

MONTROSE CITY COUNCIL REGULAR MEETING MINUTES

July 14, 2016

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, Eldon Dunklee, Gene Powell, Robert Arnold, Mark Richard, Tom Bigelow and Mayor Pro-Tem Ray Foust. Also present were City Manager Neil Rankin, City Clerk Tina Rush, DPW Nick Bogart, City Attorney Otis Stout, and 4 citizens.

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

APPROVAL OF AGENDA (Including check disbursement handout)

Brown mentioned that there is a communication requesting that accounting services from Plante Moran is added to the agenda.

- **MOTION** by Richard **SECOND** by Arnold to add onto the agenda item No. 13 “Accounting Services from Plante Moran”. All Ayes. Motion Carried.
- **MOTION** by Bigelow **SECOND** by Richard to approve the agenda. All Ayes. Motion Carried.

CITIZEN OF THE MONTH

1. THE MONTH OF JULY 2016, LADIES OF THE RED HAT SOCIETY

Mayor Brown presented the Citizen of the Month Award to Eva Vandefifer, on behalf of the Ladies of the Red Hat Society for annually planting flowers in the DDA District.

2. CHOOSE A CITIZEN OF THE MONTH FOR THE MONTH OF AUGUST 2016

- **MOTION** by Bigelow **SECOND** by Dunklee to nominate the 2016 Girls Varsity Soccer Coaches and Team as citizen(s) of the month for the month of August for winning Districts, (Since 2001), first time Regional Champs, first time winning Semi-Finals and ending with the title “State Finalists”. All Ayes. Motion Carried.

PUBLIC HEARINGS: NONE

PRESENTATIONS:

1. 2016/2017 FISCAL YEAR BUDGET AMENDMENTS

Raible handed out the budget amendments entertaining questions from council. (Bond Reserve Expense 591-906-913 from -0- to \$450.00 and Repair & Improve. Reserve 591-906-914 from -0- to \$755.00).

- **MOTION** by Bigelow **SECOND** by Arnold to approve the 2016/2017 Fiscal Year Budget Amendments. Roll Call Vote: Dunklee – Aye, Bigelow – Aye, Arnold – Aye, Foust – Aye, Powell – Aye, Richard – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

REPORTS *1. POLICE & FIRE DEPARTMENT REPORTS: On file at the city office*

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Richard asked if 4-wheelers are allowed to go on public roads and Foust replied that they must be street legal according to the motor vehicle code and have lights, turn signals, horn, etc.

2. *GEORGE BROWN INSPECTION SERVICES: NONE*

PUBLIC COMMENT ON AGENDA ITEMS

DDA board member and Depot Chairman Steve Gold requested to view a copy of the Depot's rental agreement that council is deciding on tonight.

MATTERS OF COUNCIL ACTION

1. *APPROVAL OF 06/09/16 CITY COUNCIL SPECIAL MEETING MINUTES*

- **MOTION** by Arnold **SECOND** by Richard to approve the June 9, 2016 City Council special meeting minutes as presented. Six (6) – Ayes. One (1) Abstain – Bigelow. Motion Carried.

2. *APPROVAL OF 06/09/16 CITY COUNCIL REGULAR MEETING MINUTES*

- **MOTION** by Richard **SECOND** by Foust to approve the June 9, 2016 City Council regular meeting minutes as presented. All Ayes. Motion Carried.

3. *APPROVAL OF MONTHLY DISBURSEMENTS*

- **MOTION** by Foust **SECOND** by Bigelow to approve the monthly disbursements including tonight's check disbursement handout in the amount of fifteen thousand five hundred fifty-five dollars and fifty-one cents, (\$15,557.51). Roll Call Vote: Dunklee – Aye, Foust – Aye, Powell – Aye, Arnold – Aye, Richard – Aye, Bigelow – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

4. *REQUEST TO EXTEND EXISTING METRO ACT PERMIT TO MCLEOD USA TELECOMMUNICATIONS SERVICES:* Stout explained that the METRO Telecommunications Act of 2002 requires broadband and fiber optic service providers to request from the local government, access to the right-of-way. This request from McLeod is to extend the existing contract which expires January 20, 2017 to January 20, 2022. Stout mentioned that this also generates the city's franchise fees and recommended allowing the extension.

