

**Joint Finance and Safety Committee Meeting**  
**Thursday, September 12, 2024, 9:00 a.m. Village Hall**

**Present:** Finance Chairman Berger, Safety Chairman Canton, Council Member Galicki,  
Police Chief Rizzo, Mayor Koons, Fiscal Officer

The Mayor explained that the Chagrin Valley Dispatch (CVD) Executive Committee met on Tuesday, September 10<sup>th</sup>, and the recommendation was for 32 different units to take half of the administrative costs. \$22,184.72 is the total cost divided in half for each community. The total cost for administration is \$709,911.02 and this was divided by 32 entities. He explained how the communities are grouped into channels for police and fire. The change that is occurring is due to inequalities that occurred when new groups joined CVD. For Gates Mills, Woodmere, Moreland Hills, Hunting Valley, and Bentleyville, costs are going down, but when it comes to South Russell, the costs are going up 48% or \$28,752, which is the big change. It is just equalizing what was done. He asked the Chief to explain the Village's history with CVD. The Chief said over the years, there have been minor fluctuations. In 2024, it is \$59,000. He expressed confusion about how the Village ended up with a 48% increase. In examining the activity on the channel #6, with the exception of Chagrin Falls Township and Bentleyville, South Russell has the third least amount of calls on that channel. The Chief asked CVD for clarification about why the Village was seeing an increase when everyone else on the channel who had more call volume than the Village decreased. He did not get an answer and did not understand if it is because of the new formula that was created and perhaps the Village was paying much less than it should have. The decrease he noted in the other communities on the channel totaled about \$98,100. The total number of increases equals about \$103,000. He wondered if there was a model that evenly applied a smaller increase, which would be a much easier pill to swallow. He did not understand how they landed on South Russell for one of the biggest increases. The Fiscal Officer asked if call volume was taken into account. The Mayor stated that call volume was part of the formula. The Chief observed that on the first version of the formula, the admin costs were \$44,369.44 per agency. They cut that in half and made it 50%. They took the balance and formulated it into the percentage of call volume that each agency had. In looking at the Village's call volume, the only municipalities lower are Bentleyville and Chagrin Falls Township. He did not understand the logic. He asked CVD to double check the numbers and formula, and he verified that this was the model that was being proposed. It is his understanding that this proposal will be taken to all the mayors next month for a final decision. The Mayor said that would occur next Wednesday. The Chief asked the Mayor if he thought it would pass with all 32 of the communities. The Mayor said he thought it would pass because it was the best effort to make it fair. There are some glitches, to include South Russell. They will have to go back and look at some individual situations, but the best thing will be for the communities to get it approved so budgets can be made. 2025 will be spent correcting some issues that may come up. He added that this has always been the best possible use of the Village's money. They have

looked long and hard at different cities and found that it is not exclusively call volume. It will pass and then there will be adjustments made. Perhaps the Village had been underpaying.

The Chief explained that in 2013 – 2015, it is what it was. As CVD continued to grow and other communities were included, deals were worked just to get them to come over and now they are paying the price for the acquisitions. Another thing that plays into the mix is that CVD purchased a new software program that they were convinced was the solution to everyone's problems, but some of the agencies declined to go with the program due to its complexities, to include South Russell and Euclid. The program cost CVD quite a few million dollars and that has a substantial impact. He asked if taking a three-year approach to this could be considered instead of going from \$59,000 to \$88,000? The Mayor said it had not been proposed and that there was a time crunch since budget numbers are needed and this was the best they could come up with. A lot of people are happy with it. He concluded that this would be a pretty good solution to get us into 2025 and then take another look at it. The process has been going on for months.

Canton asked if it was a majority vote. The Mayor concurred and said each community has one vote. Canton thought it would make more sense to base the charges on the call volume. There was discussion about the history and how the situation came to be. The Fiscal Officer recalled that the Village was assured in the beginning with CVD that over time as more agencies joined, the costs would come down or at least not increase. The Chief agreed and added that the argument is that over time, the Village had saved a lot of money.

