds. A proliferation of these signs would be started.

- Motorcars Toyota's Matt Gile, 2950 Mayfield Road, 44118, agreed that the images needed to change less frequently. His Daylight Donuts' sign was malfunctioning and changing so frequently it couldn't be read.
- Mr. Lund said a row of these signs would be distracting to drivers and would create an impression of the City. If the City required these signs to hold the image for a minute, the proposal would be much improved from the quickly changing look.

ACTION: Ms. Fliegel moved to approve Freedom Motors' electronic message center and Rainforest Car Wash's electronic message center, low wall and flags as shown on the plans by Cornachione & Wallace, received February 6, 2018, with the condition that the Freedom Motors' sign be in the existing original metal cabinet with no additional stone-look surrounding it. Seconded by Mr. Lund, the motion was unanimously approved.

ABR 2018-251: Seidman Family LTD Partnership, 2950 Mayfield Road (continued from January 18, 2018), requests to relocate freestanding 8'-wide by 6'-high used car sign and to install a low wall with six flags on poles approximately 20'-high and a 6'-6" wide by 7'-10" high Motorcars Toyota electronic message center sign.

ACTION: Ms. Fliegel moved to approve Motorcars Toyota's electronic message center sign, low wall and flags as shown on the plans by Cornachione & Wallace, received February 6, 2018. Seconded by Mr. Lund, the motion was unanimously approved.

Old Business

No old business was raised.

New Business

No new business was raised.

Adjournment

The meeting was adjourned at 9:45 PM.

Respectfully Submitted,



Michael Wellman, Vice Chair



date



Richard Wong, Secretary



date

CALENDAR NO. 3442:

Jeffrey A. Bradish, 1970 Lee Rd., 'S-2' Mixed-Use District, requests a variance to Code section 1131.08(c)(2) to permit an 8' tall fence in the rear yard (7' max. ht. permitted).

Action: Granted 3-0 with the following conditions:

1. *Receipt of a Fence Permit;*
2. *Complete construction within 18 months of the effective date of this variance; and*
3. *A requirement to return to the Board of Zoning Appeals for another variance should the property owner consider modifications that would increase the fence's height or length.*

CALENDAR NO. 3443:

Taylor Commons Association, 1915 S. Taylor Rd., 'C-2' Local Retail District, requests a variance to Code section 1131.08(c)(1) to permit a 6' tall fence in the front yard (4' max. ht. permitted).

Action: Granted 3-0 with the following conditions:

1. *Approval of the Architectural Board of Review;*
2. *Approval of a landscape plan by the Planning Director;*
3. *Receipt of a Fence Permit;*
4. *Complete construction within 6 months of the effective date of this variance; and*
5. *A requirement to return to the Board of Zoning Appeals for another variance should the property owner consider modifications that would increase the fence's height or length.*

CALENDAR NO. 3444:

WXZ Residential Group/CC LCC, 2350 Overlook Rd., 'MF3' Multi-family District, requests variances to Code sections:

- 1) 1123.07(a) to permit a front setback of 18' 9.5" to 35' (30' min. setback req'd);
- 2) 1123.12(a)(2) to permit a driveway setback of 0' (10'min. setback req'd);
- 3) 1123.07(c) to permit a rear setback of 12'3" to 20'6" property line (25' min. setback req'd);
- 4) 1123.07(b)(2) to permit Type C unit to have setback from east property line of 10' (25' min. setback req'd);
- 5) 1123.08 to permit 25' as minimum distance between bldgs. A/B and D (42'6" min distance req'd);
- 6) 1123.08 to permit 24' as minimum distance between bldgs. C and D (60' min. distance req'd); and
- 7) 1123.07(b)(1) to permit west property line setbacks of 0' at A/B bldg., 2' at D bldg., and 1'9" at C bldg. (15' min setbacks req'd);
- 8) 1161.03(4) to permit 17 surface parking spaces for 14 apts. (min.14 surface spaces with 7 enclosed spaces req'd).

Action: Granted 4-0 with the following conditions:

1. *Planning Commission approval of new construction lot resubdivision;*
2. *Approval of a landscape and drainage plan by the Planning Director prior to building permits being issued;*
3. *Receipt of a Building Permit;*
4. *The variances are contingent upon the historic College Club house and carriage house being preserved and upon the site being developed as shown on the site plans dated January 18, 2018; and*
5. *Complete construction within 36 months of the effective date of this variance.*

CALENDAR NO. 3439:

GMC Cleveland, LLC, 3077 Mayfield Rd., 'C-1' Office District requests variances to Code section 1163 to permit six 15 sq. ft. identification signs (90 sq. ft. total) to be located 20' above grade in addition to current signage (freestanding signs are not permitted).

Action: Granted 4-0 with the following conditions:

1. *Variance is not transferable and will no longer be in effect should Motorcars no longer own or operate a Motorcars business at this location;*
2. *This variance does not permit any other flags or banners to be flown from these flag poles, only the flags depicted on the application;*
3. *Approval of a landscape plan by the Planning Director;*
4. *Receipt of a sign permit; and*
5. *Complete Construction within 12 months of the effective date of this variance.*

CALENDAR NO. 3437:

GMC Cleveland, LLC, 2916 Mayfield Rd., 'C-3' General Commercial District, requests variances to Code section 1163 to permit 2-sided freestanding identification sign to be 6' tall with 24.97 sq. ft. signage on each side and six 15 sq. ft. identification signs (90 sq. ft. total) to be located 20' above grade in addition to current signage (freestanding signs are not permitted).

Action: Granted 4-0 with the following conditions

1. Variance for the 6 signs that are flags is not transferable and will no longer be in effect should Motorcars no longer own or operate a Motorcars business at this location;
2. This variance does not permit any other flags or banners to be flown from these flag poles, only those depicted on the application;
3. The freestanding sign variance will no longer be in effect should the Planning Director determine that the visibility factors for this site have changed;
4. Approval of a landscape plan by the Planning Director;
5. Receipt of a sign permit; and
6. Complete construction within 12 months of the effective date of this variance.

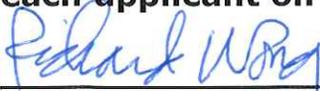
CALENDAR NO. 3440:

GMC Cleveland, LLC, 2950 Mayfield Rd., 'S-2' Mixed-Use District requests variances to Code section 1163 to permit 2-sided identification sign to be 6' tall with 24.97 sq. ft. signage on each side and six 15 sq. ft. (90 sq. ft.) identification signs to be located 20' above grade in addition to current signage (freestanding signs are not permitted).

Action: Granted 4-0 with the following conditions:

1. Variance for the 6 signs that are flags is not transferable and will no longer be in effect should Motorcars no longer own or operate a Motorcars business at this location;
2. This variance does not permit any other flags or banners to be flown from these flag poles, only those depicted on the application;
3. The freestanding sign variance will no longer be in effect should the Planning Director determine that the visibility factors for this site have changed;
4. Approval of a landscape plan by the Planning Director;
5. Receipt of a sign permit; and
6. Complete construction within 12 months of the effective date of this variance.

I hereby certify that the above decisions constitute the final actions taken by the Board of Zoning Appeals on February 21, 2018. I further certify that this Action summary was mailed to each applicant on February 23, 2018.



Richard Wong, Secretary for Board of Zoning Appeals

Proposed: 2/20/2018

RESOLUTION NO. 9-2018 (F)

Second Reading

By Council Member Ungar

A Resolution acknowledging receipt from the Cedar Lee Special Improvement District of a Plan for public services and improvements, and returning said Plan to the Board of Directors without comments or recommendations for changes; and declaring an emergency.

