

**VILLAGE OF ARMADA
REGULAR COUNCIL MEETING
MONDAY, MARCH 26, 2018
7:00PM**

President Wolak called the meeting to order at 7:00 p.m. All rose for Pledge of Allegiance. Present at roll call: Clark, Wolak, Ballard, Cooper, Boelke and Coenen. Absent: Shall. Also present: Clerk Poulos, Treasurer Adair, Bonnie Simpson, Arthur Simpson, Matt Beeman, Chris Munson, Christopher Bednar, Robert Castle, Representative Jeff Yaroch, and Carol Przyhocki.

AGENDA, APPROVAL OF

MOTION by Ballard, seconded by Cooper, to approve agenda as amended:

Added Open Savings Account for Water Fund at Fifth Third Bank Resolution as New Business Agenda Item J.

All Ayes

CARRIED

CITIZEN COMMENT

Representative Jeff Yaroch updated Council on items from the House of Representatives. He stated that \$175,000,000.00 in excess road funds will be returned to the municipalities for road use. He also stated that the House and Senate have passed house bill 4922 opening up the Salvage Title Funds for lesser restrictive spending. The bill is being supported by the Secretary of State and is currently on the Governor's desk for signature.

PRESENTATIONS

None.

ADMINISTRATIVE REPORTS

- F & V presented Council with the February, 2018, monthly operating report. Chris Munson gave a brief synopsis of the report, which is on file. Sewer Commissioner Clark also added to the report and will address the previously discussed filter issue as it is an item on this Agenda.
- Received the Treasurer's Report for February, 2018.

GENERAL BUSINESS

1. CONSENT AGENDA

MOTION by Ballard, seconded by Boelke, to approve the Consent Agenda as amended.

A. Approval of RCM Minutes of 3/12/18 pulled, added as New Business Item K.

B. Payment of Bills totaling **\$67,529.52** approved for payment as follows:

1. General Fund	\$ 35,112.27
2. Water Fund	\$ 8,758.49
3. Sewer Plant Fund	\$ 8,690.64
4. Sewer System Fund	\$ 767.19

5. Major Street Fund	\$ 3,781.17
6. Local Street Fund	\$ 2,176.89
7. Municipal Street Fund	\$ 0
8. STI	\$ 8,242.87
Total	\$ 67,529.52

- C. List of Depositories for FY 2018/2019** approved the following banking/depository facilities: Fifth Third Bank, Lakestone Bank and Trust and Bank of New York Mellon for Village of Armada deposits, drafts, transfers, wires and/or investments
- D. Investment Policy** approved the Village President's submittal of the Treasurer's annual Investment Policy for Fiscal Year 2018/2019.
- E. To Set the Administrative Fees for Village Accounts** to set the Administration Fees for the Village accounts as follows: Local Street Fund \$2,600.00, Major Street Fund \$2,600.00, Water Fund \$12,500.00, Sewer Fund \$12,500.00, Police STI \$150.00/week.
- F. Approval of SCM Minutes of 3/14/18** approved as presented.

All Ayes (Cooper abstains from Special Minutes)

CARRIED

2. OLD BUSINESS

A. WEST MAIN STREET UPDATE

Street Administrator Ballard informed Council that he has signed and returned the Army Core of Engineers and MDOT's permit for the culvert. He stated that it cannot be relined and the anticipated cost for replacement is \$75,000.00. President Wolak stated that he is still awaiting an answer from the Macomb County Drain Commissioner regarding any available funds.

3. NEW BUSINESS

A. PUBLIC HEARING – TO CONSIDER ADOPTION OF A RESOLUTION CONFIRMING ANNUAL SPECIAL ASSESSMENT ROLL FOR THE ARMADA VILLAGE POLICE SPECIAL ASSESSMENT DISTRICT – 7:00 PM

MOTION by Ballard, seconded by Boelke, to enter into Public Hearing at 7:28 pm

Ayes: Ballard, Boelke, Cooper, Clark, Coenen, Wolak

Absent: Shall

Nays: None

CARRIED

Robert Castle asked for an explanation of this tax. Treasurer Adair explained that this was enacted last year and must have a Public Hearing annually to set the millage rate. This year, the Village is proposing 3.25 mills, last year was 3.5 mills, to cover the costs of Police services.

MOTION by Ballard, seconded by Coenen, to exit Public Hearing at 7:33 pm

All Ayes

CARRIED

MOTION by Ballard, seconded by Cooper, to adopt the Resolution Confirming Annual Special Assessment Roll for the Armada Village Police Special

Assessment District confirming the special assessment roll for the purpose of defraying Police Protection Costs in the Armada Village Police Special Assessment District and directing further proceedings for the collection and distribution of the special assessment levy on the taxable value of all lands and premises in the District.

