

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

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 Mr. Metzger. The Pledge of Allegiance was recited.

Present at roll call were Mr. Metzger, Mayor Merrin, Mr. Valtin, Mr. Marty and Mrs. Cherry. Mr. Gouttiere arrived at 7:34 p.m.

Mayor Merrin made a motion to excuse the absence of Mr. Guzman. Mrs. Cherry seconded the motion, which passed 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

Steve Parsons – Waterville Fire Chief

Ken Blair – Public Works Director

Citizens present:

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

Approval of Minutes

Mrs. Cherry made a motion to approve the minutes of the November 22, 2010 Council meeting. Mr. Marty seconded the motion, which passed by unanimous voice vote.

Citizen's Comments:

None

Staff Reports:

Administration: Mr. Bagdonas

- Reported that he attended a meeting of the Ohio Public Works Commission District 12 Integrating Committee. The Village's application for a \$253,330 grant for the "permanent" traffic signal and turn lanes at the SR64/Pray Blvd. intersection received a score sufficient to place it within the fundable range of projects. He added that assuming there are no glitches in the State Budget we should be in line for that grant in June or July of 2011.
- Thanked Council again for providing a very nice Holiday Party to Village employees and volunteers who serve on the various Village committees.
- Reported that he received an e-mail from TMACOG regarding the Regional Water Study. They would like to update a study that was completed in January 2000 with contributions from participating communities. The focus of the study

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

will be on the possible acquisition of some of the major assets of the City of Toledo Water System such as the treatment plant intake in the lake and some of the larger diameter pipelines in the City of Toledo. This would be done by a Regional Water Authority that would then operate and maintain that portion of the system that everybody really depends on. If we wish to continue to be a part of this study and potentially part of the group that forms the Regional Water Authority they are asking each of the participants to contribute \$5,000. As mentioned in our draft 2011 Appropriations, we had a line item for contracting out our water meter reading services and with the low bid that we received it looks like there would be \$5,000 available in that account if we want to redirect it for that purpose.

Mr. Gouttiere asked Mr. Bagdonas for further information regarding this request.

Mr. Bagdonas stated that this study group has been looking at this for approximately 6 months. The core group was split up into several subcommittees and the Village has continued to participate in the Technical Committee. This recommendation came out of the Policy Committee and the purpose of the study would be to look at the assets that would be acquired by the Regional Water Authority. It would also determine a value of those assets because the RWA would be expected to compensate the City of Toledo some amount for those assets. Toledo has not made an offer to sell it but has been an active participant in this process for the past six months. This is a significant change from past discussions on this subject. He then stated that there was a study done during 1999 that was finished in January of 2000 which did some similar work and this study would update and reexamine the results of that study. If Council wishes to continue to participate, a motion to that effect would be in order. He then added that if a significant majority of the 11 jurisdictions don't agree to participate, this will not move forward.

Mayor Merrin made a motion to move ahead and let them know that we are planning on contributing the \$5,000 as long as a majority of the members go ahead with their planned \$5,000 contribution. Mr. Marty seconded the motion.

Mr. Gouttiere asked if we are putting a cap on the \$5,000.

Mr. Bagdonas stated that if TMACOG comes back and asks us to contribute more than the \$5,000 he will come back to Council.

The motion passed by unanimous voice vote.

- Wished everyone a Merry Christmas and a Happy New Year.

Law Director: Mr. Dombey

- Thanked Council for the Holiday Dinner and wished them a Merry Christmas and a Happy New Year.

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

Finance Director: Mr. Knepper

- Wished members of Council and their families a Merry Christmas and a Happy New Year. He also thanked them for providing the Holiday Dinner this year.
- Reviewed details of the November 2010 Month End Finance Report highlighting Fund Balances, Investment Interest Rates & Earnings and Income Tax Revenues.

Mr. Gouttiere stated that he assumes that Mr. Knepper shops around to get the best rates and then asked if we were obligated keep with banks in the State of Ohio. Mr. Knepper stated that by law our public funds are required to stay in the State of Ohio.

Mr. Valtin then asked a question regarding a check from page 3 of the Finance Report to the Bank of New York. Mr. Knepper responded that check was for a debt service payment for a bond which was a combination of the bonds that we took out when this building, the Public Works Building and the new Fire Station on Waterville-Monclova Rd. were built.

Mr. Gouttiere asked Mr. Knepper how receipts are tracking for December. Mr. Knepper stated that we are holding our own in December. He added that the majority of our December income tax comes in the last week of the month. We count receipts as being current as long as they are post marked by December 31st.

