

## CALL TO ORDER

The regular meeting of the Michiana Village Council was called to order at 1:05 pm EST by Village President Beverly Bruesch.

## ROLL CALL

**Council members Present:** President Beverly Bruesch, President Pro-Tem Sheila Stein, Council member Hillary Herbst, and Council member George Hermelink.

**Council members Absent:** Council member Russ Ramage.

**Others Present:** Chief of Police Lyn Papke, Public Works Superintendent Rick Reitz, Treasurer Amy Hemphill, Building Inspector Bill Owens, Clerk Cathy Ganus; Don Hadley, Three Oaks Ford, and residents Richard Shepherd and Carol Shepherd.

**Motion by Stein, second by Herbst, to excuse Russ Ramage from the meeting. Voice vote showed unanimous approval, motion carried (4-0).**

## APPROVAL OF MINUTES

**Motion by Stein, second by Hermelink, to approve the minutes of the regular October 12, 2009 meeting as amended. Voice vote showed unanimous approval, motion carried (4-0).**

**Motion by Stein, second by Hermelink, to approve the minutes of the special October 28, 2009 meeting as amended. Voice vote showed unanimous approval, motion carried (4-0).**

## CORRESPONDENCE

### *Geoffrey Rogers Correspondence*

Ganus advised Village resident Geoffrey Rogers came in to the office and presented a copy of Michiana Village Building Permit # 2007-04 dated 03.01.2007 for 23 Mohawk. Mr. Rogers advised that the project was never started due to various problems and requested that the permit fee of \$6,200 be refunded to him.

Discussion ensued as to building permit refunds and whether they are allowable. The building permit states on its face that the "permit will become null and void if construction work is not started within six months of date the permit is issued as noted above". This item was placed on the table to allow Ganus to contact legal counsel regarding same.

## REPORTS

### *Treasurer's Report - Amy Hemphill*

Hemphill provided the following balances as of October 31, 2009:

General Fund	\$198,754.80	Fifth Third Bank
General Fund	\$146,430.61	Chemical Bank
Major Street Fund	\$ 71,972.85	Chemical Bank
Local Street Fund	\$ 50,497.49	Chemical Bank
Water Authority Fund	\$126,967.64	Horizon Bank
Water Authority Trust Fund	\$121,603.99	Horizon Trust
Building Fund	\$ 21,529.13	Chemical Bank
Capital Projects Fund	\$ 41,355.93	Chemical Bank

**REPORTS (continued)**

*Treasurer's Report – Amy Hemphill (continued)*

Hemphill provided the following balances as of November 30, 2009:

General Fund	\$192,371.40	Fifth Third Bank
General Fund	\$170,796.25	Chemical Bank
Major Street Fund	\$ 94,506.30	Chemical Bank
Local Street Fund	\$ 51,702.94	Chemical Bank
Water Authority Fund	\$199,064.74	Horizon Bank
Water Authority Trust Fund	\$121,975.16	Horizon Trust
Building Fund	\$ 25,465.78	Chemical Bank
Capital Projects Fund	\$ 41,366.13	Chemical Bank

Hemphill has been cleaning up the “Due To” and “Due From” accounts within the various Village funds and presented a list to the Council of the amounts owed to and from other funds.

Hemphill stated she has been contacted by Village property owner Richard Michaels regarding a check that was issued to him in 2005 for the refund of an overpayment of his 2005 Village taxes. Michaels advised that he had recently found the check and asked whether he could cash the check. Hemphill advised that he could not cash the check and contacted the Village auditor. At that time Hemphill was advised that the previous auditor had written the amount off as irreconcilable as opposed to escheating the amount to the State of Michigan as unclaimed property. Hemphill then requested authorization to issue a new check to Michaels.

**Motion by Herbst, second by Stein, to approve the issuance of a check in the amount of \$679.11 to Richard Michaels to replace a check sent from the Village for the overpayment of the 2005 taxes. Roll call vote showed unanimous approval, motion carried (4-0).**

Hemphill advised that the new employee health insurance carrier (Humana Insurance) would like to automatically withdraw (ACH) the monthly premium each month in lieu of a paper statement. If the Village would like to receive the paper statement, a \$20 fee will be assessed each month.

