

CITY OF REED CITY
REGULAR COUNCIL PROCEEDINGS
June 15, 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, Dave Scharlow and Carol Tillotson. Roger Meinert was absent. City Manager, Ron Howell and City Attorney, Nathan Piwowarski were also present. Department Heads, Curt Brackenrich, interim DPW Superintendent Tom Plummer, Barbara Westerburg, Chief Chuck Davis and Assist. Fire Chief Dick Updike also attended. The meeting was opened with the pledge to the flag. Citizens were in the audience.
- Hearing** A Public Hearing was opened at 7:00 P.M. to receive comments from the public regarding submission of a grant application to the USDA, Rural Development, for a new 2015 patrol vehicle and equipment, full radio replacement upgrade and ballistic vest for the Police Department. There were no comments or written comments received. The hearing closed at 7:02 P.M.
- Minutes** Motion by Danzeisen, seconded by Fatum, **CARRIED**, to accept the minutes of the May 18, 2015 regular meeting as presented. Affirmed by voice vote.
- Bills** Motion by Tillotson, seconded by Bisbee, **CARRIED**, to approve paying bills as presented in the amount of \$201,652.73. Roll call vote. Voting yes were, Bisbee, Scharlow, McKinney, Tillotson, Fatum and Danzeisen.
- Audience** Suzie Williams appeared to report on some items for the Crossroad Festival. The parade will line up on W. Slosson, travel down S. Higbee to the High School. Friday evening the band will be Jeff Kerwin and Saturday evening, after the car show, the band "Rickers " will be playing at the intersection of Higbee & Upton. The committee has not heard back from the State Liquor Control Commission yet on their outdoor temporary permit. Suzie answered various questions from council members.
- Reports** Chief Jeff Stein, Fire Department., Chief Chuck Davis, Police Department, Tom Plummer, DPW, and Curt Brackenrich, WWTP, filed written reports.
- USDA Grant** Motion by Fatum, seconded by Bisbee, **CARRIED**, to accept the USDA, Rural Development Grants for a new patrol vehicle, ballistic vests, Radio System upgrade, and authorize City Manager, Ron Howell to sign Grant documents. Roll call vote. Voting yes were, Tillotson, Danzeisen, Fatum, McKinney, Bisbee and Scharlow.
- X-mas Decor** Discussion and action on the Christmas Decorations bid was tabled until D.D.A. members have an opportunity to meet with the decorations company which sent in a bid.
- Asphalt Bids** Motion by Bisbee, seconded by Scharlow, **CARRIED**, to accept the bid from Fenstermacher Asphalt Paving for all five options in the amount of \$16,740.00 less an 11% discount of \$1,840.00 for a total amount of \$14,900.00 for various asphalt patch repairs. Roll call vote. Voting yes were, McKinney, Scharlow, Bisbee, Danzeisen, Tillotson and Fatum.
- Ferric Chloride** Motion by Bisbee, seconded by Scharlow, **CARRIED**, to accept the bid from Webb Chemical in the amount of \$472/per dry ton for Ferric Chloride for the W.W.T.P. Roll call vote. Voting yes were, Bisbee, Fatum, Tillotson, Danzeisen, Scharlow, McKinney.
- Sludge Bids** Motion by Danzeisen, seconded by Scharlow, **CARRIED**, to accept the bid from Biotech Agronomics for a three year contact for the removal of sludge at the W.W.T.P. Roll call vote. Voting yes were, Scharlow, Bisbee, McKinney, Fatum, Tillotson and Danzeisen.

- Audit Bids Motion by Bisbee, seconded by Scharlow, **CARRIED**, to accept the bid from Vredevelde Haefner, LLC, for four years of Audit Services commencing June 30, 2015 thru June 30, 2018, in the amounts of: year 1 for \$10,000.00, year 2 for \$10,000.00, year 3 for \$10,500.00 and year 4 for \$10,750.00. Roll call vote. Voting yes were, Danzeisen, Bisbee, Tillotson, McKinney, Scharlow and Fatum.

- Library Motion by Tillotson, seconded by Bisbee, **CARRIED**, authorizing the preparation fee of a Warranty Deed in the amount of \$50.00 for James White Law Office to prepare a Warranty Deed to the District Library for the property located at 829 S. Chestnut. Roll call vote. Voting yes were, Tillotson, Danzeisen, Bisbee, Scharlow and Fatum. McKinney voted no.