Berger asked if there were any complaints about the quality of service, and the Chief said no. Berger concluded that this was strictly a financial consideration. He understood that there may have been inequities, but Council is responsible to the people of South Russell. A 48% increase is untenable. They can discuss what can be done to change the proposal that has been presented, or they can talk about other options. Canton asked if CVD had a monopoly. Berger explained that the Village can go back to Geauga County Dispatch, which costs the Village nothing. There are other complications, but that would be a way to save \$88,000. The Chief explained that Chagrin Valley Fire Department (CVFD) is still dispatched by CVD. Even if the police pulled out of CVD, the Village would be paying about \$69,000 for fire only with this model, which would still be an increase to what is currently being paid. The only way to get out completely would be to have the Village's fire contract with Bainbridge or Russell Township. Canton asked which of the two fire departments has the best staff, equipment, etc. The Chief said that Bainbridge would be his first thought since they are well staffed. But the Village would also have to consider response time. Canton asked when the CVFD contract ended, and the Chief explained it was at the end of 2025. The Fiscal Officer added that the projected budget for 2025 for CVFD is \$531,000.

The Mayor suggested that they should vote for the CVD proposal to get started for 2025, which would give the Village a year to consider alternatives. Berger clarified that the Mayor was

suggesting that the Village vote for it today and ‘trust me’, we will make this right at some point in the future. He did not know how you do business that way. Galicki added that it is disturbing that the Chief could not get an explanation as to what was behind the increase for the Village. The Chief pointed out that with the second version of the plan, it appears that the Village is in line with the other call counts, but somehow, the Village is one of the most negatively impacted communities. Canton observed that there was no distinction between the communities based on affluence. The Chief explained that if the model was strictly based on call volume, a large municipality like Euclid would be charged \$3 million and would leave the group. The Chief discussed some of the other elements of the formula and concluded that it is terribly complex.

The Fiscal Officer asked about the software to which the Chief referred and verified it had been approved by the Council of Government (COG) but was not being used by some of the communities.

The potential for additional future increases was discussed, to include considering the impact of larger communities leaving the group. Berger proposed approaching CVFD and expressing the Village’s dissatisfaction with the CVD increase and the potential for the Village to seek other services with both CVFD and CVD. Galicki noted that the Village is one of the only municipalities with the flexibility to leave because Geauga County Dispatch is an option. Many of the others are connected to Cuyahoga County and would have to go back to having their own dispatch.

The Fiscal Officer clarified with the Chief and Mayor that the CVD is an annual contract.

Galicki asked the Chief to provide a history of the Village with CVD and the original benefits. The Chief explained that Geauga County did not have technical advances when CVD was created. They have since updated their system and are more equal to CVD. To change over would involve a software change, but not equipment change so there would be no expenses. The radio system is already the same.

Galicki asked if any of the other municipalities involved in the change are balking, and the Chief said Chagrin Falls Township is suffering the most. The Chief asked the Mayor if he knew of other communities that were unhappy, and the Mayor said that the vote with the Executive Committee was 4 to 3. The Chief asked who this consisted of, and the Mayor explained it was Solon, Euclid, South Russell, and Independence that voted for it. Canton verified the Mayor was on the committee, and Galicki observed that the Mayor was the determining vote. The Mayor agreed, and Galicki observed that he could have voted the other way. Canton asked the Mayor what his thought process was in voting as he did, and the Mayor said it was because it is September, and this is the best effort that their people have been able to develop, and they should go with it knowing that there is a year to look back. He knew Highland Hills was screwed up and maybe South Russell was too, and they can go back and correct it. Canton asked what the next step would have been had the vote been different. The Mayor thought there would have just been a percentage increase for everybody, like a 7% increase and then they would worry about it

in 2025. Berger said that 7% sounded really good compared to 48%. The Mayor said he was just pulling that out of the cloud. Berger continued that even if it were 10%, it still sounded better than 48%. Given what was presented, Galicki asked the Mayor what his determining factor was to vote as he did. The Mayor said it was to get it to move on and have a decision made now because it was better for most communities.

