

**CITY OF REED CITY
REGULAR COUNCIL PROCEEDINGS
September 21, 2015**

Mayor McKinney called the meeting to order at 7:00 P.M. in Council Chambers, 227 East Lincoln Avenue, Reed City, Michigan.

- Present** Mayor, Karen Lea McKinney. Council Members: David Bisbee, Bonnie Danzeisen, Marlene Fatum, Roger Meinert and Carol Tillotson. David Scharlow was absent. City Manager, Ron Howell and City Attorney, Cynthia Wotila were also present. Department Heads, Curt Brackenrich, Barbara Westenburg, Chief Chuck Davis, Tom Plummer and Fire Chief Jeff Stein also attended. The meeting was opened with the pledge to the flag. Citizens were in the audience.
- Minutes** Motion by Danzeisen, seconded by Fatum, **CARRIED**, to accept the minutes of the August 17, 2015 regular meeting as presented. Affirmed by voice vote.
- Bills** Motion by Bisbee, seconded by Fatum, **CARRIED**, to approve paying bills as presented in the amount of \$273,496.63. There were no questions regarding the bills. Roll call vote. Voting yes were, Bisbee, McKinney, Tillotson, Fatum, Meinert and Danzeisen.
- Motion by Danzeisen, seconded by Fatum, **CARRIED**, to approve Invoice 6493 in the amount of \$19,693.61 from Federal Appraisal & Consulting. Roll call vote. Voting yes were, Meinert, Bisbee, Danzeisen, Fatum, Tillotson and McKinney.
- Motion by Danzeisen, seconded by Meinert, **CARRIED**, to approve Invoice 43805 in the amount of \$12,260.50 from Grand Traverse Mobile Communications. Roll call vote. Voting yes were, Fatum, Tillotson, McKinney, Bisbee, Danzeisen and Meinert.
- Reports** Chief Jeff Stein, Fire Department., Chief Chuck Davis, Police Department, Tom Plummer, DPW, and Curt Brackenrich, WWTP, filed written reports.
- Casair** Motion by Meinert, seconded by Fatum, **CARRIED**, to notify Casair to remove their signs by October 1, 2015; if not removed by that date the Department of Public Works is directed to remove them. Affirmed by voice vote.
- Playground Eq.** Motion by Meinert, seconded by Fatum, **CARRIED**, to table any action on playground equipment in order to allow the City Manager time to contact the OCCF regarding time frame for installation of equipment, to find out the reasons the staff chose this company and to contact the vendor for a breakdown of the installation charges. Affirmed by voice vote.
- Bids** Motion by Tillotson, seconded by Fatum, **CARRIED**, to approve the bid from Fishbeck, Thompson, Carr & Huber in the amount of \$69,900 for Engineering for the W. Stimson and Todd Avenue Water Main Replacement/Extension authorizing the start with the W. Stimson project now and the Todd Avenue project in the spring. Roll call vote. Voting yes were, Danzeisen, Fatum, McKinney, Meinert and Tillotson. Bisbee abstained.
- Bids** Motion by Fatum, seconded by Tillotson, **CARRIED**, to approve the bid from J.E. Tiffany & Sons for the base Engineering in the amount of \$12,250.00 for the Hersey River Dam Project with the necessary budget amendment with revenue contribution from DDA and expenditure to City/Other Properties. Roll call vote. Voting yes were, Tillotson, McKinney, Danzeisen, Meinert and Fatum. Bisbee abstained.

