

VILLAGE OF THREE OAKS REGULAR COUNCIL MEETING – DATE: 06-12-19

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

Pledge of Allegiance: Yes

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

Absent: Newquist

NOTE: Newquist arrived at 7:17 pm

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

Public Comment on the Agenda: Larry Shawver asked to speak about the finding presented by the Sidewalk committee.

Approval of the Consent Agenda to include: Approval of Minutes of the Regular Council Meeting held on 05-08-19. Acceptance of the 05-06-19 Parks & Recreation Minutes, the 05-07-19 Planning Commission Minutes and the 05-01-19 DDA Meeting Minutes. Approval of the Police Department's Report. Approval of Invoices to be paid (\$100,716.80), Approval of Disbursements made from May 1 through May 31, 2019 (\$64,289.42) and Approval of Prepays, and Payroll as paid (\$62,511.60). A Motion was made to approve the Consent Agenda as presented by Village Manager, Michael Greene. Moved: Graziano Supported: Zebell Aye: 6 Nay: 0 Absent: 1 Abstain: 0 MOTION CARRIED.

- **PRESENTATION OF SIDEWALK REPORT:** Earlier in the year the Planning Commission was asked to appoint a committee to study the sidewalk ordinance and submit their recommendations to Council. Larry Shawver, head of the committee stated that the sidewalks are part of our infrastructure and an important part of our community. Currently, if a sidewalk needs to be replaced, the Village takes the sidewalk out and does the prep work for laying a new one. The homeowner then pays for setting the forms and the concrete work. They are directly responsible for maintaining the sidewalks in front of their property. It was determined that the Village should take on some more of the responsibility for sidewalk repair and replacement. Council thought that perhaps 10% of the sidewalks could be replaced over a period of 10 years. A survey of the sidewalks would be conducted in order to prioritize the order in which they need to be replaced. They also suggested that new sidewalks should be constructed where there are none currently. Funding would need to be determined to cover the costs, such as an additional assessment on the property tax bill. This will be further discussed at July's meeting.
- **MRWS (MICHIGAN RURAL WATER ASSOCIATION) – THREE OAKS WATER ASSET MANAGEMENT PLAN:** Part of the preparation of an Asset Management Plan is conducting an analysis of the current water rates. John Holland, speaking for MRWA said that the current rate structure was reviewed and they are offering an honest opinion. There were three (3) Options presented. Option #1 is to leave rates as they are - all users – 5/8” meters up to 4” meters pay the same R-T-S (ready-to-serve) rate. Option #2 – set rates based on meter flow – the larger the meter, the more flow/more usage going thru the pipes, the rates should be higher the larger the meter. Option #3 – the rate would be based on the REU's – as the meter gets larger, the “multiplier” increases. Council was reluctant to raise the water rates at this time since the sewer rates were just increased. MRWA stated that the rates should increase nominally on an annual basis in order to keep pace with all the operating costs as they also increase each year. That way the Village would not have to implement such a large rate change in order to catch up the rates. He cautioned that current rates allow the village to cover its operating expenses and bond payments, but more should be set aside for future infrastructure repairs. He also stated that the Asset Management report was due on January 1, 2018. It is 18 months past due and needs to be submitted right away. He cautioned that it could be rejected by the MDEQ. **A Motion was made to adopt Option #1 which states that the water rates will remain as they currently are. Moved: Graziano Supported: Thomas Aye: 7 Nay: 0 Absent: 0 Abstain: 0 MOTION CARRIED.**
- **PUBLIC UTILITY EASEMENT AGREEMENT WITH JOURNEYMAN DISTILLERY:** An agreement concerning the easement on the north side of the Journeyman property was presented to them on June 3, 2019, but they did not have sufficient time to complete their review of it. This was tabled until the July council meeting.

