

REGULAR MEETING
Litchfield City Council - City Council Room
May 8, 2012 - 6:30 PM

Mayor Smith called the meeting to order at 6:30 PM.

Roll Call: Present – Mayor Edwin Smith, Councilpersons Greg Chapman, Jessica Bills, Rick Siebert, O. R. Smith, Brenda Thomas and Don Bannick.

Absent –

Also Present – City Manager-Doug Terry, Clerk-Susan Ballinger, Treasurer-Jill Pelham, Chief Michelin, DPW Superintendant-Tony Langhann, Deloris Sanger, and Jennifer Yinger.

Consent Agenda – Councilman Siebert moved to approve the consent agenda, seconded by Councilwoman Bills. Motion Carried.

Call to the Public – Mrs. Sanger informed to the board of her concerns on raising the water, sewer, and garbage rates. Mrs. Sanger felt this was an unnecessary increase and Mrs. Sanger feels that when a resident is out of town for the winter they should not have to still pay for garbage service. Mrs. Sanger feels residents are still struggling and can't handle the increase. Mrs. Sanger stated concerns regarding the cleanliness of the pool locker rooms stating that the floors were never clean and the cement is uneven and holds a lot of bacteria. Mrs. Sanger does not agree with the change of hours or the opening and closing dates for this pool season and feels the pool rates are too high. Mrs. Sanger felt there was not enough advertising for guards at the Litchfield Community Schools. Mrs. Sanger feels the city should be advertising for guards at the Hillsdale Community College and request for guards through the college's email, and the contact person at the college is Theresa Sanger Heckinlively, Manager of the Dow Center. Mrs. Sanger thanked the board for listening to her concerns and asked the board to take all into consideration.

Circus – Jennifer Yinger- Mrs. Yinger was present to inform the board that the Litchfield PTO is sponsoring the Culpepper & Merriweather Circus to come to Litchfield on June 12th and was requesting the use of city property located north of the pool for their show from board members. Mrs. Yinger stated that the circus will also need at least 1200 gallons of consumable water for that day. Councilman Siebert questioned who was responsible for the trash container? Mrs. Yinger stated that she was hoping that the city would provide a trash container that would hold 5 to 6 cubic yards of trash. Mrs. Yinger stated that the PTO is willing to split the cost for the trash container if necessary, but they are asking if the city would provide it for them saying that the PTO funds are low. Manager Terry stated that the cost of a trash container will probably be around \$100.00 - \$120.00 for the weekend and he doesn't see a problem with providing that for them. Mayor Smith questioned about the liability insurance. Mrs. Yinger stated the city would be named as the property owner on the circus insurance policy. Manager Terry asked Mrs. Yinger to provide the city with a copy of the insurance policy for the city files. Councilman Siebert motioned to approve the requested location, water, trash dumpster, with Mrs. Yinger providing a copy of insurance policy showing the city as a co-insured, seconded by Councilwoman Bills. Motion Carried.

Public Hearing 2012-2013 Budget – Mayor Smith opened the Public Hearing at 6:49pm. Councilman Bannick requested instead of raising water, sewer, and garbage rates, suggested that the city take some of the surplus money to pay back the loan that the city borrowed from the sewer fund. Treasurer Pelham explained that the surplus is in the General Fund and the money borrowed was from the Major Street Fund and it is being paid back over a ten year period. Raising the rates has nothing to do with the condition of Sewer Fund at this time other than its not self supporting to be able to pay for capital improvements. The 3% is what the anticipated inflation rate is for 2012. If we don't do a little increase now, there will be a larger increase in years to come. Both water and sewer funds are suppose to operate like a business and as long as there is inflation there will be increases in rates. Councilman Bannick feels it looks bad that the city borrowed money from the fund and still increased the

rates. Treasurer Pelham stated that the city did not borrow the money from where the surplus currently is, which is in general fund. The Sewer fund has some money set aside for the debt repayment on our bond, which the city has two years left to pay on. So the money is available and it's a low interest loan so it's not hurting Sewer fund at all to loan that internally to our street fund. When you look at the sewer funds revenue and expenses, we are not taking in enough revenue to cover the expenses. Mayor Smith stated if the city has an emergency we can't wait to fix it, the problem would need to be fixed right away and if we don't have money set aside for those emergencies then the city would not have the money to fix it, we must have reserves. Manager Terry reminded the board that we are lower in our rates compared to other communities. With no other question or comments; Mayor Smith closed the Public Hearing at 6:59pm.

Resolution 2012-03 Budget Adoption & Appropriations Act for FY 2012-13. Councilman Siebert moved to adopt Resolution 2012-03, seconded by Councilman Bannick. Motion Carried.

Resolution 2012-04-To Establish 2012 Tax Levy.-Councilwoman Thomas moved to adopt Resolution 2012-04, seconded by Councilman Smith. Motion Carried.

Resolution 2012-05-To Establish Water & Sewer Rates and Solid Waste Fees for FY 2012-13. – Councilman Smith moved to adopt Resolution 2012-05, seconded by Councilwoman Thomas. Motion Carried with 6 ayes, and 1 nay from Councilman Bannick.

Resolution 2012-06 – Banking Resolution. - Councilwoman Thomas moved to adopt Resolution 2012-06, seconded by Councilman Chapman. Motion Carried.

