

MONTROSE CITY COUNCIL REGULAR MEETING MINUTES

October 13, 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, Mark Richard, Tom Bigelow and Mayor Pro-Tem Ray Foust. Also present were City Clerk Tina Rush, City Attorney Otis Stout, City Manager Neil Rankin and 17 citizens. Member Robert Arnold was recorded as absent.

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

APPROVAL OF AGENDA: Brown announced that there isn't a check disbursement handout tonight but there are 2 items needing to be added to the agenda.

- **MOTION** by Richard **SECOND** by Dunklee to approve the agenda with the additions of No. 11 Personal Property Taxes and No. 12 Mobilite. All Ayes. Motion Carried.

CITIZEN OF THE MONTH

1. *THE MONTH OF OCTOBER 2016, STEVE GOLD:* Council commended Gold for his years of serving as Chairman on the DDA Board.

2. *CHOOSE A CITIZEN OF THE MONTH FOR THE MONTH OF NOVEMBER 2016*

- **MOTION** by Richard **SECOND** by Bigelow to nominate Ray Foust and Gene Powell as citizens of the month for the month of November. All Ayes. Motion Carried.

PUBLIC HEARINGS: NONE

PRESENTATIONS: 1. *NEW ASSESSING SERVICES RE: CSZ SERVICES:* Chuck Zemla introduced his family as the new assessors, Melissa and Brenton Zemla. Brown asked what days they will be in the city office working and Mr. Zemla replied the third Tuesday of each month.

REPORTS

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

2. *GEORGE BROWN INSPECTION SERVICES:* Mayor Brown entertained questions from council. Dunklee asked if all items in the complaint letter from Steven Morse were true and George Brown proceeded to address each issue throughout the letter explaining that there were conflicts with the footing requirements which is why Mr. Brown brings an actual code book to the site during inspections and at times he will have an additional inspector on site to discuss what is code for a particular project. Regarding the time issuance of an occupancy permit, Mr. Brown did not receive a phone call and once it was brought to his attention that Mr. Morse was waiting for an occupancy permit, Mr. Brown came out and inspected the property the next day.

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PUBLIC COMMENT ON AGENDA ITEMS: Citizen Deborah Gross repeated what she said at the September 8, 2016 city council meeting and said that the Depot Committee is proposing an administrative agreement instead of a landlord/tenant situation and requested it be voted on tonight.

MATTERS OF COUNCIL ACTION

1. APPROVAL OF 09/08/16 CITY COUNCIL REGULAR MEETING MINUTES

- **MOTION** by Dunklee **SECOND** by Richard to approve the September 8, 2016 City Council regular meeting minutes as presented. All Ayes. Motion Carried.

2. APPROVAL OF 09/23/16 CITY COUNCIL SPECIAL MEETING MINUTES

- **MOTION** by Richard **SECOND** by Foust to approve the bills if no one has any concerns. Roll Call Vote: Dunklee – Aye, Foust – Aye, Powell – Aye, Arnold – Aye, Richard – Aye, Bigelow – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

3. APPROVAL OF CHECK REGISTERE & TREASURER REPORT

- **MOTION** by Dunklee **SECOND** by Richard to approve the bills if no one has any concerns. Roll Call Vote: Richard – Aye, Dunklee – Aye, Powell – Aye, Foust – Aye, Bigelow – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

4. RESOLUTION RE: UPDATING CDBG SIGNATURE CARD: Brown reported that this resolution is simply updating the current signature card which allows the current city manager, city clerk and city treasurer to sign for CDBG documents.