WHEREAS, by Resolution No. 125-2003, this Council approved the formation of the Cedar Lee Special Improvement District (“Cedar Lee SID”); and

WHEREAS, this Council previously approved and levied assessments for five-year public services/improvements plans for the Cedar Lee SID; and

WHEREAS, the most recently approved Plan and assessments expire this year; and

WHEREAS, the Board of Directors of the Cedar Lee SID have adopted a proposed public services and improvements Plan for the next five (5) years and submitted it to this Council and the City Manager for their comments and recommendations pursuant to Ohio Revised Code Section 1710.06; and

WHEREAS, this Council and the City Manager have reviewed said Plan and have no comments or recommendations for changes regarding same.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Cleveland Heights, Ohio, that:

SECTION 1. This Council hereby acknowledges receipt, on its behalf and on behalf of the City Manager, of the proposed five-year public services and improvements plan for the Cedar Lee Special Improvement District, as adopted by the Board of Directors of the Cedar Lee SID (a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference). Said Plan is hereby returned to the Cedar Lee SID, pursuant to Ohio Revised Code Section 1710.06, without comments or recommendations for changes.

SECTION 2. Notice of the passage of this Resolution shall be given by publishing the title and abstract of its contents, prepared by the Director of Law, once in one newspaper of general circulation in the City of Cleveland Heights.

SECTION 3. This Resolution is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health and safety of the inhabitants of the City of Cleveland Heights, such emergency being the need to permit the services of the Cedar Lee SID to continue without interruption and to meet statutory deadlines.

RESOLUTION NO. 9-2018 (F)

Wherefore, provided it receives the affirmative vote of five (5) or more of the members elected or appointed to this Council, this Resolution shall take effect and be in force immediately upon its passage; otherwise, it shall take effect and be in force from and after the earliest time allowed by law.

CAROL ANN ROE, Mayor
President of the Council

LAURIE SABIN
Clerk of Council

PASSED:

Exhibit A

Plan of Services To be provided by Cedar Lee Special Improvement District

Forward

Chapter 1710 of the Ohio Revised Code, effective September 1994, provides that owners of sixty percent (60%) of the front footage of an area can petition to create a Special Improvement District (SID). The SID is a non-profit corporation, governed by trustees elected by the property owners (one of which is the City Executive and his/her designee and one appointed by City Council) of an area /district, to provide specially desired services such as marketing, beautification/maintenance, economic development and physical improvement planning services. These services are set forth in "The Plan of Services" and are in addition to services normally provided by the City.

Property owners representing at least sixty percent of the front footage of the Cedar Lee Special Improvement District (which is herein defined) are petitioning the Council of the City of Cleveland Heights for the continuance of the Cedar Lee Special Improvement District (the "District") and for approval of the Plan of Services for Cedar Lee Special Improvement District.

The Plan of Services seeks as its overall goal to maintain and to enhance the economic viability of the Cedar Lee District. To that end, it provides for marketing, beautification/maintenance, economic development, safety/security initiatives and physical improvement planning services.

The Services

The services to be provided by the Cedar Lee Special Improvement District, as part of the plan are listed below as types of activities to be undertaken. These are given as representative samplings. The intent is not to limit the services to those specifically described or bind services to this initial conceptual schedule. This plan authorizes all activities as permitted under Ohio Revised Code Section 1710.06 (A).

The Cedar Lee Special Improvement District will provide the professional management to deliver the services in the district. The managed services will be overseen by the thirteen member Board of Directors of the SID consisting of 11 members elected by the property owners, one appointee by City Council and the City Manager.

Marketing Objectives

Marketing efforts will target NE Ohio

Promote the district as a destination for retail, services, dining, nightlife, art & theater

Maintain a district web site and utilize Facebook & Twitter to engage consumer audiences

Produce promotional materials such as brochures and e- newsletters

Present marketing & promotional events that highlight the district and its amenities

Keep merchants abreast of area-wide marketing and promotional opportunities

Beautification and Maintenance

Coordinate the delivery of maintenance services by independent contractors

Oversee seasonal plantings, watering and care

Seasonal snow removal service

Sidewalk sweeping and litter removal; multiple weekly schedule

Supplemental Security

Work in partnership with City of Cleveland Hts. Police department to address crime prevention and safety awareness

Provide crime advisories to the merchants

Physical Improvements

Redefined green space, pedestrian amenities & wayfinding signage

Cost

The costs of the Plan of Services shall include those permitted pursuant to the Ohio Revised Code, Section 1710.07 The annual cost of the Plan of Services is budgeted at \$155,888.00 for each of the five years of the plan and will be generated by property owners' assessments.

Area to be Served:

- *Lee Road, on the west side from Superior Road to and including Parcel No. 686-13-049*
- *Lee Road, on the east side from Dellwood Road to Cedar Road*

- *Lee Road, on the east side from Washington to Superior Road*
- *Silsby Road, on the north side Parcel No. 687-08-012*
- *Silsby Road, on the south side from Lee Rd. to and including Parcel No. 687-08-080*
- *Cedar Road, on the north side Parcel Nos. 684-22-019 and 684-22-020*
- *Cedar Road, on the south side from Edgewood to Kildare*

A map showing the area is attached as the last page of this Plan of Services and incorporated herein.

Method of Assessment

The assessments to be used by Cedar Lee Special Improvement District shall be by Market Value as determined by the Cuyahoga County Fiscal Officer.

The assessment will be collected in semi-annual

Term of the Plan

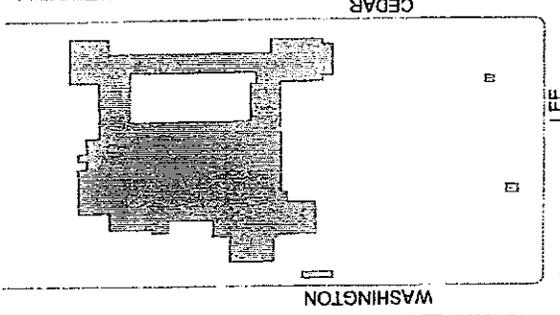
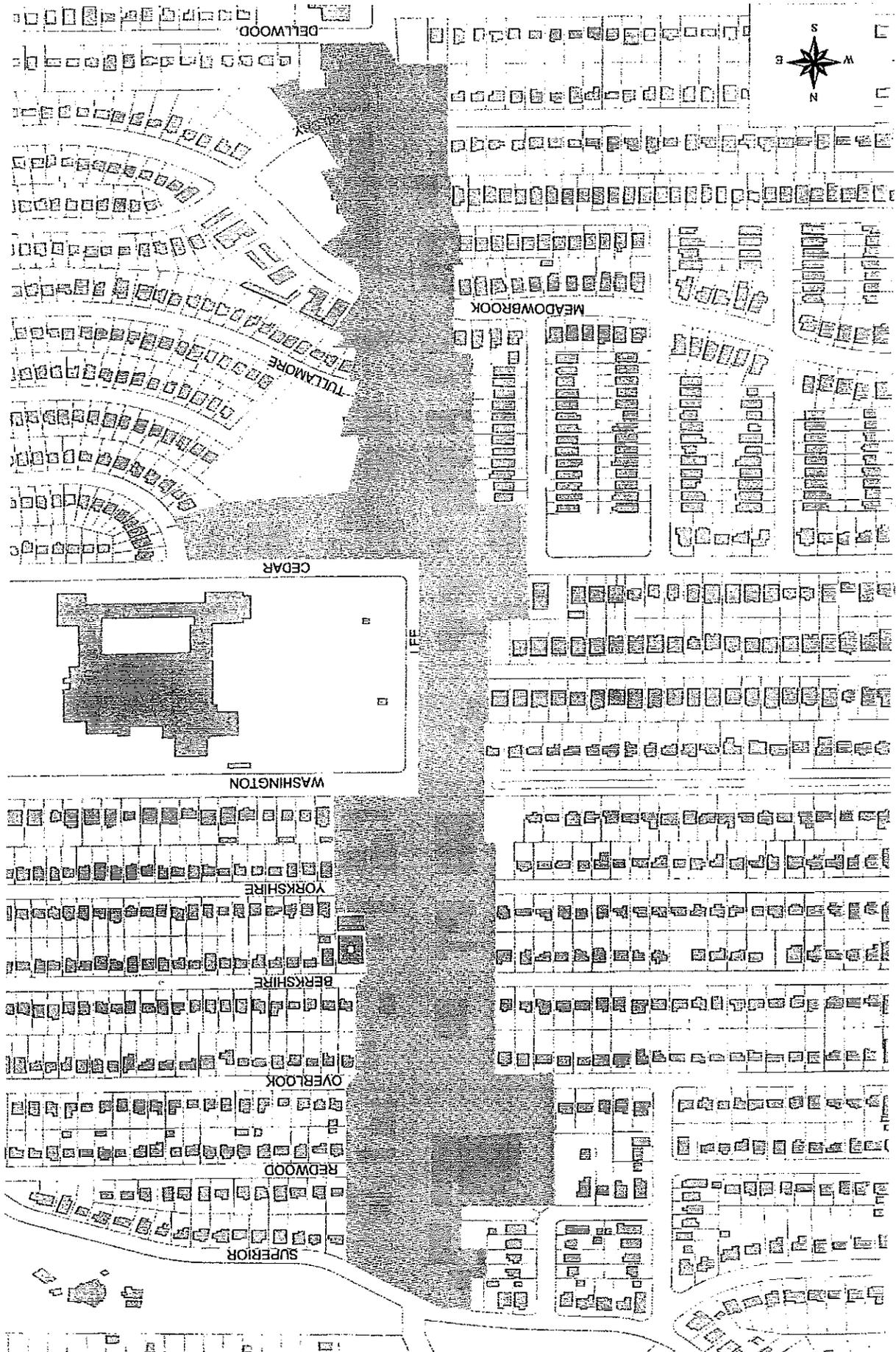
The term of the Plan of Services shall be for **five (5) years** from **October 2018 through September of 2023**. Services will be provided during the same term. The commencement date may be adjusted by the Board of Directors by up to six (6) months later as necessary to give flexibility in meeting all requirements as provided in Chapter 1710 of the Ohio Revised Code and/or as necessary to provide for funds collection and cash flow to commence operations.

