

City Commission  
May 15, 2017

Mayor Mark Warba called the regular meeting of the City Commission to order at 6:30 p.m.

Present: Commissioners Lynn Anderson, Tom Hogenson, Lorraine James, and Dan Rothstein; Mayor Mark J. Warba; City Manager Mark Gifford; City Attorney Eric D. Williams; and City Treasurer Aaron Kuhn.

Absent: None

There were 9 people in the audience.

The Mayor asked for a moment of silence in remembrance of Green Township Supervisor Bob Baldwin who passed away last week. Jim Chapman will be the newly appointed Supervisor.

**PLEDGE OF ALLEGIANCE**

**APPROVAL OF THE AGENDA** - The resolution awarding the bid for Cross Connection Control Program of all City owned backflow prevention devices was pulled from the agenda for further clarification of the contract.

**APPROVAL OF MINUTES**

Commissioner Anderson moved, seconded by Commissioner James that the minutes of May 1, 2017 regular meeting be accepted with corrections.

Yeas: Anderson, Hogenson, James, Rothstein, Warba  
Nays: None

**SPECIAL ORDERS OF THE DAY** – None

**STUDY SESSION**

a. Water & Sewer Rates – Aaron Kuhn

The City's wastewater rates are comprised of a base cost and volume cost. The base cost is a fixed monthly amount that users pay to ensure enough revenue is generated to cover required debt service payments and administrative expenses. There are three methods that the DEQ prefers.

The City shifted to the Residential Equivalency Unit method. This method looks at the number of users and corresponding wastewater consumption in each of the meter sizes. This method will also shift more of the base cost expenses from the larger meter size groups to the residential 5/8" meter group. The needed costs from the base cost will be phased in over a five-year period.

This method is fundamentally a methodology change, increases to the rates, if needed, will be the result of inflationary pressure or a decline in overall usage. At the end of this five-year

transition, the City should generate enough base revenue to cover debt service requirements and administrative costs.

The proposed rates will impact each meter size group differently. The residential 3/4" meter group will see a slight decline in their monthly cost. Flat rate customers will see an average increase of 12.72%. The average increase experienced across all user groups is 6.46%.

The average consumer uses four units of water and wastewater on a monthly basis.

Water – The average consumer will see their monthly bill remain at \$28.60. The volumetric unit rate will remain static at \$6.15 per unit or \$1,000 gallons.

Wastewater – The loss in wastewater consumption as well as increased projection costs resulted in an increase to the average consumer's wastewater bill. The average customer will see their bill increase from \$29.40 to \$33.40 per month.

b. Airport Standards – Mike Lafferty spoke on the proposed changes to the Minimum Standards for Roben Hood airport. He would like to take these standards out of template form and placed as a formal document. These are small changes which are outlined in the standards. Mr. Lafferty would also like to update some airport documents.

Mayor Warba asked why standards are needed. Mr. Lafferty commented that they are a basis for the City to determine which direction the City wants the airport to go and what kind of businesses they want at the airport. Also, all businesses must meet FAA regulations.

Mayor Warba commented that the ArtWorks Gala that was held at the airport was well attended. He complimented Mr. Lafferty on an excellent job.

**PUBLIC COMMENT** – None

**PUBLIC HEARING** – None

Commissioner James commented that she has a professional relationship with the project manager at Rieth-Riley. Mr. Williams did not believe that this constituted a conflict of interest.

Mayor Warba asked how much would be left in street funds if this large amount of money were to be spent. Mr. Kuhn stated that there would be approximately \$50,000 in each fund. If the City had a hard winter these funds could be wiped out.

Mr. Gifford stated that the City did not receive the ICE Grant that they applied for. The money for the match for the grant was set aside. That money is not needed for the match and will now remain in those funds.

Commissioner Hogenson asked which streets would be paved and how does the City determine which streets come first.

Mr. Gifford explained that the City uses the State-wide standard called Paser rating. Each road gets a pacer rating number which is between 1-10 based on its condition. One would be a bad condition. Staff will compile a report for the commission on city wide status of the streets.

Commissioner Anderson asked what the status is on Rust Avenue. Mr. Gifford commented that the storm sewer had to be installed along with a number of water services. The street will be paved as soon as these projects are completed.

**RESOLUTION NO. 17-62**

Commissioner Anderson moved, seconded by Commissioner Rothstein, the adoption of the following:

**RESOLUTION AUTHORIZING CHANGE ORDER FOR  
2016 LOCAL STREET PAVING PROJECT**

WHEREAS, on July 18, 2016 the City Commission adopted Resolution No. 16-66, which accepted the bid for the 2016 local street paving project, and

WHEREAS, Rieth-Riley was awarded the 2016/2017 Local Street resurfacing project in the amount of \$121,864, which is below the Engineer's estimate for this project, and

WHEREAS, the City would like to take advantage of the current contract unit prices of Rieth-Riley's for milling and asphalt paving of additional streets, and

WHEREAS, a change order has been submitted by Rieth-Riley for the resurfacing of additional City streets in the amount of \$217,806.53.

