

VILLAGE OF THREE OAKS REGULAR COUNCIL MEETING – DATE: 03-13-19

Chair called Village Council Meeting to order at 7:00 PM at Three Oaks Village Hall.

Pledge of Allegiance: Yes

Roll Call: Present: Kramer, Thomas, Pappa, Newquist, Zebell, Grosse

Absent: Graziano

Approval of the Agenda as presented by Village Manager, Michael Greene. Moved: Zebell Supported: Kramer Aye: 6 Nay: 0 Absent: 1 Abstain: 0 MOTION CARRIED.

Public Comment on the Agenda: None

Approval of the Consent Agenda to include: Approval of Minutes of the Regular Council Meeting held on 02-13-19. Acceptance of the 02-04-19 Parks & Recreation Minutes, the 02-05-19 Planning Commission Minutes, and the 02-19-19 Planning Commission Special Meeting Minutes and the 02-06-19 DDA Meeting Minutes. Approval of the Police Department's Report. Approval of Invoices to be paid (\$58,414.70), Approval of Disbursements made from February 1 through February 28, 2019 (\$62,986.28) and Approval of Prepays, and Payroll as paid (\$41,698.57). A Motion was made to approve the Consent Agenda as presented by Village Manager, Michael Greene. Moved: Thomas Supported: Newquist Aye: 6 Nay: 0 Absent: 1 Abstain: 0 MOTION CARRIED.

- **PRESENTATION of the FISCAL YEAR – 2017- 2018 AUDIT by DEREK HALL, AUDITOR for the TREASURY DEPARTMENT, STATE of MICHIGAN:** Derek Hall, Auditor for the State of Michigan, reported that the Village's funds continue to show excellent bottom lines in the General Fund and Street Funds. The Sewer fund showed a loss due to contracted services and additional projects and equipment purchased and the Water fund showed a gain. General Fund revenues and expenses are both up for the year, leaving the fund balance at 1.1 million, showing virtually no change from last year. Derek complimented Village Manager, Mike Greene and Village Clerk, Cynthia Moynihan and Village Treasurer, Lois Jones for the accuracy and completeness in maintaining the Village's records. The Village continues to build up its funds while still being able to complete projects on its roads and infrastructure. He gave the Village a grade of "A-".
- **ORDINANCE #217 – SEWER RATE CHANGE:** There is an immediate need to raise the sewer rates in order to accumulate funds prior to the 1st bond payment coming due by the end of the year. Council Member, John Pappa stated that he thinks the scope of the IPP program can be downgraded resulting in lower costs for the improvements needed at the sewer plant and lagoons. If the project was scaled back, the amount needed for the bond would be lower and thereby the rate increase to the residents would be less. It was reiterated that the upgrading also needs to be done in order to handle future growth. Engineering consultant, Jacob Bruggink said that the lagoons are still over capacity and limits are still being exceeded even though Journeyman Distillery stopped putting their waste into the system 7 to 8 months ago. Council Member, John Pappa asked for additional testing to determine if there are other sewer customers exceeding the limits allowed by village ordinance. It is also important to quickly determine where the intrusion is coming from, get the ponds cleaned and conduct the smoke tests as soon as possible. Council Member, Colleen Newquist, asked how much the (unidentified) influent is affecting the ponds. Our engineers responded that it can be up to 4 times the amount when there is lots of rain. She also pointed out several inaccuracies on table 4 (page 8) in the Moore & Bruggink report stating that she has lost some confidence in them and their reporting. **A Motion was made to NOT raise the Sewer rates until Journeyman Distillery has determined how they are going to handle their waste. This Motion is to delay the sewer rate increase, and not take any action on it at this time. Moved: Pappa Supported: Zebell Aye: Thomas, Pappa, Newquist, Zebell Nay: Kramer, Grosse Absent: Graziano Abstain: None MOTION CARRIED.**
- **LAGOON SYSTEM UPGRADE – ENGINEERING PROPOSAL from MOORE & BRUGGINK:** Moore & Bruggink stated that they are acting as consultants to and advising the Village regarding the scope of the upgrades for the Sewer department and lagoons. They will do the design work and inspection of the projects, but it is up to the Village to determine what direction they want them to move in. It was decided to table the approval of the engineering contract proposal from Moore & Bruggink until the April meeting.