Period of Assessment

The term of assessment levied by the district shall be for five years from October 2018 – September of 2023. It may also be adjusted by the Board of Directors as stated above under Term of Plan.

Annual and 990 Report

The Treasurer of the Board of Directors shall submit by the first day of March each year to the City of Cleveland Heights, Finance Director and /or City Manager, a report of the Cedar Lee Special Improvement District's activities and financial condition for the previous year. An annual report will also be submitted to the City of Cleveland Hts. and will be submitted to the Ohio Auditor of State office for public view.



Cedar Lee Special Improvement District

CLSID 2018 - 2023 Renewal Budget

Income

Assessments	\$ 145,888	
Residual Prior Year	10,000	
Total Income		\$ 155,888

Expenses

Accounting	\$ 4,000	
Administrative - General	3,600	
Bank Charges	48	
BOD Liability Insurance	2,000	
Donations	1,500	
Legal	1,500	
Meetings	500	
Memberships	180	
Postage and Supplies	360	
Tax Filing Fees	300	
Training	500	
Total Administration		\$ 14,488

Maintenance

Administrative-Maintenance	\$ 11,210	
Landscape Maintenance	11,000	
Snow Removal	11,000	
Street Cleaning	19,800	
Watering	12,500	
Supplies	400	
Total Maintenance		\$ 65,910

Marketing

Administrative - Marketing	\$ 24,390	
Advertising	5,000	
Web page	1,000	
Newsletter	300	
Brochures	2,000	
Total Marketing		\$ 32,690

Promotional Events

Fall Promos	\$ 2,600	
Summer Promos	5,000	
Winter Promos	1,200	
Total Promos		\$ 8,800

Exhibit A

Proposed: 2/20/2018

ORDINANCE NO. 11-2018 (MS),
Second Reading

By Council Member Yasinow

An Ordinance approving the Plan of Operation and Governance for the Northeast Ohio Public Energy Council (“NOPEC”) Electricity Aggregation Program for the purpose of jointly establishing and implementing an electricity aggregation program; and declaring an emergency.

WHEREAS, this Council previously enacted legislation authorizing the City to establish an electricity aggregation program pursuant to Section 4928.20, Ohio Revised Code (the “Electricity Aggregation Program”), for the residents, businesses and other electric consumers in the City, and for that purpose, to act jointly with any other municipal corporation, township, county or other political subdivision of the State of Ohio, as permitted by law; and

WHEREAS, in November 2000, the electors of the City approved the City’s authority to automatically aggregate electricity in accordance with Ohio Revised Code Section 4928.20; and

WHEREAS, by joining the Northeast Ohio Public Energy Board, the City will be able to act jointly with other member political subdivisions and thereby maximize the potential benefits of electricity deregulation through group purchasing efforts; and

WHEREAS, this Council, pursuant to Section 4928.20 has held two (2) public hearings on the Plan of Operation and Governance for the NOPEC Electricity Aggregation Program.

BE IT ORDAINED by the Council of the City of Cleveland Heights, Ohio, that:

SECTION 1. This Council hereby approves and adopts the Plan of Operation and Governance of the Northeast Ohio Public Energy Council (“NOPEC”) Electricity Aggregation Program, attached hereto as Exhibit A.

SECTION 2. Notice of the passage of this Ordinance shall be given by publishing the title and abstract of its contents, prepared by the Director of Law, once in one newspaper of general circulation in the City of Cleveland Heights.

SECTION 3. This Ordinance is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health and safety of the inhabitants of the City of Cleveland Heights, such emergency being to maximize the potential benefits of electric deregulation through the NOPEC Electricity Aggregation Program, as provided herein. Wherefore, provided it receives the affirmative vote of five (5) or more of the members elected or appointed to this Council, this Ordinance shall take effect and be in force immediately upon its passage; otherwise, it shall take effect and be in force from and after the earliest time allowed by law.

ORDINANCE NO. 11-2018 (MS)

CAROL ANN ROE, Mayor
President of the Council

LAURIE SABIN
Clerk of Council

PASSED:

EXHIBIT A

Northeast Ohio Public Energy Council

**ELECTRIC PLAN OF OPERATION &
GOVERNANCE**

For Member Communities

Amended 11/14/17

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Purpose of the Plan of Operation and Governance

This Plan of Operation and Governance (the “Plan”) has been prepared by the Northeast Ohio Public Energy Council (“NOPEC”) on behalf of its approximately 220 member communities in compliance with Ohio law regarding government aggregation of electric consumers (the “Aggregation Program”). The Plan contains information on the structure, governance, operations, management, funding, and policies of the Aggregation Program to be utilized for participating customers in member communities.

NOPEC’s purpose in preparing this Plan is to describe the uniform approach to a customer Aggregation Program undertaken by its member communities. Through NOPEC, the member communities seek to represent consumer interests in competitive markets for electricity. NOPEC seeks to aggregate customers to negotiate the best rates available for the supply and distribution of electricity and to advance consumer protection for all eligible residents, schools, churches, businesses and industries, and governmental entities. NOPEC acts as agent for its member communities and oversees managerial, technical, and financial resources to acquire service and financial guarantees sufficient to protect customers and the electric distribution utility.

Combining consumer interests of the NOPEC member communities increases leverage, resources, and buying power of participating customers in member communities. The Aggregation Program contains two types of aggregations, an Opt-Out Aggregation Program and an Opt-In Aggregation Program. Under the Opt-Out Aggregation Program, participation is voluntary for each individual customer in a member community. Individual customers will be notified of their inclusion in the Opt-Out Aggregation Program and will have the opportunity to decline service. The customers may choose any electric supplier they wish at the outset of the program and at least every three years thereafter. New member communities shall have the opportunity to join NOPEC.

Under the Opt-In Aggregation Program, NOPEC offers customers who live in NOPEC member communities the ability to join the Opt-In Aggregation Program upon their affirmative consent. Customers who want to participate in NOPEC’s Opt-In Aggregation Program can contact the Supplier (defined below) to enroll. Supplier and NOPEC also may contact individuals in NOPEC member communities regarding opt-in opportunities.

NOPEC and Supplier may offer customers more than one product during the Opt-Out Aggregation process and also during the Opt-In Aggregation process. NOPEC also may endorse any competitive retail electric service supplier to offer within NOPEC’s member communities products that are not included in the Aggregation Program (“Endorsement Program”).

