

City Commission
May 4, 2015

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 Attorney Eric D. Williams; City Manager Steve Sobers; and City Treasurer Jon Locke.

Absent: None

There were 10 persons in the audience.

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA – none.

APPROVAL OF MINUTES

Commissioner Anderson moved, seconded by Commissioner Hogenson that the minutes of April 20, 2015 meeting be accepted.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Commissioner Hogenson moved, seconded by Commissioner Anderson that the minutes of the special April 27, 2015 be approved as presented.

Yeas: Anderson, Hogenson, Warba

Abstain: James and Rothstein, who were absent from the meeting.

SPECIAL ORDERS OF THE DAY

The following PROCLAMATION CELEBRATING YOUTH WEEK were presented to Joyce Sonntag.

WHEREAS, the Benevolent and Protective Order of Elks has designated May 1-7, 2015 as Youth Week to honor American's Junior Citizens for their accomplishments, and to give fitting recognition of their services to Community, State and Nation, and

WHEREAS, Big Rapids Lodge #974 will sponsor an observance during that week in tribute to the Junior Citizens of this Community, and

WHEREAS, no event could be more deserving of our support and participation than one dedicated to these young people who represent the nation's greatest resource, and who in the years ahead will assume the responsibility for the advancement of our free society, and

WHEREAS, our Youth need the guidance, inspiration and encouragement which we alone can give in order to help develop those qualities of character essential for future leadership; and go forth to serve America, and

WHEREAS, to achieve this worthy objective we should demonstrate our partnership with Youth, our understanding of their hopes and aspirations and a sincere willingness to help prepare them in every way for the responsibilities and opportunities of citizenship.

NOW, THEREFORE, BE IT RESOLVED, that I Mark J. Warba, Mayor of the City of Big Rapids, do hereby proclaim the first week in May as

YOUTH WEEK

and urge all departments of government, civic, fraternal and patriotic groups, and our citizens generally, to participate wholeheartedly in its observance.

Mayor Mark J. Warba

Dated: May 4, 2015

Joyce Sonntag stated that the Elks will be awarding \$12,000 in scholarships to two students, both from the Reed City area.

STUDY SESSION

a. Budget for Fiscal Year 2015/2016

City Treasurer Jon Locke presented the FY 2015/2016 Budget Plan, which consists of \$22.9 million. The budget is in balance. It has provisions to continue the 1 mill for street resurfacing. He discussed the following:

- Millage Comparisons for 2014 and 2015, which will result in a 1.0404 increase in the total millage. The City Commission was updated on the recent tax appeals filed, which have reduced the property taxes on commercial and industrial properties.
- General Fund Major Revenue Sources.
- General Fund Major Revenue Sources and Fund Balance Analysis chart.
- General Fund Reconciliation – the fund balance at the beginning of the fiscal year and the ending fund balance.
- Fiscal Year 2015/2016 Fund Balance Projections for funds.
- Fiscal 2016 Proposed Capital Improvement Projects.
- Debt Service for Fiscal Year 2015-2016.

The budget will be presented to the City Commission at the June 1 meeting for adoption.

PUBLIC COMMENT - none

Continuation of Study Session:

b. Frozen Water Line Update

City Manager Steve Sobers reported that the water lines to the three properties on Woodward Avenue, discussed at previous meetings, are over the top of the storm water line, making them about 4.5 feet deep. He stated that a report from staff indicates that there were a number of problems with that line when it was first installed, so it was not, in the end, installed as it was projected to have been. It would appear there is an obligation on the City's part to fix that line. It is anticipated the line will be dug up this summer, and replaced at about 9 feet deep. It will include excavation of the street, estimated to be between \$6,000 and \$7,000 per line to correct the mistake.

The City is in the process of developing a policy to address freeze-ups, with the anticipation it will include how the City will approach the citizens when things begin to get cold, how to adjust the water bills, and responsibility factors for lines when they are potentially freezing up.

City Attorney Eric Williams summarized his memo, indicating that the City is not liable for Mr. McBride's expense. It is protected by governmental immunity. Mr. McBride's situation is unique to him. If the City should receive a multitude of requests for payments, there is no good way for the City Commission to handle those, to separate them and pay for them when the City is not legally obligated to pay for them. There is no good way to do that. He recommends that the City Commission not take steps to reimburse Mr. McBride. He did provide the suggestion that the City may want to make a modest contribution to Mr. McBride for expenses he incurred for the contractor thawing the portion of the City's line beyond the curb box.