- Prop & Liability Motion by Bisbee, seconded by Scharlow, **CARRIED**, to authorize one month renewal of Property and Liability Insurance and authorize the City Manager and Clerk to seek bids for 1 year and/or three year Property and Liability Insurance coverage. Affirmed by voice vote.

- Hazardous Wast Motion by Danzeisen, seconded by Fatum, **CARRIED**, to approve a \$500.00 donation to Osceola-Lake Conservation District for the 2015 Hazardous Waste collection. Roll call vote. Voting yes were, Fatum, Tillotson, McKinney, Bisbee, Scharlow and Danzeisen.

- Foreclosed Prop Motion by Bisbee, seconded by Fatum, **CARRIED**, to decline the First Right of Refusal on the property presented. Affirmed by voice vote.

- Wage & Salary Motion by Bisbee, seconded by Fatum, **CARRIED**, to approve the Wage and Salary Resolution Effective July 1, 2015 as presented. Roll call voted. Voting yes were, Fatum, McKinney, Danzeisen, Tillotson and Bisbee. Scharlow voted no.

**CITY OF RESOLUTION
WAGE AND SALARY RESOLUTION
Effective July 1, 2015**

WHEREAS, the City Council of the City of Reed City, Michigan, pursuant to the provisions of Section 5.15 of the City Charter has heretofore established the positions and designated wages of the City, and;

WHEREAS, it is appropriate and necessary to amend wages of those positions from time to time:

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Reed City, Michigan that the salaries/hourly/yearly rates be hereby established as follows:

	<u>Current Salary</u>	<u>July 1st (+2.%)</u>
City Assessor	\$20,134	\$20,537
City Clerk	\$43,365	\$44,232
City Treasurer/Finance Director	\$51,430	\$52,459
Chief of Police	\$54,991	\$56,091
Supt. W.W.T.P.	\$53,690	\$58,690
<u>Effective July 1, 2015 Hourly</u>		
Deputy Clerk/Treasurer	\$14.50/hour	\$14.79/hour
Seasonal Part Time parks maint.	\$8.15/hour	\$10.00/hour
Election Worker	\$9.00/hour	\$9.00/hour
Election Official	\$10.00/hour	\$10.00/hour
<u>Police</u>		
School Liason	\$13.00/hour	\$13.00/hour
Snowmobile Enforcement	\$13.00/hour	\$13.00/hour
P.T. Front office	\$10.00/hour	\$10.20/hour

	<u>2015-2016 Budget Year</u>	
Board of Review Member(s)	\$200/Budget yr.	\$400/Budget year

All previous provisions inconsistent with the provisions of this resolution are hereby superseded.

Adopted at a meeting of the Reed City Council on June 15, 2015

Benefit Motion by Danzeisen, seconded by Fatum, **CARRIED**, to approve the Department Head/Admin/Fire Benefit Resolution June 15, 2015 as presented. Roll call vote. Voting yes were, McKinney, Scharlow, Bisbee, Danzeisen, Tillotson and Fatum.

**CITY OF REED CITY
DEPARTMENT HEAD/ADMIN/FIRE
BENEFIT RESOLUTION
June 15, 2015**

WHEREAS, the City Council of the City of Reed City, Michigan, pursuant to the provisions of Section 5.16 of the City Charter has heretofore established the positions of the Department Heads and Administrative Officers and designated benefits and;

WHEREAS, it is necessary to enumerate the benefits from time to time;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Reed City, Michigan that the following benefits are provided to Department Heads and Administrative Officers effective July 1, 2015.

A. Insurance

1. Term life insurance for each Department Head in the amount of Fifty Thousand (\$50,000) dollars except the Chief of Police which will be in the amount of One Hundred Thousand (\$100,000) dollars.
2. Simply Blue PPO Blue Cross/Blue Shield Gold 1000 Medical Insurance

Employee Monthly Copay: \$66.16

All full time employees receiving health insurance in the plan identified above shall pay the same monthly premium co pay calculated each January (adjusted monthly if changes occur) based on the total of all premiums less the State of Michigan Treasury "hard cap".

In addition each employee receiving health insurance, shall pay Excess Premium (incurred January-March 2014) required under Act 152 spread equally over 10 pay periods in January thru June 2015

3. Dental Insurance: (50%/50%/\$800)
4. Optical Insurance: (24-24-24)
5. A payment in lieu of Medical Insurance coverage in the amount of 50% of the average premium of all employees less State Treasury "hard cap" for employees who decline coverage adjusted each time an employee is added or removed. Currently is \$600.52.