NOW THEREFORE, BE IT RESOLVED, that the City Commission accept the attached change order, with increased costs of \$217,806.53 for the resurfacing of additional City streets and the cost be expensed to Account No. 202-451-998.000.

BE IT FURTHER RESOLVED, that the City Commission authorize Heather Bowman, Street Administrator to sign said change order.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: May 15, 2017

Steven Kimm, Fleis & VandenBrink Senior Project Manager, commented that there are two items that need to be done to the property in order to move ahead for redevelopment.

1. Update the Due Care Plan that was prepared pre-demolition of Hanchett Manufacturing. This will require the soil and groundwater to be sampled for contaminants.
2. Due to the contaminants of the property pre-demolition of Hanchett, a notice of Approved Environmental Remediation (NAER) was recorded, which restricts the property for Industrial use only. The Due Care Plan needs to be updated in order to propose a revision to the Industrial Use Deed Restriction.

Commissioner Rothstein disclosed that he is an employee of Hanchett Manufacturing. Mr. Williams stated that disclosing this fact is efficient and does not believe that it creates a conflict of interest.

**RESOLUTION NO. 17-63**

Commissioner Anderson moved, seconded by Commissioner Hogenson, the adoption of the following:

**RESOLUTION AUTHORIZING SUBSURFACE INVESTIGATION  
AND RESPONSE ACTIVITY PLAN PREPARATION FOR HANCHETT PROPERTY**

WHEREAS, the City purchased the Hanchett Manufacturing Site to assist with the Baldwin Street roadway and bridge improvements, and

WHEREAS, due to contaminants on the property, a Notice of Approved Environmental Remediation (NAER) was recorded and restricts the property for Industrial use only, and

WHEREAS, The Baldwin Street roadway and bridge improvements are complete and the next phase is to update the Due Care Plan that was prepared by SME in 2013 and propose a revision to the Industrial Use Deed Restriction, and

WHEREAS, Fleis and VandenBrink submitted a proposal to sample the soil and groundwater from the site and analyze them for contaminants and update the Due Care Plan and allow for the draft deed restrictions to be submitted to the MDEQ for approval.

NOW THEREFORE, BE IT RESOLVED, that the City Commission approval the proposal from Fleis and VandenBrink to sample the soil and groundwater from the site and analyze them for contaminants and update the Due Care Plan in the amount of \$9,550 and expense this cost to account no. 101-101-880.300.

Yeas: Anderson, Hogenson, James, Rothstein, Warba  
Nays: None  
The Mayor declared the resolution adopted.  
Dated: May 15, 2017

Commissioner James asked why there needed to be a resolution for a zoning study group. Commissioner James and Mayor Warba are on the User Charge committee and there was no resolution appointing them to that committee. Mr. Williams explained that it is required because Commissioners Anderson and Hogenson will be assisted by City staff as coordinated by the City Manager. This group will require sufficient staff support coordination. Having Commissioners start on a project with staff support without the endorsement of the Commission may lead to potential questions on how far City staff should go with scheduling two or three meetings with a couple of Commissioners on a project that may be outside to scope of what the entire Commission wants to do. It is Mr. Williams opinion that this zoning ordinance project is needed and should have Commission authority to appoint these two Commissioners and authorize staff support for this project.

This study group is in lieu of an outside company coming in to look at the City's zoning ordinances and recommending changes. Upon the completion of this project, this study group will make recommendations to the Planning Commission and whereby the Planning Commission will bring their recommendation back to the City Commission for approval.

**RESOLUTION NO. 17-64**

Commissioner Rothstein moved, seconded by Commissioner James, the adoption of the following:

**RESOLUTION AUTHORIZING A ZONING  
ORDINANCE STUDY GROUP OF TWO CITY  
COMMISSIONERS**

WHEREAS, multiple zoning ordinance update and modification issues have arisen in recent years involving temporary signs, illuminated electronic signs, content based sign regulations, on and off premises sign regulations for commercial signs, residential parking requirements for multi-family housing, home occupations, and chickens; and

WHEREAS, some interest has been shown by Commissioner Anderson in exploring the use of design standards and a form based zoning approach in the City of Big Rapids; and

WHEREAS, the research and study of all or some of these zoning issues can be undertaken best by two City Commission volunteers who can work with City staff as coordinated by the City Manager, and provide the City Commission with research material and suggestions for ways to address all or some of these zoning ordinance issues, which in turn could be referred by the City Commission to the Planning Commission for review and recommendation.

