

City Commission
September 18, 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 8 people in the audience.

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA

APPROVAL OF MINUTES

Commissioner Anderson moved, seconded by Commissioner Hogenson that the minutes of September 5, 2017 regular meeting be accepted.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

SPECIAL ORDERS OF THE DAY –

STUDY SESSION

a. Five Year Budget Plan - Aaron Kuhn

- Long-term budget forecasting is a best practice recommended by the Government Finance Officers Association. It is the process of projecting revenues and expenditures over a long-term period using assumptions about economic conditions, future spending and other variables.
- Long-term financial planning can be used as a tool to prevent financial challenges and give consensus on long-term financial direction.
- Having a long-term financial plan will help determine funding availability during the City's CIP process. It can also help to examine areas for improvement and cost savings.
- The following assumptions were used in conjunction with preparing this analysis:
 - An increase of 1% annually in income tax revenue, property tax revenue, and state revenue sharing.

- Cost of living adjustments of 1.5% annually for non-bargaining employees.
 - Adjustments in salaries per union contract.
 - Projected an increase of 3.5% annually in healthcare costs.
 - Increases of 5-10% annually in Act 51 revenue for street improvements.
 - Inclusion of all CIPs ranked by the Planning Commission in last year's process
- This plan is a continual work in progress and will be developed more comprehensively over the succeeding fiscal years.

Commissioner James asked if these numbers had the CIP projects going forward? Mr. Kuhn responded yes, but all street projects were not presented in the CIP. Commissioner James asked if Major streets could give to Local streets. Mr. Kuhn stated that yes Major streets can give up to 50% to Local streets. Mr. Kuhn believes that the City is giving the maximum amount, but he will check on this.

Mr. Kuhn has projected doubling the General Fund in five years. Commissioner James asked how Mr. Kuhn intended to do this. Mr. Gifford stated that a number of things have influenced the fund balance over the past.

- Went to a part-time Park and Rec person
- Looking at sharing engineering costs with the County
- Down one person at DPW
- May have reduced costs at the airport

Commissioner James asked why wastewater was so low? Wastewater rates were not where the City needed to be causing the cash balance to be depleted over a period of several fiscal years. Rates were increased as of July 1, 2017. Commissioner James noticed that there was approximately \$300,000 in that fund. Are the rates too high and should the City be accumulating that much money? Mr. Kuhn stated that there are several water and sewer mains that need to be replaced. At the end of the year sanitation money is supposed to be transferred back into the General Fund.

Mayor Warba asked why fund 248 (DDA) goes from \$476.00 (July 1, 2017) to \$23,476.00 (June 30, 2022)? The DDA Fund had over \$30,000 but was depleted over the past fiscal years. One contributing factor was the Hyett Palma Study for the downtown, which the DDA contributed half of the expense.

The Public Safety debt will be paid off in the fiscal year 2021/22. Mayor Warba suggested that after the Public Safety and water debt is paid off, maybe the City could consider some rate reductions and property tax decreases.

Fund 599 – water replacement. Mayor Warba commented that there should be no money put into that fund to replace the current water filtration plant. Discussion has occurred that the city's well fields are out at the airport and with the automation that is in existence,

there would be no reason to put money into the current facility. Mr. Kuhn stated that the money in that fund will be used for the improvements to be made at the plant and replacement of water mains.

b. Medical Marijuana – Eric Williams

Mr. Williams reminded the Commission that the topic of Medical Marijuana is winding down for this year. Businesses will be applying for licenses through the State of Michigan beginning in January 2018 for growers, distributors, processors, transporters or facilities and will be looking for places to establish their business. No action by a municipality to approve any of these uses results in none of them being able to reside in the City.

If the Commission wants to move forward with this issue, they need to let Mr. Williams or staff know, so that a resolution can be drafted up before the end of the year. No township from Mecosta County has opted in so far. Evart and Clare have opted in. Some of the smaller villages and townships in Northern Michigan have opted in.

PUBLIC COMMENT – Kathy Filkins, Big Rapids, asked the Commission what the status was of the Ives Drain project. She has lost 12 feet of property and there are tiles now in the creek on her property. Ms. Bowman will get with Van Johnson regarding picking up the tiles. There is a strong sewage smell coming from the creek and she is concerned about the fish in the creek.

Mayor Warba commented that the Ives Drain is too large of an issue to address by November 20, 2017. The Commission that is voted in on November 7th will have to address this issue. This topic will take a lot of time, effort and lobbying. Mayor Warba commented that the commission needs to hear from people like Mrs. Filkins with their concerns.

