

MONTROSE CITY COUNCIL REGULAR MEETING MINUTES

January 12, 2017

CALL TO ORDER

Mayor Colleen Brown called the regular Council meeting to order at 7:00 p.m. The meeting was held at the Montrose City Office located at 141 Parkway Drive, Montrose.

ROLL CALL

Present Council Members were Mayor Colleen Brown, Christy Sanborn, Robert Arnold, Mark Richard, Tom Bigelow, and Debbie Gross. Also present were City Deputy Clerk/Treasurer Chrystal Raible, City Attorney Otis Stout, City Manager Neil Rankin and 13 citizens. Eldon Dunklee entered at 8:00 p.m. and departed at 9:04 p.m.

PLEDGE OF ALLEGIANCE TO THE FLAG: Mayor Brown led the Pledge of Allegiance.

APPROVAL OF AGENDA (There wasn't any check disbursement handouts):

- **MOTION** by Richard **SECOND** by Bigelow to approve the agenda. All Ayes. Motion Carried.

CITIZEN OF THE MONTH

1. *THE MONTH OF JANUARY 2017, ED AND TERRI SOPER:* Mayor Brown thanked Ed and Terri for their service to the community, also for serving on two of the boards and doing an excellent job.
2. *CHOOSE A CITIZEN OF THE MONTH FOR THE MONTH OF FEBRUARY 2017*
 - **MOTION** by Arnold **SECOND** by Sanborn to nominate Jerry Mears as Citizen of the Month for the month of February. All Ayes. Motion Carried.

PUBLIC HEARINGS:

1. *2017-2021 CITY OF MONTROSE PARKS AND RECREATION PLAN*

Mayor Brown opened the public hearing at 7:04 p.m. entertaining questions and/or comments from the public but there were none. Mayor Brown closed the public hearing at 7:04 p.m.

PRESENTATIONS:

1. *MONTROSE TOWNSHIP – PUBLIC SAFETY CONTRACT*

Mark Emmendorfer from the Montrose Township discussed the details of the new contract and answered any questions. With the City cutting the police budget to \$120,000 there would be cuts in the services the Township would provide the City. Mayor Brown asked if this contract was negotiable. Emmendorfer replied he did not want to put a dead end to it but they worked hard to create a contract that would be in the best interest of the both the City and the Township. The contract is a six month contract that would take the City to the end of their fiscal year allowing both parties to determine if the contract would work for the City and the Township. He further stated there are tangible things the Township provided to the City over the course of the contract that the Township does not charge for such as, a liaison officer in the school, paying \$6,000 a year to have an ambulance company in town, also, since the township supports the police department, the City does not pay dues to FANG but has access to its services.

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The new contract allows for thirty-five hours of police protection per week, but anything outside of that will be a \$42.00 per hour charge. Council Member Bigelow explained why this is a six month contract is to determine if this is a viable contract. Currently the City cannot sustain the \$300,000 per year for 24 hour police protection without hurting the general fund. Mayor Brown stated the City is changing from 24 hour coverage to 5 hours per day coverage. Bigelow said 5 hours a day of patrol. The police will respond to a priority one call immediately no matter when at \$42.00 per hours charge. Mayor Brown stated there are a lot of services being cut with the new contract. Council Member Sanborn questioned the difference between a priority one call and priority two call. Chief Ellis responded a priority one call is any in-progress call such as a B&E, armed robberies, assaults, domestics, any in-progress call. If a child runs away that is a priority two call. They will not take this call right away, unless it is an Amber Alert where the child has been kidnapped then they will do anything they can. If your child is just mad at you and runs away, it will be until the next morning until they get there. A stolen car, if you see someone is driving it out the driveway, they will respond right away. If you don't see it, they will come later. Council Member Sanborn questioned if someone had broken in her home while she had been away, they are not actively robbing her but someone has been there, that would be a priority two? Chief Ellis responded yes, that would be a priority two and they would come the next morning. Emmendorfer said they are trying to create some forms that can be filled out at the office for people to report robbery. Mayor Brown said that the contract also said the police will not investigate these. Emmendorfer said exactly, they don't have the resources to do that unless the City pays \$42.00 an hour every day for a guy. Council Member Gross questioned the number of calls that were reported and a rough estimation of what types of calls come in and the estimated cost of those calls. Chief Ellis said it depends on the type of call that comes in that would determine the amount of time spent on it along with court time all being at \$42.00 per hour. Priority one and two calls were brought up again and Emmendorfer said they will not respond to priority two calls. Mayor Brown questioned who responds to priority two calls. Emmendorfer said whoever has priority two calls and if you want a complaint for insurance claim, you will have to go to the police station. Mayor Brown requested a better understanding of what happens when the township police don't answer. The response was it depends on what you're calling for. Mayor Brown stated that the City is cutting \$120,000 from the budget and we're losing so much in this contract. Emmendorfer said that the township provides the City with a lot more than what the \$300,000 covers. Council Member Gross questioned why negotiations weren't being done prior to the contract being renewed with what types of services the City wanted for the amount of money being budgeted. Mayor Brown said that Tom Bigelow and Neil Rankin have been talking with them. Council member Bigelow said that council agreed that there would be cuts in police and fire protection because they did not want to cut the employees to less than 40 hours a week. The reality is this is what we have to work with. Council Member Sanborn asked if the times the police are to be in town (6:00 p.m. through 11:00 p.m.) set in stone or can the statistics be looked at to see when the police are most needed in the community. Chief Ellis said they can look at the statistics to see. Mayor Brown asked if the Township would be willing to continue on a month to month until the board can come to a decision. Emmendorfer said yes.

