

**Bellaire Village Council
Meeting Minutes
September 7, 2016**

1. **Call to Order:** President Schulz called the meeting to order at 7:00 PM.
2. **Pledge of Allegiance**
3. **Roll Call Attendance:**
 - Present:** President David Schulz, Council Trustees Dan Bennett, Eldon McPherson, David Ciganick, Bryan Hardy and Helen Schuckel.
 - Absent:** Trustee Trish Drollinger
 - Staff Present:** Lori Lockett, Clerk, Cathy Odom, Treasurer & Ken Stead, DPW Supervisor.
 - Also Present:** Ben Kladder, Brad Keiser, Colette Standish & Tom LaPointe.
4. **Approval of Agenda:** The agenda was approved with the removal of new business item a, Underground Fuel Tank Insurance and replacing it with an MDOT notification that President Schulz is requesting be removed from the consent agenda. He also requested the addition of old business item b, effective date, under the Public Works Recommendations.

Motion by Schuckel, seconded by Bennett, to approve the agenda for September 7, 2016 with the removal of new business item a, Underground Fuel Tank Insurance and replacing it with MDOT-Michigan Transportation Fund. The motion further adds old business item b, new rate effective date, under the Public Works Recommendations. Motion carried by voice vote.
5. **Conflict of Interest:** None presented.
6. **Consent Agenda:** The consent agenda was approved.

Motion by McPherson, seconded by Schuckel, to approve the consent agenda with the removal of the MDOT notification. Motion carried by voice vote.
7. **Public Comment on Agenda Items:**
 - **Tom LaPointe:** Mr. LaPointe wanted explanation for Resolution 16, 2016 which refers to the sewer fund payable to the general fund. He stated with the potential rate increase which is needed for improvements, he didn't know why we would not forgive the payable to general fund. President Schulz explained that this will be discussed further along in the agenda.
8. **Old Business:**
 - a) **CIP-SAW Grant:** President Schulz informed Council the Capital Improvement Plan (CIP) is about complete and the rate study that will be addressed later in this meeting reflects what is included in the CIP. Ben Kladder from Fleis & Vandenbrink explained the detail of the CIP. He explained that the SAW Grant project was a three year project to help create an asset management plan for our sanitary and wastewater systems. He said they surveyed, mapped and inspected the collection systems, which included every manhole, lines and the wastewater plant to get a status of the condition they were in. Meetings were held with staff to fine tune the CIP and what is presented tonight is a summary of the findings. Flies & Vandenbrink took the location and condition of every asset and placed it in the CIP. Then it is categorized in order of repair need. Mr. Kladder presented maps showing locations of the assets. He also presented the list showing the costs for the needed repairs which total approximately \$1.6 million, but doesn't include engineering fees. He then provided information about the needed repairs in more detail. He explained how the rate study will help determine the new rates that will be required to address the needed repairs. He explained that the USDA currently offers low interest loans for this project if Council chooses to address the total project list all at once. Discussion of the estimated rates needed for the repairs and for operations was discussed. President Schulz provided a synopsis of the grant and its purpose. No further action was taken.

b) Public Works Recommendations:

- **Rate Study:** Trustee McPherson explained the change in rates for water and sewer. The rate changes reflect the costs for needed improvements found in the SAW Grant assessment of our sanitary and wastewater systems. President Schulz explained that we could include in the rate study a comprehensive program that includes all of the needed repairs to the systems at a cost of \$2.2 million dollars. The USDA offers loans for 2.25% interest rate with payment terms of 40 years. The rate study numbers include the annual payment for this loan and replacement costs for repairs that may be needed in the future. The USDA loan does not include the lagoon cleaning because we have already been saving for this project. The following motion was made, but before approved, Council moved to the sewer fund payable to general fund agenda item, as the rates to be approved would be affected by the decision of that item.

Motion by McPherson, seconded by Bennett, to accept the rate study as the increase for both water and sewer. Before approval, Council moved to the sewer fund payable to general fund agenda item as rates to be approved would be affected by this decision. No action was taken on this motion.

Discussion returned to the rate study noting that the approval of the sewer fund payable at 0% interest lowered the potential sewer rates to approve. The potential new rates were then discussed. It was noted that the new rates for a standard ¾" line for sewer would increase \$4.74 for sewer ready, \$.24 per 1000 gallons and rates for water would increase \$1.53 for water ready and \$.46 per 1000 gallons.

Motion by McPherson, seconded by Bennett, to accept the rate study, based on the charts, selecting the rates as noted by the Treasurer reflecting the 0% interest on the payback. Motion carried by voice vote.

- **Effective Date:** The Public Works Committee is also recommending that the new rates begin in October 2016. Treasurer Odom explained that November would be a more realistic timeline to allow for customers to be notified in advance of the increase. Notices will be placed on the next bill for the following billing cycle.

Motion by McPherson, seconded by Ciganick, to make the new rates effective with the November billing cycle. Motion carried by voice vote.

- **Resolution #16 of 2016, Sewer Fund Payable to General Fund:**

Motion by McPherson, seconded by Schulz, to approve a 20 year payback of a loan, at 0% interest, in the amount of \$21,164.20 per year, from the sewer fund to the general fund. Motion carried by roll call vote. Ayes: McPherson, Bennett, Ciganick, Hardy, Schuckel & Schulz.