B. Retirement

Municipal Employees Retirement System of Michigan Defined Benefit Plan B-3 with F55/15 rider. New Employees after October 19, 2009 will receive B-2 Plan with F55/25.

C. Vacations

Employees shall be eligible for vacation according to the following schedule:

<u>Years of Service</u>	<u>Days Paid Vacation</u>
Less than 5	10
At least 5 but less than 1	15
At least 10	20

A maximum accumulation equal to twice the employee's annual benefit may be carried over from, fiscal year to fiscal year.

D. Sick Leave

Employees shall accumulate paid sick leave on the basis of one (1) day of paid sick leave for each month of service with a maximum accumulation of one hundred forty five (145) days.

Employer reserves the right, at its sole discretion, to buy any existing accumulated sick leave days in excess of the maximum accumulation and shall pay at the employee's then current rate of pay. Payments under this section shall not exceed \$10,000 in any fiscal year.

E. Funeral Leave

Employees may be granted a paid Funeral leave to attend the funeral of a member of the immediate family. Paid leave shall be limited to three (3) regularly scheduled workdays for the Lower Peninsula or five (5) days if outside the Lower Peninsula. The immediate family is defined as spouse, child, parent, grandparent, brother, sister, mother-in-law, father-in-law, brother-in-law, and sister-in-law, son-in-law and daughter-in-law.

F. Holidays

The following are designated as holidays:

New Year's Day
Martin Luther King Jr's Birthday
President's Day
Good Friday
Memorial Day
Independence Day (July 4)
Labor Day
Thanksgiving Day
Friday after Thanksgiving
Christmas Eve – ½ day
Christmas

G. Personal Days

Employees shall be entitled to five (5) personal leave days per fiscal year.

H. Longevity Pay

Employees shall be paid an annual lump sum longevity payment, based on their hiring anniversary date, on the first pay period in November as follows:

<u>Years of Service</u>	<u>Longevity Pay</u>
At least 3 but less than 6	\$400.00
At least 6 but less than 11	\$550.00
At least 11 but less than 16	\$625.00
At least 16 but less than 21	\$800.00
21 or more	\$950.00

I. Work Clothing/Uniform Allowance

The City will provide an allowance for the Department Heads of the Public Works, Wastewater, and Police Departments for obtaining approved work clothing or uniforms.

An allocation of \$416.00 will be designated for the Police Department to have their uniforms dry-cleaned.

The City will provide an allotment to the Director of Public Works and the Wastewater Treatment Plant Superintendent for safety shoes.

The City will provide at hire 1 Pair of Approved Safety summer and winter Shoes or Boots (75 lb. test per ANSI Z41.1 – 1967) not to exceed \$200 value each of the employees choice. The employee turns them in when damaged or unusable for replacement by employer with equal or better pair.

J. Automobile Allowance

The Director of Public Works, Wastewater Treatment Plant Superintendent and Chief of Police will be provided, depending on availability, either a City owned vehicle for official use or an equivalent monetary allowance for using their private vehicle on official business.

All other Department Heads and Administrative employees shall be reimbursed mileage for using their private vehicle on official business at the prevailing IRS rate of \$.575/mile for 2015.

K. Phone Allowance

Any full time regular employee who is offered by the City Manager to compensate them for the use of their personal cell phone for City business, and accepts, shall be paid \$30/month.

L. Fire Department

All paid part time firefighters shall receive an hourly call rate of minimum wage plus training, years of service and command officer status increments according to the following schedule:

Base Rate-Min Wage	Hourly Rate \$8.15**	Command Training	Hourly Rate \$8.15**
Years of Service			
3 yrs. Continuous Service	+ \$.50	Fire Officer 1 [FO1]	+ \$.50
7 yrs. Continuous Service	+ \$.50	Fire Officer 2 [FO2]	+ \$.50
10 yrs. Continuous Service	+ \$.50	Fire Officer 3 [FO3]	+ \$.50
15 yrs. Continuous Service	+ \$.50		
		Command Officer	
Training		Fire Chief	+ \$1.50
Fire Fighter 1 [FF1]	+ \$.50	Assist. Chief	+ \$1.00
Fire Fighter 2 [FF2]	+ \$.50	Captain/Lieutenant	+ \$.75
Haz Mat Awareness	+ \$.50	Medical First Responder [MFR]	+ \$.50
Haz Mat Operations	+ \$.50		

** Effective January 1, 2016 the Minimum wage increases to \$8.50/hour.

All previous provisions inconsistent with the provisions of this resolution are hereby suspended,

The foregoing resolution declared approved on this date June 15, 2015.

