

## TONTOGANY VILLAGE COUNCIL

### MEETING MINUTES FROM: June 17, 2024

Council called to order in regular session at 7:00 p.m. with Mayor Matthew Shanahan presiding. Opening ceremony: Pledge of Allegiance to the Flag, led by Mayor Shanahan. Roll call of members: Brenda Mackey, absent; Connie Mehring, here; Mark Smith, here; Robert Bergfeld, absent; Lincoln Fox, here. Also present was Village Solicitor Paul Skaff and Fiscal Officer/Utilities Clerk Ryan Harnishfeger. Minutes from the June 3<sup>rd</sup> meeting were approved as submitted.

**FINANCE and CLAIMS:** A spreadsheet of the current invoices was reviewed and approved by members. Councilman Smith remarked about Utilities Superintendent Johnson's extra hours submitted for payroll that he was surprised that the lead survey only took 88 hours. Mayor Shanahan said that he was thinking the same thing. Councilman Fox stated that he didn't think they checked his water line, because he saw no evidence of dirt. The mayor replied that they didn't get his either because they couldn't get the lid off. He also told members that Mr. Johnson had said that homes built after a certain date didn't have to be tested, because they were confident that copper lines were used on those newer homes. Councilman Smith made a motion that these bills be allowed and orders drawn for same. Councilwoman Mehring seconded this motion. All were in favor; motion carried.

Mayor Shanahan did a first reading, by title only, of Ordinance #975-24, AN ORDINANCE TO PROVIDE FOR THE COST AND EXPENSE OF PROVIDING FOR THE REMOVAL AND SPECIAL TREATMENT OF SHADE TREES FOR THE PURPOSE OF CONTROLLING THE BLIGHT AND DISEASE OF SAME; AND FOR PLANTING, MAINTAINING, TRIMMING AND REMOVING SHADE TREES IN AND ALONG THE STREETS AND WITHIN THE PUBLIC RIGHT OF WAY OF THE VILLAGE. Fiscal Officer Harnishfeger asked if members were still good with a special assessment amount of \$5,000 for this ordinance for tax year 2025. Members all voiced agreement with \$5,000 as the amount to assess.

Mayor Shanahan did a first reading, by title only, of Ordinance #976-24, AN ORDINANCE TO PROVIDE FOR THE COST AND EXPENSE OF THE LIGHTING OF THE STREETS, ALLEYS, WAYS, AND OTHER PUBLIC PLACES OF THE VILLAGE OF TONTOGANY. Fiscal Officer Harnishfeger asked if members were still good with a special assessment amount of \$4,000 for this ordinance for tax year 2025, as previously discussed for the Estimate of Revenues adopted on 5/20/24. Members all voiced agreement with \$4,000 as the amount to assess.

Fiscal Officer Harnishfeger reported that Councilwoman Mackey had emailed him a quote From Renewed Outdoors, LLC for 6 inches and 4 inches of mulch at the parks. At Centennial Park, 6 inches would cost \$5,390 and 4 inches would cost \$3,626. At Mehring Park, 6 inches would cost \$4,802 and 4 inches would cost \$3,185. The expiration date of the quote is July 7, 2024. Councilman Fox reminded everyone that we had talked about seeking a park grant for mulch; however, we would not get that until next year, so we would need to ask for another quote at that time. Councilman Smith added that we had talked about moving some things around at the park and we will need a little time to get that figured out.

Fiscal Officer Harnishfeger reminded members that he had emailed them information about our 36-month CDARS investment of \$180,000 through Huntington Bank, which came to maturity on June 13. He said that Huntington had wanted us to decide on a reinvestment term by June 11, in order to reinvest without having any trade date lag. However, he had told them that Council needed to make the decision and our next meeting would be on June 17. The bank then provided him with terms and rates that should hold until Council could make the decision on the 17<sup>th</sup>, followed by him making the decision known to the bank on the 18<sup>th</sup>. Mr. Harnishfeger went over the offered terms and rates: 3 months at 5.05% (which would yield \$2,272.50); 6 months at 5.00% (which would yield \$4,500); 12 months at 4.90% (which would yield \$8,820); 36 months at 4.40% (which would yield \$23,760). He reported to members that Councilwoman Mackey had emailed him that she would not be at this meeting, but she would be amenable to changing our investment to 6 months at the 5% rate. Mr. Harnishfeger

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commented that, in his view, an important consideration in choosing investment terms is having an idea of where rates are likely to go in the future. For instance, if you choose a 6-month term at 5%, but then the rate goes down to 4% for the next 6 months, you will have less return than if you had chosen 12 months at 4.9%. However, if the rates go up, you would be ahead. Another thing to consider is that whatever term and rate you choose, you are assured to get returns at that rate for the whole term. As the saying goes, "A bird in the hand is worth two in the bush." Mr. Harnishfeger told members that he recommended at least a 12-month term. Councilman Fox asked if this was a rainy day fund. Mr. Harnishfeger answered that it is not, but it is just surplus money that the Village has kept invested over the years to allow it to earn some interest and not just sit there. He added that in the past we had it in a money market account, but in more recent years the bank has advised us to invest it in CDARS accounts. Mr. Fox asked what the rate was on the money market. Mr. Harnishfeger answered that he did not remember, but that was many years ago. Then the COVID pandemic weakened the economy to the point that the best investment term and rate we could get the last time around was 36 months at 0.25%. Clearly, the rates are much better this time around for any of the term options. Mr. Fox remarked that, in his opinion, our choice is a no-brainer, since the rates are currently at a historic high. He reasoned, therefore, that the rates are likely to come down over the next year or two, and the rates offered by the bank will come down as well. He asked if the CDARS investment ties up the money so you can't have access to it. Mr. Harnishfeger answered that the money can still be accessed if you need it in an emergency, but there would be a slight penalty for withdrawing it early. Mr. Fox commented that his gut feeling is that we should go with the 36-month term, with a potential of making a total of nearly \$24,000. Solicitor Skaff commented that an announcement was made last week that there will be one rate cut yet this calendar year, so, sometime in the next six months it is going to go down. After a little more discussion, members decided that the safest term to choose would be the 36-month term at 4.40%, with a known outcome of good returns for the Village that far into the future.