The Plan was adopted after public hearings were held in accordance with Section 4928.20(C) of the Ohio Revised Code, and modified in accordance with paragraph 2.5.4.7 of the Plan.

1.0 Overview

1.1 Ohio Law

1.1.1 Senate Bill 3

Ohio law enacted in 1999 allows for competitive purchase of retail power supply. Section 4928.20 of the Ohio Revised Code (“R.C.”) allows municipalities, townships, and/or counties to develop governmental aggregation programs allowing consumers in those communities to join together and utilize their combined purchasing power to competitively acquire firm all-requirements retail electric supply. Communities undertaking development of this option are known as “government aggregators.” This law allows communities acting as government aggregators to join together and combine their resources for development and implementation of an Aggregation Program.

The law contains several requirements for government aggregators. One general requirement is to develop a plan of operation and governance for the aggregation program. The plan of operation and governance is subject to review by citizens in communities undertaking government aggregation, and is also subject to approval and certification by the Public Utilities Commission of Ohio (“PUCO”). The Plan describes the Aggregation Program to be utilized for participating customers in NOPEC communities.

1.1.2 Senate Bill 221

In 2008, Ohio enacted Senate Bill 221, which updated and overhauled Ohio’s public utility laws, and provided special protections to governmental aggregators through the following provisions:

- R.C. 4928.20(I) – incentivizes customer participation in government aggregation by allowing a participating customer to avoid a surcharge proposed to recover deferred generation costs in certain circumstances;
- R.C. 4928.20(J) – allows municipal aggregators to avoid standby charges by electing not to take standby, provider of last resort service from the utility in exchange for agreeing that customers who choose to return to the utility’s standard service offer (“SSO”) would do so at the market price of power;
- R.C. 4928.20(K) – requires the PUCO to insulate governmental aggregations from non-bypassable generation charges **and** adopt rules that “encourage and promote” large-scale governmental aggregation; and
- R.C. 4928.20(D) – extends the opt-out period for opt-out aggregation programs to three years, meaning each customer of a governmental aggregator must have the right to opt-out of the aggregation at least once every three years without a penalty.

1.2 Description of the Aggregation Program; Enrollment Program

The Aggregation Program involves the acquisition of competitive retail power supply. Distribution services (metering, billing, maintenance of the transmission and distribution system) will continue as the function of the local distribution company. The local distribution company shall also be the “provider of last resort” for consumers not participating in the Aggregation Program who have no other competitive supplier. The NOPEC Aggregation Program required authorization of communities and their constituents in a public process, and contains two types of aggregations, an Opt-Out Aggregation Program and an Opt-In Aggregation Program. NOPEC also may initiate an Enrollment Program whereby it may endorse any competitive retail electric service supplier to offer within NOPEC’s member communities products that are not included in the Aggregation Program.

The Aggregation Program has been undertaken at two levels. At the local level, communities wishing to be government aggregators have authorized the Aggregation Program in a public process as required by law and outlined below in section 1.3. At the regional level, communities wishing to proceed jointly with an Aggregation Program have formed NOPEC as a regional council of government under Chapter 167 of the Ohio Revised Code, which the communities have authorized to perform as their agent for development and implementation of the Aggregation Program. The operations of the Aggregation Program are described in section 2 of the Plan, and the governance of the program is described in section 3 of the Plan.

1.3 Steps Required by the Law

The process of establishing government aggregation involves a multi-step public process undertaken by the member communities or jointly through NOPEC on their behalf. The steps to authorize opt-out and opt-in aggregations are the same, except where noted below:

1.3.1 Local legislative body passes ordinance or resolution authorizing aggregation program for customers;

1.3.2 For opt-out aggregation only, the ordinance or resolution must authorize the local board of elections to submit the question of whether to automatically aggregate to the electors at a special election on the day of the next primary or general election, and be submitted to the local Board of Elections not less than 90 days before the day of the special election;

1.3.3 For opt-out aggregations only, the ordinance or resolution is placed before voters at a special election, or in a referendum petition; approval of a majority of electors voting on the ordinance or resolution is required; or if by petition, signatures of not less than ten percent of the total number of electors in the respective community who voted for the office of Governor in the preceding general election;

1.3.4 Develop a plan of operation and governance and submit the plan of operation and governance to the PUCO for certification;

1.3.5 Publish notice of public hearing on the initial plan of operation and governance once a week for two consecutive weeks before the first public hearing on initial plan of operation

and governance (providing summary of initial plan of operation and governance and the date, time, and location of each hearing);

1.3.6 Hold two public hearings on the initial plan of operation and governance;

1.3.7 Adopt initial plan of operation and governance;

1.3.8 For opt-out aggregation only, notify eligible customers of automatic enrollment and opt-out period prior to service under the Aggregation Program (notification is to state the rates, charges, and other terms and conditions of enrollment);

1.3.9 For opt-out aggregation only, any enrolled customer participating in the Aggregation Program will have the opportunity to opt-out of the Program at least every three years, without paying a switching fee; and

1.3.10 For opt-out aggregation only, notify eligible customers as part of the opt-out notice of the terms and calculation of any applicable deferral-recovery surcharge and NOPEC's process for electing not to receive standby service.

1.3.11 For opt-in aggregation only, market, solicit, enroll, and maintain the contracts of customers under the PUCO's rules and electric distribution utilities' tariffs applicable to competitive retail electric service suppliers that do not automatically aggregate.

1.4 Practical Steps and Requirements of the Competitive Market

Practical steps and requirements of acquiring power supply in the competitive market include the following activities to be undertaken by NOPEC acting as agent for member communities, and the contracted NOPEC Aggregation Program retail electric supplier(s) (the "Supplier(s)"):

1.4.1 NOPEC development and release of Request for Proposals;

1.4.2 Proposals submitted by Suppliers and negotiations undertaken with Suppliers by NOPEC and legal and technical advisors;

1.4.3 NOPEC selection of Supplier(s) and execution of one or more supply contract(s) ("Supply Contract(s)");

1.4.4 For the Opt-Out Aggregation Program only:

1.4.4.1 Acquisition of electronic list of eligible customers in member communities from the distribution utility;

1.4.4.2 Notification of opt-out process undertaken by NOPEC and selected Supplier via U.S. mail and utilizing electronic customer list addresses;

1.4.4.3 Electronic customer list revised by NOPEC Supplier who removes responding opt-out customers from the list;

1.4.4.4 Revised electronic customer list transmitted back to the distribution utility for customer transfer;

1.4.4.5 The distribution utility completes administrative transfer of participating customers (via revised electronic list) to NOPEC Supplier;

1.4.5 For the Opt-In Aggregation Program only:

1.4.5.1 Marketing and solicitation of customers within the NOPEC member communities;

1.4.5.2 Customers are enrolled in the Opt-In Aggregation Program by obtaining their affirmative consent directly (in person, by mail or facsimile), telephonically or electronically in accordance with the PUCO's rules and the electric distribution utility's tariff.

1.4.6 Firm all-requirements retail electric supply service initiated to participating customers based on terms and conditions of Supply Contract(s)

1.4.7 NOPEC and legal and technical advisors monitor contract for compliance;

1.4.8 NOPEC acts to protect interests of participating customers in member communities.

2.0 Description of Aggregation Program Goals and Operation

2.1 Aggregation Program Goals

The NOPEC member community goals for the Aggregation Program are stated below. These goals guide the decisions of the NOPEC Assembly and Board of Directors:

- To provide on a non-discriminatory basis an option for aggregation of all customers who qualify under the PUCO's rules and who NOPEC and its Supplier have elected to serve;
- To allow those customers to voluntarily participate in the Aggregation Program;
- To acquire the best market rate available for electricity supply;
- To provide consumer education and enhance consumer protection and options for service under contract provisions;
- To provide managerial, technical, and financial resources to acquire service and financial guarantees sufficient to protect consumers and the electric distribution utility;
- To improve quality and reliability of service;
- To encourage environmental protection through contract provisions;

- To utilize and encourage renewable energy development if and to the extent practicable through contract provisions and voluntary programs;
- To utilize and encourage demand-side management and other forms of energy efficiency through contract provisions and organizational policies;
- To advance specific community goals that may be selected from time to time;
- To provide full public accountability to consumers, and;
- To utilize local government powers and authorities to achieve these goals.