Police Chief – Mr. Selders

- Thanked Council for the Holiday Dinner and wished them a Merry Christmas and a Happy New Year.
- Reported that the majority of the thefts that are listed in his report are due to unlocked vehicles. He then reminded residents to please lock their car doors when they are left unattended.
- Reported that they are investigating the theft of two Honda Generators from the Quarry and a theft from the YMCA.

Fire Chief- Mr. Parsons

- Reported that for the month of November they had 40 total calls for assistance, 29 EMS runs, 34 patients seen with 26 transported to area hospitals. There were 3 MVA's and 8 fire runs with approximately \$1,000 loss and one stand-by.
- Reported that on December 1st four members of the Waterville Fire Dept. along with three firefighters from the Grand Rapids Fire Dept. travelled to Morenci, MI to aid in the search of the three missing boys.
- Wished Council a Happy Holiday and thanked them for the dinner.
- Reminded residents that working smoke detectors save lives.

Public Works Director- Mr. Blair

- Wished Council a Merry Christmas and a Happy New Year.
- Reported that we were not awarded the 2010-2011 CDBG Formula Grant for the ADA Ramps. Stated that we will resubmit our application for the next round.

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

- Reported that the leaf program was completed on December 1st. We did run over one week past the scheduled November 24th deadline. He then stated that we hired a private contractor to assist us for two days to help us catch up and that this is something that we will probably look at again in the future.
- Reported that we had our first significant snowfall over the weekend and everything went well.

Mr. Marty asked what the cost was to bring in the private contractor for leaf pick-up. Mr. Blair stated that the cost will be approximately \$2,500. Mr. Bagdonas added that we have a flat rate price per load. Mayor Merrin stated that he had the opportunity to watch the private contractor and he believes that they did a very thorough job.

Mrs. Cherry asked Mr. Blair if he believes that this way of collection is cost effective in which he responded yes.

Mr. Gouttiere stated that it is his understanding that we are not salting residential streets. He asked Mr. Blair for a refresher on the Village's salt policy. Mr. Blair stated that we will salt all primary streets and high traffic secondary streets as well as intersections and hazard areas other than that we will just plow. He added that in the event of an ice storm we will salt everything.

Communications from Council:

Mr. Gouttiere – No report.

Mr. Guzman – No report.

Mr. Metzger – No report.

Mr. Valtin –

- Reported that a Parks and Recreation Committee meeting will be held on Tuesday, December 14th at the Conrad Park Recreation Building.

Mr. Marty – No report.

Mrs. Cherry –

- Reported that she attended the Veterans Memorial Dedication Ceremony, which was purchased by the Waterville American Legion, at Wakeman Cemetery on December 7th.
- Attended the December meetings of the Planning and Historic District Commissions.
- Stated that the Christmas dinner was a great opportunity for Council to express appreciation for what the staff, employees and volunteers do for the Village.
- Stated that she took part in the "Christmas in the Village" that was sponsored by the Downtown Merchants on December 4th. She added that it was a positive and

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

successful event.

- Reported that she will be attending the TMACOG Panel Forum on Budget Cuts this Wednesday.

OLD BUSINESS:

- A. **ORDINANCE 34-10** - AN ORDINANCE ENACTING SECTION 171.14 (e) OF THE ADMINISTRATIVE CODE REGARDING THE ALLOCATION OF INCOME TAX FUNDS FOR CALENDAR YEAR 2011

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. Council changed the allocation to 85% General Fund and 15% 5-Year Capital Fund for 2009 and to 82%-18% for 2010. Work on the 2011 Budget has progressed to the point that due to overall economic conditions, an 80-20 split is proposed for 2011 as a partial offset of reduced income tax, property tax and state revenues. The FY 2011 5-Year Capital Program recommended by the Finance Committee at their October 15 meeting included an 80-20 split for 2011. The 2011 operating budget was discussed at the November 12 Finance Committee meeting and was unanimously recommended to Council by the Committee. This Ordinance would implement the 80-20 split for 2011 only.

Mr. Gouttiere moved to table the Resolution until the completion of the budgetary process.

Mayor Merrin stated that a motion to table the Resolution isn't necessary and that they could just agree not to take action. Mr. Gouttiere then withdrew his motion.

After discussion Mr. Bagdonas proceeded by going over the schedule that has been set up to insure that the adoption of the Annual Appropriations will be completed by March 1, 2011.

Mayor Merrin stated that we will take action on Resolution 34-10 at a later date. He then continued the discussion on the Annual Appropriations Schedule.

Mr. Bagdonas stated that the Public Hearing, which is scheduled for February 14th, could be rescheduled for January 10th. He added that action could be taken either that night, January 24th or at either meeting in February. He then stated that if Council chooses to have a Public Hearing on January 10th we would need to know tonight in order to arrange the proper notice.

