

REGULAR MEETING
Litchfield City Council - City Council Room
August 18, 2020 at 6:30 p.m.
FREE PHONE CONFERENCE CALL

Mayor O.R. Smith called the meeting to order at 6:30 p.m.

Roll Call: Present – Mayor Smith, Councilpersons – Don Bannick, Rick Siebert, Dan Efstathiou, Andy Reynolds, Kevin Collins and Jessica Bills.

Absent: None

Also Present – City Manager - Douglas Terry, Treasurer/Finance Director - Jill Barrett, Clerk – Susan Ballinger, Police Chief – Dan Roberts, DPW Supervisor- Tony Langhann, Deputy Clerk/Treasurer – Lauren Skelly.

Consent Agenda – Councilman Siebert moved to approve the consent agenda and place on file, seconded by Councilwoman Bills. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Call to the Public – None

Discuss Cares Act Utility Billing Relief Program – Treasurer Barrett informed the board of a new “Water Assistance Program” that is being offered through the State of Michigan to help residents that meet the qualifications to pay past due water bills. After discussion amongst board members, Councilman Bannick moved to allow city administration to opt-in to the State's Water Assistance Program, supported by Councilman Collins. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Discuss Utility Billing Late Fees – Clerk Ballinger stated that for the City to opt-in to the State of Michigan's Water Assistance program the board has to agree to waive all utility billing penalties from September 1, 2020 through December 31, 2020. She asked the board to make the motion to forgive utility billing penalties retro from March 1, 2020 due to the estimating of water bills from March 2020 through June 2020. Councilman Bannick moved to allow city administration to wave utility billing penalties from March 1, 2020 – December 31, 2020, supported by Councilman Efstathiou. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Approve Adjustment to Highway Maintenance Quote - Manager Terry stated that the amount for the chip & seal street project was an estimate and now that Highway Maintenance has done actual measurements the price came in at \$5,645.85 more than what was proposed at the budget meeting. We are asking Council to approve the increase of the price difference so the City can proceed with this project. Treasurer Barrett stated that the project was approved at the July 2020 Council meeting for an amount of \$50,197.05 and approved that the streets of Simpson and Jesco Drive be reimbursed to the City from TIFA and that is still going to happen. But the total project cost has increased by \$5,645.85 more than what council approved in July, so we are asking the board for a new motion to approve the new total for the project which is \$55,842.90. Councilman Collins moved to approve the new amount quoted from Highway Maintenance of \$55,842.90 with TIFA reimbursing the City for Simpson Drive and Jesco Drive, supported by Councilman Siebert. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Waste Water Permit Testing Proposals – After discussion amongst the board, Councilman Bannick moved to approve the quote from Keck Consulting Services for wastewater testing for an amount of \$8,520.00, supported by Councilman Collins. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Public Works Air Compressor Proposals – Councilman Collins moved to approve the purchases of an air compressor with paving breaker from Northern Tool & Equipment for an amount of \$21,008.99, supported by Councilwoman Bills. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Approve Lake Litchfield Agreement Carr Brothers/City of Litchfield – Councilman Siebert moved to approve the Lake Litchfield Agreement with Carr Brothers and authorizes Mayor Smith and Clerk Ballinger to sign, supported by Councilman Collins. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Compensation Commission Member Reappointment – Patsy Jones - Mayor Smith moved to have Patsy Jones reappointed to the City of Litchfield's Compensation Commission, supported by Councilman Bannick. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Pool Update – Manager Terry stated that last Wednesday, August 12, 2020, was the due date to open bids regarding the pool construction. The city received no bids for this project. Manager Terry stated that part of this is due to the COVID-19 pandemic and after speaking with contractors and our engineer, this was a bad time to bid out because contractors are backed up with their work. Manager Terry and Mayor Smith think it's a good idea to speak with a contractor and look at everything, not only building new, but what the City's alternatives are. Manager Terry along with Mayor Smith are planning to meet with a company by the name of Baruzzini Aquatics from the Brighton area next Tuesday to see if there might be other options.

Bills for Approval – Councilman Bannick moved to approve the bills in amount of \$50,963.47 and charge to the proper accounts, supported by Councilwoman Bills. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Police Report – Councilman Bannick moved to approve the police report as presented and place on file, supported by Councilman Collins. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Public Works Report – Councilman Bannick moved to accept the public works report as presented and place on file, supported by Councilman Collins. Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.

Treasurers Update – Treasurer Barrett stated she had a Treasury webinar and that is when she was informed about the Water Assistance program. Also, she wants to inform the board on some things that might affect the City's revenue for both the current year's budget and the previous year's budget. The City applied for Federal Grant reimbursement for the police department and the State just released on how the City is supposed to account for that. It is reimbursement for charges that were in last fiscal year but, she has to book them as revenue in the current fiscal year. The State has the applications and they have not finished processing them yet; if the State has more applications than money, the State will prorate the amounts distributed to the cities that applied. Another issue is that the City receives two forms of revenue sharing from the State which is constitutional revenue and statutory revenue, which is now known as EVTRS. It is money that the State is allowed to attach strings to and is about \$4,000 that comes bi-monthly; she is required to fill out reports in order for the City to receive those funds. The constitutional revenue will be received in August and she will book that in the last fiscal year. But we were informed last week by the State that they will be taking away the statutory revenue; the State will add to the funds, then the City will receive a 150% more than what it normally receives, which is around \$6,000. The State will give back the money to the City and call it a grant, and will require the City to spend the money on certain COVID-19 expenses. If the city doesn't spend it all on what they allow for COVID-19 expenses, the City will have to return the money back to the State. So, the question is, does the board want the City to pursue this? The State will require the City to track the expenses and report it monthly. The revenue has to be booked in the same month the expenses occur, so basically, we will have to hold the money in a balance sheet account that says it is due back to the State until those monies are spent. This will create both extra bookkeeping and reporting to the State. The revenue for the last fiscal year will be under budget by the \$4,000. The board should think about if they want to accept the State giving the statutory revenue back to the City in the form of a grant because City Council will have to accept it formally. The State will release a list of what is considered acceptable COVID-19 expenses.

Treasurer Barrett stated that in the board's packet is a letter from the Department of Treasury regarding the AMAR review and that the City has passed. In the Assessor's contract, it stated he would bill the City for the services regarding the City's AMAR corrections upon approval. So, the board will see a larger bill from the Assessor in September.

City Manager's Update – Manager Terry informed board members that a lot of his time has been spent on TIFA projects and one of those projects is fiber optics starting in the industrial park then moving out into the rest of the community. TIFA just authorized a contract to a feasibility study with Aspen Wireless to study the Metro Act and feasibility of doing both the industrial park and entire community.

Correspondence – None

Committee Reports – Mayor Smith stated the DDA will have a special meeting to discuss some things coming up.

Tony Langhann stated that the last delivery date on the new fire truck is September 29, 2020.

Councilpersons Concerns – None

Adjournment – Councilman Bannick moved to adjourn at 7:20 p.m., supported by Councilman Siebert.
Roll Call Vote: 7 Yea's 0 Nay's 0 Absent Motion carried.