

MONTROSE CITY COUNCIL REGULAR MEETING MINUTES

January 19, 2023

CALL TO ORDER: Mayor Brown called the regular Council meeting to order at 7:05 p.m. The meeting was held at the Montrose City Offices located at 139 S. Saginaw Street, Montrose, MI.

ROLL CALL: Present council members were Mayor Colleen Brown, Mayor Pro-Tem Mark Richard, Ryan Heslop, Aaron Burch, Andrea Martin, and Todd Pangle. Also present were City Manager Neil Rankin and City Clerk Tina Rush. Member Robert Arnold was recorded absent. There were 3 citizens in attendance.

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

CITIZEN OF THE MONTH:

1. *THE MONTH OF JANUARY 2023, FRANK TAYLOR:* Council honored Mr. Taylor for over 20 years of service to the community by serving on the Planning Board and as the Planning Board Representative on the Zoning Board of Appeals.

2. *CHOOSE A CITIZEN OF THE MONTH FOR THE MONTH OF APRIL:* No one was selected.

PUBLIC HEARINGS: NONE

PRESENTATIONS: Neighborhood Enhancement Program 2022: Rankin gave a presentation showing pictures of the home improvement results from last years enhancement grant. The City will receive \$30,000 in grant funds in 2023.

REPORTS

1. *FIRE & POLICE DEPARTMENT REPORTS:* Report on file at city office. Officer Mike Macey read aloud the monthly and yearly statistics for the police department entertaining questions. Council asked Rankin for data from the speed limit signs located at the south and north end of the city limits.

2. *BUILDING INSPECTION SERVICES:* Report on file at city office.

PUBLIC COMMENTS: Citizen Robert Urmetz wished everyone a happy new year.

MATTERS OF COUNCIL ACTION:

1. *APPROVAL OF THE 12/15/22 MEETING MINUTES:*

- **MOTION** by Richard **SECOND** by Burch that we accept the December 15, 2022 meeting minutes as presented. All Ayes. Motion Carried.

2. *APPROVAL OF CHECK REGISTER & TREASURER REPORT:* Burch asked if there was anything out of the ordinary council needed to be aware of and Rankin replied no.

- **MOTION** by Burch **SECOND** Richard that we pay our bills. Roll Call Vote: Burch – Aye, Heslop – Aye, Pangle – Aye, Richard – Aye, Martin – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

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- **MOTION** by Richard **SECOND** by Burch to put discussion/direction of CDAM onto the agenda per the Mayor's request. All Ayes. Motion Carried.

3. *DISCUSSION/DIRECTION RFP FOR DEMOLITION OF STRUCTURE AT 261 OAK STREET*: For the last several years the city had been trying to contact the owner of the home at 261 Oak Street. The property was condemned by the building inspector after the previous owner attempted to complete work which quickly turned into involving more structural issues requiring a licensed contractor to undertake. The home changed hands through a land contract and the current/most recent owner pulled permit two years ago but did not undertake any repairs. The last several months the city attorney and I were able to get a judgement for demolition after having tried our best to serve the owner who was not interested in being served. The property throughout the process fell into foreclosure and now the structure and the property now belong to the city as it was not rejected sending it to the Genesee County landbank. Habitat for Humanity is looking for other location to build and the city ultimately needs to address the property as it has been an issue for neighbors for the last six years.

- **MOTION** by Richard **SECOND** by Burch to move forward with the RFP for the destruction of 261 Oak Street. Roll Call Vote: Martin – Aye, Burch – Aye, Pangle – Aye, Richard – Aye, Heslop – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

4. *DISCUSSION/DIRECTION 261 OAK STREET WATER BILL WRITE OFF*: Rankin explained that because the city now owns the property, it requires council approval to waive the outstanding balance.