- Fee Motion by Bisbee, seconded by Meinert, **CARRIED**, to approve a fee of \$5.00 for an Accident Report with the LexisNexis Agreement portal services. Roll call vote. Voting yes were, McKinney, Fatum, Meinert, Bisbee, Danzeisen and Tillotson.
- Force Main Motion by Meinert, seconded by Danzeisen, **CARRIED**, to accept the quote from Terra Contracting at \$165.00 per hour and \$120.00 per hour mobilization, not to exceed \$5,000.00, to clean the Patterson Road force main. Roll call vote. Voting yes were, Bisbee, McKinney, Tillotson, Fatum, Meinert and Danzeisen.
- Ordinance Ordinance 002-2015 amending Part Twelve Chapter 1244 of the City Code by adding a new Section 1244.04, which sets standards for dimensional and Use Variance was introduced by Mayor McKinney.
- Opinion Motion by Tillotson, seconded by Meinert, **CARRIED**, to obtain a written attorney opinion before the next council meeting on the pros and cons on the Special Use Variance versus a Use Variance for this type of business (Operate an exercise business in an R-1 District). Affirmed by voice vote.
- Liaison Officer Motion by Danzeisen, seconded by Tillotson, **CARRIED**, to approve a wage increase to \$16.00 per hour for the school liaison officer, Karen Lindstrom, staying within the budget of \$20,000 for the 2015-2016 school year. Roll call vote. Voting yes were, Tillotson, Meinert, Danzeisen, Fatum, McKinney and Bisbee.
- Councilman Bisbee left the council chambers at 8:36 P.M.
- Councilman Bisbee returned to the council chambers at 8:39 P.M.
- Emerg. Lights Motion by Danzeisen, seconded by Meinert, **CARRIED**, to accept the Magnum Emergency Light system for the Fire Dept. valued at \$4,750.00 from the Dept. of Natural Resources, with the restriction they are to be used for fire or an emergency scene. Affirmed by voice vote.
- Vacate Motion by Danzeisen, seconded by Fatum, **FAILED**, to not vacate E. Osceola Avenue for Reed City Towing. Roll call vote. Voting yes were, McKinney, Danzeisen and Fatum. Voting no were, Bisbee, Meinert and Tillotson.
- Motion by Meinert, seconded by Tillotson, **CARRIED**, to table the vacation of E. Osceola Avenue until Mr. Saez of Reed City Towing LLC, can appear at the next council meeting to answer questions and provide intentions for the property. Affirmed by voice vote. Danzeisen voted no.
- Impound Yard Motion by Meinert, seconded by Tillotson, **CARRIED**, to authorize the City Manager to seek bids to rent the impound yard at the old Police building for a period of three years. Approved by voice vote.
- RFP - Engineer Motion by Meinert, seconded by Fatum, **CARRIED**, to authorize the W.W.T.P. to seek proposals for engineering firms to prepare an Asset Management Plan and a report on the projected equipment needs of an existing sanitary sewer Patterson Road lift station. Affirmed by voice vote.
- RFP – Map Motion by Meinert, seconded by Bisbee, **CARRIED**, to authorize the City Manager to seek proposals to update the parcel map. Affirmed by voice vote.

Budget Amend. Motion by Bisbee, seconded by Tillotson, **CARRIED**, to approve the budget amendments as presented. Roll call vote. Voting yes were, Tillotson, McKinney, Danzeisen, Bisbee, Meinert and Fatum.

RESOLUTION FOR BUDGET AMENDMENTS

DATE: September 21, 2015

Resolution by the City Council to Amend the 2015/2016 fund/department budgets as follows:

<u>FUND/ACCOUNT DESCRIPTION</u>	<u>PRESENT BUDGET</u>	<u>ACTUAL TO DATE</u>	<u>ESTIMATED YEAR END</u>	<u>AMENDED BUDGET</u>	<u>INCREASE (DECREASE)</u>
1. Fund #208 Park Commission Fund					
<u>Expenditures (by Department)</u>					
<u>Dept. 773 P.D. Golf Outing</u>				-	-
<u> Contr. To Fund #418</u>			9,178	9,178	9,178
				-	-
<u> Total Increase In Expenditures</u>					\$ 9,178
<u>Revenues (by account)</u>					
<u>#208-773-690 Fund Balance</u>			9,178	9,178	9,178
				-	-
<u> Total Increase In Revenues</u>					\$ 9,178
2. Fund #101 General Fund					
<u>Expenditures (by Department)</u>					
<u>Dept. 958 Appropriations</u>	22,310	-	28,000	28,000	5,690
				-	-
<u> Total Increase In Expenditures</u>					\$ 5,690
<u>Revenues (by account)</u>					
<u>#690 Fund Reserve -- (committed previous FY)</u>	108,139		113,829	113,829	5,690
				-	-
<u> Total Increase In Revenues</u>					\$ 5,690
3. Fund #418 Park System Construction Fund					
<u>Expenditures (by Department)</u>					
<u>Dept. 697 Park Construction</u>	-	-	18,494	18,494	18,494
				-	-
<u> Total Increase In Expenditures</u>					\$ 18,494
<u>Revenues (by account)</u>					
<u>#676.101 Contr. From General Fund</u>			5,690	5,690	5,690
<u>#676.208 Contr. From Fund 208</u>			9,178	9,178	9,178
<u>#690 Fund Reserve</u>			3,626	3,626	3,626
				-	-
<u> Total Increase In Revenues</u>					\$ 18,494

Reason:

To Combine funds raised thru the PD Golf Outings (Fund 208), OCCF Grant Funds (GF), and remaining Westerburg Park Construction Funds together to Install new playground equipment.

