

REGULAR MEETING
Litchfield City Council - City Council Room
March 19, 2013 - 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, Don Bannick and OR Smith.

Absent – Councilwoman, Brenda Thomas

Also Present – City Manager- Douglas Terry, Clerk-Susan Ballinger, Treasurer-Jill Pelham, Corporal-Dan Roberts, DPW Supervisor-Tony Langhann, Hillsdale Senior Center -Terry Vear, Harmon & Jones- Jamie Harmon, and Andy Barrand (HDN).

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

Call to the Public – None

Hillsdale County Senior Center, Terry Vear – Mrs. Vear gave out information packets and updated the board on what's been happening in regards to their both current and new programs. Mrs. Vear stated that the Care Call program is underutilized and is an important program that can be essential to saving a life. Mrs. Vear talked about classes being offered to individuals who have seniors in their lives with Alzheimer's and how beneficial it can be to the at home caretaker of these seniors. Mrs. Vear invited the board members to their annual Good Friday breakfast to be served between the hours of 8am – 10am. Mrs. Vear thanked the board for all the mileage dollars provided to their program. The board thanked Mrs. Vear for all their work at the senior center it is greatly appreciated.

Jones & Henry Engineers – Jamie Harmon P.E. – Litchfield Recreation Plan- Manager, Terry stated that he would like to focus tonight on the proposal from Jones & Henry to help the city with the recreation plan. Currently the city does have a recreation plan in place, however, next year the plan expires, and in our long term planning in recreation needs we've been looking at certain things. Litchfield is unique we have an outdoor pool and a playground next to that pool, Firemen's park, and the Nature Trail. They all need improvements and we have former residents willing to help with outside donations and those individuals donating need to have confidence of knowing where their donations are going. By having a recognized recreation plan the city can apply for MDNR recreation grants. Manager, Terry introduced Jamie Harmon in order to go over the memo her company had sent to the city in regards to their proposal. The city administration is looking for approval in that proposal of \$6500.00 to work with the firm Jones & Henry for the purpose of developing an updated recreation plan that will take the city beyond five years, but will be good with MDNR for five years. Jamie Harmon stated that she has met with Doug to go over recreational facilities and needs and we've already discussed some of that, but basically I have prepared a proposal to update the existing plan which then would allow the city to utilize various funding sources. One of the key aspects of the plan is to get input from the public, so there would be a few opportunities' to meet with the public and probably a city wide survey to give them plenty of opportunity to provide their input. Manager, Terry stated that this fee was not budgeted into this year's budget but Jones & Henry would start right away and delay billing until next year's fiscal budget. Mrs. Harmon stated the process would take around six months from start to finish giving the board plenty of time to fund the cost of their service. Mayor, Smith asked if the board was to accept your proposal for updating the plan could the city roll in the cost of the application fee into that. Mrs. Harmon stated we could but the only problem with that right now is we don't know what kind project we would be looking at an application for in the spring. It really depends on what the project is it might require specific drawings to be put into the application. Manager, Terry stated that there was a strategy why we decided not to apply for the grant this year. Usually the MDNR doesn't repeat funding every year and instead of rolling the dice and making application for a small project which could exclude the city from

