

REGULAR MEETING
Litchfield City Council - City Council Room
April 10, 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, and Don Bannick.

Absent –Brenda Thomas

Also Present – City Manager-Doug Terry, Clerk-Susan Ballinger, Deputy Clerk/Treasurer – Kelsey Burroughs, Treasurer-Jill Pelham, Chief Michelin, DPW Superintendent-Tony Langhann, Brett Smith, Terry Vear (Hillsdale Senior Center), and Will Foregrave (Index) arrived @ 7:10pm.

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

Call to the Public – None

Litchfield Senior Citizen Contract – Councilman Bannick moved to authorize Mayor Smith to sign the contract with Litchfield Senior Citizens in the amount of \$650.00, seconded by Councilman Chapman. Motion Carried.

Fire Service Contract-Litchfield Fire Board & City of Litchfield – Manager Terry informed the board that the annual contract has an increase of about \$2000.00 and it is the Fire Departments intention to put a portion of the money back to purchase a new fire truck in the future. Councilman Smith moved to authorize Mayor Smith to sign the contract with Litchfield Fire Department in the amount of \$33,150.00, seconded by Councilman Bannick. Motion Carried.

Hillsdale Senior Center-Terry Vear – Terry Vear, the Executive Director from the Hillsdale County Senior Center was present to give the board and update on their current operations. She passed out packets of information to the board that explained how many Litchfield residents they serviced and exactly what services were used. Some of the highest services used were meals on wheels, congregate meals, and outreach. Mrs. Vear talked about their Creating Confident Care Givers Program and how the center expects this to grow into a much needed service due to seeing more people with Alzheimer disease. Mrs. Vear talked of the many other types of services they provide to all of Hillsdale County residents. Mrs. Vear thanked the board for their support and was willing to answer any questions they might have, Mayor Smith asked if their program was planning on moving the meal site. Mrs. Vear stated yes, and they are currently looking at different options in Litchfield, but it will probably be a few months down the road. Chief Michelin asked if their van would be available for the city to use during the Sweet Corn Days festival to shuttle the elderly to the downtown area. Mrs. Vear stated that it might be possible. Clerk, Ballinger stated she would be in contacting Mrs. Vear with further details and to set something up for use of their van.

Public Hearing –IFT Gonzalez Group – Mayor Smith opened the public hearing at 6:50pm. Councilman Bannick asked how many jobs the IFT would create, Clerk Ballinger stated that the application states that 10 jobs will be created. With no other comments or concerns the public hearing was closed at 6:53pm.

Resolution 2012-02- IFT Gonzalez Group – Councilman Smith moved to adopt Resolution 2012-02, seconded by Councilman Bannick. Motion Carried.

Resolution 2012-03 – Authorizing request for Annexation of Property (Litchfield Greens) – Mayor Smith removed this item from the agenda to be discussed at a later date.

First Reading Ordinance -2012-01- To amend Chapter 410 of Part 4 of the Ordinances of Litchfield, so as to Re-Adopt the Michigan Vehicle Code. Mayor, Smith read the First Reading of Ordinance 2012-01. Manager Terry stated that this is amendments to the State law and when changes are made through the State we amend our ordinances to reflect those changes.

First Reading Ordinance-2012-02-To Repeal Sections 410.03, 410.04 and 410.99 of Part 4 of the Ordinances of Litchfield, so as to Re-Adopt the Michigan Vehicle Code. Clerk, Ballinger read the First Reading of Ordinance 2012-02.

Budget Discussion- Manager Terry informed the board that city administration is ready to present the proposed budget for 2012-2013. Manager Terry stated our goal was to supply the city not only with a balanced budget but a surplus budget as well. Manager Terry stated that Jill has done an excellent job putting this material and information together and this budget reflects the city's priorities for our next fiscal year. Manager Terry asked for any questions from the board. Councilwoman Bills asked about the 3% increase in water and sewer. Treasurer Pelham stated that yes that is what Manager Terry is currently recommending and Treasurer Pelham stated that she did put in charts and graphs that also show what a 3% and a 5% increase would look like and there is not a lot of difference. Jill stated she would like to look at these rates again once she knows more on what is going to happen with the personal property and whether there will be any assistance in that area. The board continued to discuss the reasons behind the need for the increase in the water and sewer funds. Manager Terry stated that the city will have to make an investment in the rate structure in water and sewer so as to be able to develop a savings program for both funds for the city's future needs. Jill stated the next year will tell us a lot more on what is going to happen with personal property tax and she wants to an analysis on water and sewer and give the board projections on what the rates need to be and see what the board wants to do to get the rates were they need to be. Manager Terry stated there are three public hearings coming up in Lansing and Mayor Smith might need to attend and testify how Litchfield Tifa is unique in the way we collect personal property and what we do with the money that is collected. Mayor Smith stated that he feels comfortable with a 3% increase and the board could look at it again next year. Councilman Smith commented on what a good job was done on the budget and how easy it was to review it. Mayor Smith asked if there are any other questions. Treasurer Pelham gave the board a graph showing over the last ten years how the city's revenue and expenditures have changed. The second graph presented shows bench marking with other cities that are close to our size and shows Litchfield operates well below other communities. The next sheet presented gave an analysis on what the city spends per person and the last sheet gives a comparison of where the city was in 2007 and where the city was in 2011 and it also shows other communities as well. Litchfield has reduced its expenses by 17% since 2007 and the average with other communities was an increase of almost 20%.

