

VILLAGE OF SPARTA
VILLAGE COUNCIL SPECIAL MEETING AUGUST 25, 2014
Held at Sparta Township Chambers, 160 East Division, Sparta MI

1. The meeting was called to order by President Leonard R. Meyer II at 7:00 pm followed by the Pledge of Allegiance to the Flag.
2. Roll Call: Council persons Kristi Dougan, Paul Hibbard, Bonnie Koehn, Gary Moody, William Taylor, Robert Whalen and Village Manager Julius Suchy.
3. Approval of Agenda:
Moved by Moody, supported by Whalen, to approve the Agenda.
Motion carried 7-0.
4. New Business:
 - A. Discuss Work session Items

1. Rodeo Ground Property:

Council discussed what they would like to see happen with the property.

1. High Pressure District:

In 2005 the Village committed to a \$2,489,000.00 REVENUE bond to build the SWWHP district and to complete the iron removal water system. The source of payment was to be payable from the net revenues derived from the operations of the Water Supply System facilities. The revenues were to include connection fees and usage of home built on Sparta Hill parcels. The downward spiral of the mortgage market, Sparta Hills was never developed.

an outstanding balance for the 2005 REVENUE bond issue of \$1,720,000.00. "cash balance" of \$449,487.00 which will cover approximately two years of payments on the 2005 bond. After 2 years will be drawing money out of General Fund for payments.

1. SRA Water/Sewer:

SRA is moving forward on their project they wanted to confirm what was previously discussed/ approved by the Council to the SRA board regarding water and sewer. The SRA plans to use a stab well for irrigation on site and they plan on utilizing a septic

system for the restroom. A section of ordinance dealing with sanitary (74-155) and water connections (74-122) was. In Sec. 74-122 – Connection to system required. It states “Premises within the Village in which water is used for any purpose and for which direct service connection to the Village water distribution system is available shall not be used or occupied unless the premises within the Village in which water is so used shall be connected to the Village water distribution system within 90 days after notification by the Village to the premises owner that there is an available Village water distribution system to which the owner can make a direct service connection”.

1. Pension Obligation Funding:

The Village currently has \$4,443,999.00 in liability and \$2,553,743.00 in assets leaving the fund \$1,890,256.00 under funded. The current funding ratio is 57% which has been at since 2009. The Village paid \$142,036.00 in pension costs which is what was required per actuarial from December 31, 2011. The recommended funding level is 80%. The only option the Village has is to increase funding, the question being how much per year (depending on the budget) and also, what is an acceptable percentage of growth per year. The Council at this time to 1%

1. Utility Rate Study:

e should be reviewing utility rates (sewer & water) on regular basis. Michigan Rural Water will perform a rate study free of charge because a member. come review the funds and meet with t he staff for about a one week period and then will provide a report on what based on the information provided. If they suggest a rate increase it does not mean the Village must implement that specific rate increase, they only provide the information. The rate study looks at equipment costs, maintenance and a number of other areas to determine what the true cost of system is. This is a large cost savings over hiring a private firm which would likely charge us \$7,000.00 - \$20,000.00 to perform a rate study. The Council would like Village Manager to schedule rate study.

1. DPW Storage Facility:

to construct a storage facility on the DPW property. This building is to store items from the various non-profit organizations in the Village. This project was discussed at the Village Council Meetings on July 15, August 12 and September 9,

2013 and they listed the old Ambulance Building at 195 Washington Street to help with the expense of building a new storage facility. It was discussed that any organizations using the facility would be renting the space.

1. Budget Timeline Discussion:

Village Manager showed a sample of timeline to make sure we have a plan that included Council input prior to the final budget being presented.

Capital Improvement Requests submitted to Village Manager – Monday, October 6, 2014
Village Manager/Finance Director Review Capital Improvement Request – October 6-17, 2014
Village Council Budget Work Session – November 3-14, 2014 as schedule allow (the Council would like it to be November 6-14, 2014)
Additional Budget Work Sessions – If necessary date in November/December
Public Hearing to Adopt Budget – Monday, December 8, 2014

1. DPW Supervisor Finalist Selection Committee:

This position closes on August 29, 2014, then the finalists will need to be selected for interviews. Village Manager does not mind selecting the finalists alone, but because this position has been discussed for a long time and Council is passionate about this position he would like a few council members and himself to make up a committee to select the finalists. After the finalists have been selected Village Manager will setup interviews and interview in the same format he used for the previous interviews. Village Manager is comfortable working through the process alone, but felt this was a good opportunity to work with council to understand what they view as the important qualities candidates should possess for Supervisor position. Councilmembers Hibbard and Whalen will be on the committee with Village Manager.

1. Any other long range items concerning the Village:

None were discussed at this time.

Public Comment: None.

5. Executive Session:

Moved by Taylor, supported by Whalen, to go into Executive Session at 9:02pm for the purpose to review written legal opinion.

Motion carried 7-0 by roll call vote.

Moved by Moody, supported by Whalen, to return to the regular session 9:44. Motion carried 7-0.

6. Announcements: None.

7. Adjournment:

Moved by Hibbard, supported by Moody, to adjourn at 9:45pm. Motion carried 7-0.

Pam Buchanan
Sparta Village Clerk