- **MOTION** by Richard **SECOND** by Bigelow to authorize the City Manager Neil Rankin, City Clerk Tina Rush and Treasurer Chrystal Raible to sign CDBG documents. Roll Call Vote: Dunklee – Aye, Foust – Aye, Powell – Aye, Richard – Aye, Bigelow – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

5. MERS RESOLUTION: Rankin conveyed that the new DPW worker will qualify under the MERS plan through the union contract which stipulates that new hires must make an employee contribution of 8% of gross wages. Bigelow asked if this changes the benefit multiplier that is currently at 1.7% and Rankin replied no, current employee contributions are at 6% and will go up to 8% in July but because of the different percentages in contributions it will require the city to create a new group for new hires but there is no cost to the city and the city should be able to roll the new employee into the other group once the rate changes.

- **MOTION** by Foust **SECOND** by Dunklee to approve the MERS agreement by resolution. Roll Call Vote: Bigelow – Aye, Powell – Aye, Foust – Aye, Richard – Aye, Dunklee – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

6. APPROVAL OF ACCOUNTING SERVICES: Rankin reported that in July the city treasurer requested assistance with some accounting issues and Council approved up to \$1000 in services, unfortunately to remedy the issue it required \$866.38 in additional hours. Our treasurer was able to get some of these calculated costs waived and in the future Rankin will see if there is an alternative vendor.

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- **MOTION** by Richard **SECOND** by Foust to approve the additional accounting services. Foust – Aye, Dunklee – Aye, Powell – Aye, Richard – Aye, Bigelow – No, and Mayor Brown – aye. Five (5) – Ayes, One (1) – Nay - Bigelow. Motion Carried.

7. LEASE AGREEMENT BETWEEN THE CITY & THE MONTROSE DEPOT COMMITTEE

Stout conveyed that he created a commercial tenant/lease agreement between the City and Montrose Depot Area Inc., however, the Depot Committee declined to sign it and is requesting an administrative agreement instead. Stout also conveyed that it's in the best interest of the City for the Depot Committee to become a 501 (c) 3 and take over the operations of the Depot or enter into the commercial tenant/lease agreement that he created for the City. Members expressed concerns with liability to the City, and securing city assets. Foust noted that the current people running the day to day operations of the Depot are not city employees. Richard asked how much are the monthly operations cost and Rankin replied it ranges between \$6,000 to \$8,000 based on usage of heat, air conditioning, water/sewer, mowing, etc. and how much "paid" rentals come in. Rankin continued by saying that the larger issue is the current liability to the City and the long term maintenance of the Depot commenting that it should be closed down when not in use. Stout suggested a cost analysis and members agreed that the liability needs to be addressed. Dunklee stated that the DDA has been paying for the operation of the Depot and it's not considered city funds. Rankin and Brown clarified that it is still city funds and the DDA does not have enough money to make their current bond payment which will need to come out of tax payer's dollars from the general fund. Richard mentioned that the DDA bond will be ending in a couple of years and questioned the short term liability of the city floating a loan to the DDA to cover the bond payments. Further discussion ensued on the current capture and bond payments and Rankin reported that the bond will end in 2020. Brown noted that the proposed administrative agreement does not address the daily operations and costs and Stout replied that those issues were addressed in the commercial lease agreement that he proposed. Bigelow asked DDA board member and Depot Committee President Steve Gold what was the major issue with the agreement and Gold replied that it is designed as a commercial lease and was not acceptable in our way of thinking but there are ways we can bridge an outline. Gold continued saying that the DDA pays \$7,000 for administrative costs but the DDA does not know where these costs come from. Also, the DDA paid for a new truck for the DPW, a new Kubota and paid for part of tractor and there should be an equipment replacement fund, so there should be no reason that the city can pay for the DDA bond payments. Township resident Frances Keyes commented that the Depot was restored as a historical building for preservation and should not to be treated as a commercial building, he also did not agree with the Depot being rented out. After contentious discussion it was noted that the DDA needs to be approached and asked if they are willing to continue paying for part of the daily operations and it was also suggested that a cost analysis be conducted.

- **MOTION** by Bigelow **SECOND** by Richard to table it until we get confirmation on the financial numbers and approval from the DDA on what they are willing to pay. Dunklee – Aye, Powell – Aye, Richard – Aye, Bigelow – Aye, Foust – Aye, and Mayor Brown – aye. All Ayes. Motion Carried.