2.2 Aggregation Program Operations

The Aggregation Program is designed to reduce the amount participating customers pay for electric energy over the duration of the Aggregation Program, and to gain other favorable economic and non-economic terms in service contracts, including financial guarantees to protect consumers and the distribution utility. NOPEC shall seek energy prices for each class of customers lower than the comparable price available from the local distribution company over the duration of the Aggregation Program. Large, commercial and industrial customers, due to the varying characteristics of their electric consumption, may receive individual prices from the selected Supplier(s).

As agent for its members, NOPEC does not buy and resell power, but represents consumer interests as a master purchasing agent to set the terms for electricity supply and service from a competitive Supplier(s). Through a request for proposals and negotiation process, NOPEC develops a contract with a competitive Supplier for firm, all-requirements retail electric supply service. The contract is expected to be for a fixed term. NOPEC may contract with one or more Suppliers to meet the needs of participating customers in member communities.

2.3 Aggregation Program Funding

NOPEC offers member communities the opportunity to gain market leverage, share resources, and reduce administrative and other costs for developing, implementing and providing oversight for the Aggregation Program. Funding for these activities is anticipated to be provided by the selected Supplier(s) with an appropriate kilowatt hour charge to all participating customers to cover costs of the program. Such funds will be collected by the Supplier and paid to NOPEC. In the event additional funding for NOPEC is required, each NOPEC member may be assessed an annual fee pursuant to the agreement establishing NOPEC. The funding will be utilized for all Aggregation Program Operations.

2.4 Participation in the Aggregation Program

Opt-Out Aggregation. For purposes of an Opt-Out Aggregation Program, an “eligible customer” constitutes a customer eligible under utility or PUCO rules and which NOPEC and its Supplier have elected to serve. Customers that shall not be included in the Opt-Out Aggregation Program pursuant to utility or PUCO rules include the following:

- A customer located in the certified territory of a non-profit electric supplier;
- A customer served by transmission or distribution facilities of a municipal electric utility;
- A customer that affirmatively chooses to be included on the PUCO's "do not aggregate" list;
- A "mercantile customer" (defined as a commercial or industrial customer that consumes more than seven hundred thousand kilowatt hours per year or is part of a national account involving multiple facilities in one or more states) that fails to affirmatively elect to participate in an aggregation program;
- A customer already in contract with another competitive retail electric service supplier;
- A customer that has opted out of the governmental aggregation program;
- A customer enrolled in the percentage of income payment plan (PIPP);
- A customer that has a special arrangement with the distribution utility; and
- A customer not located within the boundaries of the governmental aggregator's member communities.

Eligible customers shall be notified of the Opt-Out Aggregation Program and terms and conditions of participation prior to initiation of services and be provided an opportunity to "opt-out" at no cost during a 21-day period specified in the terms and conditions of the Supply Contract(s). (See section 2.4.1 below for details of the notification and opt-out process.) Customers may be offered a program electric supply product and one or more optional supply products through the opt-out notice. If options are provided, the customer may decline all products by opting-out of the Opt-Out Aggregation Program. Customers that do not choose to opt-out will be automatically enrolled in the program product, unless they make arrangements with the Supplier, as specified in the opt-out notice, to take one of the optional supply products.

During this 21 day opt-out period customers also may choose another competing supplier, or receive service from their local distribution company. Participating customers will be given the opportunity at least every three years after the initiation of service to opt-out of the Opt-Out Aggregation Program without interruption of their current service, or payment of a penalty or switching fee. Participating customers, who choose to opt-out of the Opt-Out Aggregation Program after the initial 21 day period, but prior to the next opt-out opportunity, may be subject to an early termination fee which will be described in the opt-out notification, if applicable; however, NOPEC intends to offer an Opt-Out Aggregation Program with no early termination fees for customers.

Customers who move to a NOPEC member community (including those who move from another NOPEC member community), and are considered by the distribution utility to be new electric customers, may participate in the Opt-Out Aggregation Program at the existing price and

terms offered for that customer class, or other terms specified under the Supply Contract(s). Such new electric customer can also choose to opt-out of the Opt-Out Aggregation Program at no charge during the initial 21 day period after the postmark date on the opt-out notice and at subsequent opt-out periods of at least every three years.

Opt-In Aggregation. Supplier and NOPEC may contact customers in NOPEC member communities regarding the opportunity to participate in the Opt-In Aggregation Program, or customers may contact the Supplier. Supplier, with NOPEC's consent, will determine the terms and conditions of service, as well as the customers' rates, subject to written policies mutually agreed upon by the NOPEC and Supplier. For purposes of the Opt-In Aggregation Program, customers are enrolled by obtaining their affirmative consent directly (in person, by mail or facsimile), telephonically or electronically in accordance with the PUCO's rules and the electric distribution utility's tariff. Participating customers who terminate their Supply Contract(s) prior to its expiration may be subject to an early termination fee which will be described in their supply contract, if applicable.

Member Communities. New member communities may also join the NOPEC Aggregation Program, under prices and terms contained in an existing Supply Contract(s), however such prices may be higher than for those communities which have joined at the outset of the contract.

2.4.1 Notification of Opt-Out Aggregation Program Customers

Prior to initiation of service, all eligible customers shall be notified of the opt-out terms. The process of notification shall be as follows:

- (1) separate mailings;
- (2) newspaper notices;
- (3) public service announcements; and
- (4) posting of prominent notice in the local government office building in each member community.

Prior to enrollment, the notification shall be mailed in a timely manner for receipt by customers prior to their start-of-service day. The opt-out period shall be 21 days from the notice's postmarked date (or, if none, the mailing date). The notification shall include:

- (A) A summary of all actions taken by NOPEC to authorize the Aggregation Program;
- (B) A description of the services offered by the Opt-Out Aggregation Program;
- (C) Disclosure of the price to be charged (which may be a fixed price, a variable price, or an introductory price);

- (D) A statement informing customers of their the right to opt-out of the Opt-Out Aggregation Program at least every three years, without interruption of their current service, or payment of a penalty or switching fee;
- (E) A statement indicating that any customer returning to the distribution utility after commencement of the Opt-Out Aggregation Program may pay the market price for power;
- (F) A statement informing customers that returning to the distribution utility may not result in that customer being served under the same rates, terms, and conditions as other customers served by the distribution utility;
- (G) An itemized list and explanation of all fees and charges not incorporated in the base Opt-Out Aggregation Program rates but that will be charged for participation in the Opt-Out Aggregation Program;
- (H) Disclosure of the dates covered by the Opt-Out Aggregation Program, including the estimated start date;
- (I) Disclosure of any credit and/or deposit requirements;
- (J) Disclosure of any limitations or conditions on customer acceptance into the Opt-Out Aggregation Program;
- (K) If applicable, inform customers whether NOPEC elected in the best interest of the Aggregation Program not to receive standby service from the electric utility under an approved electric security plan, and inform customers that non-standard service offer rates and conditions may apply if the customer returns to the electric utility after the opt-out period;
- (L) A description of the opt-out process and statement that the opt-out period will last for 21 days from the date of the postmark on the written notice; and
- (M) A customer-friendly opt-out form (*e.g.*, a postcard) to return to NOPEC indicating whether the customer has opted out of the Aggregation Program. Customers who do not return the opt-out form shall be automatically included in the Opt-Out Aggregation Program.

2.4.2 Combination of Electric and Natural Gas Notification

NOPEC may combine natural gas and electric opt-out notifications to eligible customers in NOPEC member communities in one single mailing. Each opt-out notification shall conform to the PUCO's natural gas and electric governmental aggregation rules, and also comply with all applicable provisions of R.C. 4928.20 and R.C. 4929.26.