- **MOTION** by Bigelow **SECOND** by Richard to approve the 5-year increment extension with McLeod USA for telecommunication services. Roll Call Vote: Bigelow – Aye, Powell – Aye, Foust – Aye, Richard – Aye, Arnold – Aye, Dunklee – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

5. *DIRECTION RE: AUDITING SERVICES FOR THE 2015/2016, 2016/2017 AND 2017/2018 FISCAL YEARS:* Rankin mentioned that Abraham and Gaffney sent a proposal for 3 fiscal years including the upcoming 2015/2016 fiscal year in an amount of \$32,100.00. Rankin obtained a cost comparison from Berthiaume & Company in the amount of \$24,250.00 which does not include \$350.00 for presentation of the audit each fiscal year. Rankin entertained questions from council commenting that the city has been with Abraham and Gaffney since 2006 and it's not that they did a bad job, Rankin just feels the city should constantly cost compare. The costs

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from Berthiaume & Company not including presentation of the audit would save the city approximately \$7,800.00 over the course of 3 fiscal year audits.

- **MOTION** by Richard **SECOND** Bigelow to approve Berthiaume & Company for auditing services and costs of the following fiscal years; 2015/2016 – \$8,300.00, 2016/2017 – \$8,450.00 and 2017/2018 – \$8,550.00. Cost includes \$350.00 for an annual audit presentation. Roll Call Vote: Foust – Aye, Dunklee – Aye, Arnold – Aye, Powell – Aye, Richard – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

6. RESOLUTION RE: WATER COMMODITY RATE INCREASE

Brown said that it was her understanding when council approved the water rate study, it allowed the city to automatically increase their water rates to coincide with Genesee County commodity rate increases. Bigelow commented that Genesee County had 3 increases within 1 year but those increases were never passed onto the wholesale customers. Brown continued saying that council approved a resolution that would allow the city to automatically increase their water commodity rates along with Genesee County therefore alleviating high rate increases at one time. Members started questioning the process and Rush clarified explaining that on August 9, 2012, council passed the water rate study via resolution reflecting water/sewer commodity rates and readiness to serve charge increases for the years 2012, 2013 & 2014 only. October 9, 2014, (Ordinance No. 425), is when council approved an ordinance removing the public hearing requirement for a water commodity rate increase, however, any type of rate increase whether it be water or sewer still requires council approval. On December 22, 2014 the city received notification from Genesee County that there would be a water commodity rate increase, however, the city manager at that time, Carl Johnson, did not take it to council to act upon so there have been no water rate increases to match Genesee County's increases since 2012, (Genesee County is currently charging the city \$1.42 per thousand gallons of water). Rankin handed out flow charts reflecting a proposed .41 cent increase today along with future proposed increases from Genesee County explaining that by following his flow chart it would keep the city moving parallel with Genesee County and it would not be so hard for the average home owner to absorb future increases. Bigelow also mentioned that this September, Genesee County will be getting another .17 cent increase from Detroit.

- **MOTION** by Foust **SECOND** by Richard to approve a water rate increase of .41 cents. Roll Call Vote: Arnold – Aye, Richard – Aye, Powell – Aye, Foust – Aye, Bigelow – Aye, Dunklee – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

7. APPROVAL OF POLICY AND RENTAL AGREEMENT FOR THE DEPOT

Rankin said that he compared rental policies with other municipalities and reminded the members that this is a start and can always be amended as needed in the future. Richard expressed concern with liability of having a part-time person clean the Depot versus city employees and asked if there are set times for renting the Depot. Stout recommended time increments and Rankin replied that the Depot would be rented just as the current city parks are rented, for the day. Members discussed a security deposit and costs to rent the Depot. Rankin reminded council that a policy needs to be adopted first and then a fee schedule. It was the consensus to allow the Depot Committee to review the policy and rental agreement and have input prior to council adopting either one. Bigelow asked Jerry Mears in the audience how long

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it takes to clean the Depot and Mears replied approximately ½ hour. Mears asked council to keep in mind the maintenance of the Depot, for example painting, minor repairs as needed, snow removal on the handicap ramp and snow plowing the parking lot. Brown asked if this means the Depot Committee is no longer continuing the maintenance of the Depot or just handing it over to the city. Steve Gold replied that is why they are here, to clarify whose responsibility it is. Further discussion ensued on the liability to the city and the costs to maintain it, Brown noted that there are too many questions at this point and time to adopt this policy as written and asked everyone to continue discussing and bring it to the next city council meeting. Arnold asked if the City is now renting it or is it through the Depot Committee and Foust replied that the Depot Committee is still currently responsible until an agreement can be made with the policy and fees.