**Motion by Herbst, second by Stein, to approve the automatic withdrawal of funds (ACH) by Humana Insurance for the monthly employee health insurance premium in lieu of a paper statement. Roll call vote showed unanimous approval, motion carried (4-0).**

Hemphill reported that the employee Health Reimbursement Account (HRA) administrator (Superior State) will be responsible for the actual reimbursement of funds for the HRA and they require that a checking account be opened specifically for HRA funding. Hemphill suggested opening an account with Chemical Bank for this purpose and stated that there were no fees charged for the account. They also advised that they will need to have two signatures of Village Council members on the reimbursement checks and at this time they are requesting the Village supply them with two digital signatures of Village Council members.

Discussion ensued and all agreed to open the checking account at Chemical Bank.

**Motion by Stein, second by Herbst, to allow Health Reimbursement Account (HRA) administrator Superior State to use two Village Council members' signatures digitally for use with the Health Reimbursement Account (HRA). Voice vote showed unanimous approval, motion carried (4-0).**

*Building Inspector Report – Bill Owens*

Building Inspector Bill Owens provided his report. Currently twenty-three (23) permits are in various degrees of completion.

**REPORTS (continued)**

*Building Inspector Report – Bill Owens (continued)*

Owens advised that the Rowsell issues are getting cleared up (building permit # 2008-02) and he has issued the Certificate of Occupancy. He went on to state that landscaping issues will be addressed in the spring. Duneland Development, LLC (Rowsell's contractor) has constructed a mailbox in the Village right-of-way and Owens advised he informed Mr. McCormick (Duneland) that the structure needed to be removed.

At this time the Police Report was moved up on the agenda.

*Police Report – Chief Lyn Papke*

Papke presented the police report for the month of October, 2009. During that time, six hundred eighty point five (680.5) man hours were dedicated to the protection of the citizens of the Village of Michiana. No citations were issued, no arrests were made, and there were no assists to other departments nor ambulance assists. There was one (1) sign ordinance citation issued during this time. Six hundred forty-two (642) security inspections were conducted and four (4) alarm calls were received.

Papke presented the police report for the month of November, 2009. During that time, four hundred ninety-seven (497) man hours were dedicated to the protection of the citizens of the Village of Michiana. No citations were issued, no arrests were made, and there were three (3) assists to other departments and one assist from other departments. There was one (1) sign ordinance citation issued during this time. Six hundred thirty-three (633) security inspections were conducted and four (4) alarm calls were received.

Papke stated that the new 2010 Ford Expedition has been ordered from Three Oaks Ford and should be delivered before Christmas.

Papke went on to state that he has contacted the Berrien County Prosecutor's Office regarding harassing telephone calls received from a resident. The Prosecutor's Office is still reviewing the case at this time.

Papke advised that Jennifer Wrubel from Michigan Police Equipment has measured all three police officers for their new vests and these should be arriving within the next few weeks.

*[Chief Papke leaves at 1:44 pm EST.]*

It should be noted that shortly after Papke's departure, Don Hadley from Three Oaks Ford stopped in and gave a status update regarding the 2010 Ford Expedition currently on order by the Village. He stated that his estimated delivery date is December 21, 2009.

*Tree Inspector Report – Kris Wulff*

No report filed. Kris Wulff not in attendance.

*Water Authority Commission Report – Carol Shepherd*

Carol Shepherd reported that there is still a high amount of delinquent bills. Resolution # 2009-12 is on the agenda this date and it lays out the procedure for water service termination. Shepherd feels that the original ordinances were put into place and the Village should be following these ordinances.

*Ordinance # 14 – Establishing A Water Authority ...*

This shall be considered the second reading of the above listed ordinance that is proposed to be amended.