bigger funding opportunities next year. Councilwoman, Bills asked so the \$6500 and then another 1200 for every application you do for the city. Mrs. Harmon stated that application cost was included because it was originally thought to try and apply for a grant this year which we've ruled out for this year. The funding at the state level is very competitive and the city might apply and not receive any money, you have to have a pretty good project to receive the funding. Based on the timing we felt that there was not a great chance to receiving any of those funds, but Doug asked that I put some costs together if we were to try and go ahead and apply for something and that project would have had to been in the current plan which is limited. Looking at going forward we decided to update the plan because it does expire at the end of this year and by updating it and receiving public input makes since before applying for any project. Councilwoman, Bills stated then the \$6500 is basically just to update the next five year plan. Mrs. Harmon stated yes, and what it will do is inventory all the parks and recreational facilities to come up with projects that the city would be interested in doing over the next five years and we would put cost together with that as well. Mayor, Smith asked is there any match requirements to the grants. Mrs. Harmon stated yes, minimum match is 25% and as you put in more money the city would receive more points on the grading scale. Mayor, Smith asked if the new playground equipment that is still in the boxes could be used as part of the match. Jamie stated that if the city was to receive funding next year and the equipment was still in the boxes and unused then yes, that equipment could be part of the application and could probably be counted as part of the match. Councilman, Siebert asked if a few years down the road the city looks at the grant again the city would have to pay another fee. Mrs. Harmon stated well the plan is a five year plan any project in the plan the city could apply for funding through the state at anytime over the next five year. If something comes up that isn't in the plan then the city would have to amend the recreation plan and there would be an extra fee to amend the recreation plan. Manager, Terry stated that the city has to have a recognized improved recreation plan to even be able to submit for grant applications. Mayor, Smith asked if there is a certain limit to the cash that could be applied for. Mrs. Harmon said that there are three different funding sources through the MDNR and there is quite a substantial amount of money to be applied for, and their main fund is their "Trust Fund" and it is split up between their acquisitions and development projects. Roughly, about half the applicants that apply for the Trust Fund get them, but there are a lot of applicants. Mayor, Smith, asked what the success rate to receiving the grants is. Mrs. Harmon stated that it depends on the project and the state tells you how everything is scored and basically just go down the list and the city could figure out how many points the city would have and that would tell you where you would be in that range of projects and the state will actually tell you once they have scored the project and give the city an opportunity to overlook the application a second time to see if anything was missed that could add on more points. The state has a new passport program and there is a lot of money in that program that has not been applied for, so there is a lot more opportunity in that program and It really comes down to writing a good application. There is no guarantee that any funding would be awarded and it takes time to write a good application. Councilman, Siebert asked about the hourly rate. Mrs. Harmon said yes, it's basically an hourly rate up to \$6500.00 and that we estimated in hours/fee of what it would take to complete this project. Councilman, Smith asked if this would be something that would be considered for next year's budget. Manager, Terry asked for council's approval to authorize the city administrators to engage in the services of Jones & Henry to complete a five year recreation plan. Mayor, Smith stated I thought we were going to put this into next year's budget. Manager, Terry stated you are correct but we would like to get started immediately and Jones & Henry will delay any billing until after July 1st. Councilman, Siebert asked can we guarantee where the city is going to get these funds from in our next fiscal budget; with knowing that there are cuts coming from the state. Manager, Terry stated that we will make it a priority to find the money; we have citizens that are interested in helping the city with recreation equipment and needs. These citizens would not participate in the \$6500.00; however, some of those citizens have indicated that they would like to participate with improvements at the pool and playground equipment. Councilwoman, Bills asked that if the city was to receive a grant then the city is still required to match up to 25% correct so where is that money going to come from? Mrs. Harmon stated that if the city has someone willing to provide donations that would count. Manager, Terry stated there would be progress billings on the \$6500.00. Treasurer, Pelham stated that the city will make it a priority to find places to cut in the budget, even if the city has to cut in several different areas to be able to make up the \$6500.00. If we don't do this the donors donations aren't going toward something bigger and their donations can be used for something bigger, if the city invests the \$6500 and the city would be getting a much greater benefit if the city is able to secure a grant. The

city's \$6500.00 would be a much better investment because the city has to update the recreation plan, so does the city have specific areas in the budget, no but because we have such a large budget to work with there are several different areas we can cut small amounts to make up the total. Mayor, Smith asked if this could be tabled for a month and Treasurer, Pelham stated it well by saying the city's cost is basically the \$6500.00 and if the city receives the grant, the city will have the donated money to do the match so whatever the city gets out of this is what the city can accomplish will only cost the city the \$6500.00. Manager, Terry stated the idea is to start getting ready to prepare next year's grant application; the city can leverage using some of the private donation money and score better points. Mayor, Smith asked Mrs. Harmon if the city could include the fee for the application into the grant, Jamie stated no. Mayor, Smith stated there will also be cost for the application on top of the \$6500.00. Mrs. Harmon stated the cost for the grant application before would be similar but there are always areas that the city could write a lot of it and it comes down to if any drawings are going to be required. It was consensus of the board to table the issue of the recreation grant until the April meeting, to give time to try and figure out where the city can obtain the required costs.

Resolution 2013-02-Deficit Elimination Plan for Major Streets – Treasurer, Pelham stated that the city re-done N. Chicago St. in September 2011 and at that time the city did not have the funds in Major Streets fund to re-do the street, so city council passed a resolution for the city to borrow the money from the Sewer Fund and pay the money back from Major Street Fund with resources that the city receives from State Act 51 money. State law requires the city must submit a copy of that plan to the state and that is what the board has in front of them tonight. Councilman, Chapman moved to adopt Resolution 2013-02, seconded by Councilwoman, Bills. Motion Carried.