- **MOTION** by Richard **SECOND** by Burch to waive the water bill for 261 Oak Street. Roll Call Vote: Richard – Aye, Martin – Aye, Heslop – Aye, Burch – Aye, Pangle – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

5. *DISCUSSION/DIRECTION EMPLOYEE HEALTHCARE PLAN*: In January the city received the 2023 rates for health care insurance that will take effect in March. Under the current BCBS the city will be seeing an increase of 4.3% which is 1.2% less than last year. The last 6-7 years the city was seeing 1-2% increases but has seen a 9% increase in the last two. The city does receive savings as a member Michigan Small Business Association. Currently there are 3 employees and 3 dependents under the plan which averages out to \$6,036 per participant an increase of \$251 over last year. The upside is that 3 employees and 3 dependents opted out of health insurance for a savings to city of over \$20,000. Union employees and their dependents/spouses are eligible for coverage while new non-union dependents are not. The city currently does not require for workers to contribute to healthcare costs. On average, according to a 2021 Kaiser Family Foundation Survey (KFFS) it found workers contribute 17% of the premium for single coverage and 28% of the premium for family coverage. My belief is that small municipalities need to cover the majority of healthcare expenditure to attract and retain employees as employee promotion/wage increases are usually not an option. In private industry according to KFFS is 16% in 2020 or around \$6,200 per individual for employer and \$1100 for employee. Health insurance was not a negotiating point in the last union contract and in the next year I suspect staffing

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changes may change the premium. BCBS and the HMO that the city has is likely the best as it universally accepted. The issue when the city had McLaren was it was limited and most specialists were out of network. Other providers such as HAP, Spectrum, Priority are affiliated with particular healthcare systems and with the HMO option versus a PPO which typically has a pricier plan may not be available. As for implementation recommendation I would suggest a gradual increase much like the council approved with MERS going from 2% to 8% over a few years in the next union contract. Informational only, no action taken.

6. DISCUSSION/DIRECTION MML LOSS CONTROL/LIABILITY POOL/WORKER'S COMPENSATION

FUND: Frank Demers is our new Loss Control Consultant with the Michigan Municipal League. Each year a representative visits the city to address any number of issues regarding potential liabilities and risk, current policies and workplace safety. In previous years the representative has visited the well house, walked through the DPW garage and has addressed dangerous equipment. Our policy pays dividends to members that file fewer claims and reduces the overall premium. This year our rate ticked up a bit due to a workplace injury claim but this was the first one in many years. One of the issues that Mr. Demers addressed was a review of the sexual harassment/discrimination policy. The high and continually rising numbers of complaints of sexual harassment filed means that the potential for litigation is serious for municipalities especially since the compensatory and punitive damages awarded to complainants have also risen sharply in recent years. A quick look at cases over the last two decades shows the steep climb in awards. The financial hit to U.S. businesses in the past year was \$20.2 billion according to a recent study. When calculating these costs the awards of a sexual harassment lawsuit can include pain/suffering, future/potential lost income, legal costs and the cost to hire and train. This is not to mention the reputation of the local unit. It is important that our policy be reviewed annually which was a part of the readopted employee policy handbook that council adopted last June. Elected officials in Lansing now participate in annual trainings and review of these policies as this has subsequently trickled down to local elected officials as no entity is immune. The other issue that our representative addressed is the establishment of an access management system for the Depot. Currently the Depot has multiple keys that were freely passed out from the renovation many years ago. This December we received several complaints from renters that the building was not clean. Our DPW usually goes through before to ensure it is ready. My suggestion is rekeying the building with a lock/key that cannot be duplicated. The same system in place for the restroom at Blueberry Park should be in place for the Depot. The city should know who has access to our buildings as this is a liability issue and that damages to the building will be addressed.

- ***MOTION*** by Richard ***SECOND*** by Burch that we re-key the Depot and implement a key check out policy. All Ayes. Motion Carried.

7. APPROVAL OF BUDGET AMENDMENT #2: Rankin conveyed the reason for the amendments are due to contracted services, an increase with CDEAM, mileage and education.

- ***MOTION*** by Richard ***SECOND*** by Burch that we approve the recommendation for these budget amendments for the July 1, 2022 to June 30, 2023 fiscal year. Roll Call Vote:

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Pangle – Aye, Heslop – Aye, Martin – Aye, Richard – Aye, Burch – Aye, and Mayor Brown. All Ayes. Motion Carried.

