

Village of Waterville
Minutes of Regular Council Meeting of:
December 14, 2009

The regular meeting of the Waterville Council was called to order by Mayor Derek Merrin at 7:30 p.m. in the Council Chambers of the Waterville Municipal Building.

A prayer was offered by Mayor Merrin. The Pledge of Allegiance was recited.

Present at roll call were Mr. Marty, Mrs. Brodie, Mayor Merrin, Mr. Valtin, Mr. Gouttiere and Mrs. Cherry. Absent at roll call was Mr. Guzman.

Mrs. Cherry made a motion to excuse the absence of Mr. Guzman. Mrs. Brodie seconded the motion, which carried by unanimous voice vote.

Also present were Jim Bagdonas, Administrator; Phil Dombey, Law Director; Steve Schult, Treasurer and Melissa Cook, Recording Secretary.

Village Staff present:

Dale Knepper – Director of Finance and Administration, Clerk of Council

Bob Selders – Waterville Chief of Police

Ken Blair – Public Works Director

Steve Parsons – Waterville Fire Chief

Citizens present:

Please see Citizens' Sign In Sheet, Exhibit A, Page 1 for a list of people present.

Approval of the minutes of the Regular Council Meeting held November 23, 2009:

Mayor Merrin made a motion to approve the minutes of the November 23, 2009 Council meeting as amended. Mr. Gouttiere seconded the motion, which passed by unanimous voice vote.

Citizen's Comments:

Mr. Robert Chaney of 1121 Farnsworth Rd. along with his neighbor, Martin Harris of 1101 Farnsworth Rd., came to tonight's meeting to express concern regarding the recent discovery that both of their properties are zoned Industrial.

Mayor Merrin stated that this issue will be referred to the Planning Commission.

Mr. Chaney stated that no one is really aware of when the zoning was changed. He believes it was somewhere between 1960 and 1998. They are concerned that they may have difficulty refinancing their property in the future. He added that there is a restriction that if either of their properties caught fire and more than 50% of it was beyond redemption then it cannot be rebuilt.

Mr. Gouttiere asked how this came to their attention.

Mr. Harris stated that he was in the process of refinancing his home when the bank brought

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this to his attention and turned down his request.

Mr. Bagdonas stated that we do not show these properties as zoned Industrial but as P-1 which is Park zoning. He added that apparently in the zoning of the park these two properties were zoned P-1 also which would still make them non-conforming.

Mr. Marty asked if this needs to go to the Board of Zoning appeals or can we settle it. Mr. Bagdonas stated that Council would need to refer this to the Planning Commission. They will then review it and make a recommendation back to Council. The change will be accomplished through the passage of an Ordinance. It will need to go through the normal three readings and we also need to notify the abutting property owners 30 days prior to Council having a hearing on it. There is a standard procedure for the change of zoning of a property. This item will go to the Planning Commission on January 4th.

Discussion continued.

Mayor Merrin made a motion to refer this to the Planning Commission. Mr. Gouttiere seconded the motion, which passed by unanimous voice vote.

Staff Reports:

Administration: Mr. Bagdonas

- Stated that at their last meeting Council received a list of the board and committee appointments that will be expiring. At the first Council meeting in January, Council shall determine the total number of members each advisory or study committee shall have for the new two-year term. This will be a key determining factor on the rest of the appointment process.
- Reported that he received word that the Village has been successful in its application for another \$400,000 grant. He explained that part of this money goes to the administration of the grant and private rehabilitation grants. The third portion would go to the public improvements that the village would construct. The estimate for public improvements is \$660,000.00. Of the \$400,000 grant \$182,000 goes toward those improvements. This leaves a balance of \$478,000 of local funding. He added that of that \$478,000, \$115,000 would come out of the Water Capital Fund and the balance would come from the 325 Capital Improvement Fund. Using a conservative interest rate of 3.5% over 20 years this would mean that the annual debt service that would come out of the Water Capital Fund is \$8,092 and \$25,500 out of the Capital Improvement Fund a year. This will be budget neutral in 2010 with the actual impact starting in 2011.