- **MOTION** by Dunklee **SECOND** by Richard to table discussion. Richard – Aye, Bigelow – Aye, Powell – Aye, Foust – Aye, Dunklee – Aye, Arnold – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

8. SET PUBLIC HEARING DATE FOR ORDINANCE NO. 431 RE: BEECH TRAIL TAX EXEMPTION ORDINANCE

Rankin reminded the members that at the last council meeting they had set a public hearing for the Beech Trail Exemption ordinance, however, Montrose Country Estates needs to be addressed as well and recommended holding the public hearing for both ordinances on the same date.

- **MOTION** by Richard **SECOND** by Arnold to set the public hearing date for both ordinances at the next city council meeting August 11, 2016. Roll Call Vote: Dunklee – Aye, Arnold – Aye, Powell – Aye, Richard – Aye, Bigelow – Aye, Foust – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

9. SET PUBLIC HEARING DATE FOR ORDINANCE NO. 432 RE: MONTROSE COUNTRY ESTATES TAX EXEMPTION ORDINANCE

Action taken under agenda item No. 8.

10. APPROVAL/DISAPPROVAL OF MEMBER ELDON DUNKLEE'S ABSENCE AT THE 04/14/16 REGULAR CITY COUNCIL MEETING

- **MOTION** by Richard **SECOND** by Bigelow to approve Eldon Dunklee's absence at the April 14, 2016 regular city council meeting. All Ayes. Motion Carried.

11. APPROVAL/DISAPPROVAL OF MEMBERS GENE POWELL, TOM BIGELOW AND MAYOR PRO-TEM FOUST'S ABSENCE AT THE 06/09/16 SPECIAL CITY COUNCIL MEETING

- **MOTION** by Richard **SECOND** by Arnold to approve Gene Powell, Tom Bigelow and Mayor Pro-tem Foust's absences at the June 9, 2016 special city council meeting. All Ayes. Motion Carried.

12. APPROVAL/DISAPPROVAL OF MEMBER TOM BIGELOW'S ABSENCE AT THE 06/09/16 REGULAR CITY COUNCIL MEETING

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- **MOTION** by Foust **SECOND** by Richard to approve Eldon Dunklee's absence at the April 14, 2016 regular city council meeting. All Ayes. Motion Carried.

13. ACCOUNTING SERVICES WITH PLANTE MORAN

Rankin explained that the city treasurer is working diligently but has come across some questions that cannot legally be answered by the auditors. Rankin doesn't think it will take that long, it's just some items we cannot figure out what the previous manager did or the percentage breakdown he came up with for certain general ledger numbers.

- **MOTION** by Richard **SECOND** by Arnold to approve accounting services with Plante Moran in amount not to exceed one thousand dollars and no cents, (\$1,000.00) with the recommendation of having a closer office. Roll Call Vote: Powell - Aye, Foust - Aye, Richard - Aye, Arnold - Aye, Dunklee - Aye, Bigelow - Aye, and Mayor Brown - Aye. All Ayes. Motion Carried.

PUBLIC COMMENT ON NON-AGENDA ITEMS: NONE

REPORTS FROM BOARDS & COMMISSIONS

DOWNTOWN DEVELOPMENT AUTHORITY BOARD: Brown reported that the next DDA meeting is set for August 9th and the DDA has agreed to meet bi-monthly beginning with the month of August. The DDA discussed incorporating into this budget enough funds for a 501(c)(3) and Brown also mentioned that Steve Gold has stepped down as Chairperson of the DDA and Kathleen Swart has replaced him only as Chairperson, Gold is still on the DDA Board. Brown recommended Steve Gold as citizen of the month.

GENESEE COUNTY WATER AND WASTE SERVICE'S ADVISORY COMMITTEE: Bigelow referenced the proposed .17 water commodity rate increase. Genesee County is currently fighting the City of Flint from connecting into their system and the last section piping for the Karegnondi has been set. Pipes have already been tested from Port Huron to Genesee County but they are not sure how long there will be a delay due to the current Flint water crisis.

GENESEE COUNTY METROPOLITAN ALLIANCE: Richard mentioned that METRO was discussing problems with Bristol Rd. and roundabouts.

