

PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL

For the Regular Meeting of MAY 16, 2011.

The Meeting was called to order at 7:30 p.m. by Mayor Hodges and City Clerk Betty Morlock called the roll.

Present: Councilmembers Jeff Altoft, Maryalene LaPonsie, Andrew Schrauben, Mayor Pro Tem Sharon Ellison and Mayor Jim Hodges.

Absent: None.

Also Present: City Manager David Pasquale, City Clerk Betty Morlock, City Treasurer Suzanne Olin, DPW Director Dan DesJarden, Planning Commission Chair and Lowell Light and Power Boardmember Jim Hall, Lowell Light and Power General Manager Greg Pierce, Lowell Cable TV Endowment Fund Boardmembers Dennis Kent and Barb Barber and Police Chief Barry Getzen.

Item #1. **APPROVAL OF THE AGENDA.**

IT WAS MOVED BY ELLISON and supported by SCHRAUBEN to approve the agenda as written.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #2. **APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF MAY 2, 2011.**

IT WAS MOVED BY ELLISON and supported by LAPONSIE to approve the regular meeting minutes of May 2, 2011 as written.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #3. **APPROVAL OF THE ACCOUNTS PAYABLES.**

IT WAS MOVED BY ELLISON and supported by LAPONSIE that the bills and accounts payables be allowed and the warrants issued.

YEA: Councilmembers Altoft, LaPonsie, Schrauben, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: None. ABSENT: None. MOTION CARRIED.

<u>BILLS AND ACCOUNTS PAYABLE (05/16/11)</u>	
GENERAL FUND	\$46,705.68
MAJOR STREET FUND	2,053.47

LOCAL STREET FUND	793.72
DOWNTOWN DEVELOPMENT FUND	16,300.19
CITY HALL CONSTRUCTION FUND	169,792.50
AIRPORT FUND	9,217.51
WASTEWATER FUND	1,499.66
WATER FUND	37,307.68
CABLE TV FUND	4,800.00
DATA PROCESSING FUND	343.75
EQUIPMENT FUND	3,163.65

Item #4. **CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA.** No comments were received.

Item #5. **OLD BUSINESS.**

- a. Streets, sidewalks plan – The Council adopted the sidewalks improvements ordinance upon sale of property at the May 2 meeting. Also Council lifted the moratorium requirement sidewalk improvements at their March 21 meeting.
- b. Wastewater Treatment update – A full report will be provided by the engineering firm of Hubbell Roth and Clark, Inc.
- c. East Riverfront renovations – A Parks and Recreation Master Plan update was completed and approved by the State to qualify for grant assistance. A survey delineating ownership has also been finished. A design charette (getting citizen input) for riverbank improvements was successfully carried out by Design Plus, Inc. on Thursday, January 13. At the Downtown Development Authority meeting of February 17, the Boardmembers recommended purchase of the amphitheater property from Lowell Area Schools for \$25,000. Also, the amphitheater riverfront design was approved along with an allocation of \$50,000 toward the project. At its January 11, 2011 meeting, the Lowell Area Community Fund provided \$50,000 in addition to this task. The Council, at its February 22 meeting approved the purchase of Lowell Area Schools property within the amphitheater area at a cost of \$25,000 as recommended by the DDA.

An application for the Michigan Department of Natural Resources Trust Fund grant of \$300,000 has been submitted to the State. A LCTV Endowment Fund grant application of \$50,000 was completed.

- d. Consumers Energy – sidewalk report – DPW Director DesJarden has contacted Consumers involving necessary sidewalk repairs and is awaiting a response.
- e. Video coverage of public meetings – The Council proposed a video camera purchase at the May 9 work session which is to be acted upon at this meeting. Meetings to be videoed are the Planning Commission and Downtown Development Authority. Hodges noted the Lowell Light and Power meeting will also be videoed.

Item #6. **REQUEST FROM DORLA WEST TO USE CITY OWNED PROPERTY LOCATED AT THE SOUTHWEST CORNER OF FRONT AND SOUTH JACKSON FOR A PLANT SWAP – JUNE 17, 2011.** As requested and held in previous years, Dorla West of 626 Front Street wished to utilize the City owned field across the street (southwest corner of Front and South Jackson) for a plant swap. The event will be scheduled on Friday, June 17, 2011 from 9 a.m. to 12 noon.