A lengthy discussion was held amongst Council with the following comments highlighted.

Mr. Marty stated that he doesn't understand how the State determined that this project will leverage approximately \$893,000 of other public and private funds.

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Mr. Bagdonas stated that includes the leverage on the private rehab grants also. The money set aside for that portion of the program are 50-50 grants up to a max of \$20,000. He added that Gas Co. will be replacing the gas line on Third St and a portion of South which would count as leverage also.

Mrs. Brodie stated that she is very happy that we were chosen but looking at additional debt makes this very tough. The water line work, which will come out of the Water Capital Fund, will need to be done at some point and if you take that out it and narrow it down it may not seem like such a big expenditure. Mrs. Hanna has quite an extensive list of private businesses that are anxious to move forward which she thinks is a positive. She asked Council to think outside the box and stated that she feels that finishing this end of Third St. is important.

Mrs. Cherry stated that at the last HDC meeting a member of the committee suggested alternative and creative means of financing and funding. She added that he suggested that there are other means that private businesses can pursue and we should not write this off. She continued by stating that in this months Cities and Villages Magazine there is an article on small town economic development which can apply to the Village and our situation.

Mayor Merrin stated that spending has consequences and what you spend now is something that you will not have later. If you look at our current budget it is mainly composed of decisions that were made a long time ago. We need to keep in mind that the decisions that we make today will be inherited by residents 10-15 years from now. He added that for the most part he really does like the program and feels it is important to point out that the water line replacement will have to be done whether or not we go ahead with the Downtown Grant. Sidewalks also need to be repaired so if can package it all and do it at one time that will be best and will leverage the monetary donations from the State. He added that tough decisions are going to have to be made and Council will have to make some in January to help offset these spending increases.

Danielle Steinhauser with Poggemeyer pointed out that this program is not something that you can walk away from lightly. She added that if this is something you choose not to do then it will probably be a very long time before you are successful again.

Law Director: Mr. Dombey – No report

Finance Director: Mr. Knepper

- Thanked Council again for their generous donations that made the Holiday Dinner possible.
- Reviewed details of the November 30, 2009 Month End Finance Report.
- Highlighted Investment and Income Tax Revenues.
- Stated that our Income Tax Collections are falling short of budget projections.

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Treasurer: Mr. Schult

- Highlighted Fund Balances and Debt Service.

Police Chief: Mr. Selders

- Thanked Council members for their donations also and wished them all a Happy Holiday and New Year.
- Extended thanks to the Mayor, Council and members of the Safety Committee for their support of the Police Dept.
- Stated that they have obtained one new mobile data computer for the patrol units from Lucas County Emergency Management. They were obtained through a two-year grant with no cost to the Village and have been issued to different agencies within the County for test purposes. The current 800mhz computers that we have run through a radio system whereas the new computer runs through an air card. He added that we have only been using it for a week now and it has already surpassed the 800mhz in quickness and productivity. The only drawback would be that we would have to pay for the air cards for the time on. This is currently included in the grant.

Fire Chief: Mr. Parsons –

- Also thanked Council for their generous donations that made the Holiday Dinner possible this year.
- Reported that during the month of November they had 52 total calls for assistance. 33 were EMS calls, 44 patients were seen and 22 were transported to area hospitals. There were 10 fires with a \$3500 total loss.
- Stated that they have been busy working on getting the new squad ready.
- Reported that he has been working with the Fire Marshall's office registering and also removing tanks in the Village.
- Stated that the Fire Association has adopted four families this Holiday Season and will be providing them with a Kroger Gift Card.
- Reported that this years River Dip will take place on New Year's Day at 2:30 p.m. at the river behind the old Waterville School.

