

REGULAR MEETING
Litchfield City Council - City Council Room
October 21, 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, DPW Superintendent- Tony Langhann, Chief, Dan Roberts, Admin/ Asst. - Lauren Skelly, Nikki Acker, John Michelin, Andy Barrand-HDN, and Kelly Gampel -Index.

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

Call to the Public – Nicole Acker introduced herself to the board and informed the board that she is running for a school board seat as a write – in – candidate for the November 4th General Election. Mrs. Acker stated that she has been a long time resident of Litchfield and currently has children enrolled in Litchfield Schools and is asking for their support on November 4, 2014 election.

Lot Split Request- Harvey & Janet Keast – Manager, Terry gave the board a brief explanation regarding the lot split request from Mr. & Mrs. Keast. After some discussion amongst the board Councilwoman, Bills moved to allow the lot split of parcel # (30-19-014-100-007-14-54) beginning from Part of the NW ¼ of Section 14 commencing at the NW corner of Section; Thence East along North Section line 1320 feet; Thence South 1874 feet to POB; Thence North 622 feet; Thence West 301.12 feet; Thence South 524 feet to the Centerline of Homer Road (M-99); Thence Southeasterly along Centerline of Homer Road to POB, seconded by Councilman, Smith. Motion Carried.

Resolution 2014-15- Authorize Loan from TIFA to General Fund for purchase of property - Manager, Terry explained to the board the purpose of the loan request for the building known as the “Robert James Building” currently owned by Mr. Jack Smith. Manager, Terry stated that he and the Mayor thought that the location and configuration of the building would make a good building for the Department of Public Works. As such, there was an appraisal done on the old Day Care building (Nolan Building 181 Simpson Dr.) and it came in at \$225,000.00, Mr. Smith’s asking price for the “Robert James Building” is \$225,000.00. Mayor, Smith and Manager, Terry spoke with the TIFA board and the TIFA board agreed to loan the City of Litchfield \$250,000.000 for both the purchase of the building and for improvements of the building. Attached to the resolution is the amortization schedule that shows the payment schedule that includes a 2% interest rate over the next 25 years. Manager, Terry explained that it’s more cost effective for the city to purchase this building rather than try to build a new building which the cost would be closer to an amount of \$800,000.00 and/or more. Councilwoman, Bills asked this building was not appraised only the daycare building was appraised. Manager, Terry said yes, the daycare building is 9, 600 square feet and the Robert James’ building is approximately 12,000 square feet. Councilman, Smith stated his concern is that if the city is to buy this building then rent it out it doesn’t seem to fit into what the city should be doing and he would not support that. Manager, Terry explained that recently the city has been approached by a current industrial park employer that already rents space in the new spec building along with other employers. The company that is interested in renting new space needs a lot of space and a secure location. At this time the city was looking at the building to help accommodate our industrial park, it was never the city’s intent to buy a building and use it for rental purposes. The city is trying to accommodate a growing business on a short term of 6 to 8 months. Councilman, Bannick asked did the city lose storage area from Mr. Taylor building. Manager, Terry stated that the city has equipment and materials scattered all over the city geographically and this is not efficient. The city has actually had to rent this building to store the sewer jet because the building is heated and the sewer jet is full of water and has to be kept inside. The city has a

lot of equipment that needs to be properly stored and the city would like to have a locked storage yard to keep material, sand, gravel, and this property also backs up to the well house that the city currently already owns. This was the motivation to purchase. Councilwoman, Bills asked if there was any funds set aside in the budget to purchase something like this building. Manager, Terry stated no, this has all recently developed since the beginning of this fiscal year and this would be an expenditure of \$12,000.00 for the next 25 years. Councilman, Smith asked what will happen with the current garage used by public works because that will be the city's responsibility to take care of too. Manager, Terry stated the city will still continue to use that current building for all the donations of Christmas displays and those need to be in a safe place away from equipment. Manager, Terry stated that the current owner Mr. Smith does not want to rent the building out and the city's intent is to capture the building while it's available. Councilwoman, Bills asked if there was anyone else that has inquired to purchase the building and how long has the building been for sale? Manger, Terry responded that there are no other buyers that he is aware of at this time. Mayor, Smith the building was not actually up for sale. Mayor, Smith stated that the rental issue came up by chance through discussion with one of the industries and they needed secure space not shared space, also this industry is looking to do a major expansion and this was one more incentive to keep the expansion here in Litchfield. Mayor, Smith feels that this will make the city's operations a lot more efficient. Councilwoman, Bills questioned the cost of building new. Manager, Terry stated after talking with a contractor the cost to construct a new building of 12,000 sq. ft. with the specification that the city would require came out to be approximately \$800,000 to 1.3 million. Councilman, Bannick moved to adopt Resolution 2014-15, seconded by Councilman, Efstathiou. Motion Carried with (1) Nay vote from Councilman, Smith.