8. *DISCUSSION/DIRECTION RESOLUTION TO ADOPT BALLOT LANGUAGE*: The city’s attorney Laura Genovich has provided the city with the necessary ballot language that will need to be placed onto the May 2, 2023 ballot. Unfortunately it looks to be the only special election scheduled in Genesee County for this May.

- **MOTION** by Pangle **SECOND** by Richard that we approve the submitted resolution to put on the May 2nd ballot. Roll Call Vote: Burch – Aye, Martin – Aye, Heslop – Aye, Richard – Aye, Pangle – Aye, and Mayor Brown. All Ayes. Motion Carried.

9. *DISCUSSION/DIRECTION MICHIGAN ASSOCIATION OF PLANNING HOUSING WORKSHOP*: Please see attached flyer regarding housing workshop. I have a group rate of \$75 per person and have the ability to view the recorded workshop. The Planning Board members seem interested in a possible Saturday event as the 11am-1pm would be difficult to attend.

- **MOTION** by Richard **SECOND** by Burch that we look into hosting a housing webinar. Roll Call Vote: Richard – Aye, Martin – Aye, Pangle – Aye, Heslop – Aye, Burch – Aye, and Mayor Brown – Aye. All Ayes. Motion Carried.

10. *DISCUSSION/DIRECTION MI-HOPE PROGRAM*: This project is in alignment with MSHDA, (Michigan State Housing Development Authority) and has over 30 million dollars in grants available for promoting energy-efficiency homes. MI-HOPE is a federally funded program that is designed based on a formal subrecipient award structure to 501(c) nonprofit agencies and government entities. This request for proposals is being issued to formally select subrecipients and execute lump sum awards that will facilitate the multi-year funding distribution time frame statewide to assist Michigan residents. MSHDA has federal funds available to help households presumed to have encountered pandemic-related hardships remain in housing units and assist with improving the health and safety of their homes. The role of MSHDA's MI-HOPE section will be to provide oversight and build local implementation capacity for the program. We actively encourage subrecipient agencies to take advantage of this program to update existing occupied housing units within Michigan and promote energy-efficiency throughout their service area(s). The tentative plan is request \$300,000 to undertake energy-efficiency improvements by partnering with Retrofoam of Michigan, and a 3rd party energy rating consultant. The plan would be to conduct an energy audit, Retrofoam would install necessary insulation to walls/roofs and make other necessary measure under the supervision of our building department. The goal would be to find 20-30 homes where homeowner would qualify being under 300% of the poverty. This program would fund

Federal Poverty Levels

Household Size	1	2	3	4	5
Income Limits 300% FPG	\$38,640	\$52,260	\$65,880	\$79,500	\$93,120
6	7	8			
\$106,740	\$120,360	\$133,980			

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Total Household Monthly Income

Monthly income information must be provided for: Employment Income, Worker's Compensation/Short Term Disability, Social Security/Disability/Supplemental, Retirement/Pension/Annuity Income, Unemployment Benefits, Alimony/Child Support, and other income sources (a description is required).

Individual(s) in the household has qualified for unemployment benefits or has experienced a reduction in household income, incurred significant costs, or has experienced other financial hardship due directly or indirectly to the coronavirus outbreak on or after March 3, 2021; and Individual(s) in the household can demonstrate a risk of experiencing homelessness or housing instability due to increased living expenses.

Eligible housing types

- Single-family owner-occupied with an income qualified household
- Single-family non-owner-occupied with an income qualified household
- Multi-family (attached or detached - up to 3 units) owner-occupied with an income qualified household
- Multi-family (attached or detached• up to 3 units) non-owner-occupied with a Covid-19 pandemic hardship and income qualified eligible household
- Detached Site Condominium units
- Modular/Manufactured homes permanently affixed to real property and taxed as real estate
- **MOTION** by Richard **SECOND** by Heslop to direct the city manager to move forward with this and authorization the Mayor to sign a letter of support. Roll Call Vote: All Ayes. Motion Carried.