2.4.3 Activation of Customer Service in a Member Community

Opt-Out Aggregation Program. The process of activation is an administrative function with four parts: 1) Data preparation: On an electronic list consistent with Electronic Data Interface protocols, the distribution utility will identify all eligible customers in the member community (including names, addresses, account numbers, rate codes, percentage of income payment plan codes, and other relevant customer information); 2) Data verification: To the extent needed, if not inherent in data preparation, the distribution utility shall check customer meter numbers and other codes to verify proper eligible customer identification; 3) List Adjustment: Following the opt-out process, the selected Supplier(s) shall remove all customers who choose to opt-out from the electronic customer list 4) Automatic Enrollment: The revised electronic customer list shall be transmitted back to the distribution utility for customer transfer to the selected Supplier(s).

Opt-In Aggregation Program. The Supplier shall obtain the customer's affirmative consent directly (in person, by mail or facsimile), telephonically or electronically in accordance with the PUCO's rules. After completion of the enrollment transaction with the customer, the Supplier shall send an electronic enrollment request to the utility, and the customer will be enrolled in accordance with the PUCO's rules and procedures in the utility's tariff.

Opt-Out and Opt-In Aggregation Programs. Customers on all billing cycles will be enrolled with the selected Supplier(s) consistent with the beginning of a new billing cycle. Service under the selected Supplier(s) shall begin at the start of the billing period following transfer. Service starts that do not match the billing cycle may be requested by a customer, but may incur additional charges from the local distribution company.

2.4.4 New Individual Customers in an Opt-Out Aggregation Program

Eligible customers who relocate to a NOPEC member community shall be included in the Opt-Out Aggregation Program, subject to their opportunity to opt-out. The selected Supplier(s) shall provide standard opt-out notification materials to customers who have relocated to member communities, or customers who otherwise are eligible to join the Opt-Out Aggregation Program. The new customer may participate in the Opt-Out Aggregation Program at the existing price and terms offered for that customer class. Any such new or otherwise eligible electric customer can also choose to opt-out of the Aggregation Program at no charge during any other required opt-out period.

2.4.5 Customer Switching Fee

Initial Switching Fee. The electric distribution utilities currently providing distribution service to NOPEC members under the Aggregation Program have exempted governmental aggregation programs from being charged a switching fee when they initially switch from the SSO to Aggregation Program. If, however, Supplier incurs a switching fee, Supplier shall be responsible for payment of the customer switching fee to the applicable electric distribution utility.

Subsequent Switching Fee. The Supplier may pass through to the customer any fee that the electric distribution utility charges for switching suppliers after the customer's initial switch to the Aggregation Program.

2.4.6 Election of Standby Service

If standby service is approved by the PUCO, Ohio law allows NOPEC to decide whether receiving and paying for standby service is in the best interest of the participating Aggregation Program customers. If NOPEC elects not to receive and pay for standby service from the distribution utility, NOPEC will inform Opt-Out Aggregation Program customers of its decision through an opt-out notice, and will inform Opt-In Aggregation Program customers by regular U.S. Mail or electronic mail, depending upon their preference. The notices will provide customers the opportunity to terminate participation in the Aggregation Program without penalty and will inform customers that when they return to the distribution utility, they will be charged the market price of power plus any amount attributable to the distribution utility's compliance with the State of Ohio's alternative energy portfolio standards. The market price and alternative energy amount will continue to be charged until the end of the approved electric security plan, or as otherwise approved by the PUCO.

2.4.7 Phase-In Generation Deferral Surcharge

If the PUCO authorizes a phase-in of electric generation rates under R.C. 4928.144 and a corresponding deferral of incurred costs, Ohio law allows the distribution utility to recover a portion of this amount from the Aggregation Program customers through a surcharge. The amount of the surcharge will be proportionate to the benefits Aggregation Program customers receive, and will be charged to each Aggregation Program customer while they remain a participant. For customers leaving the Aggregation Program, the otherwise applicable surcharge will apply. NOPEC will inform Opt-Out Aggregation Program customers through the opt-out notification process, and will inform Opt-In Aggregation Program customers by regular U.S. Mail or electronic mail, depending upon their preference, of the potential terms and calculation of any deferral surcharge approved by the PUCO. The notices will provide customers the opportunity to terminate participation in the Aggregation Program without penalty.

2.4.8 Individual Customer Termination of Participation

Termination of Participation in the Opt-Out Aggregation Program. In addition to the opportunity to opt-out of the Opt-Out Aggregation Program prior to start-up of service, an individual customer will be given an opportunity to opt-out at no charge at least every three years after start-up of service. However, an individual Opt-Out Aggregation Program customer who chooses to opt-out after the 21-day opt-out period and before the opportunity to opt-out may be required to pay an early termination fee; however, NOPEC intends to offer an Opt-Out Aggregation Program with no early termination fees for customers. Any obligation to pay an early termination fee will be made a part of the customer Supply Contract(s). Opt-Out Aggregation Program Customers who move from a member community will have no penalties or early termination fees.

Termination of Participation in the Opt-In Aggregation Program. An individual Opt-In Aggregation Program customer who chooses to terminate participation in the Aggregation Program before the expiration of the customer's Supply Contract(s) may be required to pay an early termination fee, if applicable. Any obligation to pay an early termination fee will be made a part of the customer supply contract(s). Opt-In Aggregation Program Customers who move from a member community will have no penalties or early termination fees.

2.4.9 Service Termination by Supplier

Consistent with the requirements of Ohio law and the regulations of the PUCO, termination of service may take place for non-payment of bills. Customers whose power supply is terminated by a selected Supplier will receive electric supply from their local distribution company, unless the local distribution company has also met state requirements to terminate service. Customers may be considered for re-enrollment in the Aggregation Program once they have met the requirements of law and are current on bill payment.

2.4.10 Termination of the NOPEC member Aggregation Program

The NOPEC Aggregation Program may be terminated for participating customers in two ways:

- (1) Upon the termination or expiration of the power Supply Contract(s) for all member communities without any extension, renewal, or subsequent Supply Contract(s) being negotiated; or
- (2) At the decision of an individual member community to cancel its membership in NOPEC.

In any event of termination, each individual customer receiving power supply services under the Aggregation Program will receive notification of termination of the program ninety (90) days prior to such termination. Customers who are terminated from the Aggregation Program shall receive power supply from the local distribution company unless they choose an alternative supplier.

NOPEC shall utilize appropriate processes for entering, modifying, enforcing, and terminating agreements pertinent to the Aggregation Program consistent with the requirements of local ordinances or resolutions, state and federal law. Other agreements shall be entered, modified, or terminated in compliance with the law and according to the express provisions of any negotiated agreements.

2.5 Customer Care

2.5.1 Universal Access

"Universal access" is a term derived from the traditional regulated utility environment in which all customers desiring service receive that service. For the purposes of the NOPEC Aggregation Program, this will mean that all customers within the borders of a member

community, and all new customers in a member community, shall be eligible for service from the contracted Supplier under the terms and conditions of the Supply Contract(s), consistent with the PUCO's rules.

2.5.2 Rates

Under PUCO orders, the local distribution company assigns the customer classification and corresponding character of service and associated regulated rates. These rates include a monthly customer charge, a distribution charge, a transmission charge, and an access charge. Although NOPEC may participate in regulatory proceedings and represent the interests of customers regarding these regulated rates, it will not assign or alter existing customer classifications without the approval of the PUCO.

The focus of the NOPEC Aggregation Program, as noted above, will be acquisition of competitive prices and terms for power supply. The prices will be set through a competitive request for proposals and contract and negotiation process, and will be indicated on the customer bill as the "generation charge." Ohio law requires that a government aggregator separately price competitive retail electric services and that the prices be itemized on the bill of a customer or otherwise disclosed to the customer. The generation charge for each customer class, or any customer grouping by load factor or other appropriate pricing category, is expected to be lower than the utility's standard offer generation charge over the duration of the Aggregation Program. All Supplier charges to the customer will be fully and prominently disclosed under the notification process.

2.5.3 Costs To Customers

Customer bills will reflect all charges for the administrative costs of the Aggregation Program. As noted in section 2.3, the program is expected to be funded by a mills per kilowatt hour charge. This charge will cover program costs for any necessary technical or legal assistance for the program.