Public Works: Mr. Blair –

- Stated that he also wanted to thank Council for their generous donations that allowed us to have the Holiday Dinner again this year. He also stated that on behalf of himself and all Public Works employees he wished Council a safe and happy holiday.
- Reported that the 2009 Leaf Collection Program has ended. He stated that it took 659 total combined man hours to run this year's program and 285 combined total loads.
- Stated that the Prairie Trail Park grading and drainage project has been completed. They were not able to seed because of the weather but will do that in house in the spring.
- Stated that the holiday decorations are up downtown.
- Reported that the snow removal equipment has been converted over. We did

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receive the new truck last month and that is also in service.

- Reported that the Dutch and River Rd. back up generators are about 95% complete at this time. Both units are in operation with just a few punch list items to finish.

Discussion of New Fire/EMS Contract with Waterville Township

Mr. Knepper stated that he and Chief Parsons have met twice with representatives from Waterville Township and Whitehouse in order to hammer out a new agreement. Both the Village of Whitehouse and Waterville contract with Waterville Twp. for their Fire/EMS Service and our current 5-year contract expires on December 31, 2009. He added that the memo that he included in their packets summarizes the meetings that have occurred. The administration is looking to Council for direction.

Brent Warner, Waterville Township Trustee, expressed that the township is very appreciative and pleased with the Fire/EMS service from both villages, this is just about funding.

Mayor Merrin stated that the Village has enjoyed providing this service to the Township.

Mr. Gouttiere stated that it is his understanding that in the past a formula based upon calls has been used and the township wants to alter that and take the money that they earn from their fire levy and divide it 50-50 between the two villages.

Mr. Warner stated that this is correct. We have an existing levy that brings in between \$96,000 and \$97,000 per year. The township is split in half between Whitehouse and the Village of Waterville for services. The trustees have spent a lot of time speaking with the residents of the township about putting a levy on the ballot and have found the majority are very much opposed to this. He stated that we need to live within our means and believe that it is fair for both departments to receive half of what we take in from the levy.

Discussion continued.

Mr. Valtin stated that a lot of our Fire Dept.'s costs are fixed and our cost to provide service to the township in 2009 is estimated at \$63,000. If there is an agreement that we will get half of what you receive from the levy that will be significantly lower than our estimated costs. He continued by going over the 5-yr. schedule of twp. runs and stated that we are allocating 11% for the twp. which he feels is accurate. He added that the runs from 2006-2009 are pretty stable.

Mr. Warner stated that within the last 18-24 months a lot of the areas that those runs are in are now in the Village and are no longer twp. calls.

Mrs. Cherry asked Mr. Warner if he knew the number of calls that the Village of Waterville serviced vs. Whitehouse.

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Mr. Warner stated that he didn't have the actual number but added that they are very close.

The discussion continued with comments and questions from Council concerning the US24 bypass, contract and finance terms.

Communications from Council:

Mrs. Cherry –

- Reported that she attended the Planning Commission, Historic District Commission and the Special Finance Committee meetings this month. She added that she also had a brief opportunity to attend the Downtown Merchants Holiday Happening.
- Stated that she wanted to respond to the thanks given earlier in the meeting to Council for the Holiday Dinner and added that as a Council member she appreciates all that the staff and volunteers do for the Village.

Mr. Gouttiere –

- Stated that he agrees with Mrs. Cherry and is glad that Council stood up, and understood the need to have the Holiday Party to thank our volunteers and staff.
- Stated that he also attended the Downtown Merchants Holiday Happening and had the opportunity to visit the Silver Lining Gallery, Copper Kettle and Shawn's Back Door. He added that a thriving downtown area is another reason why he believes Council should support the CDBG Grant.

Mr. Valtin –

- Reported that the residents who are interested in the Dog Park met two weeks ago. The meeting was well attended.
- Stated that he agreed with the comments regarding the Holiday Dinner that were made by Mr. Gouttiere and Mrs. Cherry.
- Stated that he agreed with Mr. Gouttiere regarding the Village's thriving downtown area which he believes is related to the CDBG Grant project.