NOW THEREFORE, BE IT RESOLVED that the City Commission appoints Commissioner Lynn Anderson and Commissioner Tom Hogenson as a zoning ordinance study group for the purpose of researching ways to update, modify, and improve the zoning ordinance, and to consider and develop design standards or form based zoning standards that might be suggested for use in the City of Big Rapids and subsequent referral by the City Commission to the Planning Commission.

BE IT FURTHER RESOLVED, that Commissioners Anderson and Hogenson be assisted by City staff as coordinated by the City Manager, with quarterly reports to the City Commission of the activities of the study group.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: May 15, 2017

**RESOLUTION NO. 17-65**

Commissioner Hogenson moved, seconded by Commissioner Anderson, the adoption of the following:

**RESOLUTION ON MAYORAL APPOINTMENTS  
TO BOARDS AND COMMISSIONS**

BE IT RESOLVED, that the City Commission hereby confirms the following Mayoral appointment/recommendation:

**BROWNFIELD REDEVELOPMENT AUTHORITY**

Robert Krueger appointed to an unexpired term ending January 2018.

**DART LOCAL ADVISORY COUNCIL**

Christiaan Desmond appointed to a full term ending May 2020

**PARK AND RECREATION BOARD**

Scott Herron appointed to an unexpired term ending May 2019

**PLANNING COMMISSION**

Chris Jane appointed to a full term ending May 2020  
(Non-City resident per State statute)

Renato Cerdena re-appointed to a full term ending May 2020

**ZONING BOARD OF APPEALS**

Jane Johansen appointed to a full term ending May 2020

Paul Long re-appointed to a full term ending May 2020

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: May 15, 2017

**UNSCHEDULED BUSINESS**

- Commissioner James asked why there was no Board and Commission Dinner this year. Mayor Warba explained that there was concern as to how the budget was shaping up and the estimated cost for this dinner is approximately \$4,000. Commissioner James suggested that staff and Commissioners pay for their own dinner. She would like to see if the budget can accommodate it for 2018.

- Commissioner James asked why the City did not receive the ICE Grant. Mr. Gifford explained that they assign points to each application and the City did not have enough points to receive the grant. The highest points get awarded the grant. Mr. Gifford stated that 10 points could be received if your City was a Main Street Community. The City of Big Rapids is not a Main Street Community, so the City lost out on 10 points automatically. In order to be a Main Street Community your City must have a full-time DBA Director. He has asked the State for a scoring to see where the City ranked at, but has yet to receive it.
- Commissioner Anderson stated that the Old Jail Yard Sale is May 27<sup>th</sup>. This will be a fundraising event to help raise funds to paint the Bergelin House. She is hoping for a good turnout.
- Civil Engineer Status - Mr. Gifford commented that the City received 6 applications and three applicants were interviewed. One applicant was qualified and capable and was offered the job. That person declined the offer. Mr. Gifford does not believe that salary was an issue. The other two applicants were not what the City was looking for. The City will re-advertise in July and expand where they are advertising.
- July is the time frame for Mark Gifford's evaluation. The Commission would also like to evaluate City Treasurer Aaron Kuhn. The Mayor would like to circulate the forms to the Commission in June.
- The Mayor commented that the position of Mayor and two Commissioner seats will be available at the November 2017 election. There will be a new Mayor and at least one new Commissioner. He spoke of two important topics that the Commission may want to address before the new people start in November; those are Medical Marijuana and the Ives Drain. The Commission can either move forward on these two topics or wait until the new people start in November. The Ives Drain problem could become worse if something is not done. It is a big decision to form a district.
  - Commissioner James suggested moving forward.
  - Commissioner Anderson asked if there was a reason that the Medical Marijuana needed to be finalized by November. Mr. Williams commented that this topic does not need to be voted on by November. The City can opt in at any time.
- Mr. Williams gave the status of the statute of limitations to bring action against Prein & Newhof for the Wastewater Treatment Plant's stairway to the North Digester. Mr. Williams stated that the period is up and there is no point of exploring it further. He will look at the City's records to verify.
- The Mayor suggested to staff to look at some of these major projects towards the end of the six-year period and assess them before the statute of limitation is up.
- Mr. Williams commented regarding the Medical Marijuana that he encourages the Commission to continue hearing information regarding this topic. He does not believe

that waiting or postponing will help. The Mayor will arrange for presenters to come to a City Commission meeting.

There being no further business to come before the City Commission, the Mayor declared the meeting adjourned at 7:55 p.m.

\* \* \* \* \*

\_\_\_\_\_  
Mayor Mark J. Warba

\_\_\_\_\_  
Tamyra K. Gillis, City Clerk