Galicki was concerned about the lack of explanation of how CVD arrived at the figure it did for South Russell. He thought it seemed evasive. There was further discussion about the elements of the formula and admin costs. Berger did not like the flat admin fee but noted that this was what they were proposing, and he did not think there would be a flexible proposal. The Mayor said they were very willing to find something to help 32 different units and this was the best at this time. The Chief observed that in looking at the spreadsheet, the costs of 17 municipalities will be dropping. 14 will be increasing, and of those 14, some are small increases. If those communities decide to take it, it brings the vote closer to half. Berger asked if there were concerns that Euclid would leave CVD because of the proposed increase, and the Mayor said no that it was still a good deal for them. The biggest complaint was from John Finley of Chagrin Falls Township because they are facing a 966% increase. Berger expressed sympathy for them, but stressed his focus was with the Village of South Russell. The Mayor thought the original six was out of whack in terms of Chagrin Falls Township and South Russell and needed to be looked at. Berger questioned whether the Village would have gone with CVD in the first place had they known the numbers were not correct in 2013, and the Chief explained that the numbers were right. Berger pointed out that the Mayor was saying that the pricing was out of whack from the beginning and that the Village had been underpaying. The Mayor said that 11 years ago, it looked like a good deal.

Galicki acknowledged the Mayor's concern for the greater good for other communities. If the Village were put in a position to increase taxes to support this, the argument would be that South Russell would be seeing an increase, but it would benefit all these other communities and make it fairer. Would this be something the voters would buy into? He thought Chagrin Falls Township was doing the right thing by being vocal. The Chief pointed out that Chagrin Falls had no other options, and this could break them.

Canton brought up the implications of property revaluation and tax increases. Galicki noted the compensation package for dispatchers was \$95,000, which was more than some police and fire.

Berger asked if this was a matter of a vote to recommend to Council to accept the proposal. The Fiscal Officer advised that there would be no Council meeting prior the CVD members voting on the proposal unless Council held a special meeting. Canton concluded that the Village would be stuck with it for a year and had that time to make other decisions. Berger questioned whether the Village was stuck with it for a year. The Village can go back to CVD and say the Village does not accept this and they should come up with a better answer. Berger further stated that Council should have had the vote to ask the Mayor to vote according to Council's wish before the last

Executive meeting. He thought Council would have gone the other way. As representatives of this Village, Council has a responsibility to the people here. His vote is no, he did not accept the proposal.

The Fiscal Officer explained that when she and the Chief went to the CVD meeting a couple of weeks ago when a different formula version was presented, prior to the Executive Committee vote, there were enough vocal people that it was not accepted, and a new version was developed. It is now up to the mayors to decide whether to accept it, and if it is not accepted, then another plan will need to be developed. If it passes, the Village would be stuck with it.

The Chief suggested that a plan that allowed the communities to ease into the increase might be beneficial.

The Mayor thought the Village was stuck with it for six months. The Fiscal Officer asked for clarification, and the Mayor explained that if the Village were to leave CVD, it would have to provide a six-month notice. The Fiscal Officer said that it is not about leaving CVD. She explained that currently, the Executive Committee passed the version that will be presented to the group. If the overall group passes it, then the Village is stuck for a year and Council can then choose what will be done. The alternative is that the group will not pass it and then the Finance Committee of COG must come back with another option. The Mayor thought they would come back with a percentage to get through 2025. Berger reiterated that this would provide a year to have discussions with Bainbridge about fire services. If the Mayor said it would be a 7-10% increase, he would live with that. Then again, Bainbridge could say they would charge \$1 million per year for services. Berger concluded that the Village should push back against the 48% increase. Canton suggested negotiating with CVFD to subtract a portion of the increase from the current contract price. The Fiscal Officer explained that those are two different entities. Right now, the options are to accept the proposal or not accept it. There is the option of holding a Special Council meeting to discuss the recommendation of the Safety and Finance Committees.