- GRCARA Motion by Danzeisen, seconded by Scharlow, **CARRIED**, to approve the Greater Reed City Area Recreation Authority Amended Articles of Incorporation and authorize the Mayor and Clerk to sign. Affirmed by voice vote.

- Mutual Aid Motion by Bisbee, seconded by Fatum, **CARRIED**, to approve the Michigan Department of Natural Resources Cooperative Mutual Aid Fire Control Agreement and authorize the Mayor to sign. Affirmed by voice vote.

- FOIA Tabled to give legal counsel more time to prepare updated FOIA Procedures and Guidelines. A special meeting was set for Monday, July 29, 2015 at 6:00 P.M. for Council to review updates for approval.

- Water Tanks Motion by Fatum, seconded by Bisbee, **CARRIED**, to approve the quote from Utility Service Company, Inc., in the amount of \$2,000.00 per tank for inspection and maintenance on the Water Tanks. Roll call vote. Voting yes were, Bisbee, Danzeisen, Fatum, McKinney, Scharlow and Tillotson.

- COPS Grant Motion by Danzeisen, seconded by Tillotson, **CARRIED**, to authorize applying for a four year COPS Grant for the Police Department and authorize the City Manager to sign. Affirmed by voice vote.

- Trail Motion by Bisbee, seconded by Fatum, **CARRIED**, to direct the City Manager to send a letter of support of completion of the White Pine Trail for the 2015 construction season in crushed limestone, but the City is unable to contribute financially at this time. Affirmed by voice vote.

Fund Balance Motion by Danzeisen, seconded by Fatum, **CARRIED**, to approve the Designation of Fund Balance as of 6-30-15. Roll call vote. Voting yes were, Bisbee, Scharlow, McKinney, Tillotson, Fatum and Danzeisen.

Designation of Fund Balance as of 6-30-15

	Balance 6/30/2014	Additions/Subtractions 6/30/2015	Balance 6/30/2015
Committed			
Budget Stabilization		-\$48,520.00	-\$48,520.00
Subsequent year expenditures		<u>-\$108,139.00</u>	<u>-\$108,139.00</u>
Total Committed	\$232,405.00	-\$156,659.00	\$75,746.00
Assigned Fund Balance			
Police Dept.(90% Weighmaster)	\$6,010.14	\$508.86	\$6,519.00
	\$0.00		
Subsequent year expenditures	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total Assigned	\$6,010.14	\$508.86	\$6,519.00
Restricted Fund Balance			
Patrol Car/Pd Equip.			
OCCF Playground Equip. Grant		\$5,690.00	\$5,690.00
COPS Grant	<u>\$50,312.00</u>	<u>-\$28,888.00</u>	<u>\$21,424.00</u>
Total Restricted	\$50,312.00	-\$23,198.00	\$27,114.00

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

RESOLUTION FOR BUDGET AMENDMENTS

DATE: June 15, 2015

Resolution by the City Council to Amend the 2014/2015 fund/department budgets as follows:

	PRESENT BUDGET	ACTUAL TO DATE	ESTIMATED YEAR END	AMENDED BUDGET	INCREASE (DECREASE)
1. Fund #101 General Fund					
Expenditures (by Department)					
Dept. 265 Building & Grounds	26,897	24,818	28,272	28,272	1,375
Dept. 851 Insurance/Bonds/Fringes	55,375	50,943	54,000	54,000	(1,375)
Total Increase In Expenditures					\$ -
2. Fund #661 Equipment Pool					
Expenditures (by Department)					
Dept. 882 Equip. Maintenance	151,564	131,717	156,344	156,344	4,780
Total Increase In Expenditures					\$ 4,780
Revenues (by account no.)					
#677 Reimbursements	-	4,780	4,780	4,780	4,780
Total Increase In Revenues					\$ 4,780

Reason:

General Fund – move excess funds from Insurance to Bldg. & Grounds.

Equipment Pool – record insurance proceeds for damage claims and increase repairs to cover work.