**REPORTS (continued)**

*Ordinance # 14 – Establishing A Water Authority ... (continued)*

**Motion by Herbst, second by Stein, to approve Ordinance # 14, an Ordinance To Establish A Water Authority; Providing for the Organization Thereof; Prescribing the Powers and Duties of said Authority as a Public Body and Prescribing for the Enforcement Thereof as read. Roll call vote showed unanimous approval, motion carried (4-0).**

*Ordinance # 24 – Regulation of Cross Connections with the Public Water Supply System (continued)*

This shall be considered the second reading of the above listed ordinance that is proposed to be amended.

**Motion by Hermelink, second by Stein, to approve Ordinance # 24, an Ordinance Regulating Cross Connections with the Public Water Supply System as read. Roll call vote showed unanimous approval, motion carried (4-0).**

Council was advised that there are approximately sixty-five (65) water meters that need to be replaced due to the inability to be read.

*Ordinance # 15 – Regulation of the Use of Water by the Property Owners of Michiana, Michigan, and Michiana Shores, Indiana, Payment for Sale and Penalties for Failure to Conform or Comply*

This shall be considered the first reading of the above listed ordinance that is proposed to be amended. The initial reading was conducted on July 13, 2009; however, the ordinance was amended, therefore prompting a new first reading.

*Ordinance # 22 – Establishing Rates, Charges, and Rules for the Use and Service of the Water Supply System of the Water Authority of the Village of Michiana, County of Berrien, Michigan.*

This shall be considered the first reading of the above listed ordinance that is proposed to be amended. The initial reading was conducted on July 13, 2009; however, the ordinance was amended, therefore prompting a new first reading.

*Public Works / Water Authority Report – Superintendent Rick Reitz*

Reitz advised that he has been in contact with Village resident Jules Laser regarding Mr. Laser's water billing. Mr. Laser had a water leak in the pool house area which resulted in a sizable water billing, which Mr. Laser is contesting.

Laser advised that his landscaping company (Down-To-Earth Landscaping) had shut the water off for the pool area for the winter and the water leak was the fault of the Village. Reitz advised that when the meter was read in April, 2009, public works employees found the water meter running and shut the water off as a courtesy.

Reitz presented a quotation for the servicing of the Water Authority generator. The quote was in the amount of \$592.66 and was provided by Cummins Crosspoint. It should be noted that Cummins Crosspoint serviced the generator the previous year as well.

**Motion by Stein, second by Herbst, to authorize the expense of \$592.66 for the servicing of the Water Authority generator by Cummins Crosspoint. Roll call vote showed unanimous approval, motion carried (4-0).**

## **REPORTS (continued)**

### *Public Works / Water Authority Report – Superintendent Rick Reitz (continued)*

Reitz advised that as of the date of the meeting, the public works department has picked up a total of ninety-four (94) loads of leaves within the Village. Reitz went on to request that he be allowed to proceed with RFP's for repaving East Court from Avalon Trail to Chickagami as well as the intersection of Choctaw and Grand Beach Roads.

At the Council's request, Reitz submitted a 'wish list' of items. Decisions regarding the purchase of any of the items was tabled to the next meeting. Reitz will investigate potential public works grants.

Stein had recently attended a neighboring community's meeting regarding shoreline preservation measures and suggested the Village look into shoreline preservation measures as well due to the rise and fall of the water levels in Lake Michigan. Reitz will contact the Army Corps of Engineers to obtain information.

*[Reitz left the meeting at 2:50 pm EST.]*

Water Authority Commissioner Carol Shepherd advised that she felt the meters listed on the no read list should be given first priority for meter replacement. Ganus advised that she had submitted the list of meters with problems to Reitz who advised then gave the list to his public works employees to address. In an effort to update the utility billing software, Ganus checked the list of meters changed (which is documented by the public works employees) against the list she had provided Reitz and as of November 30, 2009 found that only three (3) meters out of approximately sixty-five (65) meters had been replaced. Herbst requested that all meters on the no read list be installed by December 31, 2009. At that time Reitz returned to the meeting and was advised of the time limit imposed by the Council.

