

COUNCIL WORKSHOP MEETING

October 22, 2013

Mayor Coate called the meeting to order.

Present were: Mayor Coate; *Councilmembers:* Fred Francis, Debbie Miller, Jason Tinnerman, Scott Fogle, Ora Ashley, and Susan Willis. *Also present were:* Manager Kline, Ben Herron, Tim Swartztrauber, and Clerk Cantrell. *Absent:* None.

Dated: October 22, 2013

Signed: Linda L. Cantrell CAP-OM
Clerk of Council

2014 BUDGET

Manager Kline stated he signed the contract for the water meters. He stated the first payment for the water meters will not have to be made until January 2014. Manager Kline stated the Municipality will be going with the cloud. They will own the servers; the Municipality will have a lot less maintenance to worry about that way. Manager Kline stated five hundred and eighty thousand dollars (\$580,000.00) will be borrowed. Ora Ashley asked what the twenty (20) year warranty covered. Tim Swartztrauber stated the warranty covers everything. Mr. Swartztrauber suggested after ten (10) years the Municipality start setting aside money to replace the meters in twenty (20) years.

Manager Kline gave each Councilmember a copy of the Second Draft of the 2014 Budget for their review. He stated any item highlighted with yellow was changed. The following line items were changed and discussed:

General Fund - Fiber Optic; Park Fund - Transfer-In; Water Capital Improvement Fund - Loan – Meter Replacement Project; Sewer Capital Improvement Fund - Loan – Meter Replacement Project; Utility Meter Replacement Debt Service - Transfer-In; Administration - Park Transfer; Police Department - Regional Crime Lab Fees; Fire Department - Uniforms Allowance, Capital Improvements; Park Department - Contract Services, Capital Improvements; Water Capital Improvement Fund - Capital Improvements – Meter Replacement; Sewer Capital Improvement Fund - Capital Improvements – Meter Replacement; Utility Meter Replacement Debt Service - Total Utility Meter Replacement Debt Service; Water Administration - Capital Improvements; Water Operations - Part-Time,

OPERS, Workers Comp, Contract Services; Sewer Administration - Capital Improvements (Admin); Sewer Operations - Part-Time, OPERS, Workers Comp, Building Maintenance; and Sewer Maintenance - Sewer Lines Maintenance.

Manager Kline stated the Fire Chief requested an increase in the amount for uniforms, since the radios have been taken care of this year. Manager Kline stated water usage is down this year. Tim Swartztrauber stated the cooling and evaporation units went bad; therefore the equipment maintenance amount needs to be bumped up. Manager Kline stated the Park Board has authorized design work. He stated the company doing the work will not bill the Municipality until 2014. Manager Kline stated he will have the Budget Ordinance ready for the first reading at the November 2013 Council Meeting.

Scott Fogle asked about I&I. He asked if two million dollars (\$2,000,000.00) is still the range to finish the I&I work by 2016. Tim Swartztrauber stated they have been finding problems; so it may be more. Susan Willis asked if the OEPA would give the Municipality more time to complete the I&I work. Tim Swartztrauber stated as long as the Municipality is working on this they will work with the Municipality. Mr. Swartztrauber stated while doing the smoke testing it has been discovered that seventy-five percent (75%) of the storm sewer water on the Cedar Plat is going into the sanitary sewer. Jason Tinnerman asked if a home is vacant how does he know what is happening. Mr. Swartztrauber stated it comes out the vents even at a vacant home; so they can tell what is happening.

Debbie Miller stated there is a four hundred twenty thousand dollar (\$420,000.00) deficit for the year; and that is double of the preliminary draft. She asked if that was because of the purchase of the water meters. Ms. Willis asked if there are other revenues coming in. Manager Kline stated yes because Council has to decide about the water rates and how much to raise them. Manager Kline stated he will check on what makes up the difference in the deficit and put the information in the packets for Council this week for their review. Manager Kline stated the Municipality's revenues are in decline. He stated revenues from taxes are down now. Fred Francis stated the Municipality has about a six hundred thousand (\$600,000.00) loss in the general fund. Manager Kline stated the Municipality has a loss in the street revenue. Manager Kline stated the Municipality needs economic development. He stated West Milton has a high income tax and high water and sewer rates.

WATER AND SEWER REGULATIONS

Manager Kline gave each Councilmember a copy of Chapter 52: Water Rules and Regulations Ordinances for their review. He stated the only changes made were the changes requested at the September Council Workshop Meeting.