IT WAS MOVED BY SCHRAUBEN and supported by LAPONSIE to allow Dorla West to use City property for plant swap on Friday, June 17, 2011 from 9 a.m. to 12 noon.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #7. **RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF CITY MANAGER EMPLOYMENT AGREEMENT WITH MARK ALAN HOWE.** Mayor Hodges mentioned the City Manager employment for Mark Howe contract has been reviewed by the Council. Councilmember Altoft mentioned the concern of vacation time and carrying days over from year to year. It is believed employees should take their vacation time within the year earned. Therefore, an amendment has been added to Section 6 as follows:

Section 6. Vacation Leave.

“Vacation shall be used within the year it is earned, with up to five vacation days allowed to be carried over in the next year”.

IT WAS MOVED BY ELLISON and seconded by ALTOFT to add the amendment to the City Manager contract regarding vacation time.

YEA: Councilmembers Altoft, LaPonsie, Schrauben, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: None. ABSENT: None. MOTION CARRIED.

IT WAS MOVED BY SCHRAUBEN and seconded by LAPONSIE to approve the resolution and authorizing the execution of City Manager employment with Mark Alan Howe.

YEA: Councilmembers Altoft, LaPonsie, Schrauben, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: None. ABSENT: None. MOTION CARRIED.

Item #8. **2011 – 2012 BUDGET PRESENTATION AND PUBLIC HEARING.** Based on the following comments at the May 9 work session, the responses are given.

- Wastewater Treatment Plant projects – WWTP Superintendent Mark Mundt has submitted a memo further explaining projects as enclosed along with an update to the Wastewater Fund narrative.
- Treasurer and General Office accounts – information to be provided regarding added line item amounts.

- Any funds received from the State involving statutory revenue sharing will be directed to General Fund balance
- Equipment Fund schedule and lists of vehicles has been provided to Council.
- Budget worksheets are enclosed.
- Local Street – traffic operating supplies is reduced for \$8,500 to \$2,500.
- Local Street Construction Fund revenues are increased from \$83,000 to \$89,886.42.

City Manager Pasquale read the 2011 – 2012 Budget Summary into record:

2011-2012 BUDGET SUMMARY

TO: Mayor Jim Hodges and Members of the City Council

The establishment of an operating budget for the fiscal year 2011-2012 provides a schedule of proposed revenues and expenditures. Priorities are confirmed through this process. This document represents many staff hours of work compiling needed equipment and facility requests. These requests were carefully reviewed in terms of limitations of available funds.

The following narrative provides an outline of key elements comprising the City budget for this year:

GENERAL FUND

- Revenues: The 2011-2012 General Fund Budget has proposed the rate of \$16.08 (mills) per \$1,000 of Taxable Value. This includes 0.25 mills voted on November, 2002 for operating the Lowell Area Historical Museum. The projected revenues are to decrease from 2.653 to 2.345 million dollars or an 11.6% decrease.

It was noted that the Taxable Value would decrease 6.4% (from 118.327 to 110.709 million dollars). Also, State Shared Revenues are projected to decrease to \$266,980 because of legislative order.

The fund balance is planned to be 8.3% of expected expenditures. The unreserved fund balance has been projected at \$208,200. This is after a transfer of \$89,886.42 to the Local Street Construction Fund.

- Expenditures: The General Fund has a total of 2.489 million dollars in expenditures. This represents approximately 2.79% decrease from the FY 2010-2011 estimated budget.

This reflects a tightening of expenses because of lessened revenues. The primary points in reviewing these accounts are:

1. No cost-of-living increases have been calculated into the budget for employees' salaries.
2. The Police Department budget provides \$15,000 involving the third year of a three year lease to purchase two 2010 cruisers replacing the 2005 Impalas.

With the adoption of the Lowell Area Fire and Emergency Services Authority, a total of \$75,000 is allocated toward fire department operations out of \$226,137 budgeted.