Budget Amend. Motion by Bisbee, seconded by Meinert, **CARRIED**, to approve the budget amendment as presented using fund reserve. Roll call vote. Voting yes were, Fatum, Meinert, Bisbee, Danzeisen and Tillotson. McKinney voted no.

RESOLUTION FOR BUDGET AMENDMENTS

DATE: September 21, 2015

Resolution by the City Council to Amend the 2015/2016 fund/department budgets as follows:

<u>FUND/ACCOUNT DESCRIPTION</u>	<u>PRESENT BUDGET</u>	<u>ACTUAL TO DATE</u>	<u>ESTIMATED YEAR END</u>	<u>AMENDED BUDGET</u>	<u>INCREASE (DECREASE)</u>
4. Fund # 101 General Fund					
<u>Expenditures (by Department)</u>					
Dept. 101 City Council	27,085	4,774	77,085	77,085	50,000
Dept. 257 City Assessor	26,050	3,710	27,050	27,050	1,000
				-	-
Dept. 448 Street Lighting	44,500	8,369	48,000	48,000	3,500
				-	-
<u>Total Increase in Expenditures</u>					\$ 54,500
<u>Revenues (by account)</u>					
Fund Balance-(Committed prev. yr.)	113,829		117,329	117,329	3,500
Fund Balance - Tax Appeal	117,329		168,329	168,329	51,000
				-	-
<u>Total Increase in Revenues</u>					\$ 54,500

Reason:

To amend the budget using fund reserve to cover costs associated with the Yoplat Tax Appeal (\$51,000), and for repair of a trail light damaged last fiscal year (insurance proceeds were received last FY, but the repair parts didn't come in until July \$3,500).

Resolution

Motion by Meinert, seconded by Fatum, **CARRIED**, to approve the Resolution Amending Sanitary Sewer Rates increasing the sewer rate by .25¢ per thousand gallons. Roll call vote. Voting yes were, Bisbee, McKinney, Tillotson, Fatum, Meinert and Danzeisen.

**CITY OF REED CITY
RESOLUTION AMENDING SANITARY SEWER RATES**

At a regular meeting of the City Council of the City of Reed City, Osceola County, Michigan (the "City"), held in said City on Monday, September 21, 2015.

PRESENT: David W. Bisbee, Karen McKinney, Carol Tillotson, Marlene Fatum, Roger Meinert and Bonnie Danzeisen.
ABSENT: Dave Scharlow

The following preamble and resolution were offered by Council Member MEINERT and seconded by Council Member FATUM.

WHEREAS, Pursuant to the City Charter in Section 13.3 The Council shall have the power to fix from time to time such just and reasonable rates and other charges as may be deemed advisable for supplying the inhabitants of the city and others with such public utility services as the city may provide. There shall be no discrimination in such rates within any classification of users thereof, nor shall free service be permitted. Higher rates may be charged for service outside the corporate limits of the city, and

WHEREAS, Pursuant to the City Code Section 1044.02 **FIXING RATES.** The rates to be charged for water and sewage disposal service furnished by the system shall be as prescribed by the City Council, and

WHEREAS, Pursuant to the Bond payment covenants in Ordinance 90-A Section 4.5 Rate Covenant: The City hereby covenants to establish, by separate resolution of the City Council, rates which will be sufficient to provide for the payment of the Wastewater System's administration and operation expenses, such expenses for the Wastewater System's maintenance as may be necessary to preserve it in good repair and working order and expenses incurred in the acquisition and construction of the Wastewater System....., and

WHEREAS, In the adoption of the 2015-16 Budget there called for a rate increase to provide additional revenues for the sewer fund to pay for increased operational expenses of that fund, so