Additional charges may be levied by the selected Supplier(s), the local distribution company, or PUCO-approved local distribution tariffs.

2.5.4 Consumer Protections

Regarding all issues of consumer protection (including provisions relating to slamming and blocking), NOPEC will ensure that the selected Supplier(s) comply with all statutes, rules and regulations currently in place and as may be amended from time to time. NOPEC will provide on-going consumer education in member communities through public service announcements, posting of information, media press releases, advertising, and direct mailing depending upon the subject and appropriate venue. NOPEC will also assist member communities with all required notifications, information, and public hearings.

2.5.4.1 Contract Disclosure

NOPEC will ensure that customers are provided with adequate, accurate and understandable pricing and terms and conditions of service.

2.5.4.2 Billing and Service Assistance

The selected Supplier(s) shall utilize the billing services of the local distribution company to render timely billings to each participating customer. Separate bills from the selected Supplier(s) and the local distribution company may also be requested for large commercial and industrial customers, but such separate bills may incur an additional charge from the selected Supplier(s).

All bills at a minimum shall include the following information: (1) price and total billing units for the billing period and historical annual usage; (2) to the maximum extent practicable, separate listing of each service component to enable a customer to recalculate its bill for accuracy; (3) highlighted and clear explanations, for two consecutive billing periods, of any changes in the rates, terms, and conditions of service; (4) identification of the supplier of each service; (5) statement of where and how payment may be made and (6) a toll-free or local customer assistance and complaint number for the Supplier, as well as a customer assistance telephone numbers for state agencies, such as the PUCO and the Office of the Consumers' Counsel, with the available hours noted.

Credit, deposit, and collection processes concerning billing will remain the sole responsibility of the selected Supplier(s) and the local distribution company as provided by state law. Under no circumstances shall NOPEC have any responsibility for payment of any bills.

Unless otherwise specified in the Supply Contract(s), all billing shall be based on the meter readings generated by meters of the distribution company at the customer facilities. Customer bills shall be rendered monthly. Customers are required to remit and comply with the payment terms of the distribution utility and/or the Supplier. Billing may take place through the distribution company, at the Supplier's option, in the event that necessary billing data is not received from the distribution company in time to prepare monthly bills, the Supplier reserves the right to issue a bill based on an estimate of the participating customer's usage for that billing period. Any over-charge or under-charge will be accounted for in the next billing period for which actual meter data is available.

2.5.4.3 Standard Terms and Conditions Pertaining to Individual Account Service

The following consumer protection provisions are anticipated to be contained in a Supply Contract(s).

A. Title: Title to and risk of loss with respect to the electric energy will transfer from Supplier to participating customer at the Point-of-Sale which is the customer side of the meter.

B. Initiation of Supply Service: Energy deliveries pursuant to the Supply Contract(s) will begin on the first meter reading date following the scheduled initiation of service date for each rate class or customer group, or individual customer as described in the Supply Contract(s), or as soon as necessary arrangements can be made with the distribution company thereafter and will end on the last meter reading date prior to the expiration date. The Supplier has the right to request a "special" meter reading by the distribution company to initiate energy

delivery and agrees to accept all costs (if any) for such meter reading. The participating customer also has such a right, and similarly would bear the costs (if any) of such special meter reading.

C. Standard Limitation of Liability: Recognizing that electricity provided under the Supply Contract(s) shall be ultimately delivered by the distribution company, to the extent permitted by law, the Supplier shall not be liable for any damage to a participating customer's equipment or facilities, or any economic losses, resulting directly or indirectly from any service interruption, power outage, voltage or amperage fluctuations, discontinuance of service, reversal of service, irregular service or similar problems beyond the Supplier's reasonable control. To the extent permitted by law, except as expressly stated in the Supply Contract(s), the Supplier will make no representation or warranty, express or implied (including warranty of merchantability or of fitness for a particular purpose), with respect to the provision of services and electric energy.

D. Service Reliability and Related Supplier Obligations: Given the increasing interest in and need for high levels of reliability, the Supply Contract(s) will help assure that participating customers in NOPEC member communities receive power supply with reliability equal to that of native load customers of the distribution company. The Supplier is providing generation and transmission services, and participating customers must rely upon the distribution company for regional transmission, and local transmission and distribution services for ultimate delivery of electricity where reliability problems commonly occur. However, within the scope of electric energy supplier obligations, the Supplier shall take or adopt all reasonable steps or measures to avoid any unnecessary outages, service interruptions, capacity shortages, curtailments of power supply, voltage reductions, and any other interference or disruption of electric supply to the Point-of-Delivery, and shall give the highest priority of supply to the electricity made available under the Supply Contract(s) consistent with the requirements of law and equivalent to network service available to native load customers.

In addition to language to be included in the Supply Contract(s) NOPEC will help to assure reliability through participation in proceedings related to the distribution utility or its operating companies' regulated transmission and distribution services and through direct discussions with the distribution utility and its operating companies concerning specific or general problems related to quality and reliability of transmission and distribution service.

E. Marketing and Solicitation Limitations: Participating customers will be protected from unwanted marketing solicitations by: (a) a prohibition that the selected Supplier(s) may not sell or exchange the customer's name/address/or other identifying information to third parties without NOPEC's prior written consent; (b) an opportunity for each participating customer to check off a box rejecting additional mail solicitations from the Supplier (if the solicitation is via U.S. mail or other printed means) or an opportunity to request removal from a telephone solicitation list

2.5.4.4 Protection of Customers and Risk Associated with Competitive Market

In a competitive market it is possible that the failure of a power supplier to deliver service may result in the need for customers to acquire alternative power supply, or for customers to

receive power at default service prices, if the SSO is no longer available. NOPEC will seek to minimize this risk by recommending only reputable Suppliers which, demonstrate financial strength and the highest probability of reliable service. NOPEC also intends to include provisions in its contract with selected Supplier(s) that will protect customers against risks or problems with power supply service.

2.5.4.5 Resolution of Customer Complaints

It is important that customer complaints be directed to the proper party. The selected Supplier(s) shall ensure that each participating customer receives a printed copy of a toll-free number to call regarding service problems or billing questions. The Supplier shall refer reliability, line repair, or service interruption, and billing issues to the local distribution company. The Supplier shall handle all complaints in accordance with applicable laws and regulations. Problems regarding the selected Supplier(s) can be directed to NOPEC or the PUCO. Customers may contact the Public Utilities Commission of Ohio for assistance at 1-800-686-7826 (toll free) or for TTY at 1-800-686-1570 (toll free) from 8:00 a.m. to 5:00 p.m. weekdays, or at www.PUCO.ohio.gov. The Office of the Ohio Consumers' Counsel ("OCC") represents residential utility customers in matters before the PUCO. The OCC can be contacted at 1-877-742-5622 (toll free) from 8:00 a.m. to 5:00 p.m. weekdays, or at www.pickocc.org. NOPEC's website is www.nopecinfo.org. As noted below, NOPEC will continue to monitor the selected Supplier(s) for compliance with consumer protection provisions in the Supply Contract(s) and timely resolution of consumer problems.

2.5.4.6 Periodic Reports on Customer Complaints

NOPEC shall act to monitor and enforce consumer protection provisions included in the Supply Contract(s). At the request of NOPEC, true selected Supplier(s) shall provide a periodic summary of the number and types of customer service issues and complaints that arose to date, and the status of resolution of those issues and complaints. If such reports indicate problems in the selected Supplier's service, NOPEC will pursue timely remedial action, or consider the Supplier in breach of Supply Contract(s) terms.

2.5.4.7 Modifications to NOPEC's Plan

All material modifications to the NOPEC Plan shall be approved by majority vote of the NOPEC Board of Directors and ratified by a majority vote of the NOPEC General Assembly. By adopting this Plan, NOPEC member communities agree that future modifications to the Plan resulting from changes in law or regulations may be made automatically by NOPEC without further action of the NOPEC members or General Assembly.

2.6 Rights and Responsibilities of Program Participants

2.6.1 Rights

All Aggregation Program participants shall enjoy the protections of consumer law as they currently exist or as they may be amended from time to time. Under protocols developed by the PUCO, problems related to billing or service shall be directed to the appropriate parties: the distribution utility or the selected Supplier(s).