Set public hearing date for Budget - Mayor Smith set the budget public hearing date for the next Regular Council Meeting, which is on May 8, 2012.

First Reading Ordinance-201-03- To Confirm and Establish Salaries of Certain appointed Officials – Clerk, Ballinger read the First Reading of Ordinance 2012-03, Councilman Smith stated that the committee compared these salaries with other surrounding communities.

2012 Pool Rates – Manager Terry presented the board with 2012 pool fees schedule and stated the city is not currently raising rates. Manager Terry stated that Deputy Clerk/Treasurer Kelsey Burroughs has done an outstanding job doing research on other community pool fees. Litchfield will be doing something a little different this season by opening the pool on June 1st and closing the pool the weekend of Sweet Corn Days. The city plans on staying flexible if possible on this closing date. If we have extensive heat we will try to stay open but that will depend on staffing of guards due to school/college starting and sports programs starting, this creates a dilemma

for guards to be able to staff the pool. The research done by Kelsey showed that Litchfield kept the pool open the most days compared to other communities. Kelsey stated the pool was open for 96 days last season and most pools were open for 78 days on average they were either closed one day of the week or had a shorter season. Kelsey stated the pool will be open longer hours this season from 12pm to 8pm and that should cater to a lot of people as well. Treasurer Pelham stated that Kelsey's bench marking was originally to see if the city should be open as long as we have been. Kelsey's bench marking showed that if the city was to close the pool one day a week we would be more in line of what other municipalities are doing, but we decided instead of closing one day and have that be a hundred degree day we should just shorten the season instead. Councilman Bannick moved to accept the 2012 pool schedule and rates, seconded by Councilman Smith. Motion Carried.

Planning Commission Resignation-Doug Stewart – Councilman Siebert moved to accept the resignation of Doug Stewart with regrets, seconded by Councilwoman Bills. Motion Carried.

Planning Commission Appointment – Brett Smith- Councilman Siebert moved to appoint Brett Smith to the Planning Commission Board, seconded by Councilman Bannick. Motion Carried.

Bills for Approval – Councilman Bannick moved to approve the bills in the amount of \$36,144.08 and charge to the proper accounts, seconded by Councilman Smith. Motion Carried.

Police Report – Chief Michelin stated that the job shadowing went well with the school. Councilman Smith moved to accept the police report as presented, seconded by Councilman Siebert. Motion Carried.

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

Treasurers Update – Treasurer Pelham stated that there are quarterly statements in their packets and any board members can call her with any questions they might have and that she is finishing up the budget work.

City Manager's Update – Manager Terry stated that the city has pursued to enter upon 210 Queens Drive for clean up and as the board is aware the city went to court and was awarded the right to enter upon the private property not by default but by actual testimony. The Judge ordered based on the evidence given by the city that Mr. Sharp owner of 210 Queens Drive was in violation of our ordinances. The city contracted with Mr. Adams to clean up the property which he started on yesterday, April 10th and now today I received a call from Mr. Sharp requesting return of some of his property. The city is trying to honor that, but the city is moving forward to clean the property up. Manager Terry stated the DDA is currently working on getting the historical photos up on the Recon Building. Today we also started the advertising for bids on a police vehicle and that will be on next month's agenda. Tony Langhann stated that he has started working a permit application for the W. Saint Joe Lift Station. Manager Terry stated that he and the Mayor will be in Lansing on the 25th of the month. Manager Terry informed the board that he will be out of the office from Thursday – Tuesday of next week. Manager Terry thanked the department heads for their help with the budget and stated Jill had put in a tremendous amount of time preparing the budget.

Committee Reports – None

Councilman Concerns: - Councilman Bannick stated he has spoken with Doug Sanford the Emergency Director for Hillsdale County and although it's not mandatory that the city test the fire sirens Councilman Bannick asked if Litchfield could do so, Councilwoman Bills stated that Litchfield will start doing it at the same time as the county does.

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