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2. *BERTHIAUME AND CO. PRESENTATION OF THE 2015-16 FINANCIAL AUDIT*

Ken Berthiaume from Berthiaume & Company explained he is the City of Montrose's new auditor. He said he received excellent cooperation from the City staff. Berthiaume and his associate were on site for field work in October. They finished up in December. The delay was in two areas, one was the OPEB evaluation wasn't ready; however, it is done now. The other area was there was additional analysis needed in certain areas where adjustments needed to be done. There were 34 adjusting journal entries and 5 reclassification entries. Berthiaume wanted to briefly review the audit report. He said the Independent Auditor's Report, which is the auditor's opinion on the financial statements based on the audit, is an unmodified opinion, and the statements are fairly presented in accordance with the Governmental Accounting Principles. He further stated on the Statement of Net Position in Governmental Activities the City is showing an unrestricted deficit net position balance of \$312,248.00. The pension liability has basically caused this deficit. In the Business-Type activities there is only \$10,000 in unrestricted net position. The pension and OPEB liability together represent City's largest liability of \$1.7 million. The fund balance sheet totals \$426,000. Of this, \$361,000 is for General Fund, and there are no deficits. The Statement of Revenue and Expenditures had a change of \$104.00. The general fund spent \$780,000. The fund balance went down \$37,000 last year. He said the statements reflect well on control of the budget and closely match the revenues. The water and sewer funds together have a balance of \$282,000 with an increase of about \$224,000 for these two funds. These funds report about a million in cash, but the problem is the City has a million dollar of pension and OPEB liability which brings the net position down to the \$10,000. The pension and OPEB is a long term liability, so that is good. The City is not in that bad of shape. He further discussed the MERS and OPEB and then entertained any questions.

*Member Dunklee entered the meeting at 8:00 p.m.

REPORTS

1. *POLICE & FIRE DEPARTMENT REPORTS FOR NOVEMBER AND DECEMBER: On file at city office*

2. *GEORGE BROWN INSPECTION SERVICES: On file at city office.*

Bigelow asked why the sidewalk is still taped off. Arnold replied that there are bricks falling off the building. Neil Rankin said he has sent a letter to the property owner to notify him and is working with George Brown to actually condemn the building. Rankin has received a phone call from the property owner's son.

PUBLIC COMMENT ON AGENDA ITEMS: NONE.

MATTERS OF COUNCIL ACTION

1. *APPROVAL OF THE 12/1/2016 CITY COUNCIL REGULAR MEETING MINUTES*

Richard said there were some amendments, such as an "s" on his last name in several places. Bigelow said he was put down as present and absent at the meeting. Bigelow was absent.

- **MOTION** by Richard **SECOND** by Bigelow to approve the December 1, 2016 City Council Regular Meeting Minutes. All Ayes. Motion Carried.

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***NOTE: Agenda item added onto the Agenda at this meeting:**

ADD AN ITEM 13 TO APPROVE OR DISAPPROVE TOM BIGELOW'S ABSENCE AT THE DECEMBER 1, 2016 MEETING.

- **MOTION** by Richard **SECOND** by Arnold to add item 13 to agenda to approve Bigelow's absence. All Ayes. Motion Carried.

2. **APPROVAL OF CHECK REGISTER & TREASURER REPORT:** Gross questioned the attorney fees for the month of December and if the total paid was \$600.00. Rankin replied yes. She further questioned if it all was being paid out from the general fund. Rankin replied it is a combination of general fund for council meetings and the rest would be coming out of legal costs from the police fund. She also asked if any of his fees come out of the Depot fund. Rankin said no but she could discuss it with the City Clerk to confirm.