**ZONING:** Mayor Shanahan told Solicitor Skaff that Brian Owens resigned as zoning inspector, effective at the end of June. The mayor reported that Chad Johnson had said he would help with zoning, so, if we get any zoning questions, we can refer them to Chad for now. The mayor added that we had another gentleman who has expressed some interest in some of our open positions. He said that he reached out to the gentleman, who is a township resident, regarding the zoning inspector and village administrator positions, but he has not heard back from him yet. Solicitor Skaff asked if he is the zoning inspector for the township. The mayor replied that he thinks so. Councilman Fox asked who does zoning for Weston, and he commented that maybe they would be willing to cross over and do ours too. Solicitor Skaff commented that he was familiar with Weston's zoning inspector and that he was very good at it. Mr. Fox asked if the mayor would like for Solicitor Skaff to email Weston's zoning inspector about our need. The mayor responded that he would like to touch base with Chad first to see what his thoughts are about resuming the position for the Village.

**UTILITIES:** Mayor Shanahan reminded members that we had a report of a street light out in Harley Woods.

Councilman Smith stated that he thinks a big thing we need to focus on right now is, where we are on the backflow improvements for the master meter pits. The deadline to spend the ARPA money that we have saved for several years is the end of this year. Mayor Shanahan added that we approved the quote. Fiscal Officer Harnishfeger reported that he had some time ago had an email exchange with Feller, Finch Engineer Dave Kuhn, who told him they would get our project in the queue and would be able to get contractors in to complete the work by this fall. Mr. Harnishfeger said that he had tried to make it clear to Dave Kuhn that we would lose our ARPA money if we don't get it committed by the end of this year, which we don't want to happen. The mayor asked Mr. Harnishfeger to reach back out to Dave Kuhn for an update of where things are on the project, and to copy the mayor on the email.

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Councilman Smith reported that Utilities Superintendent Johnson had said that the lead line work is done and there were no lead lines in town.

Councilman Fox asked if we had talked to Bowling Green about power outages or if we were expecting any, with the heat wave coming through. Mayor Shanahan answered that, to his knowledge, we haven't had that conversation with them. He also commented that we had one outage at the corner of North Street and Tontogany Road, which happens about every year.


**STREETS and ALLEYS:** Nothing to report.

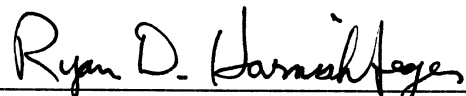
**SIDEWALKS and TREES:** Mayor Shanahan reported that he received a text, asking if we could trim the trees by the church at Broad and Washington Streets. Councilman Smith responded that we usually do that about every year and he will see that we get it done.

**DRAINS and SEWERS:** Councilman Fox asked what we decided to do about the trash cans. Mayor Shanahan answered that we decided to look at it weekly and he had looked and not found much in the one at Doc's. He reminded members that the rain is a key factor in creating a problem. Councilman Smith remarked that we may need to find a better trash container system for downtown. The mayor said that he had talked with the maintenance gentleman from Grand Rapids. The gentleman told him that they have a similar problem to ours and that he would like to get rid of public trash cans and leave it up to the businesses to put out their own trash cans.

**CITY HALL and PARKS:** Councilman Smith reported that we had a bug problem of ants and flying ants at the hall. Mayor Shanahan added that the exterminator came and sprayed on Friday, but Fiscal Officer Harnishfeger emailed him today that he still found bugs on and around the hall windows and elsewhere. The charge for the initial spray was \$150 and then a proposed \$50 per month for a monthly service. The mayor said that he told Mr. Harnishfeger to call the exterminator back, let him know what we found today, and get his expert opinion on the best course of action. Mr. Smith commented that the initial treatment was only on the outside of the building, because no one was here to let him in to do the inside. Mr. Harnishfeger said that he used some ant spray that we keep at the hall to spray the live ants and flying ants that he found, and it seemed to do the trick; no more appeared by the end of the day. Councilman Fox suggested that we might want to try some of the little ant bait products where the ants take it back to the nest and it kills off the nest. Mr. Smith suggested that it might be a good idea to get the exterminator on a schedule to come when someone is here, so he can spray inside; we don't want to have an ant problem with guests renting the hall. He also commented that the exterminator only does treatments for bugs in the warm months of the year, not in the winter.

With nothing further to discuss, Mayor Shanahan declared the meeting adjourned at 7:37 p.m.

  
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Matthew Shanahan, Mayor

  
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Ryan Harnishfeger, Fiscal Officer