### *Finance Report – Richard Shepherd*

Rich Shepherd advised that the Finance Committee is still in the process of the reconciliation of the accounts in all Village funds so no report is available at this time. Ganus advised that the BS & A software will be up and running soon and this will give us a clearer picture of where the Village stands financially. Hemphill has been cleaning up the due to and due from other funds accounts to give a better idea of where the Village stands.

### *Clerk's Report – Cathy Ganus*

Ganus advised she had submitted a letter to the Indiana Department of Revenue in reference to the overpayment of sales tax from Indiana water customers for the period April through June of 2006 in the amount of \$15,721.22 and has filed a claim for reimbursement as well.

Ganus went on to state that she has received two (2) letters from Michigan Department of Treasury regarding a deficiency on the State of Michigan annual returns for tax year 2006 and 2007. Discussion ensued and the general consensus was to pay the amount due as the time and effort required to research these items would be extensive. Total due for 2006 amounts to \$432.03 and total due for 2007 amounts to \$3,197.29.

**Motion by Stein, second by Hermelink, to authorize the payment of taxes and penalties owed to the State of Michigan for employee wages for tax year 2006 in the amount of \$432.03 and tax year 2007 in the amount of \$3,197.29. Roll call vote showed unanimous approval, motion carried (4-0).**

Ganus suggested that Council members check out the website ([www.michianavillage.org](http://www.michianavillage.org)) for new and improved information.

**REPORTS (continued)**

*Approval of Bills*

**Motion by Stein, second by Hermelink, to approve General Fund check # 27395 to and including check # 275424 as well as check # 27500 to and including check # 27519 including four (4) electronic transfers totaling \$51,167.09. Roll call vote showed unanimous approval, motion carried (4-0).**

**Motion by Stein, second by Herbst, to approve Water Authority Fund check # 5526 to and including check # 5528 as well as check # 27300 to and including check # 27308 totaling \$22,673.25. Roll call vote showed unanimous approval, motion carried (4-0).**

**Motion by Stein, second by Hermelink, to approve General Fund check # 27520 to and including check # 27560 including four (4) electronic transfers totaling \$42,993.79. Roll call vote showed unanimous approval, motion carried (4-0).**

**Motion by Stein, second by Herbst, to approve Water Authority Fund check # 27309 to and including check # 27317 including one (1) electronic transfer totaling \$34,535.38. Roll call vote showed unanimous approval, motion carried (4-0).**

*Accounts Payable Request for Payment*

**Motion by Stein, second by Hermelink, to approve the December, 2009 accounts payable expenditures listing in the amount of \$131.98 from the General Fund. Roll call vote showed unanimous approval, motion carried (4-0).**

*Fire Report – Michiana Shores Volunteer Fire Department – Chief James Imes*

In the absence of Chief Imes, Bruesch provided the fire report for the months of October and November, 2009. There were no requests for assistance within the Village of Michiana for this time period.

Bruesch advised that she had received the proposed contract for fire protection services from the Michiana Shores Volunteer Fire Department for 2010 through 2014. The following payments were proposed:

Year 2010 / 2011	\$ 28,982
Year 2011 / 2012	\$ 29,851
Year 2012 / 2013	\$ 30,747
Year 2013 / 2014	<u>\$ 31,669</u>

**TOTAL CONTRACT FOR SERVICES      \$121,249**

Discussion ensued and many options were discussed. Bruesch advised that she had been advised by MSVFD personnel that approximately forty percent (40%) of MSVFD's budget comes from the Village of Michiana, Michigan and approximately forty-seven percent (47%) comes from the Town of Michiana Shores, Indiana.

This item was placed on the table to allow further investigation into the possibility of creating a special assessment district and the pursuit of additional options for funding.

