

CITY COUNCIL MINUTES

City of Hillsdale
January 21, 2025
7:00 P.M.

Regular Meeting

Call to Order and Pledge of Allegiance

Mayor Pro Tem Joshua Paladino opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Pro tem Josh Paladino called the meeting to order. Clerk Price took roll call.

Council Members present:	Joshua Paladino, Mayor Pro Tem R Greg Stuchell, Ward 1 Jacob Bruns, Ward 1 William Morrissey, Ward 2 Matthew Bentley, Ward 2 Gary Wolfram, Ward 3 Bob Flynn, Ward 3 Robert Socha, Ward 4
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Council Members absent:	None
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Also Present: David Mackie (City Manager), Attorney Tom Thompson, Katy Price (City Clerk), Jason Blake (DPS Director), Brandon Janes (IT), Scott Hephner (HCPD/HCFD), Ginger Moore (Airport Manager), Chris Sumnar, Steve Boyd, Scott Sessions, Tom Siimes, Shelly Hebert, Missy DesJardin, Brian DesJardin, Jeff Fazekas, Doug Ingles.

Approval of Agenda

Councilman Socha requested adding New Business item D. Patrol Vehicle Purchase.

Motion by Councilman Socha, support by Councilman Morrissey, to add New Business D. Patrol Vehicle Purchase.

All ayes. Motion carried.

Councilman Socha requested funding options for airport be added to minutes for Old Business B. Airport Hangar Repair. Clerk Price has included them in the file.

Motion by Councilman Socha, support by Councilman Flynn, to approve the agenda as amended.

All ayes. Motion carried.

Public Comment

Jeff Fazekas commented on the airport hangar doors, improvements and funds.

Scott Sessions, 102 Coldsprings Cir., spoke on filling vacancy for Mayor in favor of an election.

Consent Agenda

- A. Approval of Bills
 - 1. City and BPU Claims of January 2, 2025: \$2,219,926.72
 - 2. Payroll of January 2, 2025: \$217,685.97
- B. City Council Minutes of January 6, 2025
- C. Finance Minutes of January 6, 2025
- D. LAC Minutes and Accessibility Plan of January 7, 2025
- E. BPU Bio-Solids Contract Extension
- F. BPU Secondary Collection Agency Agreement
- G. BPU Barber Lift Station Refurbishment

Motion by Council Member Morrissey, seconded by Council Member Flynn to approve the Consent Agenda as presented.

Voice vote, approved unanimously.

Communication/Petitions

- A. 2024 Code Enforcement Report
- B. Press Release: Match on Main – Grant Funding Opportunity
- C. Cemetery Spring Clean Up Flyer
- D. Toys for Tots Letter
- E. Sex Trafficking Report – Shelly Hebert
- F. Hillsdale County Commissioner Update – Doug Ingles

Shelly Hebert, Hillsdale Community Thrift, addressed council and presented a Sex Trafficking Report, giving stats and understanding to what Sex Trafficking is.

Doug Ingles, Hillsdale County Commissioner reported on Emergency Services Management Director selected. Bond Bids were accepted for the Emergency Radio Systems Communication. Discussion on Opioid Committee; calming corners, mindful technique option purchase for Public school classrooms in the amount of \$40,000 and the County Planning Commission.

Introduction and Adoption of Ordinances/Public Hearings

Old Business

- A. Mayoral Vacancy Election

City Charter Section 5.4(b) states, “Mid-term vacancies in the offices of mayor and council member shall continue to be filled for the unexpired portion of the term by election at the next regular state election.” Additionally, Section 641(1) of the Michigan Election Law [MCL 168.641(1)] provides that: “(1) Except as otherwise provided in this section, an election held under this act shall be held on 1 of the following regular election dates: (a) The May regular election date, which is the first Tuesday after the first Monday in May. (b) The August regular election date, which is the first Tuesday after the first Monday in August. (c) The November regular election date, which is the first Tuesday after the first Monday in November.”