Mayor Merrin stated that we don't want to take this all the way to February 28th which requires an emergency vote which then requires 5 votes for passage. He added that if we aren't able to get the 5 votes we would then have temporary appropriations. He suggested that we hold the Public Hearing on January 10th and schedule a vote for January 24th which would give us the entire month of February if it doesn't pass.

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

Mr. Bagdonas stated that arrangements will be made.

- B. **ORDINANCE 35-10** - AN ORDINANCE ADOPTING THE ANNUAL APPROPRIATIONS FOR THE MUNICIPALITY OF WATERVILLE FOR THE FISCAL YEAR ENDING DECEMBER 31, 2011, AND REPEALING ORDINANCE NO. 36-10, AND DECLARING AN EMERGENCY

Second Reading

The Finance Committee reviewed the budget at their November meeting and unanimously recommends approval.

Mr. Marty, referring to page 2 of the Annual Appropriations, asked what accounts the new Public Works employee scheduled to begin on July 1, 2011 would come from. Mr. Bagdonas stated that position will be spread out over several accounts. He continued by saying that 25% will come out of Buildings and Grounds, 25% Water, 25% Sewer and 25% out of Street Construction, Maintenance and Repair.

Mr. Marty asked Mr. Bagdonas if passing this Ordinance means that this employee will be hired. Mr. Bagdonas stated that this means that money has been budgeted for that employee and the actual hiring decision will be finalized at a later date.

Mr. Marty then asked several questions regarding the purchase of a new 4x4 truck for the Fire Chief. After answering questions regarding the purchase, Chief Parsons stated that his current 10-year old truck has serious body mount issues and needs major suspension work.

- C. **RESOLUTION 51-10** - A RESOLUTION APPROVING AND ADOPTING THE VILLAGE OF WATERVILLE FY2011 FIVE-YEAR CAPITAL PLANNING PROGRAM FOR ALL MUNICIPAL FUNDS AND DEPARTMENTS

This is the annual 5-Year Capital Planning Program. The Finance Committee discussed and recommended approval of the program at a meeting on October 15.

Mr. Gouttiere recommended that they leave this on the agenda until the budget has been approved.

Mayor Merrin stated that they will hold off on this Resolution until their next meeting.

NEW BUSINESS:

- A. **ORDINANCE 36-10** - AN ORDINANCE ADOPTING TEMPORARY APPROPRIATIONS FOR THE MUNICIPALITY OF WATERVILLE FOR THE MONTHS OF JANUARY AND FEBRUARY 2011, REPEALING ORDINANCE NO. 37-10, AND DECLARING AN EMERGENCY

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

According to the Municipal Charter, the permanent appropriations are not required to be adopted until March 1. The passage of temporary appropriations to allow the Village to meet its financial obligations during the months of January and February is therefore necessary. This Ordinance would adopt the temporary appropriations to cover those months.

Mr. Marty made a motion to suspend the rules to allow for the passage of Ordinance 36-10 as an emergency measure. Mr. Valtin seconded the motion. Roll Call: Mr. Metzger – yes, Mayor Merrin – yes, Mrs. Cherry – yes, Mr. Marty – yes, Mr. Gouttiere – yes, Mr. Valtin – yes. The motion passed unanimously.

Mr. Marty made a motion to move for the passage of Ordinance 36-10 as an emergency measure. Mr. Metzger seconded the motion. Roll Call: Mr. Metzger – yes, Mayor Merrin – yes, Mrs. Cherry – yes, Mr. Marty – yes, Mr. Gouttiere – yes, Mr. Valtin – yes. The motion passed unanimously.

B. ORDINANCE 37-10 - AN ORDINANCE AMENDING ORDINANCE NO. 32-10, THE FY2010 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.

Mr. Gouttiere made a motion to suspend the rules to allow for the passage of Ordinance 37-10 as an emergency measure. Mr. Metzger seconded the motion. Roll Call: Mr. Marty – yes, Mr. Valtin – yes, Mayor Merrin – yes, Mrs. Cherry – yes, Mr. Gouttiere – yes, Mr. Metzger – yes. The motion passed unanimously.

Mr. Gouttiere made a motion to move for the passage of Ordinance 37-10 as an emergency measure. Mr. Marty seconded the motion. Roll Call: Mr. Marty – yes, Mr. Valtin – yes, Mayor Merrin – yes, Mrs. Cherry – yes, Mr. Gouttiere – yes, Mr. Metzger – yes. The motion passed unanimously.