11. DISCUSSION/DIRECTION CEDAM, (COMMUNITY ECONOMIC DEVELOPMENT AUTHORITY of MICHIGAN: Mayor Brown mentioned the city applied for an in-house economic development mentorship but unfortunately was denied. Mayor Brown also said she firmly believes the city could benefit from becoming a member and there are also \$50 annual membership discounts.

- **MOTION** by Richard **SECOND** by Burch that we become a member for \$255 per year. Roll Call Vote: Martin – Aye, Arnold – Aye, Heslop – Aye, Burch – Aye, and Mayor Pro-Tem Richard – Aye. All Ayes. Motion Carried.

Mayor Brown announced that now the City has become a member, she will be submitting her application to serve on CEDAM's board.

PUBLIC COMMENTS: Frank Taylor mentoined that the MML, (Michigan Municipal League), is hosting a virtual summit this year and offering a seminar on cannibas laws.

REPORTS FROM BOARDS & COMMISSIONS:

DOWNTOWN DEVELOPMENT AUTHORITY BOARD: Mayor Brown said they met late in December but were not able to hold the meeting due to no quorum. The DDA will be discussing and evalutating the program guidelines for the Façade Enhancement Program. Acorn applied for the

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grant after their work was already completed so the DDA will need to re-evaluate whether or not funding would be available to them. The next meeting will be held February 14th.

ELECTION COMMISSION: Rush reported that Genesee County's re-count went well and there were no changes as expected. Promulgated rules are still being created by the Bureau of Elections and State of MI on how to implement Proposal 2.

GENESEE COUNTY SMALL CITIES & VILLAGES ASSOCIATION: Mayor Brown reported that the meeting was held in Otisville and the Genesee County Health Plan was being promoted. The Genesee County Health Plan not only offers free health care for Genesee County residents, it also offers a free senior dental program and assistance with Medicaid.

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

GENESEE COUNTY METROPOLITAN ALLIANCE: Meeting was post-poned until next week.

PLANNING BOARD: Richard reported that the Planning Board held their annual organizational meeting and is currently working on the vacant building ordinance.

911 CONSORTIUM: Member Pangle said he will look into attending the meeting as he visits the building where the meetings are held often.

ZONING BOARD OF APPEALS: Frank Taylor reported that the variance request for 238 E. State Street was granted because it is going to maintain the same set-backs during construction.

REPORTS FROM CITY MANAGER AND CITY ATTORNEY:

CITY MANAGER: Rankin reported that Wade Trim is currently working on gathering members to serve on the steering committee for the process of updating the master plan.

- **MOTION** by Richard **SECOND** by Burch to nominate Colleen Brown to head the adhoc steering committee for execution of the master plan as proposed by Wade Trim. All Ayes. Motion Carried.

Rankin continued reporting that the resolution authorizing publication of notice of intent to issue revenue bonds and declaring intent to reimburse (DWSRF bonds) will be running in the Tri-County Citizen this week. This will start the 45-day public petition period as specified in the Revenue Bond Act of 1933 • act 94 of 1933. The city was approved on January 11th by MSHDA for a \$45,000 NEP Grant- Round 8. I am waiting to hear on the buyout from MOOT for Feher Drive. They processed our application on December 2, 2022 and so it should be fairly shortly. Our DPW has been working on equipment and is repairing our backhoe after it sprung a coolant leak. I am hoping to have our council table back by next meeting. From the penny that was epoxied to the underside it was built 36 years ago. I will be out of the office the last week in January. January 31-February 3 in Grand Rapids for the Michigan Municipal Executives Winter Institute. I hope to come back with lots of good ideas.

CITY ATTORNEY: NONE

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MAYOR AND COUNCIL COMMENTS: Members welcomed new council member Todd Pangle. Burch announced his Army Reserve band will be playing this weekend at Zehnder's Snow Festival. Mayor Brown announced that the next newly elected officials training will be held in May, in Bay City.

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

ADJOURNMENT:

- **MOTION** by Richard **SECOND** by Burch to adjourn the meeting. All Ayes. Motion Carried.

Mayor Pro-Tem Richard adjourned the meeting at 8:30 p.m.

Prepared by City Clerk, Tina Rush