**Motion by Hermelink, second by Stein, to accept the reports as presented. Voice vote showed unanimous approval, motion carried (4-0).**

*[Hillary Herbst leaves at 3:45 pm EST.]*

## OLD BUSINESS

### *Acceptance of Audit Report FYE 06.30.2009*

**Motion by Stein, second by Hermelink, to accept the audit report for fiscal year ending June 30, 2009 as presented by the State of Michigan, Department of Treasury, Local Audit and Finance Division, Bureau of Local Government Services as presented. Voice vote showed unanimous approval, motion carried (3-0).**

### *Second Local Revenue Sharing Board Payment*

Ganus advised that the Village has received the second payment from the Local Revenue Sharing Board. Discussion ensued regarding where to allocate the monies. Due to the economic situation, it was suggested that the monies be held as savings.

**Motion by Stein, second by Hermelink, to transfer the second payment received from the Pokagon - NBALRSB in the amount of \$36,430.75 from the General Fund to the Capital Projects Fund. Roll call vote showed unanimous approval, motion carried (3-0).**

### *Human Resource Manual – Paid vs. Unpaid Holidays / Overtime Computation*

Ganus requested that a clarification be made regarding paid vs. unpaid holidays for the hourly police officers as well as overtime computation for hourly employees. General consensus regarding overtime computation is that if the overtime is approved by the Village President then the hourly employee shall be paid at a rate of time and one half (½). Regarding the police department holiday pay, the following motion was made:

**Motion by Stein, second by Hermelink, to pay an additional eight (8) hours of pay to hourly police officers if the police officer is scheduled to work on a given holiday. Roll call vote showed unanimous approval, motion carried (3-0).**

**Motion by Stein, second by Hermelink, to authorize overtime for the Public Works hourly employees for snow removal and water emergency situations commencing December 15, 2009 through March 31, 2010. Roll call vote showed unanimous approval, motion carried (4-0).**

### *Health Insurance Requirement – Life Insurance & Standard Insurance*

As a requirement of Humana Insurance (employee health insurance), the Village must purchase life insurance for all full-time Village employees. In light of this requirement, it was determined that since the Village is required by Humana to purchase life insurance, the Standard Insurance life insurance should be terminated as there is no need for two (2) policies. It should be noted that the Standard Insurance policy did not qualify as fulfilling the life insurance requirement of Humana Insurance.

**Motion by Hermelink, second by Stein, to terminate the Standard Insurance employee life insurance policy. Roll call vote showed unanimous approval, motion carried (3-0).**

### *Salary Issue*

Discussion ensued regarding the issuance of merit increases to Village employees. It was determined that merit increases should be discussed during budget hearings in May of each year.

### *Annual Review (Fiscal or Calendar) / Payroll Adjustment*

Annual employee reviews shall be conducted in September or October of each year.

**NEW BUSINESS (continued)**

*Annual Review (Fiscal or Calendar) / Payroll Adjustment (continued)*

Bruesch stated she would like to hold back one (1) week of pay (arrears) to allow for the signing of checks but would like to make the transition when there are three (3) pay periods within the month (Ganus to investigate and advise).

**Motion by Stein, second by Hermelink, to adjust the employee pay period one (1) week in arrears with change to be determined at a later date. Voice vote showed unanimous approval, motion carried (3-0).**

**NEW BUSINESS**

*Contracting Leaf Pick-Up Services*

In light of the equipment breakdown and the costs of goods and services vs. revenues, it was decided that an RFP for contracted leaf pickup shall be submitted for proposal receipt. Ganus will draft RFP and a total of three (3) proposals shall be secured. Ganus will contact the neighboring communities to see how leaf pickup is handled in their communities.

*Cellular Communication*

This item was placed on the table to allow for further investigation.

*Hatfield Pest Control Contract*

The annual contract for pest control is due once again. Hatfield Pest Control has provided a quote for monthly pest control application / inspection for a one year period in the amount of \$706.80. There has been no increase in price since 2007. It should be noted that the Village receives a five percent (5%) discount for payment in full, which is included in the quoted amount.

**Motion by Hermelink, second by Stein, to approve a one-year contract with Hatfield Pest Control for monthly pest control application / inspection in the amount of \$706.80. Roll call vote showed unanimous approval, motion carried (3-0).**

*Resolution # 2009-06 – Investment Policy*

Ganus introduced the investment policy for the Village of Michiana which authorizes the Village Treasurer to invest Village funds in certain investments.