- **MOTION** by Arnold **SECOND** by Bigelow to approve to pay bills as submitted. Roll Call Vote: Dunklee – Aye, Gross – Aye, Sanborn – Aye, Arnold – Aye, Richard – Aye, Bigelow – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

3. **PUBLIC SAFETY CONTRACT:** Rankin started out by saying this contract is not ideal for the City or for the Township but it is a work in progress. If the contract doesn't work out there are other municipalities the City can approach. But the proximity of the Township and the City has been beneficial. A millage is needed and this is how the Township is funding their police protection. Bigelow said the council made a choice that this is the money the City had to work with in the budget for police protection. Bigelow said he and Neil Rankin went to the Township with this amount and asked the Township what the City can get for this amount. Mayor Brown said that at \$300,000 the City was getting 168 hours a week police protection plus services and now at \$180,000 it dropped to 35 hours a week for police protection with no services. Arnold said in his opinion the City is better off doing this for a year, setting up a committee to look at all options, such as a mileage, get public opinion and do a serious study on this. Mayor Brown said her feeling at this point is she does not think they are ready to accept this draft as presented. Sanborn is concerned with what is being cut from the contract, especially that MTPD will no longer be providing inspections required under the Michigan liquor control law within the City. She further stated we are on the cusp of medicinal marijuana licensures becoming available and if the City of Montrose decides to put in an ordinance to allow the licensures there will not be any inspections on those licenses. She's also concerned with the hours of service.

Gross suggested putting together a wish list of what the board wants for the City and taking this to the Township to negotiate. Bigelow said we didn't get this contract because we liked it but because we are hurting for the money. We are at the limit that left about \$40,000 in the general fund if we stay at the current rate. We talked in this council about how this was going to hurt, we're going to lose services, and people will be mad. Bigelow further stated we have three options, to approve the contract as is, continue at the same rate, or find a revenue stream for the police and fire. Rankin recommended a plan of action such as crossing off a few things you don't like the language of, go from month to month to see how it plays out, change the times of patrolling, and get an idea of areas of concern. Mayor Brown proposes to go from month to month until the next meeting. Gross suggested a special meeting in which they talk

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only about the police contract. Sanborn suggested we continue the 24/7 until end of fiscal year, during that time put out request for proposals to neighboring agencies to show we are interested what services are available and the cost for those services, also look at the data for the City and the times that are needed for those types of coverage, look into what a millage would do, have a town hall meeting to get the citizens' opinion, and start out the next fiscal year knowing what we are doing.

- **MOTION** by Sanborn **SECOND** by Arnold to have Neil talk to the township to see if there can be an agreement to extend our 24/7 service to the end of business of April 15th, in that time we will do requests for proposals for police service and have a special meeting on the books for next week to discuss this further and everybody will bring their wish lists at that time, continue those special meetings as necessary, and continue negotiations with the Township, and also investigate what a millage would entail. Bigelow – Aye, Sanborn – Aye, Gross – Aye, Richard – Aye, Arnold – Aye, Dunklee – Aye, and Mayor Brown - Aye. All Ayes. Motion Carried.
- **MOTION** by Richard **SECOND** by Arnold to hold a special meeting Tuesday, January 17th at 7:00 p.m. to discuss police contract moving forward. All Ayes. Motion Carried.

*Member Dunklee left the meeting 9:04 p.m.

4. **TREASURER CONTRACT:** Rankin stated the treasurer has been here over a year now and is part time. The contract is providing her with seven days of vacation time, with a pay raise, and holiday pay. City Manager Rankin is recommending to move the treasurer to a one-year contract. Mayor Brown questioned the teamster supervisor employment contract comment. Rankin said he will fix that. Another section concerning time off during normal office hours, the City Manager deems appropriate for time off during normal office hours not the treasurer. Remove the part that reads about buying vacation time from employees, the City no longer does this. Change wording to match personal policy on funeral leave. Holiday pay only reflects holidays that fall on a normally scheduled work day.

- **MOTION** by Gross **SECOND** by Richard to accept proposal for one year contract as presented with the changes and corrections to contract. Arnold – Aye, Richard – Aye, Sanborn – Aye, Gross – Aye, Bigelow – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

5. **POLICY OF OVER/UNDER PAYMENT/TAX PAYMENT:** City Treasurer Raible said the current over/under payment policy is \$1.00. She would like that to be increased to \$5.00. This \$1.00 amount is too little and can cost the City more to create a check for the overage and to send out a notice for the shortage.