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8. *DISCUSSION DIRECTION RE: CITY ENGINEERING SERVICES:* Rankin went over the contract that the city signed with Wade Trim back in 2006 for various city engineering, planning and surveying services on an as needed basis. Members questioned city engineer Andrew Bisaha from Wade Trim, why such high costs, \$30,000 to have a tech and \$12,000 for engineering fees on the Alfred Street Project. Bisaha responded that the costs were not all for engineering and he could provide the breakdown of the proposal that was already approved by council. Council expressed that the main issue is Alfred Street was such a small project with such a high cost. Council asked Bisaha for the future, if they could help keep council informing them on what projects are worth a big bang for their buck.

9. *APPROVAL OF RFP FOR WATER MAINTENANCE:* Rankin explained that due to recent staffing changes to the Montrose Department of Public Works, it is evident that the current operations must be addressed. In the past staff has solicited proposals from local contractors to perform repairs with the necessary expertise. A recent review of this process suggest that having "on-call" contractors under contract for this purpose, with general provisions such as insurance, indemnification, and unit price compensation prearranged could speed up response during an emergency. As a result a Request for Proposals (RFP) with the intent to augment the capabilities of our existing Department of Public Works when it makes economic and safety sense. The RFP would provide resources to the department until staffing and training levels are capable of handling these types of situations as the department gains experience.

- **MOTION** by Bigelow **SECOND** by Richard to approve the RFP for water maintenance/water system repairs and restoration. Roll Call Vote: Bigelow – Aye, Foust – Aye, Powell – Aye, Richard – Aye, Dunklee – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

10. *APPROVAL OF QUOTE TO FIX COKE DRIVE FIRE HYDRANT:* Rankin reported that the hydrant council approved back in June for the DPW garage was able to be repaired by an East Jordan representative from existing parts, so there is currently a replacement hydrant ready to be installed. There is an inoperable hydrant on Coke Drive but the previous DPW supervisor was only able to obtain two quotes, (Joe Raica would not return their phone call). Rankin recommended the lower of the two quotes, \$2,480 from Rhode Bros. Excavating of Saginaw commenting that having a spare hydrant is always a good thing!

- **MOTION** by Richard **SECOND** by Foust to approve the quote from Rhode Bros. Excavating in the amount of two thousand four hundred eighty dollars and no cents, (\$2,480.00). Roll Call Vote: Powell – Aye, Foust – Aye, Richard – Aye, Dunklee – Aye, Bigelow – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.
- **MOTION** by Bigelow **SECOND** by Richard to get a price for a spare hydrant with the same specification and bring back to city council for approval. All Ayes. Motion Carried.

11. *PERSONAL PROPERTY TAXES:* Rankin handed out letters of communication from Roxanne Delacruz owner of Roxy's Diner and from Glenn Powell owner of Powell Leasing, requesting council waive the penalties and interest from personal property tax years 2011, 2012, 2013 and 2014.

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- **MOTION** by Richard **SECOND** by Dunklee for Roxy's that we waive the interest of eight hundred sixty-two dollars and sixty-eight cents, (\$862.68) and have her pay the balance of one thousand nine hundred eighty-four dollars and three cents, (\$1,984.03) by November 18th, if the money is not received in full, then interest and fees will be added back on including additional interest as needed. Roll Call Vote: Dunklee – Aye, Richard – Aye, Bigelow – Aye, Foust – Aye, Powell – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried
- **MOTION** by Richard **SECOND** by Bigelow for Powell Leasing that we waive the interest of one thousand seventeen dollars and eighteen cents, (\$1,017.18) and have Mr. Powell pay the balance of two thousand thirty-eight dollars and three cents, (\$2,038.72) by November 20th, if the money is not received in full, then the interest and fees will be added back on including additional interest as needed. Roll Call Vote: Richard – Aye, Powell – Aye, Foust – Aye, Dunklee – Aye, Bigelow – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried

12. **MOBILITE:** Rankin explained that the City received an application from Mobilite to install transport utility poles and expressed concerns with utilizing right-of-ways as a business. Rankin read aloud a letter of denial from the City of Durand's attorney and recommended the City send one as well.