The next regular state election is on May 6, 2025, as confirmed by correspondence between the County Clerk and Secretary of State’s office. This would have required the Council to approve an election at their January 6th meeting, which did not occur. The next regular state election is August 5, 2025. Candidates running for mayor will need to have nominating petitions turned into the City Clerk no later than April 22, 2025, at 4:00 pm. The cost to the city for each election is approximately \$6,000, unless another jurisdiction has an item to be placed on the ballot, in which case there would be a cost split. After discussing the matter with the City Attorney and City Clerk it’s believed that the following meets the intent of Charter Section 5.4(b):

Set the general election for August 5th and if a primary election is needed, that election would be held on August 5th and the general election would be held on November 4th.

Lengthy discussion ensued on charter and state terms of an election and council terms.

Motion by Council Member Flynn, seconded by Council Member Stuchell to set an election on August 5th, 2025 to fill the remainder of the Mayor’s term.

Roll Call:

Councilman Bruns	Nay
Councilman Flynn	Aye
Councilman Morrissey	Aye
Councilman Socha	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Aye
Mayor Pro Tem Paladino	Aye
Councilman Bentley	Nay

Motion passed 6-2

B. Airport Hangar Repair

In an effort to move the Airport towards self-sufficiency, at the encouragement of City Council, the Airport's staff prepared a detailed budget to repair all the remaining hangars and existing terminal at the Airport. Like the successful renovation of Corp. Hangar #2, previously approved by the City Council, the work would be handled by Airport staff for a not-to-exceed amount of \$105,000 from the Capital Improvement Fund - Facilities Improvement (401-900-000-975.044). The repairs will allow the Airport to increase rents and provide for an 8 year payback period per Option #2. Upon completion of the repairs and increasing of the rents the Airport will continue to reduce its dependence on the General Fund.

Additionally the Airport Revenue Projections, the Airport's General Fund Revenue and Expenditure Report from 2016 to 2025, the Airport Improvement Fund Revenue and Expenditure Report for 2016 to 2025 and the Airport's Capital Improvement Plan as on file with MDOT Aero. The reports demonstrate that we can reduce the Airport's reliance on the General Fund by \$50,000 starting with the 2025/26 budget. Further reductions will be dependent on additional revenue streams.

Discussion ensued on price of materials, hangar leases and rent fee schedule.

Further discussion ensued on what fund to use to pay for the hangar repairs either the Capital Outlay Fund or the Airport Improvement Funds.

Motion by Council Member Bruns, seconded by Council Member Bentley to approve the Airport hangar repairs out of the Airport Improvement fund in the amount of \$105,000.00.

Roll Call:

Councilman Flynn	Aye
Councilman Morrissey	Aye
Councilman Socha	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Aye
Mayor Pro Tem Paladino	Aye
Councilman Bentley	Nay
Councilman Bruns	Aye

Motion passed 7-1

New Business

A. Vested Risk Strategies Insurance Services Agreement

The City separated the payment of Vested Risk Strategies' services from that of the actual insurance premiums. The agreement is for one year. The amount, \$50,000, is the same as the last three years.

Chris Sumnar, VRS reported about insurance and coverage.

Motion by Council Member Socha, seconded by Council Member Morrissey to approve the service agreement with Vested Risk Strategies as presented.

By a voice vote, the motion passed unanimously.

B. Property and Casualty Insurance

Vested Risk Strategies summary for the renewal of our property and casualty insurance from Travelers for February 1, 2025 to February 1, 2026 was presented. Travelers is the City's current insurance carrier and their proposal is for a 4.44% premium increase, which totals \$358,299 vs our current year's premiums of \$340,934. The proposed increase is positive given commercial insurance rates raised over 6% in the third quarter of 2024. Together with our Advisor Compensation the total for our 2025-26 insurance would be \$408,299.

Motion by Council Member Socha, seconded by Council Member Morrissey to approve the proposed of property and casualty insurance as presented.

By a voice vote, the motion passed unanimously.

