

**CITY COUNCIL
121 N CHURCH STREET, HUDSON, MI
REGULAR MEETING
April 7, 2026 at 7:00 pm**

748625:

The regular meeting was called to order by Mayor Daniel Schudel at 7:00 pm in the Council Chambers.

ROLL CALL: PRESENT: Daniel Schudel, Brandi Clark, Barbara Ireland, Natalie Loop, Carl Sword and Nicole Williams

ABSENT: Greg Hillegas

ALSO PRESENT: Michael O’Keefe and Todd Mocherman – Frontier Communications, Kevin Shipman, Andy Hacket, Cindy Corner, Devin & Sierra Sandahl, DPW Superintendent Jay Best, Candi Best, Police Chief Ron Keck, Treasurer Megan, Neil Coates, City Receptionist Samantha Geirg, Ambulance Director Jim Stevens, WWTP Superintendent Joshua Mattek, City Manager Jeremiah Davies and City Clerk Jeaniene McClellan

ORDERS OF THE DAY:**Excuse Absent Members:****748626:**

Motion by Carl Sword, seconded by Brandi Clark **to approve to excuse Greg Hillegas from the meeting.** CARRIED 6-0 by roll call

Setting the Agenda:**748627:**

Motion by Brandi Clark, seconded by Natalie Loop **to add Emergency Authorization – State Street Culvert Replacement under New Business Item D.** CARRIED 6-0 by roll call

Approval of minutes dated March 17, 2026:**748628:**

Motion by Carl Sword, seconded by Natalie Loop **to approve minutes of March 17, 2026 and place on file.** CARRIED 6-0 by roll call

PUBLIC COMMENT:

Public Comments were heard.

PRESENTATION:**Frontier Communications Infrastructure Upgrade:**

Representatives from Frontier Communications will present to the City Council planned infrastructure upgrades and service improvements within the City of Hudson for the upcoming year.

The presentation is intended to inform the Council of ongoing and future investments in the City's telecommunications network, including potential impacts, timelines, and anticipated benefits to residents and businesses.

Frontier Fiber Optic Project
Hudson Highlights

- Upgrades through fiber – to the premise expansion
- 2026 build will serve approximately 1,200 new customer locations
- Fiber can provide unlimited additional future services
- Frontier FiberOptic – 200 Mbps up to 7.0 Gigabit service
- Available for residential and business
- Data and voice services

There will be signs put into the neighborhoods when they start working in that areas. Also door hangers will be placed when working in front of the homes. Residents can email any questions to frontier.com/myfiber.

There will be underground, buried (bore) and aerial lines throughout the City. When a resident signs up for their service, then the Optical Network Terminal will be installed on the side of the house.

NEW BUSINESS:**Approve: First One-Year Extension – Stevens Disposal:**

The City of Hudson currently has a residential solid waste, recycling, and composting contract with Stevens Disposal and Recycling Services, Inc., with an original term from June 1, 2023 through May 31, 2026 and provisions allowing up to two (2) one-year extensions.

Staff has reviewed the cost structure for the first extension year (Year 4: May 16, 2026 – May 15, 2027), which reflects a total monthly cost of \$13.50 per residential unit.

A subsequent proposal from Lakeshore Recycling Systems (LRS) was also reviewed. The Stevens Disposal extension pricing is approximately \$4.50 per unit, per month, lower than the LRS proposal, representing significant cost savings for the City of Hudson and its residents.

Additionally, Stevens Disposal has been providing consistent and reliable service under the current contract, with established operations, routes, and familiarity with the community.

748629:

Motion by Carl Sword, seconded by Natalie Loop **authorize the City Manager to exercise the first one-year extension with Stevens Disposal and Recycling Services, Inc.** CARRIED 6-0 by roll call

Health Savings Account:

Increased out-of-pocket expenses for employees. To offset these costs, the City historically provided employer-funded contributions to employee Health Savings Accounts (HSA), with past contributions reaching approximately \$4,000 per employee.

For the current fiscal year (2025-2026), HSA contributions were included in the approved budget. The City Manager authorized distribution of these funds last week at the following levels:

- \$2,500 per family plan
- \$1,250 per single plan

While this action aligns with the adopted budget, there remains no formal policy direction regarding whether HSA contributions are intended to be:

- A one-time or occasional benefit, or
- A recurring component of the City's employee compensation structure

As health insurance costs continue to rise, this issue has become a significant concern among employees, particularly given the City's high-deductible plan design. HSA contributions are increasingly viewed as a critical tool to:

- Offset financial burden on employees
- Maintain competitive benefits
- Support employee recruitment and retention

Council direction is requested to establish clear expectations for future budgets and ensure consistency in how employee benefits are structured moving forward.

748630:

Motion by Natalie Loop, seconded by Nicole Williams **to authorize to pay the rest of the distribution to the full employees the remaining HSA.** CARRIED 5-1 by roll call (Schudel, Clark, Loop, Sword, Williams – yes Ireland – no).