- **ENFORCEMENT of PUBLIC UTILITY EASEMENT:** Journeyman Distillery has a structure built over the Village's public utility right-of-way easement. In order to allow access to the sewer lines, this building needs to be either removed or a new sewer access line needs to be put in. Council Member, John Pappa said that he understood that Journeyman had been given permission to build over the easement by someone in the Village office without Council's approval. Village Attorney Charles Hilmer responded by saying that it would have been beyond the scope/authority of a Village employee to grant such approval. Council Member, Colleen Newquist, asked if an agreement could be made that allows Journeyman's building to remain where it is, but if the Village needs immediate access to the sewer line that the Village can access it without liability or responsibility for any damages that may occur while accessing their lines. Attorney Hilmer will research whether it is legal to pursue that option. There was no further discussion or action taken.
- **SMITH & SONS INVOICE FROM 08-27-18 for \$2,195.00:** The invoice for the water main and service repair at 703 Tulip Drive due to the incorrect marking of the water lines remains unpaid and in dispute as to who is actually responsible for the charges. It needs to be determined if the Village is responsible for not providing information for the proper marking of the lines (via their contracted company IAI), or if the contractor is responsible because they moved ahead with the excavation without having the necessary information. Council directed Village Manager, Mike Greene to get further information from IAI so that a decision can be made regarding the responsibility for the payment of this invoice. Item has been tabled until the April meeting.
- **AWARD CONTRACT for 2019 STREET PROJECTS:** There were (3) three bids received for the 2019 Street Project work. They were opened on Monday, March 11, 2019 at 10:00 am. The bids for the milling and paving of Oak & Sherwood Streets were as follows: Michigan Paving - \$102,460 / Reith Riley - \$88,292 / Walsh & Kelly - \$73,250. The bids for the 500 feet of sidewalks (locations to be determined) were as follows: Michigan Paving - \$17,500 / Reith Riley - \$14,650 / Walsh & Kelly - \$24,400. Village Manager, Mike Greene noted that since the quality of the base underneath Oak & Sherwood is unknown at this time, that the milling and paving cost could increase depending if more base needs to be provided. It is his recommendation that the contract be awarded to Walsh & Kelly since they were the lowest bid. The Village was very satisfied with the work they did last year in 2018 on the street projects. No action was taken on the bids for the 500' of sidewalks. **A MOTION was made to award the contract for the 2019 Street Project for the milling and paving of Oak & Sherwood streets to Kelly & Walsh in the amount of \$73,250. Moved: Kramer Supported: Newquist Aye: Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: Graziano Abstain: None MOTION CARRIED.**
- **TACTICAL ENERGY GROUP PROPOSAL:** – A proposal was presented by Jonathan Burke from Tactical Energy Group about reducing the Village's energy cost. He has conducted a free initial assessment and believes there are cost-cutting steps that can be taken to lower the electricity bills. Village Manager, Mike Greene received multiple references for Mr. Burke and stated that if the Village entered into a contract with him it would be for one (1) year and his company would receive 50% of the verified savings from the implemented plan as their fee. Mike recommended that this proposal be accepted. Council questioned exactly how the savings on the various electric bills could be determined and was leery of entering into a contract as the Village's experience with a similar plan for controlling/reducing the phone costs has not yet resulted in any savings. Council directed Mike to gather additional information and tabled any action on this until the April meeting.
- **POLICE STATION RENOVATION:** The Village only received one (1) bid for the renovation of the Police Station. The bid is from McCarty Construction & Property Management in the amount of \$10,718.47, which includes the cost of additional countertop for the front room. That had been omitted from the original quote of \$9,558.47. **A Motion was made to award the contract for the renovation of the Police Station to McCarty Construction & Property Management in the amount of \$10,718.47. Moved: Kramer Supported: Zebell Aye: Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: Graziano Abstain: None MOTION CARRIED.**
- **PUMP STATION VALVE REPAIR WORK PROPOSAL:** IAI has recently had their master mechanic on-site to address some gate valve problems at the highway lift station and check valve

issues at the lagoon lift station. Internal components have been replaced and adjusted numerous times but the valves are continuing to fail because of their age and condition. They need to be replaced. IAI submitted a proposal for the replacement of these valves. **A Motion was made to accept the proposal from IAI to replace the (4) four gate valves at the Highway Pump Station and the (2) two check valves at the Treatment Plant Influent Pump Station along with all hardware, gaskets and labor for an amount not to exceed \$12,500.00. Moved: Kramer Supported: Thomas Aye: Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: Graziano Abstain: None MOTION CARRIED.**