Resolution 2014-16 – MERS 457 Supplemental Retirement Program and Authorize Mayor to sign – Manager, Terry gave an explanation to the board regarding a new MERS Retirement Program that full time, part-time employees and council board members have the option to contribute to and participate. Councilman, Smith moved to adopt Resolution 2014-16 and authorizes the Mayor to sign, seconded by Councilwoman, Bills. Motion Carried.

Resolution 2014-17 – MERS 457 Participation Agreement for City Council Board and Authorize the Mayor to sign - Councilman, Smith moved to adopt Resolution 2014-17 and authorizes the Mayor to sign, seconded by Councilman, Efstathiou. Motion Carried.

Resolution 2014-18 – MERS 457 Participation Agreement for City Employees and Authorize the Mayor to sign - Councilman, Smith moved to adopt Resolution 2014-18 and authorizes the Mayor to sign, seconded by Councilman, Bannick. Motion Carried.

Resolution 2014-19 MERS 457 Loan Addendum for City Council Board Members - Councilman, Smith moved to adopt Resolution 2014-19, seconded by Councilman, Siebert. Motion Carried.

Resolution 2014-20 – MERS 457 Loan Addendum for City Employees - Councilman, Smith moved to adopt Resolution 2014-20, seconded by Councilman, Siebert. Motion Carried.

Resolution 2014-21 – MERS 457 Employer Contribution Addendum for City Council Board Members- Councilman, Smith moved to adopt Resolution 2014-21, seconded by Councilwoman, Bills. Motion Carried.

Digital Alley Video Camera purchase amount revision – Councilman, Siebert moved to amend the previous approved motion of the Regular Council Meeting 9-16-14 and increase the amount by \$210.00 to a grand total of \$5,235.00 for purchase of car video camera equipment, seconded by Councilman, Smith. Motion Carried.

Accept Resignation of Mary Stanton – DDA Board – Councilman, Siebert moved to accept the resignation letter for Mary Stanton from the DDA Board with regrets, seconded by Councilman, Smith. Motion Carried.

Accept request letter of appointment to DDA Board – Robin Meyers –Councilman, Bannick moved to appoint Robin Meyers to the DDA Board, seconded by Councilman, Siebert. Motion Carried.

Bills for Approval – Councilman, Bannick moved to approve the bills in the amount of \$46,256.92 and apply to the proper accounts, seconded by Councilwoman, Bills Motion Carried.

Police Report – Councilman, Bannick moved to accept and place on file the police report, seconded by Councilman, Siebert. Motion Carried.

Public Works Report – Councilman, Siebert moved accept and place on file the public works report, seconded by Councilman, Efstathiou. Motion Carried.

Treasurers Update – Manager, Terry stated that Treasurer, Pelham has recently turned over all the closing end statements to the auditors and so far the audit has gone flawless.

City Manager's Update – Manager, Terry informed that board that he has been very busy working with Hillsdale City and things are going good and the contract is to end on November 30, 2014. The Hillsdale City Council wanted Manager, Terry to express to the Litchfield City Council their sincere thanks for sharing and allowing Manager, Terry to help their city out during this time. Manager, Terry wanted to inform the board that Well's Equipment is putting an addition onto their current building. There is also another set of condominiums being built and one has already been sold.

Correspondence –

Committee Reports – None

Councilman Concerns- Councilman, Siebert stated he is little concerned about the lighting in the city at night and the early morning. Superintendent, Langhann stated that is being addressed and currently around the school area is what is being focused on.

Adjournment – Councilman, Bannick moved to adjourn at 7:15pm, seconded by Councilman, Smith Motion Carried.