He encouraged the development of a complete policy to deal with freezing lines, establishing everyone's responsibility and cost. Water service lines installed from the main to the house is the responsibility of the property owners. The City is responsible from the main to the curb box.

Further discussion was postponed until after the public hearing.

PUBLIC HEARING

Mayor Warba opened the public hearing on Fiscal Year 2015/2016 budget at 7:30 p.m., inviting comments pertaining to the budget.

Rose Mary Jennings, 606 Bjornson St., expressed desire that the Fire and Police Divisions be funded to protect the City. The DPW department is also important for winter maintenance. She is disappointed to see funds for the marciting of the pool was taken out. The pool is there for everyone. She requested the status of the Susan Jennings fund. She asked if the zinnias were in the budget.

Mr. Locke reported that the zinnias are in the City Commission discretionary fund. Mrs. Jennings was shown the Susan Jennings fund on the Fund Balance Projection sheet.

Commissioner James would like to see funding for the marciting. Mark Gifford, Public Works Director, stated that the marcite is at its useful life and will need replacing within the next five years. This spring, the marciting company will be looking at it to determine if it needs replacing within the next two years.

Mr. Sobers stated that the City is aggressively proceeding with downtown flower pots. He suggested that in the future the designated zinnia purchase cost be put into the downtown flower line item to help increase the display of flowers in the pots.

Mrs. Jennings questioned the possibility of hanging flower pots on the bridge. Mr. Gifford stated that the poles belong to Consumer's Energy. They will not permit hanging flowers pots, but they will permit banners.

Chris O'Neil, 317 N. Third Avenue, questioned if the budget was balanced. Mr. Locke replied it is.

The public hearing was closed at 7:47 p.m.

The City Commission returned to the discussion of the frozen water lines.

Mr. McBride questioned the City Commission's position on the water line. It was improperly installed, but he incurred an expense to thaw it because of that. The three property owners should not have had to incur an expense due to improper water service line installation.

Rose Mary Jennings, 606 Bjornson Street, expressed concerns that the City has a responsibility to get water to Mr. McBride's water line. She believes he should be reimbursed for his expense.

Mayor Warba stated that all the situations are different. It is never uniform nor is it the same situation for each occurrence. The response to the defect on Woodward Avenue will be corrected by the City. The situation on Woodward Avenue will be remedied over the summer.

Commissioner Hogenson questioned if the City has any responsibility of accepting the road work and inspecting it. Does it share any responsibility that the work was properly installed and fully functional? Once the work is accepted, it implies the work was done correctly. Was a liability created? He is fully agreeable with having the City Manager have the discretionary ability to do something to make this right in part.

Commissioner Rothstein fully agrees that there needs to be a policy established. Commissioner James is looking forward to a proposed policy and is satisfied to let the City Manager come up with something. Commissioner Anderson also agreed with the City Manager addressing the policy issue.

Mr. Sobers will come back with some suggestions on a policy to address frozen service water lines. He stated that there is no evidence that in over 15 years any City water main lines have frozen. The Treasurer's office staff is looking at how water bills can be adjusted in the freeze-up situations.

Mayor Warba outlined in summary the following considerations regarding this issue:

- The City Manager will follow-up with Mr. McBride regarding his unique situation.
- If other property owners who have had frozen lines desire to discuss their situations with Mr. Sobers, they may do so.
- Over the summer months, a water freeze-up policy will be developed.
- The City's response to frozen water lines will be supportive with the offering of ideas to remedy the problem.
- Residents should be informed when they should consider running their water to avoid freeze-ups. How to address the cost will be addressed.
- Consideration should be given as to whether the City should attempt to thaw a frozen waterline. If the City should make the attempt, an associated cost should be identified.
- If there are properties or locations where the frozen water lines have been more chronic, perhaps an option is to inform the property owners that the lines may be replaced or relocated, perhaps with cost sharing.
- A policy should be established addressing the issue.

The City Commission took a five minute break.