C. Dial-A-Ride Annual Funding

Each February the City of Hillsdale submits an application to the State of Michigan Department of Transportation (MDOT) to apply for financial assistance under Act 51 for public transportation known as Dial-A-Ride Transit (DART). The resolution outlined the anticipated balanced budget for the 2025-2026 fiscal year of \$401,907.00 and projected funding sources. This budget is similar but not necessarily identical to the budget Council will approve in June as it covers a different fiscal year (October 1, 2025-September 30, 2026). It is anticipated that we will receive 18.0% of operational costs from federal sources and 30.5895% from the state. The remaining 51.4105% will come from local sources (ticket fares, advertisement and general fund). The resolution also appoints Jason Blake, Public Services Director, as the Transportation Coordinator.

Motion by Council Member Morrissey, seconded by Council Member Socha to approve the Dial-A-Ride Resolution as presented. **Resolution # 3623.**

By a voice vote, the motion passed unanimously.

D. Police Patrol Vehicle Purchase

Chief Hephner, requested to purchase a patrol vehicle for the Police Department. Funds would come from the Public Safety millage. The requested vehicle is for a 2025 Chevrolet Tahoe 4WD police package vehicle from Berger Chevrolet Inc. at state purchasing contract price, \$53,984.00.

2025 Tahoe	\$53,984.00
Upfitting	\$16,719.51
Radar Unit	\$1,925.00
Graphics	\$485.00
Total	\$73,113.51

Motion by Council Member Bentley, seconded by Council Member Morrissey to approve the purchase of the 2025 Chevrolet Tahoe Police Patrol vehicle in the amount of \$73,113.51.

By a voice vote, the motion passed unanimously.

Miscellaneous Reports

A. Proclamations – None

B. Appointments- Officer’s Compensation Board – CJ Toncray, Cemetery Board – Adam Bentley, Local Advisory Board – Ryan Porter, Planning Commission- Jack Shelley
Reappointments- Airport Advisory Committee – Tom Siimes, Matthew Cheely, Kent Heise, Planning Commission- D. Kerry Laycock

C. Other - None

Motion by Council Member Flynn, seconded by Council Member Socha to appoint CJ Toncray to Officer’s Compensation Board.

By a voice vote, the motion passed unanimously.

Motion by Council Member Flynn, seconded by Council Member Stuchell to appoint Adam Bentley to the Cemetery Board.

By a voice vote, the motion passed unanimously.

Motion by Council Member Morrissey, seconded by Council Member Socha to appoint Ryan Porter to the Local Advisory Committee.

By a voice vote, the motion passed unanimously.

Motion by Council Member Socha, seconded by Council Member Morrisey to appoint Jack Shelley to the Planning Commission.

By a voice vote, the motion passed unanimously.

Motion by Council Member Socha, seconded by Council Member Morrisey to reappoint Tom Siimes, Matthew Cheely and Kent Heise to the Airport Advisory Committee.

By a voice vote, the motion passed unanimously.

Motion by Council Member Socha, seconded by Council Member Morrisey to reappoint D. Kerry Laycock to the Planning Commission.

By a voice vote, the motion passed unanimously.

General Public Comment

None

City Manager Report

Manager Mackie winter property are payable without penalty and interest by February 14 2025, after February 28, 2025 delinquent taxes are payable to the Hillsdale County Treasurer Office.

Residents need to clear sidewalks and remove cars from the streets when four (4) or more inches fall.

There are a handful of RFP and bid opportunities out and can be found on the City's website and on the MITN website.

Council Comment

Councilman Bentley asked Commission Ingles about the sensory classroom at the Board of Commissioner's meeting.


Councilman Flynn thanked everyone that attended the Road Diet meeting, he briefly discussed a few options that the public liked and disliked about the proposed plan.

Adjournment

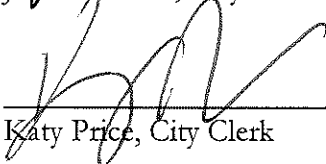
Motion by Councilmember Flynn, seconded by Councilmember Socha to adjourn the meeting.

By a voice vote, the motion passed unanimously.

The meeting Adjourned at 9:04 p.m.



Josh Paladino, Mayor Pro-Tem



Katy Price, City Clerk