Mrs. Brodie – No report.

- Attended the Special Finance Committee meeting that was held on December 11th. She stated that she feels the Village really needs this grant and asked Council to think outside the box to come up with different ideas on how we will finance this.

Mr. Marty – No report.

OLD BUSINESS:

- A. **ORDINANCE 35-09** - AN ORDINANCE ENACTING SECTION 751.02 OF THE BUSINESS REGULATION CODE REGARDING THE ALLOCATION OF VIDEO SERVICE PROVIDER (VSP) FUNDS

Third Reading and Legislative Action

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At the October 15th meeting of the Finance Committee, a discussion of the allocation of Video Service Provider (“Franchise”) Fees took place. These fees are in the amount of 5% of the cable TV companies’ gross revenues and are estimated to total \$67,000 in 2009. All of the fees have traditionally been deposited in the Parks and Green Space Fund. The temporary modification of the allocation of this revenue to a 50-50 split between the General Fund and the Parks and Green Space Fund was discussed. The Finance Committee made a unanimous recommendation to Council that the allocation be changed from 100% to the Parks and Green Space Fund to 50% General Fund – 50% Parks and Green Space Fund for calendar year 2010. The recommendation also contains a provision that absent legislative action by Council in future years, the allocation of Video Service Provider Fees will automatically return to 100% to the Parks and Open Space Fund. This Ordinance reflects both aspects of the Finance Committee’s recommendation.

At the November 13th meeting of the Finance Committee, as a part of the discussion of the FY 2010 Operating Budget, a question was raised as to whether a 50-50 split would be sufficient in 2010 or if a greater amount up to 100% would need to be allocated to the General Fund in 2010. The Finance Committee met on December 11 to discuss additional expenditure cuts and revenue enhancements. An allocation of 100% of the Video Service Provide Fees was among the items that the Finance Committee recommends that Council consider including in the FY 2010 Operating Budget. A joint Council-Finance Committee meeting has been scheduled for January 25, 2010 at 6:00 p.m. just prior to the regular Council meeting that evening to discuss the FY 2010 appropriations. It is recommended that this item be tabled until the January 25 Council meeting.

Mayor Merrin made a motion to table Ordinance 35-09 until the January 25, 2010 meeting. Mrs. Brodie seconded the motion, which carried by unanimous voice vote.

B. ORDINANCE 36-09 - AN ORDINANCE ENACTING SECTION 171.14(d) OF THE ADMINISTRATIVE CODE REGARDING THE ALLOCATION OF INCOME TAX FUNDS FOR CALENDAR YEAR 2010

Third Reading and Legislative Action

Village income tax receipts are normally split 75% to the General Fund and 25% to the 5-Year Capital Fund. Earlier this year, Council acted upon a recommendation of the Finance Committee and changed the allocation to 85% General Fund and 15% 5-Year Capital Fund for 2009. Work on the 2010 Budget has progressed to the point that due to overall economic conditions, at least an 85-15 split will be needed in 2010 as a partial offset of reduced property taxes and state revenues. The 2010 operating budget was further discussed at the December 11 Finance Committee meeting. The possibility of continuing the temporary modification of the allocation of income tax revenue between the General Fund and the 5-Year Capital Fund was discussed. This Ordinance would implement the 85-15 split for 2010 only. The possibility of cutting the \$80,000 local street resurfacing project from the 2010 portion of the 5-Year Capital Plan and increasing the income tax allocation to the General Fund by a similar amount through an 88-12 split for 2010 were also among the items that the Finance Committee recommends that Council consider

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including in the FY 2010 Operating Budget. It is recommended that this item be tabled until the January 25 Council meeting.

Mayor Merrin made a motion to table Ordinance 36-09 until the January 25, 2010 meeting. Mr. Gouttiere seconded the motion, which carried by unanimous voice vote.