C. ORDINANCE 38-10 - AN ORDINANCE ENACTING SECTION 521.061 OF THE GENERAL OFFENSES CODE REGARDING THE CLEANING OF SHARED USE PATHS

First Reading

The first shared use path along a public street (Pray Boulevard) has now been constructed in the Village. The current Village code deals with the cleaning of traditional sidewalks but does not address shared use paths. This Ordinance would enact a new codified ordinance section pertaining to shared use paths that would parallel the requirement for adjacent property owners to clean public sidewalks. The Ordinance would require the cleaning of a path at least four feet wide on a shared use

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

path.

D. ORDINANCE 39-10 - AN ORDINANCE PURSUANT TO CHARTER SECTION 5.02 ADOPTING PERSONNEL RULES; AMENDING SECTION 513 A. 3. – GROUP HEALTH INSURANCE PAYMENT OF THE WATERVILLE PERSONNEL POLICY AND PROCEDURE MANUAL

First Reading

The Village's Personnel Policy and Procedure Manual currently state, "The Municipal Administrator shall determine the portion of the insurance premium to be paid by the Employer and the portion, if any, to be paid by the employee." This has been accomplished through the Administration's preparation and submission of the annual appropriations to Council. The Mayor has requested this Ordinance, which would replace the current language and establish a fixed schedule to increase the employee's share of group health insurance premiums from the current 14-percent to 30-percent over the next six years.

Mayor Merrin stated the one of the major items that sticks out in the budget is employee health care costs. He then stated that \$484,000 has been budgeted for employee health care this year. He added that he believes that this has become a liability because we cannot control the increase in costs. Currently the employees of the Village pay 14% for their health insurance with the new budget increasing that to 15%. He stated that if you assume that health care costs will increase 15% every year for the next five years until 2016 and you assume that Village employees will pay 15%, costs will increase from \$484,000 to \$973,000. He added that he believes that it will be a daunting task for the Village to come up with that difference. He then stated that he believes that it is inevitable that employees will have to pay more for their health care costs to try to offset this increase. This Ordinance does not completely solve the issue but will help to defray the cost. Mayor Merrin then wanted to remind everyone that this Ordinance could be amended.

Mr. Gouttiere stated that this year Federal Legislation was passed regarding health care. He asked if this would impact government entities and if so does anyone know what that impact will be.

Mayor Merrin stated that he would like to answer the question but is not aware of what the impact would be.

Mrs. Cherry presented a cost comparison of the employee's share of the health care premium based on the current 14% vs. the proposed 30% to show the effect this will have on the employee's compensation.

Discussion continued.

E. ORDINANCE 40-10 - AN ORDINANCE AMENDING CERTAIN SECTIONS OF PART THIRTEEN, CHAPTER 1315 – SIGN CODE OF THE

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

CODIFIED ORDINANCES OF THE VILLAGE OF WATERVILLE

First Reading

At the November 22 Council meeting, Council referred a request from the manager of the Waterville Branch Library to change the sign code to the Planning Commission. The request is to allow the placement of an A-frame sign along the Michigan Avenue frontage of the library. Included in Council's packet was a November 30, 2010 memo from the Administrator to the Planning Commission recommending a sign code amendment regarding the placement of banners for special business events. On December 6, the Planning Commission voted unanimously with all members present to recommend both of these amendments to Council. This Ordinance would enact both of these sign code amendments.

Mr. Bagdonas stated that after a lengthy discussion the Planning Commission has recommended that we expand the permission for A-frame signs beyond the Historic Overlay District but only to those parcels that are zoned P-1 (Park Zoning). The library is situated in a P-1 zone so if this Ordinance is passed it would expand that A-frame permission only to those areas that are zoned P-1 and will be restricted to areas outside of the public right of way. He added that included in this Ordinance is an amendment regarding the placement of banners for special business events. He added that with this change banners would still have to be mounted against a flat surface.

F. **RESOLUTION 53-10** - A RESOLUTION AUTHORIZING THE EXECUTION OF THE SECOND AMENDMENT TO TAX INCREMENT FINANCING AGREEMENT BETWEEN THE VILLAGE AND FARNSWORTH INVESTORS, INC.

The 2008 Tax Increment Financing (TIF) Agreement between the Village and Farnsworth Investors, Inc. required the developer to construct certain public improvements by December 31, 2009. Although the Kroger store that is part of the larger commercial development has been constructed and is now open, interest in the remaining property in the TIF area has been less than originally anticipated as a result of current economic conditions. Although the developer has constructed most of the public improvements called for in the TIF Agreement, they are requesting additional time to complete the remaining improvements. This Resolution would authorize an extension of time for the completion of the remaining public improvements to December 31, 2013.