Approve: Installation of Sludge Pump:

This pump is responsible for circulating sludge through the sludge boiler along with keeping the solid inside the digester well mixed. With the council's approval the pump was ordered last spring and received late last fall. With warmer weather approaching we would like to schedule a time to get this pump installed. We do try to repair, replace, and renew as much as we can in-house to save

money. But due to complications with pipe alignment coupled with the size, weight, and down time limitations of the pump we will need to outsource this install. Superintendent Joshua Mattek received bids from Adrian Mechanical, Kerr Pump, and De-Cal service group. With council’s approval he would like to hire Adrian Mechanical to complete this project.

748631:

Motion by Nicole Williams, seconded by Carl Sword **to approval of the installation of the Sludge Recirculating Pump by Adrian Mechanical Services.** CARRIED 6-0 by roll call

Emergency Authorization – State Street Culvert Replacement:

The City has experienced a failure of an existing culvert on State Street, creating an immediate infrastructure and public safety concern. The Lenawee County Drain Commission has provided a cost estimate of \$25,800 for the replacement of the culvert, including materials, installation, and associated administrative costs.

Due to the urgent nature of this failure and the need to restore proper drainage and roadway integrity, the City Manager is requesting emergency authorization to proceed with the replacement.

This expense was not specifically budgeted for in the current fiscal year. He has reviewed current-year appropriations and do not anticipate a sufficient surplus in existing line items to absorb this cost. As such, a budget amendment will be presented to Council to appropriate the necessary funds from the General Fund balance.

This situation highlights the importance of maintaining a healthy fund balance. As a best practice, municipalities the size of Hudson should target a minimum fund balance equivalent to six months of operating expenditures to effectively respond to unforeseen capital and infrastructure emergencies without disrupting operations.

748632:

Motion by Natalie Loop, seconded by Nicole Williams **to approval the emergency expenditure and authorize payment to the Lenawee County Drain Commission for the culvert replacement.** CARRIED 6-0 by roll call

UNFINISHED BUSINESS:

Bills:

Bills to Council
April 7, 2026

Bills to be Approve

Total	\$0.00	

Bills to be Confirmed

Total	\$0.00	

No Bills to be Approved or Confirmed**Account Balances and Check Register:****Account Balances:**

General Fund	\$1,161,232.82
Cemetery Trust Fund	\$ 0.00
Major Street Fund	\$254,912.31
Local Street Fund	(\$ 13,474.94)
Fire Department Fund	\$101,243.51
Recreation Fund	\$ 496.07
Cemetery Foundation	\$ 46,383.11
Ambulance	\$ 88,817.94
Community Center	\$ 37,976.89
Income Tax Fund	\$283,720.01
Downtown Development	\$ 18,151.29
Thompson Museum Fund	\$ 0.00
Library Fund	\$ 0.00
Thompson Library Fund	(\$ 129.18)
Museum Fund	\$ 5,754.62
Industrial Park Fund	\$ 8,188.27
CWSRF	\$ 32,183.35
2021 Capital Improvement Bond Fund	(\$ 11,142.48)
2025 Capital Improvement Bond Fund	\$426,725.74
Water and Sewer Fund	\$218,532.17
Motor Veh and Equip Fund	\$126,408.87
Property Tax Collection	\$ 463.50
Payroll Fund	\$ 8,133.52
Sidewalk Fund	\$ 18,245.21

748633:

Motion by Carl Sword, seconded by Nicole Williams **to accept the account balances and check register and place on file.** CARRIED 6-0 by roll call

COUNCIL COMMENTS:

Council comments were heard.

MANAGER'S REPORT:

- **Sanitary Sewer Relining Project:** The sanitary sewer relining project has continued to move forward over the past week. During construction, a previously unidentified structural issue was discovered along a roughly 200-foot segment of the system, preventing completion of that portion for now. This section will be addressed and completed as part of a follow-up effort scheduled for this summer. Over the next two weeks, crews will focus on manhole repairs, which are within the scope of the overall project.
- **Congressional Directed Spending (CDS) Requests:** CDS grant applications were submitted this past week to both Senator Elissa Slotkin and Senator Gary Peters. These requests focus on critical public safety needs, including fire department equipment and ambulance / ALS upgrades, to support continued emergency response capabilities in Hudson and the surrounding rural service area.
- **State Street Culvert Failure:** Following coordination with the County Drain Commission, it has been determined that the failed culvert on State Street will be the City's financial responsibility. Current cost estimates are approximately \$25,000.

Due to material lead times, with culvert components estimated at 6-8 weeks for delivery, project completion is anticipated in late summer. This project will be incorporated into the upcoming FY 26-27 budget.

- **Employee Health Insurance Review:** Mr Davies met with representatives from the City's insurance carrier to review current employee health coverage and plan options. Based on initial discussions, there may be opportunities to evaluate plan structure and long-term cost strategies. This will be brought forward for further consideration as part of ongoing budget and benefits discussions.
- **Budget Development:** Budget development remains ongoing. Mr Davies continues to refine projections and adjust as updated financial data and operational needs are identified. A draft budget will be presented to Council in accordance with the established timeline in our charter, which requires the budget to be adopted no later than May 31st of the fiscal year.

ADJOURNMENT:

748634:

Motion by Nicole Williams, seconded by Brandi Clark to **adjourn the meeting at 8:39 pm**

APPROVED: _____
Daniel Schudel, Mayor

ATTEST: _____
Jeaniene McClellan, City Clerk