

REGULAR MEETING  
Litchfield City Council - City Council Room  
May 16, 2017 - 6:30 PM

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

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

Absent: None

Also Present – City Manager - Douglas Terry, Treasurer - Jill Barrett, Clerk - Susan Ballinger, Police Chief - Dan Roberts, Deputy Clerk – Lauren Skelly, DPW Superintendent - Tony Langhann, Terry Vear-Hillsdale County Senior Center and Sam Fry-HDN

**Consent Agenda** – Councilman Bannick moved to approve the consent agenda as presented with the exception of the Compensation Committee minutes, support by Councilman Seibert. Motion Carried.

Councilman Bannick moved to accept the Compensation Committee minutes with the correction that council members receive \$60 per meeting instead of \$70 per meeting, support by Councilman Reynolds. Motion Carried.

**Call to the Public** – None

**Hillsdale County Senior Center – Terry Vear** - Mrs. Vear updated the board with what type of services that have been offered and used by the Litchfield senior residents. Mrs. Vear also voiced concern on the number of residents that are not using their services. She stated that their revenue from the state is based on the number of seniors that use their services for congregate lunches and right now Litchfield is not meeting the required number of users to maintain funding for those lunches. Mrs. Vear asked the board for their help in ideas on how to increase the number of seniors to make use of their services and optional places to serve their congregate lunches. Mr. Vear gave information regarding multiple programs that will help both adults and seniors in need.

**Public Hearing IFT Application – HI-Lex Controls** –Mayor Smith opened the public hearing at 6:44pm with no comments or questions Mayor Smith closed the public hearing at 6:45pm.

**Resolution 2017-09 IFT Certificate HI-Lex Controls** –Councilman Bannick moved to approve and adopt Resolution 2017-09 as presented, support by Councilwoman Bills. Motion Carried.

**Public Hearing 2017-2018 Budget and To Establish 2017 Tax Levy** - Mayor Smith opened the public hearing at 6:46 p.m. Manager Terry stated that this is a second review of the 2017/2018 fiscal budget. Manager Terry stated this is a balanced budget and that there are proposed increases in water and sewer. The increases are due to meeting the cost to service were expenses and revenues intersect. The administration is seeking a 10% increase overall on the rates. Manager Terry went over the water/sewer comparison analyses with board members. Councilman Smith stated that the TIFA board donates a lot of funds to the water and sewer funds and without their donation those funds would be in a lot worst shape. Manager Terry stated that he is seeking proposals with two engineers on Warriner Avenue, Park Street and some things in Hawthorne Heights.

Councilman Bannick questioned if Litchfield had the lowest utility rates. Treasurer Barrett stated on an average of the twelve communities poled for the analysis if you total the rates the city is 14.75% lower than the other communities. Treasurer Barrett explained to the board that the utility funds are required to operate independently like a business so the revenues have to meet the expenses and that includes for depreciation too, money has to be put aside for replacement of equipment.

Mayor Smith closed the public hearing at 7:00p.m.

**Resolution 2017-10 To Establish Tax Levy-** Councilman Siebert moved to adopt Resolution 2017-10 To Establish Tax Levy of 13 Mills, support by Councilman Smith. Motion Carried.

**Resolution 2017-11 To Establish Water & Sewer Rates and Solid Waste Fees 6/1/2017-** Councilman Siebert moved to adopt Resolution 2017-11 Establish Water/Sewer/Solid Waste Fees, support by Councilman Smith. Motion Carried.

**Resolution 2017-12 Budget Adoption Resolution & Appropriations Act** –Councilman Smith moved to adopt Resolution 2017-12 2017/2017 Budget & Appropriations Act, support by Councilwoman Bills. Motion Carried.

**Second Reading/Adoption of Ordinance 2017-01 Establishing Salaries for Certain Appointed Officials-** Councilman Smith moved to adopt Ordinance 2017-01 Salaries for Certain Appointed Officials, support by Councilman Reynolds. Motion Carried.

**2017 Sweet Corn Day Festival/Sweet Corn Day Committee-City Sponsorship** — Councilman, Siebert moved to sponsor the 2017 SCD Festival, the committee members and volunteers, support by Councilwoman, Bills. Motion Carried.

**Approve Michigan Pony Dynamometer Association contract and use of city lot #17 on Simpson Dr. -** Councilman Smith moved to allow Michigan Pony Dynamometer to use city lot #17and authorizes the clerk to sign the contract, support by Councilwoman Bills. Motion Carried.

**2017 Fireworks Permit-Authorize the Mayor to Sign -** Councilman Bannick moved to allow fireworks during the 2017 SCD Festival and authorizes the Mayor to sign the permit, support by Councilwoman Bill. Motion Carried.

**Bills for Approval** – Councilman Bannick moved to pay the bills as presented in the amount of \$44,356.39, support by Councilman Smith. Motion carried.

**Police Report** – Councilwoman Bills moved to accept the police report as presented and place on file, support by Councilman Smith. Motion carried.

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

**Treasurers Update** – Treasurer Barrett informed the board that she attended some training and learned some things that the city can improve on and she will be looking at how to implement those.

**City Manager's Update** – Manager Terry as stated he is working on two proposals from engineer companies to assist us on streets. Also working on a lot of TIFA industrial park projects and the celebration the 150<sup>th</sup> anniversary of Rose Hartwick Thorpe's poem "Curfew Shall Not Ring Tonight" and there will be a celebration in the Central Park on Saturday, May 20<sup>th</sup>.

Manager Terry gave a report on Consumers Energy upgrade and stated that along the railroad track in the industrial park the city is served with what is called a 46kva line and it crosses behind Tenneco and there is a substation near the corner of Anderson and Mill Street. Its one property west on Mill Street and Consumers has decided to purchase a piece of property on the South side of Herring Road for a substation. Consumers will bring in a 138 line and that is the predominant line and what that will do is step down the current electricity and then reserves it. Most of our houses are served at 220 in this particular case Consumers from the new substation will bring lines overhead and once they get to the industrial park Consumers will go underground. This is a good thing for the community and one of the critical components of this project is to meet HI-Lex's production schedule. We as consumers will see much better electricity served to our homes.

Mayor Smith stated according to the experts the 138 line is the most clean and reliable and if they meet their schedule the underground line will go in this year and the substation will be next year.

**Correspondence** – None

**Committee Reports** – None

**Councilpersons Concerns** – None

**Adjournment** – Councilman Smith moved to adjourn at 7:20 p.m., seconded by Councilman Bannick. Motion carried.