

REGULAR MEETING  
Litchfield City Council - City Council Room  
November 21, 2017 - 6:30 PM

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

Roll Call: Present – Mayor OR Smith, Councilpersons – Don Bannick, Rick Siebert, Dan Efstathiou and Kevin Collins.

Absent: Jessica Bills and Andy Reynolds

Councilman Bannick moved to approve the absences of both Councilwoman Bills and Councilman Reynolds, support by Councilman Siebert. Motion Carried.

Also Present – City Manager - Douglas Terry, Clerk – Susan Ballinger, Treasurer/Finance Director-Jill Barrett Chief – Dan Roberts, Deputy Clerk/Treasurer – Lauren Skelly, DPW Superintendent - Tony Langhann, Brett Smith, Dave & Chris Chapman, Deb Smith, HDN- Andy Barrand, and Jack Smith(arrived 7:45pm).

**Consent Agenda** – Councilman Siebert moved to approve the consent agenda as presented and place on file, supported by Councilman Efstathiou. Motion carried.

**Call to the Public** –None

**Appointment of Mayor Pro-Tem** - Mayor Smith recommended Councilwoman Bills for Mayor Pro-Tem. Councilman Bannick moved to approve Councilwoman Bills for Mayor Pro-Tem, support by Councilman Siebert. Motion Carried.

**Request Appointment to TIFA Board –Ed Smith** - Mayor Smith moved to appoint Ed Smith to the TIFA Board. Councilman Bannick moved to accept the appointment of Ed Smith to the TIFA Board, support by Councilman Collins. Motion Carried.

**Request Appointment to DDA Board –Ed Smith** - Mayor Smith moved to appoint Ed Smith to the DDA Board. Councilman Siebert moved to accept the appointment of Ed Smith to the DDA Board, support by Dan Efstathiou. Motion Carried.

**Accept DDA Board Resignation-Robin Meyers** – Councilman Bannick moved to accept the resignation of Robin Meyers from the DDA Board with regrets, support by Councilman Efstathiou. Motion Carried.

**Resolution 2017-20 – Banking Resolution** – Councilman Siebert moved to adopt Resolution 2017-20 and authorize the Clerk and Mayor to sign, support by Councilman Bannick. Motion Carried.

**Resolution 2017-21 – Establishing Authorized Financial Dealers and Institutions-** Councilman Bannick moved to adopt Resolution 2017-21 and authorize the Clerk and Mayor to sign, support by Councilman Efstathiou. Motion Carried

**Easement Request Consumers Energy Parcel # 30-19-022-200-006-22-5-4 (Ash Road Project)** –Manager Terry gave an explanation regarding Consumers Energy’s easement request. Manager Terry stated that it is called the Ash Road Project because Consumers is referring to the Substation as the Ash Road Substation the easement is located on the city property located on Herring Road. It’s a 15 ft easement and after reviewing it Manager Terry recommends that the board allow the easement.

Councilman Bannick moved to allow Consumers Energy their easement request on the Ash Road Project and authorize the Clerk and Mayor to sign, support by Councilman Efstathiou. Motion Carried.

**Discuss Acquisition of Property From Litchfield Industrial Corporation ID #30-19-009-400-023-09-5-4 -** Manager Terry gave a brief overview of where the small piece of property is located behind 535 Marshall Street. It's not uncommon when a public corporation stops to exist and they hold real-estate or other public assets that they be deeded over to the governing body. This Warranty and Deed is for an amount of \$1.00.

Mayor Smith asked if there was any knowledge of chemical/contamination of the land. Manager Terry stated no, there is no reason for the city to believe there is any type of pollution since prior use didn't post any type of industry.

Councilman Bannick stated this won't change that the property is land locked. Manager Terry stated that is correct but down the road property descriptions change and these types of meaps and bounds parcels are subject to be divided up and can be, so if the city sees a development the city might want to lend ourselves to selling it or adding to the property.