**Motion by Stein, second by Hermelink, to approve Resolution # 2009-06 – Investment Policy as presented. Roll call vote showed unanimous approval, motion carried (3-0).**

*Resolution # 2009-07 – Credit Card Policy*

Ganus introduced the credit card policy for the purchase of goods and services on behalf of the Village of Michiana.

**Motion by Stein, second by Hermelink, to approve Resolution # 2009-07 – Credit Card Policy as presented. Roll call vote showed unanimous approval, motion carried (3-0).**

*Resolution # 2009-08 – ACH/EFT Policy*

Ganus introduced the ACH/EFT policy regarding electronic transfers on behalf of the Village of Michiana.

**NEW BUSINESS (continued)**

*Resolution # 2009-08 – ACH/EFT Policy (continued)*

**Motion by Stein, second by Hermelink, to approve Resolution # 2009-08 – ACH/EFT Policy as presented. Roll call vote showed unanimous approval, motion carried (3-0).**

*Resolution # 2009-09 – Social Security Privacy Policy*

Ganus introduced the social security privacy policy for those persons conducting business with the Village of Michiana.

**Motion by Stein, second by Hermelink, to approve Resolution # 2009-09 – Social Security Privacy Policy as presented. Roll call vote showed unanimous approval, motion carried (3-0).**

*Resolution # 2009-10 – Purchasing Policy*

Ganus introduced the purchasing policy for the purchase of goods and services on behalf of the Village of Michiana.

**Motion by George Hermelink, second by Sheila Stein, to approve Resolution # 2009-10 – Purchasing Policy as presented.**

At this time Hermelink withdrew his motion. Bruesch to follow up on this resolution.

*Resolution # 2009-11 – Capital Asset Determination Policy*

Ganus introduced the capital asset determination policy.

**Motion by Stein, second by Hermelink, to approve Resolution # 2009-11 – Capital Asset Determination Policy as presented. Roll call vote showed unanimous approval, motion carried (3-0).**

*Resolution # 2009-12 – Discontinuation of Service – Water Utility Accounts Policy*

Ganus introduced the discontinuation of service – water utility accounts policy.

**Motion by Stein, second by Hermelink, to approve Resolution # 2009-12 – Discontinuation of Service Water Utility Accounts Policy as presented. Roll call vote showed unanimous approval, motion carried (3-0).**

*Resolution # 2009-13 – Accounts Payable Policy*

Ganus introduced the accounts payable policy.

**Motion by Stein, second by Hermelink, to approve Resolution # 2009-13 – Accounts Payable Policy as presented. Roll call vote showed unanimous approval, motion carried (3-0).**

*Police Commissioner Position*

A letter of interest had previously been submitted for the position of police commissioner with the Village; however, the applicant has withdrawn his letter.

*State of Michigan Driver's Subscription Service*

Ganus stated she met with Risk Control (the Village's new property and liability insurer Michigan Townships Participating Plan (Par Plan)) who advised that there is a subscription program available through the State of

**NEW BUSINESS (continued)**

*State of Michigan Driver's Subscription Service (continued)*

Michigan Bureau of Driver and Vehicle Records that allows the Village to submit the names and driver's license numbers of personnel on the Village's letterhead to participate in this program at no charge. Once enrolled, a copy of the individual's driving records will be sent to the Village whenever there is a change in the status of an individual's driver license due to a traffic violation. While enrolled in this program, the Village would only need to notify the Secretary of State when a new employee is added or to remove a former employee from the program.

**Motion by Hermelink, second by Stein, to enroll the Village of Michiana in the State of Michigan Driver Subscription Service. Voice vote showed unanimous approval, motion carried (3-0).**

**ANNOUNCEMENTS**

None.

**PUBLIC COMMENTS**

None.

**ADJOURNMENT**

There being no further business before the Council, the meeting was adjourned at 5:28 pm EST.

Cathy A. Ganus  
Michiana Village Clerk