RESOLUTION NO 15-43

RESOLUTION ADOPTING THE BROWNFIELD REDEVELOPMENT AUTHORITY BYLAWS

FOR the May 4, 2015, City Commission Meeting of the City of Big Rapids

PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF ACT 381 OF
THE PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED

At a regular meeting of the City Commission of the City of Big Rapids, Mecosta County, Michigan, held in the Commission Meeting Room, City Hall, 226 North Michigan Avenue, of said City on the 4th day of, May 2015, at 6:30 p.m.

PRESENT: Anderson, Hogenson, James, Rothstein, Warba

ABSENT: None

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

RESOLVED that the City Commission, having reviewed the Bylaws of the Board of the City of Big Rapids Brownfield Redevelopment Authority, a public body corporate established on November 3, 2014, pursuant to the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (hereinafter the "Act"), which Bylaws were approved at the third organizational meeting of the Board on April, 21, 2015, hereby approves the Bylaws as appended hereto, which are deemed to constitute the rules governing the procedures and the holding of regular meetings of the Board, as set forth in Section 5(5) of the Act.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

Abstained: None

The Mayor declared the resolution adopted.

Dated: May 4, 2015

STATE OF MICHIGAN)
)ss.
COUNTY OF MECOSTA)

I, the undersigned, the duly qualified and acting Clerk of the City of Big Rapids, County of Mecosta, State of Michigan, do hereby certify that the foregoing is a true and complete copy of resolution adopted by the City Commission of the City of Big Rapids at a regular meeting held on the 4th day of May 2015, the original of which resolution is on file in my office.

IN WITNESS WHEREOF, I have hereunto set my official signature, this 4th day of May, 2015.

Roberta R. City Clerk
City of Big Rapids

RESOLUTION NO. 15-44

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

**RESOLUTION ACCEPTING THE 2015 BIG RAPIDS
WASTEWATER USER CHARGE SYSTEM REPORT AND
AUTHORIZING THE MAYOR TO SIGN**

WHEREAS representatives from the City of Big Rapids, Big Rapids Township and Green Township [the “Municipalities”] have met in committee to complete the 2015 User Charge Report [the ‘Report’], and

WHEREAS the Report identifies City accounts utilized to quantify and track shared expenses in the operation of the wastewater treatment plant and collection system, and sets the methodology of preparing the User Charge System Report, and

WHEREAS, the information about the collection system and treatment plant serving the Municipalities set forth in the Report will be used in the setting of wastewater rates and the preparation of future user charge system reports.

WHEREAS, page 38 Section Q, Surcharges, of the 2015 Big Rapids Wastewater User Charge System Report will be brought back for approval once further testing is completed.

NOW, THEREFORE BE IT RESOLVED, that the City Commission accepts the 2015 Big Rapids Wastewater User Charge System Report as prepared by the participating municipalities, subject to the approval by the State of Michigan,

Department of Environmental Quality, Environmental Sciences and Services Division, and the Mayor is authorized to accept and sign the Report on behalf of the City.

BE IT FURTHER RESOLVED, that the rates established by the 2015 Report to be charged Green Township and Big Rapids Township effective June 1, 2015, shall be \$5.00 per unit (1 unit = 1,000 gallons) exclusive of IPP charges as provided in this report.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: May 4, 2015

RESOLUTION NO. 15-45

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

RESOLUTION TO SUPPORT THE UNIVERSAL INCOME TAX WITHHOLDING AND ENHANCED TAX COLLECTION

WHEREAS, Michigan law does not require employers situated outside of cities that levy an income tax to withhold the tax from the paychecks of their employees who live in those cities and remit said resources to the jurisdictions, and

WHEREAS, data show the city income tax collection rate is roughly 98 percent among taxpayers who are subject to withholding, and

WHEREAS, recognizing the latter, leaders of the 22 Michigan cities that levy an income tax recently agreed this loophole in tax law should be closed for employers with annual payrolls of \$250,000 or more, and

WHEREAS, the City Income Tax Act (*Public Act 284 of 1964*) has antiquated collection and other remedies that are less efficient than the collection methodologies employed by the State, and, recognizing this, the leaders of the 22 Michigan cities support an amendment that would permit the cities to use similar collection methodologies as the state to provide for efficient tax collection, and