- **ORDINANCE #218 – UPDATE FRANCHISE AGREEMENT WITH I & M POWER COMPANY (AEP):** The original ordinance (#96) was in effect for 30 years, and expires on August 10, 2019. I & M Power is proposing a 30 year renewal of this ordinance. Any utility that operates within the Village must have a franchise agreement to exercise their right-of-way privileges. **A Motion was made to adopt Ordinance #218 – an “Electric Franchise Ordinance” granting I & M Power Company right-of-way privileges and a new clause requiring them to provide advance notification to the Village of any major repair projects. Moved: Newquist Supported: Kramer Aye: Graziano, Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: None Abstain: None MOTION CARRIED.**
- **A RESOLUTION TO SET THE 2019 TAX MILLAGE RATE:** A Motion was made to approve a Resolution to set the 2019 millage rate at 9.0015 mills for General Operations and 3.6004 mills for Streets for a total of 12.6019 mills. This represents no change in the Millage rates that were previously set in 2018. **Moved: Graziano Supported: Zebell Aye: Graziano, Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: None Abstain: None MOTION CARRIED.**
- **REQUEST FOR LOCAL GOVERNMENT APPROVAL FOR JOURNEYMAN DISTILLERY, LLC to APPLY FOR A MICRO BREWER & SMALL WINE MAKER LICENSE to the STATE of MICHIGAN:** Journeyman Distillery is seeking to expand their business by having the ability to sell micro brews and wine at their 109 Generations Drive location. The beer and wine will not be manufactured at the Three Oaks location, but rather at their Valparaiso site, but because of state law, the Three Oaks location must be licensed as a brewery/wine maker in order to transfer the beer between the two facilities/locations. Both the brewing and the selling facilities must be licensed. **A Motion was made to grant local government approval for Journeyman Distillery, LLC in their application to the State of Michigan seeking a Micro Brewer and Small Wine Maker license. Moved: Graziano Supported: Newquist Aye: Graziano, Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: None Abstain: None MOTION CARRIED.**
- **REQUEST FOR LOCAL GOVERNMENT APPROVAL FOR A SPECIAL EVENT LIQUOR LICENSE FOR WURSTFEST ON September 21, 2019:** The seventh annual Wurstfest festival is scheduled for Saturday, September 21, 2019 from noon until 7:00 pm. Cathi Rogers, owner of Blackbook Connection, LLC (who is managing the festival for the DDA) has asked Council for their local governmental approval prior to submitting the request to the State of Michigan for a (1) one day special event liquor license. This is pending the approval of Police Chief, Dennis Buller and documentation of the proper bonds and insurance being in effect for the event on 09-21-19. **A Motion was made to grant local government approval and support the request to the State of Michigan for a one (1) day special event liquor license for Wurstfest for September 21, 2019 pending the approval of Police Chief, Dennis Buller and proper documentation of bonds and insurance being in effect for that date. Moved: Graziano Supported: Zebell Aye: Graziano, Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: None Abstain: None MOTION CARRIED.**
- **CONCRETE PROJECT – CURBS and GUTTERS on OAK & SHERWOOD STREETS:** During the pre-construction meeting with Edgewater Resources & Walsh & Kelly it was recommended that some concrete work be done to increase the structural integrity of the streets. It was determined that approximately 900 feet of curbs & gutters and 15 driveway approaches should be replaced. Walsh & Kelly quoted the Village under a change order - the cost was - \$58,500 for the curbs & gutters and \$31,152 for the driveway approaches for a total of \$93,652. Three (3) additional contractors were reached out to for quotes. Two (2) acknowledged the request, but only one (1) submitted a quote. Remington Construction submitted a quote of \$20,700 for the curbs & gutters and \$10,692 for the driveway approaches for a total contract of \$31,392. **A Motion was made to approve the quote from Remington Construction of \$20,700 for curbs & gutters and \$10,692 for driveway approaches for a total contract cost of \$31,392.00. Moved: Zebell Supported: Pappa Aye: Graziano, Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: None Abstain: None MOTION CARRIED.** An additional project was proposed of replacing sidewalks on Sherwood between Locust & Orange Streets. This work could be coordinated with the curb, gutter and street projects. **A Motion was**

made to replace the existing sidewalks (as needed) on Sherwood Street between Locust & Orange Streets. Moved: Zebell Supported: Kramer Aye: Graziano, Kramer, Thomas, Pappa, Newquist, Zebell, Grosse Nay: None Absent: None Abstain: None MOTION CARRIED.

