

**CITY COUNCIL  
121 N CHURCH STREET, HUDSON, MI  
PUBLIC HEARING  
March 05, 2019 at 7:00 p.m.**

**746850:**

The Public Hearing was called to order by Mayor Carmel Camp at 7:00 p.m. in the Council Chambers.

ROLL CALL: PRESENT: Carmel Camp, Lee Daugherty, Tyler Mattison, Lee Ann Minton, Rick Moreno, Carl Sword and Darlene VandeZande

ABSENT: None

ALSO PRESENT: WWTW Superintendent Ted Hutchison, Police Chief Charlie Weir, County Commissioner Nancy Jenkins-Arno, Fleis & VandenBrink Engineer Matt Johnson, Taryn Gallant, Austin Cheslock, Jordan Hamdan, John Betz, City Manager Steven Hartsel and Deputy City Clerk Linda Cross

**ORDERS OF THE DAY: Sewer Debt Service Charge**

No public comments were received

Adjourn sine die

**CITY COUNCIL  
121 N CHURCH STREET, HUDSON, MI  
REGULAR MEETING  
March 05, 2019 at 7:00 p.m.**

**746851:**

The regular meeting was called to order by Mayor Carmel Camp at 7:03 p.m. in the Council Chambers.

ROLL CALL: PRESENT: Carmel Camp, Lee Daugherty, Tyler Mattison, Lee Ann Minton, Rick Moreno, Carl Sword and Darlene VandeZande

ABSENT: None

ALSO PRESENT: WWTW Superintendent Ted Hutchison, Police Chief Charlie Weir, Dan Cherry ó Daily Telegram, County Commissioner Nancy Jenkins-Arno, Fleis & VandenBrink Engineer Matt Johnson, Taryn Gallant, Austin Cheslock, Jordan Hamdan, John Betz, City Manager Steven Hartsel and Deputy City Clerk Linda Cross

**ORDERS OF THE DAY:**

**Setting the Agenda:****746852:**

Motion by Tyler Mattison, seconded by Carl Sword to **add Item D under New Business- Approve the Purchase of Water Treatment Plant Dehumidifier**, CARRIED: 7-0 by roll call vote.

**Approval of Minutes of February 19, 2019:****746853:**

Motion by Carl Sword, seconded by Rick Moreno to **Approve the minutes of February 19, 2019, and place on file**, CARRIED: 7-0 by roll call vote.

**PUBLIC COMMENT:**

County Commissioner Nancy Jenkins-Arno spoke of the positive feedback with the county operations, and who was newly elected.

**PRESENTATION: Matt Johnson – Fleis & VandenBrink - SAW Grant Closeout Summary****NEW BUSINESS:****APPROVE: Purchase HFD 800 MHZ Pager Amplified Chargers:**

With the County upgrade to the 800 MHZ radio system the cost of our fire pagers will be covered entirely by the County. The amplified chargers for the pagers are not covered for the total cost. These are a pager charger and speaker box in one, with an antenna to help draw in the signal into our homes so that the pager works better and that you can hear it anywhere in your house without damaging the pagers internal speaker. As all of our current pagers have amplified chargers, and most every firefighter in the county does as well, it made sense to agree to purchase these amplifiers. Originally our cost would have been the full price, then the county agreed to pay for a portion that brought our cost down to \$134.50 each. Then we found a lower price from one of the company's competitor's and we were able to cut our cost to \$75.00 each by the company matching the lower price. Finally through negotiations we have lowered our cost to \$60.00 each for I n the County has agreed to purchase these units to replace what we are currently using. These Amplified Chargers are part of a Lenawee County Radio system upgrade in which the County has already secured the bid vendor and as such this is a single source pricing from that vendor for these units.

**746854:**

Motion by Tyler Mattison, seconded by Lee Ann Minton to **approve the purchase of 27 Unication Amplified Charging units from Digicom Global Inc. for \$1,620.00**, CARRIED 7-0 by roll call vote.

**APPROVE: Fire-Rescue Pumper Loan:**

City Treasurer Ben Farley solicited loan proposals from our 3 local banks to finance the previously-approved Fire-Rescue Pumper being constructed for the HFD. He received proposals from all 3 banks. One proposal required the City to move all of its deposits to that bank, which is not financially acceptable to us or our auditor, in order to receive an APR of 3.25%, or 3.75% without moving our deposits. Another was a 3.99% interest rate fixed for the first 5 years and variable at an unknown rate for the last 5

years, which we also do not recommend. The third proposal, from Old National Bank is for a 10-year fixed rate of 3.31%. Both the City Treasurer and City Manager recommends that Council approve the Old National Bank proposal and authorize City Manager Steven Hartsel to sign the applicable loan document on behalf of the City.

**746855:**

Motion by Tyler Mattison, seconded by Lee Ann Minton to **approve the proposal from Old National Bank to finance the new Fire-Rescue Pumper for 10 years at an APR of 3.31% and Authorize City Manager Steven Hartsel to sign all applicable documents with Old National Bank relating to the loan, CARRIED 7-0 by roll call vote.**

**APPROVE: Sewer Debt Service Charge Resolution:**

The City has received an updated schedule of repayment for the Bonds used to pay the State Revolving Fund loan for the \$5.05 million Wastewater Improvement Project (\$5.2 Million minus \$150,000 in principal forgiveness credit). The annual loan payment is to be split between the City Income Tax and charges to users. Council needs to set a sewer debt service charge to generate this part of the required revenue, and has the authority to do so with a resolution.