C. **ORDINANCE 37-09** - AN ORDINANCE AMENDING SECTION 1157.06(A) OF THE PLANNING AND ZONING CODE WITH RESPECT TO THE EXEMPTION OF CERTAIN SIGNS FROM THE HISTORIC DISTRICT REVIEW PROCEDURE

Third Reading, Public Hearing and Legislative Action

In considering recent Certificate of Appropriateness (C of A) applications, the Historic District Commission discussed the necessity of issuing a C of A for temporary banners that otherwise meet the regulations specified in the Village Sign Code. As a result of this discussion, the Historic District Commission unanimously passed a motion to recommend that Council amend the Historic District review procedure to exempt signs of this type. This Ordinance would implement the Historic District Commission's recommendation. On December 7, the Planning Commission voted 5 to 0 to recommend the changes contained in this Ordinance to Council.

Mayor Merrin opened the meeting to Public Hearing. He asked if there were any residents who would like to address this or make any comments. He then closed the Public Hearing.

Mrs. Cherry moved to adopt Ordinance 37-09. Mr. Valtin seconded the motion.

Roll Call: Mr. Marty – yes, Mrs. Brodie – yes, Mayor Merrin – yes, Mr. Valtin – yes, Mr. Gouttiere – yes, Mrs. Cherry – yes. Motion passed unanimously.

D. **ORDINANCE 38-09** - AN ORDINANCE ENACTING CHAPTER 161 OF THE ADMINISTRATIVE CODE REGARDING THE ALLOCATION OF FUNDS FROM THE SALE OF MUNICIPAL REAL PROPERTY AND ESTABLISHING THE ECONOMIC DEVELOPMENT FUND

Third Reading and Legislative Action

The concept of establishing a separate Economic Development Fund and allocating a portion of the proceeds from the sale of Village-owned real estate to this fund has been discussed at the last several Economic Development Committee meetings. Council Member Gouttiere prepared this Ordinance to implement the Committee's recommendation.

Mr. Gouttiere made a motion to table Ordinance 38-09 until full Council is present and until another meeting is held by the Economic Development Committee for further

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discussion. Mr. Valtin seconded the motion.

Mr. Marty asked if the Village has any property that is for sale now.

Mr. Gouttiere stated none that he was aware of.

The motion carried by unanimous voice vote.

- E. **PUBLIC HEARING – RESOLUTION 59-09** - A RESOLUTION APPROVING AND ADOPTING THE VILLAGE FY 2010 FIVE-YEAR CAPITAL PLANNING PROGRAM FOR ALL MUNICIPAL FUNDS AND DEPARTMENTS

Recommended to be Tabled Until January 25, 2010

This is the annual 5-Year Capital Planning Program. The Finance Committee discussed and recommended approval of the program at a meeting on October 2. The Finance Committee held a special meeting on December 11 to continue its discussion of the 2010-operating budget. Since the Finance Committee has recommended that Council consider a number of revenue and expenditure changes to the proposed FY 2010 appropriations, the final operating budget may affect items currently included in the proposed FY 2010 Five-Year Capital Planning Program and therefore it is recommended that this item be tabled until the January 25 Council meeting.

Mayor Merrin made a motion to table Resolution 59-09 until the January 25, 2010 meeting. Mr. Valtin seconded the motion, which carried by unanimous voice vote.

Mayor Merrin opened the meeting to Public Hearing. He asked if there were any residents who would like to address this or make any comments. He then closed the Public Hearing.

NEW BUSINESS:

- A. **ORDINANCE 39-09** - AN ORDINANCE ADOPTING TEMPORARY APPROPRIATIONS FOR THE MUNICIPALITY OF WATERTVILLE FOR THE MONTHS OF JANUARY AND FEBRUARY 2010, AND REPEALING ORDINANCE NO. 40-09, AND DECLARING AN EMERGENCY

With the change in the Municipal Charter approved by the voters this year, the permanent appropriations are not required to be adopted until March 1. This requires the passage of temporary appropriations to allow the Village to meet its financial obligations during the months of January and February before the adoption of the permanent appropriations. This Ordinance would adopt the temporary appropriations for January and February 2010.

