

**Village of Waterville**  
**Minutes of Special Village Council Meeting of:**  
**August 9, 2010**

The special meeting of the Waterville Council was called to order by Mayor Derek Merrin at 7:33 p.m. in the Council Chambers of the Waterville Municipal Building.

The Pledge of Allegiance was recited.

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

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

Village Staff present:

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

Citizens present:

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

**NEW BUSINESS:**

- A. **RESOLUTION 33-10** - A RESOLUTION OF NECESSITY TO AUTHORIZE ASSESSMENTS TO MAINTAIN AND REPAIR LIGHTING FOR STREETS AND PUBLIC PLACES THROUGHOUT THE VILLAGE

Mr. Bagdonas stated that this Resolution is a recommendation from the Tax Alternative and Revenue Enhancement Committee. The Village staff was asked to prepare the necessary legislation.

Mr. Guzman stated that the Tax Alternative and Revenue Enhancement Committee met again on August 2<sup>nd</sup>. During their three hour meeting they discussed, one by one, a compiled list of potential revenue enhancement ideas that were provided by the committee members. As they went through the list they discussed that if they were to present a revenue enhancement opportunity idea to Council where would it come from so that all residents of the Village would have a fair share of the burden. He added that they also looked at neighboring communities and found that most of them have assessments. He then stated that the Village has always taken pride in the fact that we have not had assessments but given our current income tax situation, along with cuts in state and local funding and expenses that are beyond our control, we may not have the luxury of not looking into assessments as an opportunity to help offset some of the budget loss. One of the items that jumped out at the committee was street light assessments. Through research we found that other communities in the area such as the City of Toledo, Maumee, Sylvania and Holland all have street light assessments. He stated that he does realize that this is short notice but the committee felt that they wouldn't be doing their job if they didn't bring this to Council before their full report is ready. They voted unanimously to bring this recommendation to Council and if we don't do something with this before September then there will be no collection in 2011.

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Mr. Dombey stated that the procedure to enact a light assessment for collection in 2011 would be: (1) August 6 – The estimate of cost is filed with the Clerk of Council (2) August 9 – A Special Council meeting is held to approve Resolution of Necessity (6 votes needed for passage) (3) August 11 & August 18 – A notice of Passage of Resolution is published in newspaper (4) Between September 2 & September 8 - a Special Council meeting will need to be held to approve Ordinance for Public Improvement and Ordinance of Assessment (5) September 10 (depends on date of Special Council meeting in #4) – Publish Notice of Passage of Assessments in newspaper (6) On or before September 13 – Assessment is filed with the Lucas County Auditor.

Mr. Valtin asked if this passes tonight but not in September will the overall Resolution die in which Mr. Dombey responded yes.

A lengthy discussion continued on the lighting assessment, the schedule for enacting it and collection.

Mr. Gouttiere asked if the assessment would be used for maintenance and equipment or on the actual service and the amount of electricity used.

Mr. Dombey stated that part of the maintenance of the street lighting is providing that it goes off and on which is the cost of the electricity and the repair and the continued usage of power to make them work.

Mr. Bagdonas stated that if the assessment were to be established we would have to set up a separate fund to receive these funds. All the proceeds from the assessment would be placed in that fund and that money can only be used for the lighting related expenses.

Mayor Merrin wanted to clarify that this assessment would be permanent unless Council decides to vote to reduce it, eliminate it or increase it in which Mr. Dombey stated that he was correct.

Mr. Guzman stated that the main reason that the committee choose street light assessments is because they wanted to recommend something to Council that would share the burden across all home owners. He added that the committee was also concerned that if they didn't bring this to Council now, assessments would not be an option at all in 2011 which would back Council and the committee into a corner with very little options. The committee is recommending that Council to put this in place so that if we have to use it we have it.

Mr. Valtin stated that he is a little bothered by the urgency and speed that this came before Council. He realizes that it is no one's fault but it is just how the timing worked out. The vote tonight doesn't create the assessment but would approve the Resolution of Necessity.

Mr. Dombey stated that he was correct and that Council would then have to approve the

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Ordinance to Proceed and the Ordinance to Assess. Mr. Dombey then suggested that the wording be changed to include the wording operate, maintain and repair for clarity.

Mr. Metzger apologized to Council for the urgency. He stated that the committee thought that the street light assessment was an equitable way to share the burden across all home owners in the Village. They also felt that they would be remiss if they didn't bring this forward to Council to take a look at. He then added that there are other options on the list of potential revenue enhancement ideas that would be less popular.

Mr. Guzman stated that the administration and the Finance Committee have been talking about street light assessments for several years. This is nothing new and is an action that was not taken by Council. Other communities have added this assessment because they realized that they can't afford to pay for all the luxuries they paid for in the past.

Discussion continued on budget issues.

Mrs. Cherry stated that this is not an urgent message because we have had this message coming to us for years. She stated that she put some data together and found that we are one of the only communities in this area that do not access for street lights. She added that she believes that we at least need to proceed with the process to at least look at this and make it an option.

Mayor Merrin stated that he believes it is important to note that if this assessment goes through this will constitute the third tax increase for Waterville residents in one year and he believes that is unacceptable. He then stated that he feels that residents already pay for street lighting and maintenance through their taxes. Mayor Merrin added that the Village has one of the highest income taxes in the area.

Mr. Guzman stated that you have to look at the whole picture and noted that the property taxes and assessment are higher on a home in Holland vs. a home that is relatively close in value in Waterville. He then stated that while the Village has a 2% income tax, 70% of residents pay .5% to the Village of Waterville. He stated again that you need to look at the whole picture and not just the higher percentage and make sure that the message is correct.

Mayor Merrin stated that the Village of Waterville does give a 1.5% credit. He then stated that he believes that the City of Maumee, City of Sylvania and Holland give a full tax credit. He added that not only do we have the highest income tax but do not give a full credit.

Mr. Gouttiere stated that he doesn't believe that the Mayor's point is solid. Waterville is a bedroom community and the majority of people realized that when they moved here. He then stated that Toledo has a 2 1/4 % income tax and isn't a bedroom community. They, like Maumee, have a lot of companies, manufacturing and industry. He added that we are not comparing apples to apples and the only way the Village of Waterville can maintain quality of life and pay its bill is going to fall back on the taxpayers who

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elected to come here.

Discussion continued.

Mr. Gouttiere moved to adopt Resolution 33-10 as amended to include “operate” anywhere within the Resolution where maintain and repair appear. Mrs. Cherry seconded the motion.

Roll Call: Mr. Gouttiere – yes, Mr. Guzman – yes, Mr. Metzger – yes, Mayor Merrin – no, Mr. Valtin – yes, Mr. Marty – no, Mrs. Cherry – yes. The motion failed.

**Adjournment:**

There being no further business to come before Council, Mr. Marty made a motion to close the meeting at 8:22 p.m. Mr. Gouttiere seconded the motion, which carried by unanimous voice vote.

*Dale D Knepper*  
Clerk of Council

*Derek Merrin*  
Mayor