3. The City will continue its refuse collection program whereby residents pay \$1.50 per bag. Yard waste is provided with the residents paying \$2.00 per bag. The City has entered into a three year contract with Red Creek Waste Services to provide refuse, recycling and yard waste pick up.
4. Seasonal, part time labor has been provided for parks and cemetery.

PARKS

A total of \$5,000 is being allocated from the Lee Fund for park maintenance. The Parks and Recreation Commission have set aside seven thousand five hundred dollars (\$7,500) for future projects. Agreements have been signed with the YMCA, Lowell Little League, Lowell Xtreme Softball, Kent County Youth Fair, Lowell Rugby and Lowell Lacrosse providing a pay per participant (\$5) for park usage. A total of \$1,000 has been budgeted for vandalism, \$11,000 for utilities and \$11,000 for seasonal, part time employment.

EQUIPMENT FUND

No new purchases are planned. The fourth year lease on the cemetery pickup truck is \$8,500. The plow truck has a payment to the Water Fund (fourth year) of \$20,257.

LIBRARY

The Englehardt Public Library has been reroofed, resided and newly carpeted through the Lowell Area Community Fund and LCTV Endowment Fund.

DATA PROCESSING FUND

The fund reflects the third year payment of financial software purchased. Two or more computers may need upgrading along with a new copier lease.

AIRPORT FUND

With assistance from the State, the Airport Board is seeking to upgrade the facility to General Utility status enabling the airport to qualify for State grant funds. A \$70,000 loan from the Michigan Aeronautics Commission has assisted in securing air easements enabling tree removals at the ends of the main runway. During this past year, easements have been secured on the west side through a 90% grant from the State of Michigan. Trees have been cut in this location this past year.

The City is into the third year of agreement with Williams Air Power to act as the Fixed Base Operator.

DOWNTOWN DEVELOPMENT AUTHORITY

The DDA has set aside \$120,000 for downtown projects. The renovation of the east side riverbank is planned. A total of \$50,000 has been allocated as part of \$450,000 in funding. A grant to the Michigan Department of Natural Resources Trust Fund was submitted.

CITY HALL CONSTRUCTION BOND FUND

With the sale of \$4,725,000 Building Authority Bonds in July 2002, the City Hall Renovation-Police Station Construction Project commenced. The project was completed and dedicated on July 12, 2003. Payments of \$337,185 for the tenth year of a 30 year bond will be issued.

HISTORICAL DISTRICT FUND

Since 1998, the Lowell Downtown Historic District Commission has granted \$390,000 for the renovation and restoration of 15 downtown buildings. A total of \$50,000 (derived from the Lowell Area Community Fund) is planned for allocation on a match basis.

STREET FUNDS

The City has received Federal Surface Transportation - Small Urban Funding to reconstruct Bowes from 1950 feet to 2925 feet west of Valley Vista in FY 2011–12. The remaining road will be improved in FY 2013–14 a Small Urban Grant.

A total of \$89,886.42 has been allocated to the Local Street Fund. A milling and repaving project of Brook Street is proposed. Community Development Block Grant funds will be used. Also, \$19,500 is to be utilized for street maintenance and \$25,000 is undesignated.

WASTEWATER FUND

The following rates are proposed to remain:

- User rate of \$3.38 per 1,000 gallons per month
- Readiness to serve charge of \$20.10 per residential unit per month

In the coming year, both drive units at the Wastewater Treatment Plant are proposed to be rebuilt (\$12,000).

WATER FUND

The readiness to serve rate is recommended for approval by City Council to remain at \$23.68 per month and consumption charge would remain at \$1.45 per thousand gallons.

The following capital improvement projects for review and consideration include (1) Water Reliability Study (\$5,000) (2) upgrade water meter reading equipment (\$30,000) (3) Lime Pond (\$10,000) and (4) Rehabilitate Well #3 (\$28,000).

After two public hearings, the City Council will adopt the budget.

I wish to thank the members of the city staff for their work on the budget. In particular, I also thank City Treasurer Suzanne Olin, who spent numerous hours compiling budget funds data and assisting in evaluation of departmental request. Betty Morlock providing the typing for this document. The budget is truly a team effort and would not be possible without it.

