

REGULAR MEETING  
Litchfield City Council - City Council Room  
May 20, 2014 - 6:30 PM

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

Roll Call: Present – Mayor Edwin Smith, Councilpersons Jessica Bills, Rick Siebert, Dan Efstathiou, OR Smith and Don Bannick.

Absent – Brenda Thomas

Also Present – City Manager- Douglas Terry, Clerk-Susan Ballinger, Treasurer-Jill Pelham, Chief, John Michelin, Admin/ Asst. - Lauren Skelly, Andy Barrand-(HDN), Tim Haberl- State Representative Candidate, and Bill Sours-Madigans Owner.

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

**Call to the Public** – State Representative candidate Tim Haberl informed board members that he would be running for the 58<sup>th</sup> district seat. Mr. Haberl informed the board of his background and feels he can make positive changes. Mayor, Smith asked where he stood on the repeal of the personal property tax. Mr. Haberl feels the repeal is one thing the state could give us a break on. The board thanked Mr. Haberl for his comments.

Manager, Terry introduced Mr. William Sours to the board. Mr. Sours informed the board that he is the current owner of Madigans which is located in Allen, Michigan and is interested in expanding his business to Litchfield. Mr. Sours taught high school for 19 years and changed his career last year to dedicate himself to his new business. Mr. Sours is currently looking at two different locations within the city limits. One building being directly downtown and the other is the old lumber yard both owned by Mr. Taylor. The first step is to receive support from the local board in regards to applying for a liquor licenses. Mr. Sours assured the board that he maintains a well respected business. Mr. Sours stated that he is more than willing to answer any questions the board might have for him in regards to his business. Mr. Sours stated that when he applies for the liquor license along with the application he will send in the minutes from the meeting showing the board supports his business coming into Litchfield. Mr. Sours informed the board that this is a requirement from the state before a liquor license would be approved and before he spends a lot of money for building inspections and other things required to bring a new business here, he wants to be sure that he has support from the city's administration. Mayor, Smith asked if there will be a restaurant along with liquor sales. Mr. Sours stated yes, there will be food and drinks. Chief, Michelin stated that it would be a nice addition to Litchfield. After some discussion amongst board members, Councilman, Smith motioned to accept Mr. Sours and support the application for Madigan's Liquor licenses for one of two buildings located in the City of Litchfield, seconded by Councilman, Siebert. Motion Carried.

**Public Hearing Budget 2014-2015-** Mayor, Smith opened the public hearing at 6:49p.m. and asked the board for any comments or questions. Treasurer, Pelham asked the board if there was anything within the budget that they would like to discuss. With no questions or comments from the board Mayor, Smith closed the public hearing at 6:50p.m.

**Resolution 2014-07 – To Establish Water & Sewer Rates and Solid Waste Fees 6/1/14** – Councilman, Siebert motioned to adopt Resolution 2017-07, seconded by Councilwoman, Bills with one Nay vote from Councilman, Bannick. Motion Carried. Treasurer, Pelham updated the board on the projection of the increases to the water/sewer fund and explained that in the future the increases will be by rate of inflation.

**Resolution 2014-08-2014-2015 Budget Adoption Resolution & Appropriations Act-** Councilwoman, Bill motioned to adopt Resolution 2014-08, seconded by Councilman, Smith. Motion Carried.

**Resolution 2014-09- To Establish 2014 Tax Levy** – Councilman, Siebert motioned to adopt Resolution 2014-09, seconded by Councilman, Smith. Motion Carried.

**Second Reading and Adoption of Ordinance 2014-02 Salaries for certain appointed officials** – Clerk, Ballinger gave the second reading of Ordinance 2014-02. Councilman, Smith motioned to adopt Ordinance 2014-02, seconded by Councilwoman, Bills with one Nay vote from Councilman, Bannick. Motion Carried.

**First Reading of Ordinance 2014-03- Amend Sect. 660.02 to Prohibit the Reckless Ignition, Discharge or use of fireworks within the city** – Clerk, Ballinger gave the first reading of Ordinance 2014-03 to the board.

**First Reading of Ordinance 2014-04 – Add Chapter 674 to Part Six to regulate the ignition, discharge & use of fireworks within the city and allow granting of permits & provide civil penalties for violations** – Clerk, Ballinger gave the first reading of Ordinance 2014-04 to the board.

**Bills for Approval** – Councilman, Bannick moved to approve the bills in the amount of \$35,234.41 and apply to the proper accounts, seconded by Councilwoman, Bills. Motion Carried.