Mayor Merrin made a motion to suspend the rules to allow for the passage of Ordinance 39-09 as an emergency measure. Mr. Marty seconded the motion.

Roll Call: Mr. Marty – yes, Mrs. Brodie – yes, Mayor Merrin – yes, Mr. Valtin – yes, Mr.

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Gouttiere – yes, Mrs. Cherry – yes. Motion passed unanimously.

Mayor Merrin made a motion to move for the passage of Ordinance 39-09 as an emergency measure. Mrs. Brodie seconded the motion.

Roll Call: Mr. Marty – yes, Mrs. Brodie – yes, Mayor Merrin – yes, Mr. Valtin – yes, Mr. Gouttiere – yes, Mrs. Cherry – yes. Motion passed unanimously.

B. ORDINANCE 40-09 - AN ORDINANCE AMENDING ORDINANCE NO. 32-09 THE FY 2009 AMENDED ANNUAL APPROPRIATIONS ORDINANCE AND DECLARING AN EMERGENCY

This is the annual end-of-the-year “clean-up” legislation, which will adjust all department line-item budgets to within approved appropriations and allow any appropriation adjustments as needed.

Mayor Merrin made a motion to suspend the rules to allow for the passage of Ordinance 40-09 as an emergency measure. Mrs. Brodie seconded the motion.

Roll Call: Mayor Merrin – yes, Mr. Valtin – yes, Mrs. Cherry – yes, Mr. Gouttiere- yes, Mr. Marty – yes, Mrs. Brodie. Motion passed unanimously.

Mayor Merrin made a motion to move for the passage of Ordinance 40-09 as an emergency measure. Mrs. Brodie seconded the motion.

Roll Call: Mr. Marty – yes, Mrs. Brodie – yes, Mr. Valtin – yes, Mrs. Cherry – yes, Mr. Gouttiere – yes, Mayor Merrin – yes. Motion passed unanimously.

C. RESOLUTION 61-09 - A RESOLUTION AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO APPROVE CHANGE ORDER NUMBER ONE TO A CONTRACT WITH RETZKE/SNYDER ELECTRICAL CONTRACTORS, INC. FOR THE REPLACEMENT OF STAND-BY GENERATORS, MOTORS AND DRIVES AT THE SANITARY PUMP STATIONS

The original completion date for this project was December 1, 2009. The Contractor has requested an extension to December 31, 2009 due to factors beyond their control. Considering the upcoming holidays and to avoid the need to grant another extension, I suggest amending the contract completion date to January 31, 2010. This Resolution would authorize a Change Order to that effect.

Mr. Marty moved to adopt Resolution 61-09. Mrs. Brodie seconded the motion, which carried by unanimous voice vote.

D. RESOLUTION 62-09 - A RESOLUTION AUTHORIZING THE ADVANCE OF FUNDS FROM THE FIVE-YEAR CAPITAL FUND TO GENERAL FUND AND THE REPAYMENT OF AN ADVANCE FROM THE GENERAL FUND TO THE FIVE-YEAR CAPITAL FUND

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Although the advance of \$165,000 from the 5-Year Capital Fund to the General Fund and the repayment of last year's \$85,000 advance from the 5-Year Capital Fund to the General Fund were authorized by the 2009 appropriations, the State Auditor has issued a bulletin requiring legislative action to ratify such advances and repayments. This Resolution would meet that requirement.

Mrs. Brodie moved to adopt Resolution 62-09. Mr. Gouttiere seconded the motion, which carried by unanimous voice vote.

Other Information/Unscheduled Business: None

Adjournment:

There being no further business to come before Council, Mrs. Brodie made a motion to close the meeting at 9:18 p.m. Mr. Marty seconded the motion, which carried by unanimous voice vote.

Dale D Knepper
Clerk of Council

Derek Merrin
Mayor