

**CITY COUNCIL
121 N CHURCH STREET, HUDSON, MI
REGULAR MEETING
January 18, 2022**

747484:

The regular meeting was called to order by Mayor Carmel Camp at 7:00 pm.

ROLL CALL: PRESENT: Carmel Camp, Lee Daugherty, Lee Ann Minton, Carl Sword, and Pam Ely
ABSENT: Rick Moreno and Natalie Loop

ALSO PRESENT: Will Terrill, WWTP Superintendent Ted Hutchison, DPW Superintendent Jay Best, City Manager Charles Weir, and City Clerk Jeaniene McClellan

Excuse Absent Members:

747485:

Motion by Carl Sword, seconded by Pam Ely **to excuse absent members from the meeting.**
CARRIED 5-0 by roll call

Approval of Minutes of January 4, 2022:

747486:

Motion by Carl Sword, seconded by Pam Ely **to approve the minutes from January 4, 2022 and place on file.** CARRIED 5-0 by roll call

PUBLIC COMMENT:

No public comments received.

NEW BUSINESS:

Approve: Service Award to Charles Weir:

On behalf of the citizens of Hudson, the Hudson City Council extends its appreciation for Charles A. Weir's thirty (30) years of dedicated service in the City of Hudson from January 13, 1992 to January 13, 2022.

In accordance with our personnel practices the 30 Year Service Award includes a check in the amount of \$500.00.

747487:

Motion by Carl Sword, seconded by Pam Ely **present 30-Year Service Award to Charles A Weir.** CARRIED 5-0 by roll call vote.

Approve: Alternative Meeting Dates for the Board of Review:

The Board of Review meets on the Tuesday following the third Monday in July and Tuesday following the second Monday in December.

The Public Act 122 of 2008 allows an alternative July Board of Review meeting during the week of the third Monday in July and during the week of the second Monday in December, if authorized by the governing body.

747488:

Motion by Lee Ann Minton, seconded by Carl Sword **approve the Wednesday or Thursday following the third Monday in July and the Wednesday or Thursday following the second Monday in December as the Alternative meeting dates for the Board of Review.** CARRIED 5-0 by roll call vote.

Authorize: Seek Bids: Lawn Mowing Contract Maple Grove Cemetery:

The summer lawn mowing contract for the Maple Grove Cemetery has expired. We would like to get authorization to seek sealed bids for a three year contract (2022-2024) for the lawn mowing at the Cemetery.

We will be using the same Invitation to Bid document with the addition of detail about the fall cleanup duties and was not spelled out in the previous Invitation to Bid document.

747489:

Motion by Carl Sword, seconded by Pam Ely **authorize the City Manager to seek bids for the lawn mowing contract for the Maple Grove Cemetery.** CARRIED 5-0 by roll call vote.

Approve: Community Center Public Rental Rates:

The Community Center was in a deficit last fiscal year mostly because of no public rentals due to COVID, but we discovered that the public rental rates have not been increased or adjusted for 16 years (2006) and the building is in need of repairs. Kitchen floor, bathroom floors, parking lot and the south upper wall to name a few things.

City Manager checked the (CPI) consumer price index from 2006 to 2021. The increase was just under 33% over that period of time. With this information he calculated the increases to the resident and non resident rates. He is asking Council to consider the following increases.

For the Non-Residents he used the 33% increase with some rounding to establish the new proposed rates.

For the Residents he only used a 20% increase due to resident paying D & P and Comcast Franchise fees that go to the Community Center and City Income Tax that they are paying.

He is also requesting that the deposits that were under \$100.00 be increased to cover the cost for the on call Public Works employee that may have to come in and clean if a renter fails to do so.

The Police Department has to do a background check for renters that want to have alcohol at the Community Center. He would suggest an administrative fee of \$10.00 be collected to cover the cost for this service.

747490:

Motion by Carl Sword, seconded by Pam Ely **approve the proposed Hudson Community Center Rental rates starting February 2022.** CARRIED 5-0 by roll call vote.

Discuss: Water and Sewer Bonds:

Council is aware the Water Bond final payment is due September 2022 I the amount of \$72,560.00. Interest payment of \$895.81 is due April 1, 2022. 1,073 accounts at \$7.91 a month = \$8,487.43. The City will have to collect the Water Bond fee through June 2022 to pay off the balance of the Water Bond.

Looking over the Rate Study Documents done June of 2021, the replacement asset management program established by EGLE indicates that the City should be putting \$40,000.00 a year aside on an annual basis in the Sewer and Water Funds for equipment maintenance and replacement items that occur on an irregular basis. It also notes the both Sewer and Water funds should maintain 3 to 9 months reserve for emergency purposes. The City currently has none of these funds set aside and the City still has a deficit in the Utility Fund of -(195,000).

Reducing or eliminating the collection of the \$7.91 a month would reduce income to the Utility Fund and allow the deficit elimination, and the building of the funds for the replacement and maintenance needs to the Water and Sewer Systems. Once the Water Bond is paid in full, the fee can no longer be the “Water Bond” on the customers bills but would have to be labeled “Replacement Maintenance Fee” or something of that nature.