2.6.2 Responsibilities

All Aggregation Program participants shall meet all standards and responsibilities required by the PUCO, including timely payment of billings and access to essential metering and other equipment to carry out utility operations.

2.6.2.1 Taxes

The selected Supplier(s) shall include on the participating customer's bill and remit to the appropriate authority all sales, gross receipts, or excise or similar taxes imposed with respect to the consumption of electricity. Participating customers shall be responsible for all taxes (except for taxes on the Supplier's income). Participating customers shall be responsible for identifying and requesting any applicable exemption from the collection of any tax by providing appropriate documentation to the Supplier.

3.0 Organizational Structure and Governance of the Aggregation Program

3.1 Description of Organization and Management of Aggregation Program

Each NOPEC member community has one representative on the NOPEC Assembly, which serves as the legislative body for the organization. Assembly members from each county represented in the membership of NOPEC elect a member to the Board of Directors.

NOPEC acts as agent for member communities to establish the Aggregation Program in accordance with law and to provide managerial, technical, and financial resources to acquire service and financial guarantees sufficient to protect customers and the electric distribution utility. NOPEC has developed a firmly based organization and employed legal and technical assistance from experienced and highly reputable firms.

NOPEC's legal counsel, Bricker & Eckler LLP, handles the legal needs of energy producers, energy consumers in both the public and private sector, as well as new energy marketers, providing legal services ranging from representation in regulatory proceedings, to negotiating new contractual relationships, to handling the acquisition, disposition and financing of energy businesses and facilities. Bricker & Eckler LLP has advised numerous Ohio political subdivisions in connection with the deregulation of energy markets in Ohio, and developed particular expertise in issues facing governmental aggregators.

The Board of Directors of NOPEC oversees the implementation and operation of the Aggregation Program consistent with the provisions of R.C. 4928.20 and the Bylaws of the NOPEC organization. The Board of Directors, with the approval of the Assembly, may also develop additional programs for members. The organization may employ a Fiscal Agent and Executive Director and staff, if such are determined to be necessary by the Board, and sufficient budget has been provided.

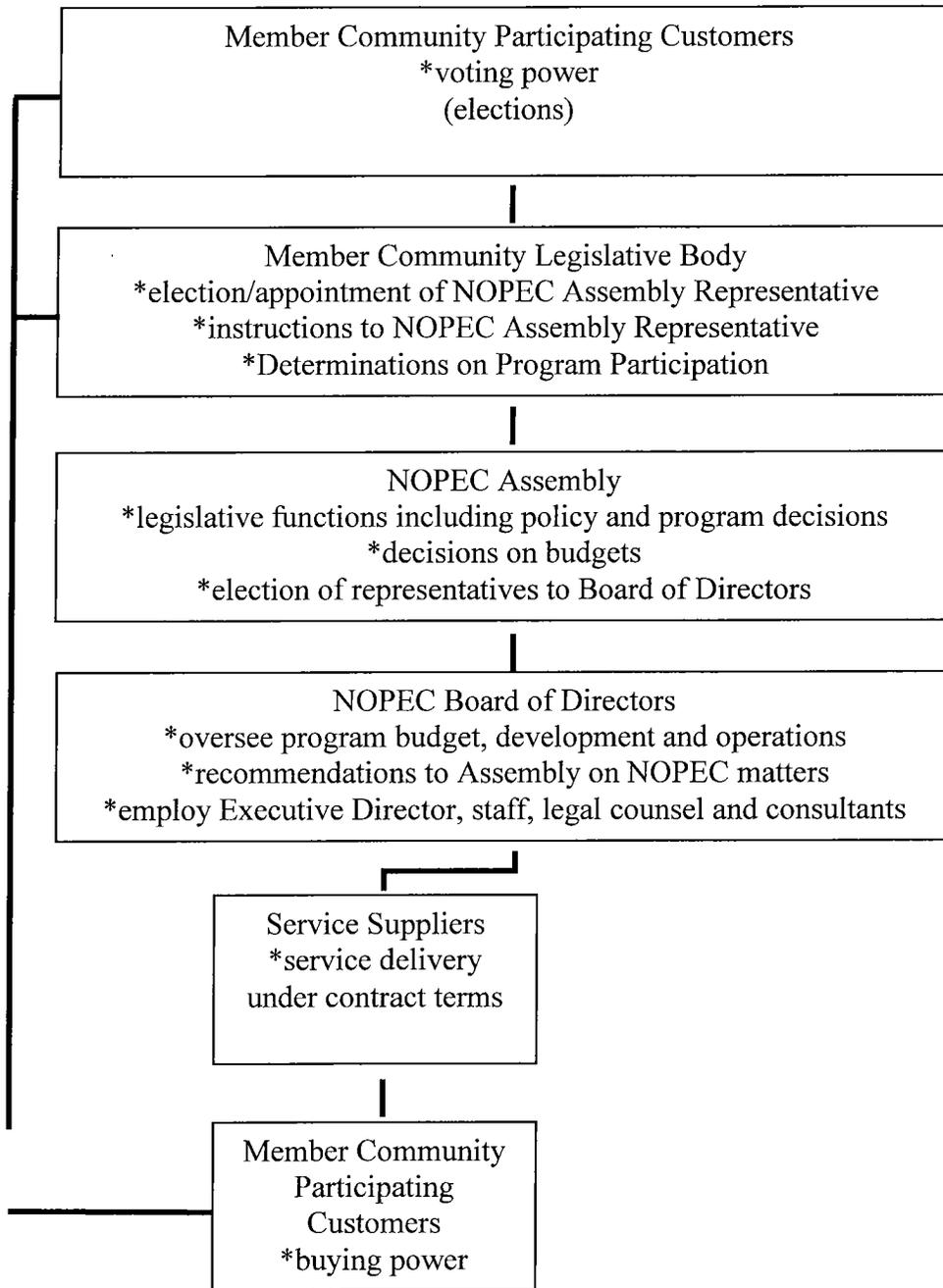
3.2 Outline of Structure

The following chart represents the organizational structure for the NOPEC Aggregation Program as indicated in the organizational chart. The function of each level is described in section 3.3.

NOPEC Member Aggregation Program Organizational Structure

NOPEC Member Aggregation Program

Organizational Structure



3.3 Description of Program Organizational Structure

Member Community Participating Customers

Customers can influence their respective community and its functions. They can elect candidates to local legislative boards who may take positions regarding the government aggregation program. They can express their views to their local elected officials. They can participate in local and state meetings and hearings regarding issues related to the member community's Aggregation Program.

Member Community Legislative Body

Local officials may act on program and policy issues. They may individually choose to participate in additional programs of NOPEC, or terminate the community's participation in NOPEC. In addition, they may provide instructions to their representative on the NOPEC Assembly regarding specific policy or program decisions. They may also raise issues directed to them by customers for the NOPEC Assembly and Board to address.

NOPEC Assembly

The NOPEC Assembly acts as the legislative body of NOPEC, including decisions on policy, budget, and other matters directed to it by the Board of Directors.

NOPEC Board of Directors

The NOPEC Board of Directors oversees the implementation and operation of all aspects of the Aggregation Program. The Board of Directors provides recommendations regarding contracts, the budget and other matters to the Assembly. It approves purchases of equipment, facilities, or services within the approved budget and employs and provides instruction to the Executive Director, staff, legal counsel and consultants.

Executive Director and Staff, Legal Counsel and Consultants

Executive Director and staff, legal counsel and consultants act upon the instructions of the Board of Directors to carry out development and implementation of programs, contract monitoring, and reporting on program status.

Service Supplier(s)

Service suppliers contract with NOPEC to provide firm all-requirements retail electric supply to participating customers in member communities, or other specified services. Contractors report to NOPEC and carry out services in adherence to contract provisions.

Member Community Participating Customers

Participating customers in member communities will benefit from the market leverage of the group, and the professional representation and consumer protections provided under the negotiated service contracts. Individual customers may opt-out of participation and may also bring issues before their local legislative body.