Councilman Bannick motioned to allow the purchase of the land (parcel # 30-19-009-400-023-09-5-4) from the Litchfield Industrial Corporation for an amount of \$1.00, support by Councilman Kevin Collins. Motion Carried

**Financial Software Grant Program- Permission to Enter into Agreement** – Treasurer Barrett informed the board the opportunity that the council has to provide to its citizens a service that will make it more robust than what the city currently has. The state treasury department announced that they have allocated some funds to pay for 50% of financial forecasting and transparency reporting tools. The state has only agreed to use two vendors so if the city was to purchase this type of software it would have to be from one of the two vendors. The state has done this with school districts for the past three years and it has been successful so the state wanted to open it up to municipalities. Two weeks ago is when the state sent this information out giving us a deadline of December 1, 2017 to apply and this is the a one shot opportunity to take advantage of the grant because the software has to be purchased and then apply for the funding which is 50% no later than December 1, 2017. Treasurer Barrett presented the board with a packet of information which showed what the city currently has and offers and what the city would be able to provide to its residents if the software grant was applied for. The first vendor presentation that Treasurer Barrett reviewed was Forecast5 and she didn't see a lot of value in that software for \$7,000.00 a year. The second vendor that Treasurer Barrett reviewed was Munetrix and they already have all of our data and the difference is whether or not the city if providing it to our citizens on a comparison level. Treasurer Barrett stated the Munetrix is the company that she would like to focus on because one it's less expensive and two she feels it would have a lot more capabilities for service to our community for information. Treasurer Barrett stated there are two editions that Munetrix is offering one being transparency edition which is the bare minimums which is what the city is doing now. Treasurer Barrett stated she currently creates these reports and print in a PDF format and then puts them on the state web site for people to view them. The second package Munetrix is offering is more inter active by allowing a viewer to see comparisons to other communities and be more specific to our city or other cities that a viewer might choose. Treasurer Barrett stated instead of her having to create a lot of different reports for people to review this software in an instant would compile the data into a format for the consumer to see. Treasurer Barrett stated if city council would like to expand services that the city can offer she recommends that the city go with the lower minimum transparency edition because from what she can see its very sophisticated in itself and in the future if the city decided to go with the premium edition it would open the door for other information to be posted and reviewed. Treasurer Barrett feels it's a good opportunity to try it for a year with the state paying 50% of the cost and if it's something we want to in the future the city can get out of the contract if the state doesn't want to offer the 50% grant in the future.

Mayor Smith asked if this program is a requirement. Treasurer Barrett stated after speaking with a representative from the state the program is not a requirement.

Councilman Bannick asked how often is the treasurer asked by a citizen for this information. Treasurer Barrett stated never but there are people that are very computer literate and sit at home at look at this information.

The motion would have to be in two components. The first component would be choosing one of the two vendors and the second motion would be to allow her to apply for the grant. If the city decides that we don't want to offer this next year the city wouldn't be able to get out of the contract unless the state didn't offer the grant next year. The cost for the basic version would be \$1,283.00 a year, but the first year would be \$1,668.00 that includes an implementation fee.

Manager Terry asked the treasurer that the city is required to report our finances under the transparency act and with that being said would the software assist providing Lansing and the public that information as oppose to you having to hand creating the reports. Treasurer Barrett stated yes it would. Manager Terry asked for time management purposes, is this a tool that would help your office in performing this data more quickly and efficiently. Treasurer Barrett stated yes, currently she is doing just the minimum of what the state asks her to provide because she feels people interpret things differently and if they have questions they can come into her office and ask any question. When you put information into a certain format for every city, for example the City of Litchfield spends way more in parks and recreation than any other community that is being compared to us, well that's because we have a donor that donates the revenue to do those things in the park. Manager Terry asked is any other surrounding communities that have adopted this program. Treasurer Barrett stated that Homer, Albion, Marshall, Lansing and there other communities that have their data displayed through other mechanisms.

Councilman Siebert asked how much time this program would save the treasurer on an everyday basis. Treasurer Barrett stated that is not an everyday. Treasurer Barrett stated it's not an everyday thing, now that she has all her numbers and templates in place; it's really not as time consuming preparing these reports. Councilman Siebert asked how many hours in a year would this program save you, Treasurer Barrett stated 8 hours.

Councilman Bannick moved to allow the Treasurer to enter into an agreement with Munetrix in an amount of \$1668.00, support by Councilman Smith. Motion Carried

Yea Votes: Councilman Bannick, Collins, and Mayor Smith

Nay Votes: Councilman Siebert and Efstathiou

Councilman Bannick asked a question if the city doesn't receive the grant is the city still locked in to get the software. Treasurer Barrett stated yes.

Councilman Bannick moved to amend and withdraw the previous motion of approving the Treasurer to enter into an agreement with Munetrix in an amount of \$1668.00, support Councilman Efstathiou. Motion Carried.

**Financial Software Grant Program-Permission to Submit Grant Application – No Action.**

**Water Tower Control System Upgrade –** Manager Terry presented two proposals to the board and there was a brief discussion regarding both companies and what they offer.