Mr. Marty moved to adopt Resolution 53-10. Mr. Valtin seconded the motion, which passed by unanimous voice vote.

G. **RESOLUTION 54-10** - A RESOLUTION AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO MAKE APPLICATION FOR A TRANSPORTATION ENHANCEMENT FUND PROGRAM GRANT

The Village submitted an application for a Scenic Byways Grant to demolish the old

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

Waterville School. We are still waiting for the Federal Highway Administration (FHWA) to make their decisions on grant awards under this program. We were recently told by a FHWA representative that the grant applications are still under review and awards will most likely not be announced until after the holidays because a congressional appropriation is needed for the funds to be available.

TMACOG is accepting applications until December 15 for the next round of Transportation Enhancement grants. Given the uncertainty of the Scenic Byways Grant, we have prepared a Transportation Enhancement grant application for the same project. The application would be for 50-percent (\$220,000) of the total cost (\$440,000) of the project. This Resolution would authorize the submission of the grant application. Final TMACOG approval of grants under this program is scheduled for June 2011.

Mr. Bagdonas stated that if we happen to get approval for both grants, he would suggest that we accept the Scenic Byways Grant and request a smaller amount for the Transportation Enhancement grant which we could use toward our 20% of the Scenic Byways Grant.

Mr. Gouttiere asked Mr. Bagdonas if he was correct in assuming that applying for the Transportation Enhancement grant would not jeopardize our chances of getting the Scenic Byways Grant in which he responded that he was correct.

Mayor Merrin stated that even if we apply and are approved we are not bound to accept the grant. He added that he doesn't have any problem applying for the grant but in the future he would have a hard time bringing himself to appropriate over \$200,000 to help demolish the building because he feels that we all believed that when the building was purchased we would only demolish it if it were fully funded.

Discussion continued.

Mr. Gouttiere moved to adopt Resolution 54-10. Mr. Marty seconded the motion, which passed by unanimous voice vote.

**H. RESOLUTION 55-10 - A RESOLUTION AUTHORIZING BOTH THE
REPAYMENT OF AN ADVANCE INVOLVING FUNDS FROM THE
GENERAL FUND TO THE EMPLOYEE RETIREMENT BENEFITS FUND**

Although the repayment of last year's \$40,000 advance from the 5-Year Capital Fund to the General Fund and the transfer of \$40,000 from the General Fund to the Employee Retirement Benefits Funds were authorized by the 2010 appropriations, the State Auditor has issued a bulletin requiring legislative action to ratify such repayments and fund transfers. This Resolution would meet that requirement.

Mr. Marty moved to adopt Resolution 55-10. Mr. Metzger seconded the motion, which passed by unanimous voice vote.

Village of Waterville
Minutes of Regular Village Council Meeting of:
December 13, 2010

I. **RESOLUTION 56-10** - A RESOLUTION AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO AWARD A CONTRACT TO BERMEX, INC. FOR WATER METER READING SERVICES

The Village has been obtaining water meter readings using Village personnel for many years. With the reduction of Public Works Department staff through retirements, contracting water meter reading services was examined as a cost effective alternative to hiring replacement staff. One bid for a two-year contract for water meter reading services was received on December 9, 2010. The bidder's proposal containing the unit prices and total cost for this work is attached to the Resolution. The Administration recommends awarding this contract to Bermex, Inc.

Mr. Marty moved to adopt Resolution 56-10. Mayor Merrin seconded the motion, which passed by unanimous voice vote.

J. **RESOLUTION 57-10** - A RESOLUTION AUTHORIZING AN EXPENDITURE AND DIRECTING THE FINANCE DIRECTOR TO CERTIFY A "THEN AND NOW CERTIFICATE" FOR W. W. WILLIAMS COMPANY IN EXCESS OF \$3,000.00

A transmission problem recently caused one of the Village's fire engines to be taken out of service. Repairs were accomplished in an expedited manner in order to return the equipment to service as soon as possible. While the necessary funds (\$3,567.39) are contained in the FY 2010 appropriations, in situations such as this, it is necessary for Council to authorize a "Then and Now" certificate.

Mr. Metzger moved to adopt Resolution 57-10. Mr. Valtin seconded the motion, which passed by unanimous voice vote.

Other Information/Unscheduled Business – None

Adjournment:

There being no further business to come before Council, Mayor Merrin made a motion to close the meeting at 9:08 p.m. Mr. Gouttiere seconded the motion, which carried by unanimous voice vote.

Dale D Knepper
Clerk of Council

Derek Merrin
Mayor