- **MOTION** by Richard **SECOND** by Bigelow to adopt the \$5.00 over/under payment. Richard – Aye, Bigelow – Aye, Sanborn – Aye, Gross – Aye, Arnold – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

6. **APPROVAL OF 2017-2021 PARKS AND RECREATION PLAN:** Rankin brought copies of the plan. He added the comments that were provided from the surveys that were completed. The new affidavits were also added as well. It can still be modified and updated.

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- **MOTION** by Gross **SECOND** Sanborn by to accept the Parks and Rec Plan as presented. All Ayes. Motion Carried.

7. *PERFORMANCE RESOLUTION FOR GOVERNMENTAL AGENCIES*: Rankin explained this is a regular document the City uses for who can pull permits for MDOT. It was changed this year removing Nick and adding Sam, Tina, and Neil.

- **MOTION** by Gross **SECOND** by Richard to accept the updates for Performance Resolution for Governmental Agencies as presented. Bigelow – Aye, Gross – Aye, Sanborn – Aye, Richard – Aye, Arnold – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

8. *ANNUAL REVIEW OF CITY COUNCIL RULES OF PROCEDURE*: Rankin made the adjustments to the rules and procedures from last month. Gross pointed out that the update to remove ‘the attorney to mediate a resolution to a dispute’ was not done. Mayor Brown said that this is referring to the agenda preparation. Gross said we work on the agenda, we make the decisions, we vote on the decisions, so ultimately the decisions lie with this board. We don’t need a City Attorney to mediate. Discussion ensued saying that the attorney would only mediate a dispute when a council member wants to put items on the agenda prior to a council meeting and the City Manager declines it before an agenda is posted.

Rankin said he will add public comment back to the beginning and the end of the agenda.

- **MOTION** by Arnold **SECOND** by Richard to adopt with said changes. All Ayes. Motion Carried.

9. *ANNUAL APPOINTMENT TO THE VARIOUS BOARDS*: Mark Richard said he would continue to be Council Rep to Planning Commission. Bob Arnold said he would continue to be Council Rep to Z.B.A.

- **MOTION** by Bigelow **SECOND** by Sanborn to keep Mark Richard and Bob Arnold on their current boards positions for the next term. All Ayes. Motion Carried.

Neil Rankin is to call those on the Planning Board, DDA, and Election Commission whose terms are ending January 31st, 2017 to see if they wish to continue serving. Christy Sanborn volunteered to be a delegate for The Genesee County Small Cities and Villages Association. Mayor Brown is the alternate.

- **MOTION** by Gross **SECOND** by Bigelow to nominate Christy Sanborn to the Genesee County Small Cities and Villages Association. All Ayes. Motion Carried.

10. *APPROVAL OF RFP FOR WATER MAINTENANCE*: Rankin said we had a number of RFP’s for Emergency Services, since we only have a two person DPW. A couple things they were looking for was proximity, what kind of equipment they had, especially a vac truck and directional boring equipment. Rohde Bros. Excavating, Inc. had all these options. Mayor Brown was disappointed none of the other bids were brought to council and only one proposal was brought. Bigelow questioned how many bids were received and Rankin replied six. Rankin said there was a lot of different pricing and equipment and they were trying to narrow it down to what is needed. Martha and George Brown had submitted a bid and were present. They wanted to know why all the bids were not considered and brought to council. Council would

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like the top three bids brought to the next council meeting for consideration along with Sam Spence (DPW) presenting why he wants certain services.

- **MOTION** by Richard **SECOND** by Bigelow to bring top three recommended bids for water maintenance to next council meeting. All Ayes. Motion Carried.

11. DIRECTION AND DISCUSSION ON BUSINESS LICENSE APPLICATION/ORDINANCE: Rankin emailed the fire chief for how often should be doing a business license. George Brown Inspection Services recommended a two-year contract. It was brought up at the DDA meeting that we should provide businesses a window of time to apply for a permit at no cost. After that those business that are clearly operating without a permit would be subject to the fee and potential fines. It was discussed the window could be sixty days, and the license would be good for two years. It was further discussed that a certified fire inspector and a building inspector is needed to inspect each business with one inspection fee. This means the license fee needs to include the costs of the inspectors. The costs of the inspectors need to be determined for an initial inspection and a follow-up inspection.

12. APPOINTMENT OF CONNOR PANGLE TO PLANNING BOARD: Rankin stated Connor Pangle submitted an application and was at the last Planning meeting and expressed interest.

- **MOTION** by Gross **SECOND** by Richard to appoint Connor Pangle as presented. All Ayes. Motion Carried.