<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>
3. <u>Fund #590 Sewer Fund</u>					
<u>Expenditures (by Department)</u>					
Depl. 905 Debt Service	68,260	64,260	64,260	64,260	(4,000)
Depl. 538 Administration	63,385	52,278	65,385	65,385	2,000
Depl. 549 Transmission - Sewer	32,745	24,625	34,745	34,745	2,000
<u>Total Increase In Expenditures</u>					\$ -
4. <u>Fund #591 Water Fund</u>					
<u>Expenditures (by Department)</u>					
Depl. 905 Debt Service	31,736	30,236	30,236	30,236	(1,500)
Depl. 538 Administration	64,590	55,616	66,090	66,090	1,500
<u>Total Increase In Expenditures</u>					\$ -

Move excess funds in the water and sewer funds to departments that need additional funds.

Admin Fees Motion by Bisbee, seconded by Scharlow, **CARRIED**, to adopt a Resolution For Property Tax authorizing the collection of Administrative Fees. Affirmed by voice vote.

**CITY OF REED CITY
RESOLUTION FOR PROPERTY TAX
ADMINISTRATION FEE**

June 15, 2015

WHEREAS, Act 503 of P.A. 1982, an Act to amend Section 44 (7) of Act No. 206 of P.A. of 1893 states; for levies that become a lien in 1983 or any year thereafter, the local property tax collecting treasurer shall not impose a property tax administration fee (formerly "collection fee") or late penalty charge authorized by law or charter unless the governing body of the local property tax collecting unit approves by resolution or ordinance adopted after the effective date of this subsection.

THEREFORE BE IT RESOLVED, by the Council of the City of Reed City, Michigan, that the City Treasurer, of the City of Reed City, be authorized to collect a 1 percent administration fee on all County and School Taxes collected before February 15, and an additional 3 percent late penalty charge from September 1 on County and School Taxes due August 31 and from February 15 on all County and School Taxes due February 14, until March 1 when the taxes are turned back to the County Treasurer for collection.

BE IT FURTHER RESOLVED, that the City Treasurer be authorized to enforce Chapter 9, Section 9.16 and 9.17 of the amended January 13, 1975 issue of the City of Reed City Charter pertaining to City taxes.

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

Committee No Committees have met.

City Manager Ron Howell reported on the following:
 1. Reviewed his staffing plan.
 2. Provided an Uncompleted Items List.

Bd. of Review Motion by McKinney, seconded by Scharlow, **CARRIED**, to appoint Mike McMillen to the Board of Review term ending 12/31/2017. Affirmed by voice vote.

Bills Mayor McKinney appointed David Bisbee to review bills prior to the next meeting.

- City Atty. Reported the Planning Commission is making revisions to the Pet ordinance and it will be ready for approval by the next meeting. Advised council that Atty. Cindy Wotila will be presenting an update for Council on the Tax Appeal with Yoplait sometime in the next few weeks.
- Council Dave Scharlow felt a message should be relayed to the D.D.A. suggesting now that Suzie Williams has taken a new job, maybe D.D.A. should consider a part-time person for the Chamber Director position. Marlene Fatum inquired as to what the status of Patterson Road is. She also announced that Rambadt Park was voted as Osceola County Park of the Year with the People's Choice Awards. It was the consensus of the council to have a Resolution prepared recognizing Janet Campau's efforts as Park Caretaker. Bonnie Danzeisen reported she will not be attending the Crossroads Festival Committee meeting because she is not being notified of the meetings and the last meeting, they notified her 1 hour before the meeting. Dave Scharlow volunteered to take Bonnie's place on the Festival Committee.
- Audience Police Chief, Chuck Davis, addressed Council on the following:
1. Inquired if the playground equipment had been bid out. City Manager responded no and that Council needs to authorize where the playground equipment can go on City property.
 2. Informed Council there are unresolved issues with the Crossroads Festival. There are concerns with the Car Show and liquor at the show. Chuck indicated there will be no liquor sales during the Car Show hours so that should not be a problem. Another issue is adequate power source for the Bands, so that needs to be addressed.
 3. Chuck informed the Council he was not happy with his wage increase and will be meeting with the City Manager tomorrow to discuss it.
- Adjourn Motion by McKinney, seconded by Fatum, **CARRIED**, to adjourn at 9:23 P.M.

Jacalyn R. Beam
City Clerk