Canton felt that it is important for the voters to know that this increase is being shoved down the Village's throat and not surprise them with the increase. Galicki agreed with Berger, but wished he knew for sure what the alternative would be to the proposal if it did not pass. He did not think the Village received an adequate explanation. With Council's responsibility to the taxpayers, he took issue with telling them that the Village voted for the increase because it was fairer to other people. The Chief proposed having the CVD director attend a special meeting so Council can ask for clarification.

Galicki stated that most of the increased costs proposed for the Village and for Chagrin Falls Township are the administrative costs. This may be the factor that is off because it cannot be justified with call volume or other formulaic ways. However, this has not been articulated to the Village.

Berger suggested a Special Council meeting to discuss the matter with the CVD Director. He added that the Village's dispatch and Fire/EMS services options can also be conveyed to CVD. The Mayor proposed having the six Chagrin Valley entities come for a presentation. The Chief pointed out that these other municipalities are not affected. Berger stated it is an open meeting and all are welcome, but it is a South Russell issue since it is the residents who are paying. Monday, September 16<sup>th</sup> at 7:00 p.m. was proposed for a meeting.

Berger further offered that a phase in of a certain percentage increase per year over four years would be entertained. The Fiscal Officer reviewed how CVFD did this.

The Chief presented a five-year Axon agreement for body and in-car cameras combined with cloud service for \$26,000 per year. After the fifth year when a new contract is signed, the body camera amount doubles to \$196,000 for the next five years because the quote he received is an acquisition quote since they are new in the game. Berger noted this was a 50% increase. The Chief continued that the second option would be to go through CVD as the distributor. There would be one-time costs of about \$69,880 and then a subscription fee of \$8,295 per year. This equates to \$395 per device. Over a five-year period, the recurring costs is \$43,000. The final quote is from Motorola Direct. It is a five-year plan. The body cameras are \$14,900 per year and \$2,440 per year. The five-year total would be about \$141,000. The best deal would be with CVD, with the second option being Motorola. Berger asked about the life expectancy of the equipment and the Chief responded five to seven years. With the CVD model, Berger verified that new equipment would need to be purchased after five to seven years, and the Chief concurred. This would be another \$75,000. Berger observed that CVD would be \$21,000 per year. Axon would be \$26,000 per year, and Berger asked who would own the equipment. The Chief said that the Village would and explained that with both Motorola and Axon, the Village would get an automatic refresh of equipment after five years. The only difference with CVD is that the Village would have to pay for the equipment up front where the other vendors are financing it over the life of the contract. Given the current issues with CVD, Berger asked how this contract ties in, and the Chief explained that if the Village left CVD, it would redirect its uploads to Motorola instead of CVD. The Village would not have a contract with CVD and would be free to go anywhere for cloud storage. The annual subscription cost would then be with Motorola. It would cost \$20,000 for licenses. Motorola's cloud fees are substantially more than CVD. Berger asked when a decision needed to be made. The Chief thought it would be early next year, and Berger concluded that by that time the CVD issue would have been decided. The Chief proposed that the Village go with CVD and said it would be an easy switch if the Village left CVD. Berger noted that it would be necessary to put a line item in the budget for the equipment. Berger asked if there was an option to purchase the equipment upfront with Motorola and then just have the subscription fee. The Chief did not know, but reminded the committee that after five years the equipment was refreshed. If the equipment was still in good shape at the end of five years, the Village could continue with just the server license with Motorola. The Chief offered that all the agreements offer a five-year warranty on the equipment.

The current equipment, which the department has had for six years, is having issues. Berger concluded that a decision could be deferred but should be brought up in the budgeting process. Berger proposed putting \$70,000 in the budget for equipment and \$10,000 for subscriptions on an annual basis for five years. It will have to be revised if they go with a different plan.

Berger adjourned the joint meeting at 10:31 a.m.