- **MOTION** by Bigelow **SECOND** by Richard to have the City Attorney create a letter of denial and rejection to Mobilite. All Ayes. Motion Carried.

PUBLIC COMMENT ON NON-AGENDA ITEMS: City Secretary Janet Loomis complained about problems with the US Postal delivery explaining that in recent months, she's noticed that it's taken longer for the post office to deliver mail to city residents and residents have said that we are not begin fair with our late fees. According to the City Ordinance, utility bills are supposed to be mailed on the 10th of each month and are due on the 25th of each month, unless those particular dates fall on a holiday and/or weekend then it's the next business day, however, it is taking up to 4 days of delivery and sometimes the post cards are not being delivered to the correct addresses. Rankin said that he is working on getting on-line payments, we currently have the capability, it's just a matter of contacting the City's bank. George Brown asked that the City adopt by reference the 2012 Michigan Building and Property Maintenance Code.

REPORTS FROM BOARDS & COMMISSIONS

DOWNTOWN DEVELOPMENT AUTHORITY BOARD: Brown reported that the DDA met this past Tuesday and they are discussing budget & financing for the DDA & Depot. Steve Gold would like to have \$6,000 of the \$7,000 administrative fees the City charges the DDA, donated to the Depot.

GENESEE COUNTY WATER AND WASTE SERVICE'S ADVISORY COMMITTEE: NONE

GENESEE COUNTY METROPOLITAN ALLIANCE: *On file at the city office*

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PLANNING BOARD: The next 2 meetings will be held on November 17th and December 15th, both will be at 7:00 p.m.

ZONING BOARD OF APPEALS: NONE

REPORTS FROM CITY MANAGER AND CITY ATTORNEY

CITY MANAGER: Rankin read aloud his report; Progress on Alfred Street is almost complete. New curbs have been installed and as of today we have a nice new base down. However, the heavy equipment created a sink hole and from our best guess it might be from a storm drain. Genesee County Storm Water Department has been contacted and will televise on Monday 10/10 to get a better idea if it needs to be repaired or can be just filled in. So far we are under budget in this project and a few days of good weather has helped. I think Alfred Street residents will be pleased.

I am still looking for volunteers to help with the Community garden. Mr. Arnold and I are looking to get materials this year and see what we can do to get plots ready for next. Please get with either of us if you are interested.

FYI on Absentee Ballots.

Hundreds of thousands of voting ballots need reprinted a printing error has forced Genesee County to order 300,000 new ballots. Genesee County Clerk John Gleason says something was wrong with the printer ink used on them. Some from the faulty batch were already sent out to absentee voters last week. Those are now void - new ballots will be sent out. **The new ballots will have a green number, instead of black, on the bottom.** This is how clerks will be able to ensure absentee voters do not get two votes. The new ballots are scheduled to be done and delivered to clerks countywide by next week. Our clerk reported this problem several weeks ago to the county clerk. If you have an absentee ballot you can destroy it.

CITY ATTORNEY: NONE

MAYOR AND COUNCIL COMMENTS: Dunklee asked council to be careful when taking a complaint, that it's council's job to take a complaint and not argue with them about it. Bigelow invited everyone to the fish fry, Friday nights at the Good Sheppard Church from 4-7 p.m. Foust bragged that his grandson being the official goalie for Michigan State. Powell asked Stout if it is legal to place a lease on a historical building and Stout replied yes but currently there is no historical status for the Depot and it's not recommended.

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

ADJOURNMENT

Mayor Brown adjourned the meeting at 9:27 p.m.
Prepared by City Clerk, Tina Rush