Mr. LaPointe expressed his concern with the payback from the sewer fund to the general fund. He questioned why this is being paid back now if the sewer fund rates are going up because of needed repairs. He stated it should be forgiven or wait a few years, then take care of it. President Schulz explained for quite a few years, the general fund supported the sewer fund. Treasurer Odom explained that over the years the sewer fund owes this money to the general fund and the auditors are requesting this debt be taken care of. Treasurer Odom explained that forgiving it would create a loss of revenue for the general fund. Mr. Stead explained that the motor pool budget was also included in the general fund and the lost revenue would also affect that department. Trustee McPherson explained that the funds paid back to the general fund will allow for other expenses that are needed. No further discussion occurred and the motion was approved.

- c) **Cemetery Recommendations:** Trustee Schuckel updated the Council on the status of placing the cemetery mowing out for bids. We currently haven't received any bids. No further action was taken at this time.

- **Flag Pole:** The Cemetery Committee discussed the condition of the flag pole and flag at the cemetery. The committee would like to recommend that the pole be painted and a new flag purchased. It was noted that the new flag is already up and it was donated by Forest Home Township. No further action was taken.
- **Eagle Scout Project Update:** Trustee Schuckel informed the Council that Boy Scout Neil Trumble would like to straighten and repair flag mounts on gravestones at the cemetery as his Eagle Scout Project. Mr. Bermingham agreed to mentor him. President Schulz directed Clerk Luckett to ask Mr. Trumble to file a status report to Council at the next meeting.

9. New Business:

- MDOT-Michigan Transportation Fund:** President Schulz explained that beginning in 2017, there will be an increase of 23.5% in Michigan Transportation Fund payments as a result of legislative action in 2015. He noted that local road agencies are reminded of the requirement to spend a minimum of 1% of their MTF receipts on facilities and services supporting nonmotorized transportation. He also recommended that when the street budgets are reviewed and discussed, make sure that we are covering this requirement. Treasurer Odom informed Council that qualified expenses are listed on the State's website.
- Tablets & Data Usage Fees:** President Schulz informed Council that the SAW Grant will pay for tablets to be able to access the mapping data that was collected for the grant out in the field. It provides GPS locations out in the field, allowing access of our systems, for work that needs to be completed. He explained the grant pays for the tablets; it doesn't pay for the data usage. AT & T is our cell phone provider and has provided costs for tablets and data usage. A choice as to which tablets to buy will have to be made with the cost of the data usage being \$39.99 per month per device and is currently not a budgeted item. There are several choices of tablets, all with the same things internally. Screen size, which goes from 8" to 10.1", will have to be determined. Mr. Stead noted that the larger the screens size the better. He noted that we don't necessarily need more than one. Trustee McPherson suggested trying it for a year to see how it goes. He also suggested making sure there is a case for them. Ben Kladder said cases are also included in the grant. Trustee Hardy suggested contacting Verizon for their quotes. President Schulz suggested tabling until a Verizon quote could be obtained.

Motion by Bennett, seconded by Schulz, to table until a Verizon quote could be obtained. Motion withdrawn.

Trustee Ciganick asked Mr. Kladder which unit he would recommend with Mr. Kladder noting that they have had good luck with the Samsung. Different types of GPS systems were discussed. Treasurer Odom noted that training still has to be completed and staff is hoping to have the tablets before they start so they can get the feel of the equipment during the training. Trustee Ciganick noted that there are usually discounts when you add items or lines to a current plan. Treasurer Odom noted that the \$39.99 cost is a government rate. Discussion of whether one or two tablets were needed occurred. Mr. Kladder suggested buying one with a plan and one without. He also said that they are willing to provide a demonstration once the tablets are purchased.

Motion by McPherson, seconded by Hardy, to purchase the one 9.7 Samsung Galaxy Tab 2 with a case and with a data plan and purchase a similar one with a case at Best Buy. Motion carried by voice vote.

- Village Water/Sewer Bank Accounts:** President Schulz explained that Council had decided to move some accounts around to provide better insurance coverage and to provide for additional interest revenue. During the process of beginning to move the accounts, Treasurer Odom explained details of the accounts that were to be moved. She said Council had decided to move the major street account to a non interest bearing account, however one is not offered at the institution where this account is located. Council also decided to pool and move the water/sewer accounts to another institution, but in reviewing which account to move it to, it was found that although there was interest earned, there were also fees for every item that went through the account over 100. Another account didn't offer interest but it did offer an earnings credit which is

used to offset the fees that are accrued. An example of this type of account was supplied to Council. She explained she needed direction on how Council would like to proceed. She informed Council that if this were tabled, Alden Bank could be contacted to see what options are available.

Motion by Schulz, seconded by Bennett, to table the movement of the Village water/sewer accounts for further review. Motion carried by voice vote.

- d. **Tree-Forest Home & M-88, Blocking Crosswalk Sign:** At Forest Home Ave. & M-88 a tree is completely blocking the crosswalk sign. President Schulz asked if MDOT would allow us to move it in front of the tree. Mr. Stead said he didn't think that it would be a problem and Council directed him to check into it.

10. Discussion Items: None presented.

11. Department/Committee Reports:

- a) **Committee Reports:** Committee minutes were included in packets for review for those committees that met.
- b) **Clerk/Planner:** Nothing presented.
- c) **Treasurer/Deputy Clerk:** Nothing presented.
- d) **Department of Public Works:** One coat is completed on Bridge Lane.
- e) **Police Department:** Nothing presented.

12. Closing Member/Public Comment:

- **David Ciganick:** Mr. Ciganick asked about the cemetery mowing and how it doesn't always need mowing. He is questioning the bid to mow on a biweekly basis, especially if it doesn't need it. Having the contractor or the DPW Supervisor make the call was discussed. Mr. Stead thought hiring a part time person to mow the cemetery was brought up.

13. Adjourn: Meeting adjourned at 8:13 P.M.

Compiled by Cathy Odom
Minutes are subject to approval.

Approved: _____

Date: _____