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Reed City:

1. Effective for the October 2015 billing cycle which is collected with bills sent to users of the Wastewater System in November 2015, the rates, charges and fees for the City's Wastewater System shall be as set forth below:

WASTEWATER (SEWER) RATE INCREASE			
NEW RATES - October 2015		OLD RATES - April 2012	
METER SIZE	COST/METER	METER SIZE	COST/METER
3/4"	\$ 3.46	3/4"	\$ 3.46
1"	3.81	1"	3.81
1.25"	5.60	1.25"	5.60
1.5"	8.00	1.5"	8.00
2"	14.40	2"	14.40
3"	38.09	3"	38.09
4"	57.60	4"	57.60
6"	128.00	6"	128.00
8"	354.00	8"	354.00
10"		10"	
Variable Rate – per 1000 gal.	\$5.00	Variable Rate – per 1000 gal.	\$4.75
Gallons Included With Min. Bill	0	Gallons Included With Min. Bill	0
Size of Water Unit Sold -- Gal. or cu ft	1,000		

2. For users located outside of the City limits, the charges shall be 150% of the rates charged to users within the City.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be, and the same are hereby, rescinded.

Upon vote for the adoption of said resolution, the vote was:

YEAS: Bisbee, McKinney, Tillotson, Fatum, Meinert and Danzeisen.
 NAYS: None.

Consent Motion by Danzeisen, seconded by Fatum, **CARRIED**, to accept the Consent Agenda as presented. Affirmed by voice vote.

Committee No Committees have met.

City Manager Ron Howell presented an update to the Personnel Policy regarding Fire Fighters physical exams.

Policy Motion by Fatum, seconded by Meinert, **CARRIED**, to adopt the Employment Standard Firefighter Physical Exam for Released for Active Duty Status policy for the Personnel Policies and Procedures Manual.

Ron provided copies of correspondence from Charter Communications letting us know they anticipate the renewal of our franchise in June of 2018 and an email communication from Charter who has applied to merge with Time Warner Cable and Bright House Networks and would like a letter of support for this transaction. In final, Ron supplied an Uncompleted Items List.

Bills Mayor McKinney appointed Carol Tillotson to review bills prior to the next meeting.

Mayor Mayor McKinney stated she will no longer perform marriages – with regrets.

- City Atty. City Attorney, Cynthia Wotila, requested a closed session at the end of the Agenda to report on pending litigation.
- Council Roger Meinert suggested when revising the Charter purchasing, to not set a hard dollar amount for purchasing for future councils to deal with. Take whatever is an appropriate amount today and whatever percentage that is of our general budget and set that as a percentage of our general fund budget as the purchasing power of the City Manager. Marlene Fatum commented the sign on the fence at the old Andy's Standard was put there by a group of citizens. It is a salute to the Police. It is a sincere thank you to the policemen and policewomen. Carol Tillotson also commented she is very proud of the police and is thankful for all they do.
- Bids Motion by Meinert, seconded by Fatum, **CARRIED**, to approve the bid from Grand Traverse Mobile Communications in the amount of \$21,770.00 for mobile and portable radios for the Police Department. Roll call vote. Voting yes were, McKinney, Fatum, Meinert, Bisbee, Danzeisen and Tillotson.
- Audience Michele Hoytenga, Mayor of Manton, introduced herself as she will be running for the 102nd State Representative seat.
- Jeff Stein announced the Fire Department will be having a "Picnic in the Park" for Fire Prevention week which will be held at the Westerburg Park on Saturday, October 10 from Noon until 2:00 P.M. Everyone is invited to meet the firefighters, see the equipment and have a free hot dog.
- Chastity Eads, introduced herself as the new Chamber Director.
- Closed Door Motion by Danzeisen, seconded by Meinert, **CARRIED**, to enter into closed door session to meet with legal counsel regarding pending litigation. Roll call vote. Voting yes were, Tillotson, Meinert, Danzeisen, Fatum, McKinney and Bisbee.
- Council went into closed session at 9:38 P.M.
- Council returned to open session at 10:15 P.M.
- No decisions were made in closed session.
- Adjourn Mayor McKinney adjourned the meeting at 10:15 P.M.

Jacalyn R. Beam
City Clerk