2nd Reading and Adoption of Ordinance – 2012-01 to Amend Chapter 410 of Part 4 of the Ordinances of Litchfield, so as to ReAdopt the Michigan Vehicle Code. – Councilman Siebert moved to adopt Ordinance 2012-01, seconded by Councilwoman Bills. Motion Carried.

2nd Reading and Adoption of Ordinance – 2012-02 To Repeal Sections 410.03, 410.04 and 410.99 of part 4 of the Ordinances of Litchfield, so as to ReAdopt the Michigan Vehicle code. - Councilman Bannick moved to adopt Ordinance 2012-02, seconded by Councilwoman Thomas. Motion Carried.

2nd Reading and Adoption of Ordinance – 2012-03- To Confirm and Establish Salaries of Certain Appointed Officials. – Councilman Siebert moved to adopt Ordinance 2012-03, seconded by Councilwoman Bills. Motion Carried.

Police Car Bids- Manager Terry informed the board of the results of the Police Car bid openings from May 1, 2012. Manager Terry stated that after receiving two separate bids one from Team Chrysler and the other from Stillwell Ford it is his recommendation to approve the bid from Stillwell Ford in the amount of \$29,996.72 for a 2013 police car. Councilman Smith motioned to accept the bid from Stillwell Ford in the amount of \$29,996.72, for a 2013 Ford Police Interceptor, seconded by Councilwoman Thomas. Motion Carried.

2012 Audit bid Proposals- Treasurer Pelham stated to that she wanted to give the board an opportunity to review a bid that was received from Gabridge & Company; every once in awhile the city will receive a request from company's asking the city to use their company as the city's auditor. OMC & Co. also gave us a proposal and as you can see the city is getting a very good price from them. OMC's proposal is a little more but it includes the preparation of the financial statements, which is a large time consuming part of what they do, the audit itself is only a small part. Councilman Bannick motioned to accept the bid from OMC & Co. for the 2012, 2013, and 2014 years for the amounts of \$7,900, \$7,900, and \$8,000, seconded by Councilman Smith. Motion Carried.

Pool Concrete Work – Manager Terry stated that the pool has slabs that are divided up by expansion joints and sometimes these pads get uneven and create a trip hazard. What the city is seeking to do is to hire a company that will pour a concrete filled with a material that will raise the slab so it becomes even with the rest of the concrete slabs. Mayor Smith asked what the cost would be just to re-pour all of it; Superintendent Tony Langhann said he would say around \$12,000.00. What we are purposing has a two year guarantee, but I've seen it last a lot longer. Councilwoman Thomas motioned to accept the bid from CLI in the amount of \$1275.00 to raise the concrete at the pool, seconded by Councilman Siebert. Motion Carried.

Pool Schedule Date Change. - Manager Terry and Treasurer Pelham discussed the reasons for the pools schedule and hours changes with the board. Councilwoman Thomas motioned to accept the 2012 pools schedule and fees as presented, seconded by Councilman Smith. Motion Carried.

Bills for Approval – Councilman Bannick moved to approve the bills in the amount of \$34,059.53 and charge to the proper accounts, seconded by Councilwoman Bills. Motion Carried.

Police Report – Chief Michelin thanked the board for approving the purchase of the new police car and said that all is going well in his department. Councilwoman Thomas moved to accept the police report as presented, seconded by Councilman Chapman. Motion Carried.

Public Works Report – Councilman Bannick motioned to accept the Public Works Report and place on file, seconded by Councilman Smith. Motion Carried

Treasurers Update – Treasurer Pelham stated that we have been doing some restructuring in our office with job duties, with the exit of Kelsey. We've been training the new person and I was out of the office for a few days so I know that council packets got out kind of late.

City Manager's Update – Manager Terry addressed Mrs. Sanger concerns regarding the pool. Manager Terry then discussed maintenance of abandon properties, stating under the public nuisances the city is allowed to declare an "Emergency Abatement" on a property if necessary, it is the Mayors responsibility to declare this abatement and we will be doing this on few properties here in town and seeking bidders to do the clean up and maintain the yards. Manager Terry stated that he was informed last week that Hawthorne Heights Phase 4 has finally been approved by the State, now with that being said the State has told us that once before so we will see if this is actually going to happen this time. Manager Terry informed the board that the Litchfield Rotary Club will make a donation to cover the cost for the certification of our guards for the 2012 pool season and that the Rotary will also be donating money towards the lunches provided by the Methodist Church for the children. Manager Terry talked about the emergency siren that will be sounded off once a month and that himself, Harold, Bill, Dan, and the Mayor will be meeting with Doug Sanford to go over contingency plans. Manager Terry informed the board that June 1st & 2nd will be the city wide yard sales and June 9th will be the city wide clean up, which helps us get the community cleaned up.

Committee Reports – None

Councilman Concerns: - Councilman Siebert stated that he was informed by residents that the emergency siren couldn't be heard. Residents thought maybe a fund raiser to buy a new siren or maybe see if TIFA could help with the purchase of a new one. Manager Terry we will go over that in our meeting.

Councilwoman Bills stated that Litchfield has over 80 kids signed up for the summer ball season.

Councilman Smith wanted to clarify on a subject from earlier in the meeting that even when residents are gone for the winter months; the city is still being billed for garbage service for that unit and that is why residents are charged.

Adjournment - Councilman Smith motioned to adjourn at 7:35 pm, supported by Councilman Siebert. Motion Carried.