PUBLIC HEARING – None

RESOLUTION NO. 17-141

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

**RESOLUTION AWARDING BID FOR DEMOLITION AND REMOVAL OF
STRUCTURE LOCATED AT 246 N. STATE STREET**

WHEREAS, per Resolution 17-123, dated August 7, 2017, the City Commission approved to demolish the former Chamber of Commerce and Visitors Bureau Building, and

WHEREAS, bids were solicited for the demolition of the former Chamber of Commerce and Visitors Bureau Building, and,

WHEREAS, four bids were received with the Park and Recreation Board along with City staff recommending the bid of Lawrence Morningstar Enterprises, Inc. Big Rapids, MI, be accepted in the amount of \$12,499.

NOW, THEREFORE, BE IT RESOLVED, that the City Commission accept the bid of Lawrence Morningstar Enterprises, Inc. in the amount of \$12,499 for the demolition of the former Chamber of Commerce and Visitors Bureau Building and the cost be expensed to Account No. 101-101-967.074.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: September 18, 2017

RESOLUTION NO. 17-142

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

**RESOLUTION APPROVING TRAFFIC CONTROL ORDER NO. 526
FOR RELOCATING THE NO PARKING SIGN ON OAK STREET**

WHEREAS, in accordance with the provisions of Act 32, Public Acts of 1956, Section 2.53, the Department of Public Safety has authorized the following traffic control order:

The "No parking" sign in the 500 block of Oak Street on the south side of the street, near the intersection of Winter Street, will be moved 20 feet to the west of its current location.

BE IT RESOLVED, that the City Commission hereby approves the above Traffic Control Order.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: September 18, 2017

RESOLUTION NO. 17-143

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

**RESOLUTION ELECTING THE MICHIGAN MUNICIPAL LEAGUE LIABILITY
AND PROPERTY POOL'S BOARD OF DIRECTORS**

WHEREAS, the Michigan Municipal League Liability and Property pool has a Board of Directors which is elected by participating members, and

WHEREAS, the vote for the members must be done by the governing body, and

WHEREAS, the ballot consists of four names, Incumbent members Jason Eppler, City Manager, City of Ionia, Ken Hibl, City Manager, City of Clare, Sue Osborn, Mayor, City of Fenton, and David Post, Village Manager, Village of Hillman.

NOW, THEREFORE, BE IT RESOLVED, that the City Commission recommends that the ballot be completed by voting for these four individuals and authorize the City Clerk to sign and submit.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: September 18, 2017

UNSCHEDULED BUSINESS

- Commissioner Hogenson commented that someone was lighting off fireworks at 2:00 in the morning.
- Commissioner James saw in the Manager's newsletter about Public Safety getting a drone. Why? Steve Schroeder stated that the drone would cost approximately \$1,200, and could be partnered with Public Works. Could be used to take pictures of vandalized areas of the city and to look for missing people.
- The City interviewed an applicant for the civil engineer position from California (originally from Michigan) and extended an offer for him to come to Big Rapids to meet with City staff and the Road Commission. This person arrived today and had lunch with staff and the Road Commission. There will be a Road Commission meeting tomorrow, which Mr. Gifford and Ms. Bowman will attend.
- There have been only inquires for the Fixed Based Operator, no formal bids have been received. The deadline is Friday, September 22, 2017 for the FBO bids and for applications for personnel.
- There will be a meeting to review the contractual agreements for the wastewater treatment plant on Monday, September 25th. The City is hopeful to have the contract finalized by November 20th.
- The Mayor met with Ms. Gillis to review the Contract Books. These books are cross referenced, current and up to date, and he was impressed with the organization of these books. During the discussion with Ms. Gillis the concern of how the City flags the products and items that have been purchased and are still under warranty. If a defect were to occur, how would it be addressed during the warranty period verses waiting and finding out that the warranty has expired. Any problems need to be addressed as soon as they occur. The Mayor would like staff and Mr. Williams to keep this in mind with warranties that have a large dollar amount associated with them, such has, \$50,000 – 100,000.
- The Mayor reviewed the new election machines that will be implemented on November 7th.

- This Friday, at the weekly concert in Pocket Park, there will be a Public Safety recognition starting at noon. This will be the last concert for the summer.

There being no further business to come before the City Commission, the Mayor declared the meeting adjourned at 7:25 p.m.

Mayor Mark J. Warba

* * * * *

Tamyra K. Gillis, City Clerk