Water/Sewer Bond Account:

City Manager has asked for Council’s thoughts on placing bond fees or a portion of the fees collected into a separate bank account as a way of making sure the funds are available when the interest and principle payments become due. Council will have to consider that this will restrict some of the funds from the combined deposits for which the City pays out all of the other City expenses. If the City puts all of the Water and Sewer Bond fees I the account, it would currently be 434,259.63 a month. After September when the Water Bond is paid off, the monthly deposit would be \$25,772.60.

All of the above can be offset and adjusted with the City Income Tax Fund as well. He believes if the City collects enough to cover the expenses in the Utility Fund adequately, it will ultimately free up funds to spend on streets, sidewalks and other infrastructure needs of the City.

UNFINISHED BUSINESS:

Bills:

Bills to Council
January 18, 2022

Bills to be Approved

Haviland Products Company	\$1,079.04	Ferric Chloride
Municipal Supply Co	\$1,025.98	Seal Camps, Compression union, & 1" Compression Stop - WTP
Elhorn Engineering Company	\$1,533.00	Liquid Aquadene - WTP
Blue Cross Blue Shield	\$29,883.05	February 2022 Employee Health Care
Total	\$33,521.07	

Bills to be Confirmed

Consumers Energy	\$3,079.48	December 2021 WWTP 32960 kWh
Consumers Energy	\$2,133.49	December 2021 Street Lights 8,174 kWh
Consumers Energy	\$1,045.40	December 2021 LED Lights 3,545 kWh
Consumers Energy	\$2,926.03	December 2021 WTP 19100 kWh
D & P Communications	\$1,228.26	
		Telephone, internet, TV for all departments January 2022 statement
Michigan Association of Chiefs of Police	\$1,195.00	2022 March Police executives and New Chiefs School
Lowes	\$1,781.52	Washer/Dryer and fittings for 2nd Ambulance Station
Total	\$13,389.18	

747491:

Motion by Lee Daugherty, seconded by Carl Sword **to pay the bills.** CARRIED 5-0 by roll call vote

Account Balances & Check Register:

Account Balances:

General Fund	\$254,740.71
Cemetery Trust Fund	\$ 2,262.45
Major Street Fund	\$ 72,273.28

Local Street Fund	\$ 91,554.52
Fire Department Fund	\$ 44,233.56
Recreation Fund	\$ 6,018.40
Cemetery Foundation	\$ 24,132.98
Ambulance	\$ 46,749.67
Community Center	\$ 15,489.13
Thompson Museum Fund	\$ 57,662.33
Library Fund	\$ 12,057.76
Thompson Library Fund	\$ 0.00
Museum Fund	\$ 43,008.99
Downtown Development	\$ 8,699.36
Industrial Park Fund	\$ 14,651.52
L D F A	\$ 0.00
2021 Capital Improvement Bond Fund	\$256,479.16
Sidewalk Fund	\$ 2,565.98
Utilities Fund	-\$189,761.90)
Motor Veh and Equip Fund	\$202,491.65
Property Tax Collection	\$ 30,497.23
Income Tax Fund	\$ 65,237.75

747492:

Motion by Carl Sword, seconded by Lee Daugherty **to accept the Account Balances & Check Register and place on file.** CARRIED 5-0 by roll call vote

Revenue Expenditure Report:**747493:**

Motion by Carl Sword, seconded by Pam Ely **to accept the Revenue Expenditure Report and place on file.** CARRIED 5-0 by roll call vote

MANAGER'S REPORT:

- Jay Best, Jeff Vanderlooven and Charles Weir met with Jones & Henry on the Wednesday, January 12th, to start the Drinking Water Asset Management (DWAM) Grant work. The random list of the 187 locations to identify lead and copper service lines has been generated. Letters will be drafted and sent to the homeowners and businesses where the work will be done. DPW will be making contact with the owners to identify the service line materials inside of the homes and businesses as required by the grant.
- Linda Cross and Charles Weir met with Bob Wendt and Phoebe Mier from the Lenawee County Economic Crimes Unit to discuss the move forward with the City Income Tax violation again. This will be a more economical way of dealing with non-filers and collecting outstanding City Income Tax due to the City. Linda is currently showing a outstanding balance of \$22,500.00 owed. We anticipate more once we get caught up.

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- City Manager will be meeting with City Hall Staff along with Brandon Hudson Mike Sessions about the work flow and duties at City Hall. Over the past four months it is clear that four full time employees in the City Hall is not adequate for the work load. We will be looking at options to solve the issue.
- City Manager sent out emails to the Michigan Treasury checking the status of the City's Corrective Action Plan and the Deficit Elimination Plans. At the writing of this report he has not heard back if the plans have been accepted.
- We have a Planning Commission meeting scheduled for January 24, and Mr Weir hops to have a Capital Improvement Plan to present to Council at a Council meeting in February.
- The City has an opening on the Board of Review that needs to be filled. We are currently advertising to fill the vacancy. The City is supposed to have three members on the Board of Review but can legally function with two.

COUNCIL COMMENTS:

ADJOURNMENT:

747494:

Motion by Carl Sword, seconded by Pam Ely to **adjourn the meeting at 8:31 pm**

APPROVED: _____
Carmel Camp, Mayor

ATTEST: _____
Jeaniene McClellan, City Clerk