Respectfully submitted,

David M. Pasquale
City Manager

Councilmember Altoft commented on the Lowell Police Department's Budget which indicates there is a \$25,000 increase within the budget. City Treasurer Suzanne Olin stated this has to do with grant expenditures. There is a line item for this grant regarding a technology grant of \$22,337 for the current year. City Manager Pasquale suggested a report be provided back to

Council. Altoft believed the department needed to cut back. Pasquale also noted the changes with dispatching services. Altoft understood. However, there is only so much money and one needs to learn to live within their means. He did not believe the City should be taking from cash reserves. Olin believed the two main issues which have increased include the health insurance and dispatch that has increased. Pasquale noted a more in depth report would be provided.

Hodges noted the budget will be reviewed again at the June 6, 2011 meeting.

Item #9. **REPORT FROM THE LCTV ENDOWMENT FUND BOARD – RECOMMENDATIONS REGARDING GRANT APPLICATIONS.** LCTV Endowment Fund Chair Dennis Kent provided a recommendation for funding 15 of the 20 requests submitted. This is within the \$210,000 spendable balance. A number of projects will be completed with the City, schools as well as community wide projects.

Mayor Pro Tem Ellison stated there was much discussion and everyone worked very well together. There were many project requests. City Manager Pasquale noted members had the chance to rate each project. The process worked well and the work was appreciated.

IT WAS MOVED BY ELLISON and seconded by LAPONSIE to approve the following recommendations regarding the grant applications from the LCTV Endowment Fund.

**LCTV ENDOWMENT FUND
 GRANT PROPOSALS FOR CONSIDERATION
 15-Apr-11**

Agency Name	Project	Amt Appvd
City of Lowell, Light and Power and Police Dept.	Lowell Area Emergency Communications	\$ 12,026.00
Lowell Area Fire & Emergency Services Authority	Jaws of Life Replacement	18,250.00
Lowell High School	Senior Class Trip - Big City Night	1,000.00
Lowell Area Historical Museum	Walking Tour of Historic Downtown Lowell	1,400.00
City of Lowell	City Trees Program	15,000.00
City of Lowell	East Side Riverbank Improvement	50,000.00
Lowell Area Recreation Authority	Master Planning for Phase II	-
City of Lowell	Creekside Park Storage Building	-
City of Lowell	City Web Site Upgrade	14,530.00

Greater Lowell Chamber Foundation	Ivan K. Blough Scholarship Start-up Fund	25,000.00
Lowell Area Broadband in partnership with Vergennes Twp.	Lowell Area Broadband	-
Lowell Dog Park	Lighting System	2,000.00
City of Lowell Dept of Public Works	Zero Emission Mower for pilot program	-
Lowell Area Arts Council	Performing Arts Sound System	12,356.00
Lowell Music Boosters	Music Scholarships, Equipment	20,000.00
Flat River Outreach Ministries	River of Hope Campaign- Parking Lot Expansion**	-
City of Lowell	Recreation Park Signs	2,000.00
Fallasburg Historical Society	Orlin Douglass/Tower Farm Preservation Project	7,950.00
Lowell Area Schools	Public Access Channel (WLHS TV) Mobile/Remove Upgrade	7,134.00
Lowell Area Schools	Mobile Technologies	15,000.00
		\$ 203,646.00

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #10. **NORTH CENTER STREET RECONSTRUCTION PROJECT – AWARD.** Dave Austin of Williams and Works submitted a letter to City Manager Dave Pasquale outlining the five bids received for the project. The low bidder was CL Trucking and Excavating for \$202,955.98. CL Trucking is the contractor who completed the Sibley Street reconstruction last year. They are currently working on the water main replacement on North Center Street. The bids were very close and ranged from \$202,955.98 to \$242,000. The first four bids were within \$7,000 of each other. He was pleased with the bids as they came in under what was budgeted.