WHEREAS, some of those cities also desire to contract with the State for collection of their income taxes, and their leaders further agreed that the Michigan Department of Treasury should be authorized to employ the same collection tools for municipal debts that it uses for outstanding state obligations, and

WHEREAS, the proposed amendments – to both the City Income Tax Act and the Revenue Division of Department of Treasury Act (*Public Act 122 of 1941*) – portend millions in additional income tax money for those cities to expend on basic city services, including policing and fire protection, and

WHEREAS, said cities sorely need the additional income tax resources, in wake of persistent state revenue sharing cuts that total nearly \$7 billion since state Fiscal Year 2001 and the FY 2016 budget proposal that recommends state aid to locals remain flat, and

WHEREAS, the suggested changes to state law would not raise income tax rates in any of the 22 cities with such a levy, but, rather, only seek to enhance overall collections and yield the locals' payment for services from residents who used them;

WHEREAS, the Michigan Department of Treasury supports this public policy endeavor, as does the Michigan Municipal League;

NOW THEREFORE BE IT RESOLVED, that the honorable City of Big Rapids City Commission respectfully asks the Michigan Legislature to amend state law before it recesses for the summer to help those income tax-levying cities augment their collection rates;

BE IT FURTHER RESOLVED, that Governor Rick Snyder expeditiously approve said legislation once it is presented to him for his signature into law; and

BE IT FINALLY RESOLVED, that a copy of this resolution be sent to Governor Snyder; legislative caucus leaders; members of the House and Senate Local Government committees; members of the House and Senate Government Operations committees; members of the House Tax Policy Committee; and members of the Senate Finance Committee.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: May 4, 2015

RESOLUTION NO. 15-46

Commissioner Rothstein moved, supported by Commissioner Hogenson, the adoption of the following:

RESOLUTION REFERRING TO THE PLANNING COMMISSION FOR RECOMMENDATION OF DISCONTINUATION OF CITY OWNED PROPERTY AT 518 N FOURTH AVENUE

WHEREAS, whenever the City has property that may not be needed, the City Commission has asked the Planning Commission to review this excess property and make a recommendation on its disposition, and

WHEREAS, 518 N. Fourth Avenue, Parcel # 54-17-11-193-002, is 15' by 110" and is immediately adjacent to 602 N. Fourth Avenue, and

WHEREAS, 602 N. Fourth Avenue was referred to the Planning Commission per Resolution No. 15-06 for recommendation of disposition, and

WHEREAS, it is staff's intent to have both parcels be declared surplus in order to combine them.

NOW, THEREFORE, BE IT RESOLVED, that the City Commission refer Parcel #54-17-11-193-002 to the Planning Commission for a recommendation on disposition.

Yeas: Anderson, Hogenson, James, Rothstein, Warba

Nays: None

The Mayor declared the resolution adopted.

Dated: May 4, 2015

UNSCHEDULED BUSINESS

Commissioner James requested an update on the possibility of acquiring additional softball land by Vogel Field for a women's field, utilizing money held by the Women's Softball League. Mr. Gifford has had discussions with the women's softball representative, but has not received a response from her at this time.

Commissioner Rothstein presented a proclamation to the visiting Haitian women's soccer team on Saturday, May 2nd, at a game with the Ferris team.

Mayor Warba commented on the April 27th bus tour. He observed the following items that he would like the Planning Commission to start considering:

- Alley parking – property owners should be required to have adequate parking spaces and parking areas in good condition.
- Decline of property values - he believes the way places look can influence property values.
- Items affecting parking: Trash pickup, snow removal, setbacks from the rear of homes.
- Positon of dumpsters in the alleys.
- The tools must be given to staff so things are clear and enforceable. He would like to have diligent enforcement by staff and the City Attorney.

Commissioner Hogenson stated that he and Mr. Sweppenheiser met with Mr. Henry Ho, Associate Professor of Marketing at Ferris, pertaining to establishing a regular schedule for Community Attitude Surveys relative to community services by using the offices of the Ferris State University Market Research folks. They are looking every fall for a new project, and it may be something that could be set up as reoccurring. The cost would be providing at least four tablets to permit use of Survey Monkey.

There being no further business to come before the City Commission, the Mayor declared the meeting adjourned at 9:01 p.m.

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Mayor Mark J. Warba

Roberta R. Cline, City Clerk