PLANNING BOARD: NONE

ZONING BOARD OF APPEALS: NONE

REPORTS FROM CITY MANAGER AND CITY ATTORNEY

CITY MANAGER: Rankin gave a recap on his report: Lion's Park and the park pavilion has received a new paint job. The pavilion posts and underside of the pavilion along with the trash receptacles and picnic benches have/are getting repainted. The park should be looking good come Blueberry Festival. Just hoping for rain to make the grass green.

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The DDA had a meeting on June 28th. Topics discussed included the dumpster provided for the DDA, finances, the Depot, as well as the resignation of Steve Gold and appointment of Kathleen Swart as the new chair. DDA Meetings will also become more regular. The next meeting will be on August 9th @ 7:30am

From the discussion we had at the last two council meetings I just want to clarify concerns regarding The Depot.

- What is spelled out in the quit claim deed of the property when it was donated is the land the Depot is located on is subject to use/deed restrictions. This stipulates that it should be used as a public park, a museum, a community center, a community meeting place, parking for local businesses or other community purpose.
- If not used in these capacities it would revert back to Steve Gold and his trust.
- Some of these restrictive uses for this property such as a museum, public park and community center are unfeasible at this time due to costs.
- If Council decides that the Depot is going to be operated by the city as a community meeting place the city will need to establish a building use policy. (Please see attached Policy)
- If Council decides to operate the Depot as a drop-in community center with established hours it should examine that the recreation programming and events it has during its open hours. That programming should reflect and appeal to all the residents of Montrose.
- Council will also need to spell out who can use the facility at no costs and others that will need to pay. (See attached policy and rental agreement)

The DPW and I have been doing violation notices for blight, motor vehicles and noxious weeds. Bringing some of these properties up to code can take a while. Many of these properties have been violating the city ordinance for years. We feel that we are making progress and proceeding in a way that offers flexibility for residents.

Owen Tree Service will start removing tree in the City starting July 18th.

Progress on Alfred Street is moving forward. Wade Trim was looking for a bid letting for July. However it seems it will be an August 5th letting. Construction will start after Labor Day.

The City Treasurer has sent out summer tax bills two weeks ago and has been following up on Delinquent Personal Property Tax.

The Board of Review is July 18. This board of review is allowed only to correct qualified errors and to consider appeals related to Principal Residence Exemptions, Qualified Agricultural Exemptions, the Eligible Personal Property Exemption (the Small Business Taxpayer Exemption), the Eligible Manufacturing Exemption, Taxable Value uncapping, the Qualified Start-up Business Exemption, the Disabled Veteran's Exemption and Poverty Exemptions.

CITY ATTORNEY: Stout mentioned it was fine to scan and email an executed METRO Act Right-of-Way extension to McLeod USA Telecommunications Services aka Windstream.

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MAYOR AND COUNCIL COMMENTS: Arnold referenced the capital improvement plan and asked if council would consider the Depot becoming a community center. Brown apologized if she was too forceful during her request for order.

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

1. APPROVAL TO ENTER EXECUTIVE SESSION RE: MCL 15.268 CLOSED SESSIONS; PERMISSIBLE PURPOSES SECTION 8 (C) OF THE OPEN MEETINGS ACT FOR STRATEGY AND NEGOTIATION SESSIONS CONNECTED WITH THE NEGOTIATION OF A COLLECTIVE BARGAINING AGREEMENT IF EITHER NEGOTIATING PARTY REQUESTS A CLOSED HEARING. ROLL CALL VOTE REQUIRED.

Mayor Brown recessed the regular meeting at 8:35 p.m.

Mayor Brown brought the regular meeting back to order at 8:45 p.m. to go into closed session.

- **MOTION** by Arnold **SECOND** by Richard to approve going into closed session to discuss the collective bargaining and classification for the DPW. Roll Call Vote: Dunklee – Aye, Richard – Aye, Bigelow – Aye, Foust – Aye, Powell – Aye, Arnold – Aye, and Mayor Brown – Aye. Motion Carried.

Mayor Brown brought the regular meeting back to order at 9:04 p.m.

- **MOTION** by Arnold **SECOND** by Richard to approve the 2015/2017 Union Contract. Roll Call Vote: Richard – Aye, Dunklee – Aye, Bigelow – Aye, Arnold – Aye, Powell – Aye, Foust – Aye, and Mayor Brown – Aye. Motion Carried.

ADJOURNMENT

Mayor Brown adjourned the meeting at 9:06 p.m.

Prepared by City Clerk, Tina Rush