- **VILLAGE OF THREE OAKS FARMERS MARKET – STREET CLOSURE REQUEST:** The Village of Three Oaks Farmers Market (managed by Katherine Jovanovic through the DDA) requested that permission be granted to close Oak Street from US12 to Linden Street from 8:00 am to 3:00 pm each Saturday from May through September to allow for the operation of the Farmers Market. **A Motion was made to allow the closing of Oak Street from US12 to Linden Street from 8:00 am – 3:00 pm each Saturday from May through September for the operation of the Village of Three Oaks Farmers Market. Moved: Zebell Supported: Thomas Aye: 6 Nay: 0 Absent: 1 Abstain: 0 MOTION CARRIED.**
- **RESOLUTION to ESTABLISH a REQUEST for FUNDING – TRANSPORTATION ECONOMIC DEVELOPMENT CATEGORY B PROGRAM:** This is a new program rolled out by the state. Approval of this resolution will allow Village Manager, Mike Greene, to submit grant requests to the state which would cover up to 50% of our road funding projects for the 2020 season. **A Motion was made to approve the “Resolution to Establish a Request for Funding, Designate an Agent, Attest to the Existence of Funds and Commit to Implementing a Maintenance Program for Resurfacing of Local Roads Funded by the Transportation Economic Development Fund Category B Program.” Moved: Newquist Supported: Kramer Aye: Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: Graziano Abstain: None MOTION CARRIED.**
- **RESOLUTION to AUTHORIZE SUBMISSION – USDA RURAL BUSINESS DEVELOPMENT APPLICATION – CHAMBERLAIN PATH:** This resolution will allow Village Manager, Mike Greene to submit a grant request to cover up to 100% of a proposed Chamberlain Path Project. It would be to the Village’s advantage to authorize the use of \$11,500 of our Pokagon Fund monies as a match for this project as more points are awarded in the grant application if a municipality has matching dollars for a project. **A Motion was made to approve the “Resolution Authorizing the Submission of a United States Department of Agriculture Rural Business (USDA) Development Application for Chamberlain Path”. Moved: Newquist Supported: Thomas Aye: Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: Graziano Abstain: None MOTION CARRIED.**
- **RESOLUTION CONCERNING RETURN of DELINQUENT TAXES:** This resolution is adopted annually which allows the Village to collect delinquent property taxes on behalf of the County. This also allows the Village the right to collect and retain any penalties or interest associated with the delinquent tax payment. **A Motion was made to approve the “Resolution Concerning the Return of Delinquent Taxes” which authorizes the Village of Three Oaks to collect delinquent property taxes and all applicable penalties and interest. Moved: Kramer Supported: Zebell Aye: Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: Graziano Abstain: None MOTION CARRIED.**
- **PLANNING COMMISSION UPDATE:** Council Member, Colleen Newquist reported that the Planning Commission was continuing work on the Master Plan.
- **PARKS & RECREATION BOARD UPDATE:** Council Member, Becky Thomas reported that the Parks & Recreation Board is continuing work on the improvements to Chamberlain Path.
- **PUBLIC COMMENT:** Audience Member, Angela Reichert, DDA chairperson, thanked the Village for their approval of a resolution which will allow a grant to be submitted for the improvements to Chamberlain Path, and for their support of the Farmers Market. **Audience Member (unknown)** stated that Lakeshore Recycling tears up the road by “back-tracking” numerous times during the trash and recycling pick-ups. They asked if a resident could opt out of the recycling or will everyone have to pay if the Village continues the recycling program by putting

an assessment on the property tax bill? **Council Member, John Pappa** stated that there are still many semis coming thru town and that the Police Chief should be made aware of it.

- **VILLAGE MANAGER'S UPDATES:** Mike Greene, Village Manager, reported that the dredging of the sewer lagoons has not yet been completed due to weather conditions, but there is now approximately double the amount of land available for disposing of the lagoon waste. Once official approval is received from the health department and the MDEQ, the dredging work can begin. At last month's Council meeting, the Village committed to paying the recycling fees through April. In order to assess the opinions of the residents regarding the recycling program, he will place a survey on the Village's website and Facebook and will distribute it in the "State of the Village" letter going out to all residents. Results will be compiled and presented at the April Council meeting. He also said that work is continuing on the Planning Commission and DDA's Master Plans.
- **VILLAGE PRESIDENT'S UPDATES:** Dave Grosse, Village President reported that Tasers had been order for the Police dept. He mentioned that by the end of the year, a new contract would need to be negotiated with the County for the rental of the Village's office space, and he asked about the status of the replacement of the "smoked" water meters.
- **MEETING ADJOURNED AT: 8:45 pm**

Submitted by:

Cynthia E. Moynihan,
Three Oaks Village Clerk
Minutes for the 03-13-19 Council Meeting
Were **APPROVED** at the 04-10-19 Council Meeting