13. TO APPROVE OR DISAPPROVE TOM BIGELOW'S ABSENCE AT THE DECEMBER 1, 2016 MEETING

- **MOTION** by Richard **SECOND** by Gross to approve Tom Bigelow's absence. All Ayes. Motion Carried.

PUBLIC COMMENT ON NON-AGENDA ITEMS: Ray Foust commented he will be around a little bit longer and can remain on the Board of Review.

- **MOTION** by Richard **SECOND** by Arnold to appoint Ray Foust to the Tax Board of Review. All Ayes. Motion Carried.

Ray Foust said he got an award from the Michigan Cannabis Development Association for all his support in getting the laws passed for medical marijuana. He commented on the policing of medical marijuana, they are required to have their own on site security 24/7, and there has to be structure and limited access. The State is going to be checking the licensing and going to control the regulations. The product has to be certified and tested. They are not going to let you apply for a license until November this year and won't be able to get the license until 2018. The little shops that around right now will not fall under the State laws and this will be against the law after December 20th. He also commented about having a police millage.

REPORTS FROM BOARDS & COMMISSIONS

DOWNTOWN DEVELOPMENT AUTHORITY BOARD: Next meeting will be February 14th at 7:30 a.m.

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GENESEE COUNTY WATER AND WASTE SERVICE'S ADVISORY COMMITTEE: Bigelow did not make the December meeting but the November meeting. They are still under budget. It will probably be fall until they have water flowing due to the EPA and making sure everything is tested properly. They ran water from Port Huron to treatment plant and there have been no problems.

GENESEE COUNTY METROPOLITAN ALLIANCE: Did not meet.

PLANNING BOARD: Richard reported they talked about medical marijuana facilities. The next meeting is January 19th at 7:00 p.m.

ZONING BOARD OF APPEALS: NONE

REPORTS FROM CITY MANAGER AND CITY ATTORNEY

CITY MANAGER:

Audit

Our audit for the 2015-16 is complete and copies will be available. Ken Berthiaume or one of his CPA's will be here to answer any questions. Because of the unexpected work and changes that had to be completed in the switch of auditors they are requesting a onetime increase. They will be here to present more. On a positive note our general fund has grown for the 5th consecutive year even after the 2015 amount was restated.

2012: \$291,968

2013: \$305,820

2014: \$339,006

2015: \$345,405

2016: \$361,072

Genesee County Small Cities/Villages

The City of Montrose hosted the Small Cities/Villages meeting last week. Cathleen Edgerly the Howell DDA Director did a great presentation. The food was good and I was glad to see our council turn out to meet all other surrounding elected officials in Genesee. If you could please sign the thank you card to Ms. Edgerly I would appreciate it.

The Planning Commission will be meeting next week and will be reviewing an ordinance and with it a larger plan relating to the recently passed changes in the Marijuana Law that will allow businesses to grow, process, test, transport and provision.

MML Winter Institute

I will be attending the MML winter institute Jan 31- Feb 3 in Kalamazoo.

Mutual Aid/Memo of Understanding

I spoke with Dr. Feltman the Village of Chesaning administrator last week and he wanted to let me know that his council wishes to enter into a memo of understanding agreement with the City of Montrose for the use of our street sweeper. In return I suggested we would like to offer chipping services several times a year for residents and the use of their chipper. We would still be obligated to pay for the use of the equipment under the rental rates provided by the State of Michigan. This is a huge win-win. The memo will be drafted up and should be ready next meeting.

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CITY ATTORNEY: Neil asked him to put together his legal opinion on the medical marijuana facilities licensing act for the Planning meeting next Thursday. Stout says he very concisely identified the five licenses that can be allowed. As well as the kinds of things Townships and Cities should look at when making changes to Ordinances.

MAYOR AND COUNCIL COMMENTS: Bigelow commented about the open burn ordinance, it is impossible to enforce the every other weekend due to weather conditions. The fire chief's suggestion is to make it October-November, November-December any day of the week. Gross wanted to get a list of all the contracts, so the council knows when any contract is up. Arnold would like to meet with those willing to help on the Community Garden on Sunday the 22nd at 4:00 p.m. at the Depot. He has also restarted the Friends of the Library group, if anyone is interested please let him know. Sanborn thanked everyone for a robust meeting.

COMMUNICATIONS TO THE COUNCIL: *On file at the city office*

ADJOURNMENT

Mayor Brown adjourned the meeting at 10:25 p.m.

Prepared by City Deputy Clerk/City Treasurer, Chrystal Raible