Resolution 2013-03-Budget Amendments 2012-2013- Councilman, Bannick moved to adopt Resolution 2013-03, seconded by Councilwoman, Smith. Motion Carried.

West Saint Joe Lift Station – Manager, Terry stated that the memo and attachments within their packets were prepared by Engineer, Rick Jenkins with help from Dubois & Cooper an engineering firm that furnish the city's lift stations and this project has been budgeted for in this year's city budget. The city is ready to make application to the State of Michigan. The city has to have a permit to construct and once the city has that back it will allow the city to move forward with the project. I am asking that the board 1) Approve the administration to send the application to the DEQ 2) Authorize the administration to contact Dubois to start making the lift station 3) The city will need help with the installing this station. Councilman, Smith moved to authorize the city manager to proceed with replacing the Lift Station and installation cost on W. Saint Joe Street- option (1) with an amount not to exceed \$30,000, seconded by Councilman, Siebert. Motion Carried.

Discuss Street Sweeper – Manager, Terry and the board discussed the possibility and/or need of purchasing a used Sun- Vac Street Sweeper from the Village of Quincy. The board and administration discussed the savings of not having to pay for the services of sweeping the streets, vacuuming the manholes and catch basins plus maybe even see some revenue by contracting the sweeper out. Treasurer, Pelham stated the city will recoup our cost of the sweeper within a few years just from the savings of not having to hire services. Manager, Terry stated that there will be costs to update/repair the Sun-Vac as well. Councilman, Bannick moved to authorize city administration to purchase the Sun-Vac Street Sweeper from Quincy in an amount not to exceed \$6,000.00, seconded by Councilman, Smith. Motion Carried.

Bills for Approval – Councilman, Bannick moved to approve the bills in the amount of \$176,325.27, seconded by Councilman, Chapman. Motion Carried.

Police Report – Corporal, Roberts asked if the board had any question regarding their departments report. Councilman, Siebert motioned to accept the police report as presented and place on file, seconded by Councilman, Chapman. Motion Carried

Public Works Report – Councilman, Siebert motioned to accept the public works report and place on file, seconded by Councilwoman, Bills. Motion Carried.

Treasurers Update – Treasurer, Pelham introduced our new office Administrative Assistant, Lauren Skelly to the board. Treasurer, Pelham informed the board that both she and the clerk have been working with Lauren on getting her up to speed with Accounts Payable and Payroll. Treasurer, Pelham stated that now that we have another person on staff this will allow her to get more aggressive on internal controls in order to satisfy the auditors and give the city a clean opinion next year. Treasurer, Pelham stated that there are funds currently in the city's budget to update the city's web-site. The manager has been exploring different ways to do that. Lauren and I had an opportunity to go to a web-site editing class and had gone to the class that morning. Treasurer, Pelham stated the class was extremely valuable and she believes that the city web-site can be updated internally with an initial investment of \$500.00 which will take our current page and have it and dumped into a place where it can be edited. Treasurer, Pelham stated if the board has anything that they would like to see on the city's web-site to bring those ideas to the staff. The city staff will meet in the next couple of weeks to discuss what each department would like to see on the web-site. This process will take a few weeks to switch our web-site over to the new format, but once it is switched the staff can start implementing the ideas one at a time and instead of having a big initial cost with the web-site it will gradually change over time and that will be the best way so the city isn't overwhelmed and nobody will complain about little improvements. Treasurer, Pelham stated that she is starting her estimates and it will be budget from here on out until the board see's it in April and May. A Budget & Finance meeting will be scheduled prior to the April council meeting. Treasurer, Pelham stated that she has done her tax settlement with Hillsdale County.

City Manager's Update – Manager, Terry stated that there has been a lot of events going on with TIFA, we just opened and awarded bid to pour a floor in the Spec Building. One thing that Tony and I have been talking about is where to store things that we had stored in the Spec Building. Manager, Terry stated he also will be working on the new budget.

Committee Reports – None

Councilman Concerns – None

Correspondence – Mayor, Smith asked the board to take note of the thank you letters in their packets. Mayor, Smith stated the city hasn't been the only ones using the Spec Building for storage other industries in the park have also been using it for storage.

Adjournment – Councilman, Chapman moved to adjourn at 7:50pm, seconded by Councilman Smith. Motion Carried.