Councilman Bannick moved to enter into contract with Peerless Midwest in an amount of \$32, 920.00 for the Water Tower Upgrade, support by Councilman Siebert. Motion Carried.

**City of Litchfield Health Insurance Buyout Program-** Councilman Bannick moved to have the city continue with the Health Insurance Buyout Program for eligible employees, support Councilman Efstathiou. Motion Carried

**Request for Vacation Time Roll Over-City Manager Doug Terry-** Councilman Efstathiou moved to allow Manager Terry to roll over his current vacation time of 201 hours, support by Councilman Siebert. Motion Carried.

**Bills for Approval –** Councilman Bannick moved to pay the bills as presented in the amount of \$56,751.37 and charge to proper accounts, supported by Councilman Siebert. Motion carried.

**Police Report** – Councilman Siebert, moved to accept the police report as presented and place on file, supported by Councilman Bannick. Motion carried.

**Public Works Report** – Councilman Bannick moved to accept the public works report as presented and place on file, seconded by Councilman Efstathiou. Motion carried.

**Treasurers Update** – Treasurer Barrett informed the board that she has prepared the tax roll and winter tax bills are ready to go out. The audit is done and they are working on preparing the financial statements for the her to review and there will be an audit report and the next regular meeting.

**City Manager's Update** – Manager Terry stated that at the last council meeting the board approved the city administration to utilize the services of a company that took core samples of the streets and that has been completed. The two project streets this year that are recommended are Warner Avenue and Park Street. The city wanted to see profile of what the streets thicknesses where of the asphalt. So on each street we did somewhere between 9-15 cores. We are in the process of creating a profile of thickness and then we will go out for bids sometime in February and will do the work in May.

Today we also have completed the city's crack filling program. We've identified several streets that the city will try next to utilize the Hillsdale County Workforce to do a chip and seal on some of those streets.

Manager Terry stated that a lot of time has been spent on TIFA projects and good things are going on with TIFA.

Manager Terry informed the board that all city staff and departments are doing a great job maintain the city's needs.

Manager Terry presented the board with an invoice from Doug Skelly regarding the roof repair. Manager Terry stated that Mr. Skelly gave the proposal to us prior to the fiscal year end for budget purposes. Since we received that proposal from Mr. Skelly prices have increased and he is requesting an increase of \$350.00.

Manager Terry stated sometimes we have to receive quotes on projects that the city is looking to do in the future to be able to put those into the budget. This bid was approved at the last meeting but now he is requesting a change order for the increase.

Councilman Siebert moved to approve the change order of an increase in the amount of \$350 for the Skelly Construction bid, support by Councilman Efstathiou. Motion Carried.

#### **Correspondence –**

**Committee Reports** – Mayor Smith requested that the board approve the appointment of Councilman Dan Efstathiou to the Litchfield Fire Board and asked to also approve the appointment of Councilman Collins to the Budget Committee. The rest of the appointments he would like to leave as is for the time being.

Councilman Siebert moved to approve the recommendation of the appointment of Councilman Efstathiou to the Fire Board and Councilman Collins to the Budget Committee and leaving the remaining committee's as is, support by Councilman Bannick. Motion Carried.

Clerk Ballinger stated that Hillsdale County Clerk Marney Kast has informed her that after the November 7, 2017 election the City of Litchfield is the only municipality to remain on odd year elections. All other municipalities within Hillsdale County have moved to even year elections. In past elections, Hillsdale County municipalities have shared costs for odd year election expenses such as advertisement, Board of Canvassers' payroll and other County expenses. If the board decides to keep the city's elections in odd years all future expenses will fall on the city with no shared costs opportunity; I'm recommending that the board allow me to bring a cost savings analysis along with a resolution to board for their consideration to move city elections from odd year to even year elections and there is a state requirement that a public hearing must be held prior to a passing of any such resolution.

Clerk Ballinger went on to inform the board that if the board chooses to move to even year elections all current board members services will be extended by one year. It was consensus of the board to have the clerk bring the information and resolution to them for consideration of even year elections.

**Councilpersons Concerns** – Mayor Smith welcomed new Councilmember Kevin Collins.

Councilman Efstathiou asked if the board would like to have discussions regarding the donation request from Hillsdale County Community Foundation. Clerk Ballinger stated the letter was put into their packets for information purposes.

**Adjournment** – Councilman Bannick moved to adjourn at 7:48 p.m., seconded by Councilman Siebert. Motion carried.