- **CONTRACT EXTENSION WITH NUTRI-GRO – SEWER POND DREDGING PROJECT:** The current contract with Nutri-Gro expired on May 31, 2019. The company anticipates that the dredging project might be able to be done this summer. Additional 4 to 5 farmers have been approved by the MDEQ for the sludge to be applied to their fields making it easier and quicker to dispose of the sludge. It was suggested that the 90 day clause in the contract be changed to 30 days which would allow either the Village or the contractor to opt out of the contract sooner if necessary. **A Motion was made to extend the dredging contract with Nutri-Gro to December 31, 2019 and to amend the clause permitting cancellation of the contract to 30 days.** Moved: Graziano Supported: Kramer Aye: Graziano, Kramer, Thomas, Pappa, Zebell, Newquist, Grosse MOTION CARRIED.
- **APPROVAL to DISTRIBUTE the PLANNING COMMISSION's MASTER PLAN and the DDA's MASTER PLAN:** A Motion was made to approve the distribution of the Master Plan and the DDA plan to the Public. Moved: Newquist Supported: Thomas Aye: 7 Nay: 0 Absent: 0 Abstain: 0 MOTION CARRIED.
- **HIRING APPROVAL for the WATER & SEWER SUPERINTENDENT's POSITIONS:** It was discussed that a separate position should be created for both the Water and Sewer plant superintendent positions. Mike stated that he had a candidate ready to go for the Water Plant superintendent's position that he would like to extend an offer to, and that he is in negotiations with a possible candidate for the Sewer Plant superintendent. Once these positions are filled, the contract with IAI will need to be phased out after allowing some time for transitioning / training between IAI and the new employee (s). Council authorized the Village Manager to hire (2) new people. There is one (1) person qualified and immediately available for the Water Plant position. **A Motion was made to authorize the Village Manager to extend an offer for the Water Plant superintendent's position.** Moved: Graziano Supported: Zebell Aye: 7 Nay: Absent: 0 Abstain: 0 MOTION CARRIED.
- **PLANNING COMMISSION:** Council Member, Colleen Newquist reported that a special committee has been appointed to research the Marijuana issue and that this committee is meeting on the 3rd Tuesday of each month. She said that there are six (6) categories of licenses available and information needs to be gathered to determine if it is feasible for the Village to authorize any type of operation within the Village limits. The Council and committee are committed to being open-minded as the research is being done and considered. There has been a community input meeting scheduled for Tuesday, July 16th at 7:00 pm.
- **PARKS & RECREATION:** Council Member, Becky Thomas reported that the grant was received for Chamberlain Path, but that it came in at \$20,000 less than what was requested. To accommodate this decrease in funding, the plans are to cut back on the size of the sidewalk and to scale back the lighting and the landscaping. The project must be scaled back unless Council approves the spending of additional \$'s to complete the project as originally designed.
- **DDA:** DDA chairperson, Angela Reichert reported that the Merchant Stroll on May 11th was a big success. The music was well received. She also said that they have an active marketing program going with ads appearing in different publications. They are considering the use of billboard advertising for next year. She also thanked DeRuiters Nursery for supplying some of the flowers that have been planted in the downtown area.
- **PUBLIC COMMENT:** Audience Member, Chuck Sittig said that he believes that small incremental rate changes are better and more easily handled by the residents when considering Water and Sewer rate increases rather than more infrequent larger increases. It is also important to build up the reserve funds.

- **VILLAGE MANAGER'S UPDATES:** Mike Greene, Village Manager, reported that there is a chance the dredging could be done yet this summer; that both of the spring discharges were successful and fell within the required permit parameters and that the smoke testing was completed the first week of June with 30 to 35 houses identified as having either sub-pumps or downspouts connected to the sanitary system instead of the storm system. He also reported that the grant for Chamberlain Path was approved, but at a smaller amount than anticipated resulting in some portions of the project needing to be scaled back. Mike also presented a timeline for the lagoon upgrade project.
- **VILLAGE PRESIDENT'S UPDATES:** Dave Grosse, Village President reminded Council that the Village Manager's annual review time was approaching. The evaluation sheets were included with the packets and he asked for them to be returned to him by July 1st.
- **MEETING ADJOURNED AT: 8:20 pm**

Submitted by:

Cynthia E. Moynihan,
Three Oaks Village Clerk
Minutes for the 06-12-19 Council Meeting
Were **APPROVED** at the 07-10-19 Council Meeting