WATER METERS IMPLEMENTATION

Manager Kline gave each Councilmember 2013 and 2014 calendars showing when the new water meters would be read and when the bills would be going out for their review. Manager Kline stated he hopes that all the meters will be installed by April 2014. Susan Willis asked that information be sent out to the residents to let them know their bills will go up because there will be more time between when the meters will be read. Jason Tinnerman asked if he understood that when April 1, 2014, comes and the information is turned in then the residents need to have their bills paid by May 15, 2014, or people will be shut off on May 20, 2014. Manager Kline stated that was correct and that by that time everyone should be caught up. He stated he will check with Law Director Sell to see if this timeline would be okay.

Fred Francis asked if workers would be available on the weekends to change the meters for individuals who have to work during the week. Manager Kline stated there should be.

Jason Tinnerman asked if the Municipality would know if someone tried to tamper with the meters. Tim Swartztrauber stated he will be sent a tamper report each morning.

WATER RATES

Manager Kline stated Troy would be raising rates 6% in 2014; 6% in 2015; 6% in 2016; and 3% in 2017. He stated he is not sure whether these rate percentages will be changed. Manager Kline gave each Councilmember a report regarding water bills for their review. This information covered information on service charges, user charges, whether the service charge should cover the cost of operations, whether the service charge should be based on meter size, water usage for 2013, water loss, residential rates comparison, and the meter debt. Manager Kline discussed the information and various suggestions for how to charge for water in the future.

Fred Francis has been working with Tim Ray with the City of Troy and Manager Kline has been working with the Troy assistant City Engineer to see if there is any way the City of Troy can lower the rates for the Municipality

of West Milton. A lengthy discussion took place regarding how future water rate increases would work.

Scott Fogle stated the Municipality needs to be very careful how the information is given out to the citizens as to why the rates have to change and the amount the rates have to be increased. It is the consensus of Council if the rates are going to be raised now it needs to be done correctly. Jason Tinnerman stated he liked the idea of a service charge and a usage charge, but is concerned for single users having to pay the same service charge as multiple users.

Fred Francis stated the Municipality needs to fix the operational cost somehow.

Ora Ashley is concerned that the lower users are getting hit harder due to not using much water.

Manager Kline asked Council to take time and digest the information and make any suggestions.

Tim Swartztrauber stated he has been talking to other towns about leak detection. He stated they say they can get under twenty percent (20%) most of the year. Mr. Swartztrauber stated they will be doing leak detection during the night in 2014. He suggested the testing be done two (2) times a year. Scott Fogle stated if the testing is going to be done two (2) times a year it needs to be built into the budget.

GOLF CARTS

Manager Kline stated he has been asked about driving golf cars in the streets in West Milton. Fred Francis stated as long as the golf cart has a license plate, turn signals, and head lights they can be run in the streets. Manager Kline stated according to Chief Kimpel it does not matter if the owner of a golf cart makes them street legal, the city where the owner lives has to pass legislation to make it legal to drive them in the streets before it is legal to run them in the streets. Scott Fogle stated there will be younger individuals who do not have a drivers license who will want to drive them. Manager Kline stated he will check with Law Director Sell and see if the Municipality can issue permits to allow individuals to drive golf carts in the streets of West Milton. Scott Fogle suggested they not be allowed to drive the golf carts on St. Rt. 48 or St. Rt. 571.

GENERAL DISCUSSION

Fred Francis and Scott Fogle stated there will be Street Levy Meetings on Saturday, October 26, 2013, and Saturday, November 2, 2013, from 8:00 a.m. to 9:30 a.m. each day. These meetings will be held at the Pearson House and the Bulldog. They asked the Councilmembers to check their schedules and see if they can help answer questions at these meetings.

Scott Fogle asked Manager Kline where the Waste Management Contract stands. Manager Kline stated the Municipality's contract quit and now anytime the Municipality needs anything he has to call Michigan. He stated the contract lasts for another two (2) years.

Scott Fogle asked what can be done with the red barn (*the antique place*). He stated it continues to look terrible. Manager Kline stated he will talk with the owner about this.

Manager Kline stated the owner of the opera house does not want to sell it.

Ora Ashley asked if the Community Pride Awards will be staying up all summer. Manager Kline stated they will be up longer next year.

ADJOURNMENT

Ora Ashley made a motion, seconded by Susan Willis to adjourn the meeting. The meeting adjourned at 9:38 p.m.

Linda L. Cantrell CAP-OM
Clerk of Council

Michael Coate II
Mayor