The annual amount of debt service varies each year, averaging about \$293,000.00. This equates to a user debt service charge of \$36.63 per quarter. To minimize the impact on customers, the City Manager is recommending a two-phase increase, with the sewer debt service charge set a \$30 per quarter beginning on April 1<sup>st</sup>. On October 1, 2022, when the existing \$14.70 per quarter water bond is paid off, the sewer debt service charge would increase to \$38 per quarter, which would provide revenue for the rest of the life of the loan. During that billing cycle, customers would see their bills decrease by \$6.70.

**746856:**

Motion by Lee Ann Minton, seconded by Lee Daugherty to **approve the resolution setting a sewer debt service charge of \$30 per quarter effective April 1, 2019, and \$38 per quarter effective October 1, 2022, CARRIED 7-0 by roll call vote.**

**APPROVE: Purchase of Water Treatment Plant Dehumidifier:**

DPW Superintendent Jay Best would like to replace the dehumidifier at the water treatment plant soon, before humidity rises with the arrival of spring. He asked AOP, the company that supports the equipment in the water plant, for a quote for 3 different models. AOP provided the following prices:

Hi-E Dry 120 Dehumidifier-----\$2,350.00

Hi-E Dry 195 Dehumidifier-----\$3,400.00

Dry Ez LGR 3500i Dehumidifier-----\$3,250.00

Mr. Best recommends purchasing the Hi-E Dry 120 Dehumidifier for \$2,350, which includes shipping.

**746857:**

Motion by Carl Sword, seconded by Rick Moreno to **approve the purchase of a Hi-E Dry 120 Dehumidifier for the Water Treatment Plant from Artesian of Pioneer for \$2,350.00 from the Water Treatment Plant Equipment Fund, CARRIED 7-0 by roll call vote.**

**UNFINISHED BUSINESS:**

**Bills:**

**Bills to be approved for Payment: \$54,183.33:**

Etna Supply	\$ 1,064.91	Replacement Water Meters for DPW
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Modern Waste Systems	\$ 8,615.10	Monthly Refuse Collection
The Bank of New York Mellon	\$ 44,503.32	Drinking Water and Clean Water Bond Payment

**Bills to be confirmed for Payment: \$24,859.73:**

Unique Paving Materials	\$ 1,676.16	17.46 Tons of Cold Patch for DPW
Detroit Salt Company	\$ 2,495.66	48.62 Tons of Rock Salt for DPW
Consumers Energy	\$ 3,082.65	Electricity for WTP
Consumers Energy	\$ 5,590.99	Electricity for WWTP
Jones & Henry Engineers	\$ 12,014.27	Maple Grove Reconstruction Engineering Services through 12/31/18

**746858:**

Motion by Lee Ann Minton, seconded by Tyler Mattison to **pay the bills**, CARRIED: 7-0 by roll call vote.

**MINUTES FROM OTHER BOARDS AND COMMISSIONS:**

**Planning Commission dated February 25, 2019 (pending approval)**

**746859:**

Motion by Tyler Mattison, seconded by Rick Moreno to **accept the Planning Commission minutes dated February 25, 2019 (pending approval) and place on file**, CARRIED: 7-0 by roll call vote.

**CITY MANAGER'S REPORT:**

- Wastewater Improvement Project- Ted and Josh continue to become familiar with operations of the new plant components, as well as work towards activation of some of the automated features. They installed 4 more monitoring cameras, for a total of 8. Use of ferric chloride has been greatly reduced, and sodium metabisulphite is no longer used at all with the new UV disinfection system. Remaining work and correction of deficiencies is proceeding very slowly, but is expected to pick up with warmer weather. For example, both oxidation ditch probes broke off last month and are being replaced.
- Renius & Renius have delivered our tax roll ahead of the Board of Review Organizational meeting on March 5<sup>th</sup>. The Board of Review will be held March 25<sup>th</sup>, 26<sup>th</sup> and 27<sup>th</sup>. The personal property tax statements were mailed on March 1<sup>st</sup>. The tax roll will be given to County Equalization, and then the State will take it over until we contract with a new Assessor and the State relinquishes the roll back to us. Steven Hartsel expects this process to be completed within the next few months.
- We informed the man farming at the Industrial Park that he could proceed with the first year of the two-year extension on his farm lease. He has already paid this year's rent completely.
- The City Manager, Steven Hartsel was pleased that Hi-Lex Controls has been able to finally reduce and relocate the semi-trailers that have been crowding Steger Industrial Drive for several years; the acquisition of the adjacent Homer Donaldson property has permitted this improvement. Also, as reported in the news last week, Fiat Chrysler (Hi-Lex's primary client) is investing over a billion dollars in their truck and SUV lines, which solidifies Hi-Lex's near- and mid-term prospects, as they supply the inside door panels for most of these vehicles. Consequently, this benefits Hudson.
- Student numbers at Hudson Area Schools continue to increase, and there is an effort at Hudson Area School to determine where to locate them, particularly at the middle-school level.

- City Manager, Steven Hartsel will be meeting on March 13<sup>th</sup> with representatives of the Bureau of Licensing and Regulatory Affairs (LARA) and the US Department of Agriculture at the Lenawee Now offices regarding some promising new economic incentives we may be able to use here.

**ADJOURNMENT:**

**746860:**

Motion by Lee Ann Minton, seconded by Rick Moreno to **adjourn the meeting at 8:00 p.m.**

APPROVED: \_\_\_\_\_  
Carmel Camp, Mayor

ATTEST: \_\_\_\_\_  
Linda J Cross, Deputy City Clerk

REVIEWED BY: \_\_\_\_\_  
Denis F. Jodis, City Attorney

Dated: \_\_\_\_\_