Ayes: Ballard, Boelke, Cooper, Clark, Coenen, Wolak
Absent: Shall
Nays: None

CARRIED

B. CAPITAL CHARGES

The Clerk presented Council with the annual proposed water and sewer rate resolutions (on file) reflecting an increase of 5%, on the water and sewer commodity charges. The water DWRP bond cost has also been raised 5% as required by the bond which requires at least a 3% increase.

MOTION by Boelke, seconded by Clark, to adopt the attached resolutions approving the new water and sewer rates.

Ayes: Boelke, Clark, Ballard, Cooper, Coenen, Wolak
Nays: None
Absent: Shall

CARRIED

C. TO SET THE FISCAL YEAR 2018/2019 PROPOSED TAX MILLAGE RATE

Treasurer Adair explained that the Council needs to set the proposed millage rates for fiscal year 2018/2019. The millage will not be set until we receive the Headlee Rollback amount from the County.

MOTION by Ballard, seconded by Boelke, to accept the recommendations by Treasurer Adair to propose the 2018 Tax Millage rate at the maximum allowable levy as permanently reduced by MCL211.34d and authorized under Truth in Taxation, MCL.21124e, with full understanding that these requested tax levy rates will be reduced, if necessary, to comply with the state constitutional (Article 9 Section 31) MCL Sections 211.34 and 211.24e. The following rates shall be proposed:

General Fund	9.1511 mills
Municipal Streets Fund	3.6602 mills
PA 33	<u>3.2500 mills</u>
Total Proposed Millage Rate	16.0613 mills

Ayes: Ballard, Clark, Boelke, Wolak, Cooper, Coenen
Nays: None
Absent: Shall

CARRIED

D. 2018/2019 WAGE ALLOCATIONS

The Clerk and Treasurer wages need to be approved every budget year by Council resolution. The wages proposed have 3% increases for this fiscal year.

MOTION by Boelke, seconded by Coenen, to establish the compensation for the Clerk of the Village of Armada in the amount of \$25,993.08 annually effective April 1, 2018.

Ayes: Boelke, Coenen, Clark, Wolak, Ballard, Cooper
Nays: None
Absent: Shall

CARRIED

MOTION by Boelke, seconded by Ballard, to establish the compensation for the Treasurer of the Village of Armada in the amount of \$37,305.57 annually effective April 1, 2018.

Ayes: Boelke, Ballard, Cooper, Wolak, Coenen, Clark
Nays: None
Absent: Shall

CARRIED

E. PUBLIC HEARING – TO ADOPT THE FISCAL YEAR 2018/2019 BUDGETS FOR THE VILLAGE OF ARMADA – 7:00 PM

MOTION by Ballard, seconded by Boelke, to enter into Public Hearing for the F/Y 2018/2019 Budget at 7:43 pm.

Ayes: Ballard, Boelke, Cooper, Clark, Coenen, Wolak
Nays: None
Absent: Shall

CARRIED

The Village of Armada's fiscal year 2018/2019 begins April 1, 2018. The Village is required to adopt budgets for its various funds prior to this date. After several workshops conducted by the Village Council, a budget was prepared and submitted for this public hearing and Council vote. No public comments were received.

MOTION by Ballard, seconded by Clark, to exit Public Hearing at 7:46 pm.

All Ayes

CARRIED

MOTION by Ballard, seconded by Boelke, to adopt the fiscal year 2018/2019 budgets for the following funds as presented: General Fund as presented with a projected fund balance of \$374,850.65, Municipal Street Fund as presented with a projected Fund Balance at year-end of \$71,850.00, Major Street Fund as presented with a projected Fund Balance at year-end of \$195,862.00, the Local Street Fund as presented with a projected Fund Balance at year-end of \$22,985.00, the Water Fund as presented with a projected Fund Balance at year-end of \$421,079.64, and the Sewer Fund as presented with a projected Fund Balance at year-end of \$74,669.70.

Ayes: Ballard, Boelke, Wolak, Clark, Coenen, Cooper
Nays: None
Absent: Shall

CARRIED

F. EMPLOYEE SICK/COMP TIME PAY OUT

Employee Edward Serwatowski requested, as allowed for in his contract, to be paid out his 40 hours of sick time hours totaling \$1,335.21.

MOTION by Ballard, seconded by Clark, to grant the request made by employee Edward Serwatowski pursuant to Article IV of the employee agreement for payment of personal/sick time in the amount of \$1,335.21.

Ayes: Ballard, Clark, Cooper, Boelke, Wolak, Coenen
Nays: None
Absent: Shall

CARRIED

G. APPROVAL OF EMPLOYEE CONTRACTS

After several meetings and Council discussion, the Negotiation Committee presented Council with the contracts that have been signed by the employees.