**Police Report** - Chief, Michelin stated that the Chevy has been stripped down and ready for auction. Councilman Siebert moved to accept the police report as presented and place on file, seconded by Councilman, Smith. Motion Carried.

**Public Works Report** –Manger, Terry stated the public works department has been sweeping streets and vacuuming out manholes. Also, they have been preparing to open the pool. Manager, Terry stated that the city has a spare rebuilt pool pump on standby that is not quite big enough. The city has never put money in the budget for the pump and the last time the pump was rebuilt it took a week to have done. Tony and I are concerned that if the pump goes out and to by a replacement pump is about \$2800.00, the city had a replacement pump and it was used and we've never put another one back on the shelf. Manager, Terry don't want to be down a week waiting for a pump to be repaired. Councilman, Smith asked how long it would take if the city had to by a new one. Manager, Terry assumes 3 days to a one week. Councilman, Siebert asked if we could sell the pump we have, Manager, Terry said the city could try but doesn't know how successful it would be to sell. The board continued to discuss different possibilities in regards to the purchase pump. Mayor, Smith feels that the city should have a back up pump to make sure the pool can operate. Councilman, Siebert moved to authorize Manager, Terry to purchase a replacement pump not to exceed the amount of \$300.00, seconded by Councilman, Smith. Motion Carried. Councilman, Siebert asked if the public works department could look into the rocks that keep spilling into the road way from Livonia Tool. Councilwoman Bills, moved to accept the public works report and place on file, seconded by Councilman, Smith. Motion Carried.

**Treasurers Update** – Treasurer, Pelham stated that on their desk is more information about the ballot proposal that will be in August. Treasurer, Pelham stated that the personal property tax is already being eliminated in this current year and in the law a replacement was suppose to be forthcoming, well this vote in August is the replacement that is to be forthcoming. If it does not pass then all the personal property exemptions go away and we go back to the way things where before, however, the Governor is determined to eliminate the personal property tax in Michigan. Treasurer, Pelham went on to inform the board of further details on the provisions of replacement process of the personal property tax. Manager, Terry stated that the majority of communities used their personal property funds to pay for debt or other general services. In Litchfield's case, if it wasn't for the TIFA and personal property tax our industrial park would not have 2200 employees. So, Litchfield did the right thing by reinvesting personal property back into our businesses. Most communities did not do this and Litchfield could fall victim depending the seven tests the state requires us to meet, which will not allow us to continue to do the good things we have done which is to create jobs and this will have affect on Litchfield. Mayor, Smith stated that because of the personal property that the city invested in created employment, over 30% of employment in Hillsdale County was created using that money from the personal property tax. Also, Litchfield is the second hardest hit city in the state on this new personal property tax law in percentage.

**City Manager's Update** - Manager, Terry informed the board that the clerk and he have done the annual spring inspection of the city looking for things that might have occurred over the winter months. The clerk has sent out letters in regards to our findings and one property located on Jonesville St. the Mayor has declared an "Emergency Abatement" and that will be going out for bid for removal. The city administration sends out letters and tries to have our citizens take advantage of clean up days. Manager, Terry stated that storm season is approaching, the city does have the siren and it is remotely activated from the 911 center but the city has the capability of being able to energize the siren now. Also, the city needs to replace some trees in the right-of-way that were destroyed in past storms. Also, Manager, Terry said he has enclosed information regarding Autism and signs, Manager, Terry stated he is unsure on how the board would like to proceed on this subject. There is also a pool comparison with other community pools in their packet for review. Manager, Terry said he has been working with the Litchfield Initiative.

#### **Committee Reports –**

**Councilman Concerns-** Councilman, Smith stated he would like to see the Jonesville Bus stop further down the street possibly back to area of no houses. Manager, Terry stated that they had the bus stops moved/relocated. Treasurer, Pelham stated that Councilman, Smith is referring to the bus that stopped at the end of her street because there was a car parked right in the middle of the street. Mayor, Smith stated the buses need to be moved to an area where cars could park in a lot. Manager, Terry stated that he will contact the transportation director for Jonesville Schools and request that all children between Firemen's Park and Hawthorn Heights be picked up in Phase Four of Hawthorn Heights. Chief, Michelin stated that he hasn't seen any cars up there blocking but if cars are blocking the road have them call the police department. After further discussion regarding the location of the Jonesville School bus stop picking up and dropping off Manager, Terry stated he will look into correcting any problems.

#### **Correspondence –**

**Adjournment** – Councilman, Bannick moved to adjourn at 7:40pm, seconded by Councilman, Smith. Motion Carried.