MOTION by Cooper, seconded by Ballard, to approve employment agreements between the Village of Armada and Edward Serwatowski, David Wagner, Michael Patrick, James Sharp, and Andrew Cubitt.

Ayes: Cooper, Ballard, Boelke, Clark, Coenen, Wolak
Nays: None
Absent: Shall

CARRIED

H. TO CONSIDER COMPLIANCE WITH PA 152 OF 2011 THROUGH THE CONTINUED IMPLEMENTATION OF THE 80/20 EMPLOYEE HEALTH CARE CONTRIBUTION

Under Public Act 152 of 2011, the Village is required to do one of three options for employee health care, an 80/20 split, a hard cap, or not participate. Per the Village Auditors, an option needs to be approved when the health care renews every year. The Village has opted to use the 80/20 option for the last several years.

MOTION by Ballard, seconded by Boelke, to comply with Public Act 152 of 2011 by continuing the 80/20 option for the Village's contribution to the cost of employee health insurance effective February 1, 2018.

Ayes: Ballard, Boelke, Cooper, Wolak, Clark, Coenen
Nays: None
Absent: Shall

CARRIED

I. SEWER PLANT UPDATE

Sewer Commissioner Clark stated that as previously discussed, there is a filter screen that is in need of rebuilding at the Sewer Plant. The quote from Hydrodyne was \$55,000.00 to rebuild and \$3,900.00 to reinstall, which includes having the employees from F & V remove the filter and load onto the truck for transport, which saves the Village some money.

MOTION by Clark, seconded by Ballard, to have the filter screen rebuilt with employees from F & V to disassemble and load to ship to Florida to be rebuilt at a cost of \$55,000.00 and when returned, have Hydrodyne employees install for a cost of \$3,900.00 with a total cost not to exceed \$60,000.00.

Ayes: Clark, Ballard, Coenen, Cooper, Boelke, Wolak
Nays: None
Absent: Shall

CARRIED

J. OPEN A SAVINGS ACCOUNT FOR THE WATER FUND AT FIFTH THIRD BANK RESOLUTION

Treasurer Adair presented Council with a Resolution to open a savings account for the water fund at Fifth Third Bank.

MOTION by Ballard, seconded by Clark, Bank Resolution for the Village of Armada. This is to certify that, at a regular meeting of the Council, consisting of a quorum or more of the governing body, duly called and held March 26, 2018, the following Resolution was adopted: Be it resolved that the Village Council authorize the Treasurer to open a Savings Account with funds drawn from the Water Receiving Account at Lakestone Bank. That transactions of this organization drawn on Fifth Third Bank and orders for transfer or withdrawal of the funds of the organization on deposit in said Firm/Bank, in whatever form, shall be signed by any two of the following members: Jo Adair Treasurer, Michelle Poulos Clerk, Marvin Wolak President, David Coenen President Pro-Tem. Be it further resolved, that no officer, individual or member shall be eligible to apply for and receive loans of funds from Firm/Bank based on the resolutions of this document.

Ayes: Ballard, Clark, Coenen, Boelke, Cooper, Wolak
Nays: None
Absent: Shall

CARRIED

K. APPROVAL OF RCM MINUTES OF 3/12/18

The minutes were pulled for one correction. On page two, under Old Business Item A, Sewer Plant Update, the second line reads, "...in the amount of \$3,900.00..." should read, "...in the amount of \$55,000.00..."

MOTION by Clark, seconded by Ballard, to approve the minutes of March 12, 2018 regular meeting of the Village Council, as amended.

All Ayes

CARRIED

UPCOMING AGENDA ITEMS

- A. West Main Street Project Update
- B. Sewer and water Connection Fees
- C. Increase in Pay for Detective Duties

CITIZENS COMMENTS

Carol Przyhocki inquired about the \$22,000.00 in the local road budget as approved and how any roads can be completed on that small of a budget. Treasurer Adair explained that this is an anticipated year-end balance. She continued and explained the local street budget and that the Village will be putting away monies yearly to maintain the local streets as there are no Federal funds to assist with local streets, only major streets. Trustee Coenen added that there are no plans for local streets this year.

COUNCIL COMMENTS/COMMUNITY EVENTS

Trustee Coenen stated that the ABA Easter Egg Hunt was held this past Saturday and complimented the event.

Representative Yaroch was thanked for attending the meeting.

Trustee Cooper stated that there will be a half day of school on Thursday and Spring Break lasts until April 9, 2018.

No further business.

MOTION by Cooper, seconded by Ballard, to adjourn the meeting at 8:11 pm.

All Ayes

CARRIED

Minutes submitted by:

Michelle Poulos, CMMC
Armada Village Clerk