IT WAS MOVED BY LAPONSIE and seconded by ALTOFT to award the contract to CL Trucking & Excavating in the amount of \$202,955.98 for the North Center Street reconstruction.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #11. **REQUEST FROM DONALD GREEN – TO OPERATE BOAT RIDE CONCESSION.**

Donald Green (609 Lafayette) submitted a letter requesting permission to operate a boat ride concession along the Flat River from the Riverwalk to approximately Attwood utilizing a punt. Green explained a punt is a flat bottom boat and can be used to enjoy the scenic view of the river while taking people for rides. The right side of the river is shallow enough for the boat to be pushed with a pole. This is offered as service to the community and as a tourist attraction.

Green noted he has received permission from the crew team to use their docks.

He hoped to be able to provide rides by the first summer concert series. However, it would probably be closer to the Riverwalk Festival.

Mayor Pro Tem Ellison questioned the stability of a punt boat. Green explained it is a flat bottomed boat that is approximately 4 feet wide. It will have room for two adults, side by side and three seats. It is suitable to bring kids. He will not go less than six inches of free board to prevent spillage.

Green stated the boat will be inspected by the Coast Guard and registered with the State of Michigan. He also needs to become a licensed inland waters pilot as well as anyone who works for him.

Green requested permission to set up a stand to sell tickets, snacks and drinks.

Councilmember Altoft questioned insurance. Green responded he has a two million dollar umbrella policy.

IT WAS MOVED BY ELLISON and seconded by ALTOFT to approve the request from Donald Green to operate a boat ride concession.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #12. **PURCHASE OF VIDEO CAMERA AND EQUIPMENT.** At the May 9 work session, the Council discussed video camera options for public meetings with Brandon Hall who has been videoing City Council meetings. Upon review, the Council decided to purchase the Canon Vixia HF200. With accompanying Tripod, 2 SD Memory Cards and Camera Case. Hall estimates the total cost to be \$1,150.

IT WAS MOVED BY ELLISON and seconded by SCHRAUBEN to purchase a video camera, tripod, memory cards and camera case not to exceed \$1200.00

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #13. **MONTHLY REPORTS.** No comments were received.

Item #14. **COUNCIL REPORTS AND COMMENTS.** Councilmember Schrauben stated the Parks and Recreation Commission and LARA were disappointed their grant requests were not approved from the LCTV Endowment Board. He noted the Parks and Recreation Commission meeting will be held on Saturday, May 21, 2011. LARA met last week.

Schrauben was excited about the construction projects beginning this spring and summer.

Councilmember LaPonsie noted the Planning Commission is planning a joint meeting with Lowell and Vergennes Townships on June 6, 2011.

LaPonsie thanked a resident who suggested the City install automatic door openers to City Hall. This has been completed.

Councilmember Altoft attended the DDA meeting. It was short prior to going into a closed session. Altoft found it interesting to learn the DDA contributes approximately \$140,000 a year toward the City Hall payment.

Altoft commented on the accounts payable which shows the City pays two gas bills at the museum. He suggested these be converted into one meter. DPW Director Dan DesJarden stated he would check into it but did not believe it was possible as there are two different furnaces.

Mayor Pro Tem Ellison stated the Arbor Board has been planting trees. The maintenance on the tree at the library will be done by the end of the month. Discussion was held regarding removal of some of the trees which are falling into the river bank on the west side. Permission from the DNR is needed. An Arbor Day winner was chosen regarding the poster contest. Prints will be available at the Riverwalk. Ellison noted the Christmas tree will also be trimmed.

Ellison thanked The LCTV Endowment Board for all the work they have done.

Ellison attended the Lowell Light and Power Board meeting. It was interesting and she enjoyed seeing how their meetings are run. It was mentioned the Council owes Light and Power a pilot discussion. They also asked Ellison to mention the consideration of a Compensation Review Board. Mayor Hodges stated the Council does owe a meeting to discuss the pilot for payment in lieu of taxes. City Manager Pasquale explained currently the City gains 4.5% of gross revenues. Councilmembers Altoft and Schrauben offered to serve as representatives on the Review Board.

Ellison also stated the Board worked hard to try to provide a benefit packages in order to be aligned with the City.

Ellison noted there is \$25,000 undesignated within the Budget. The Board discussed various issues such as sidewalks and equipment repairs. However, she believed the funds need to remain within the Street Fund.

Mayor Hodges noted he and Elected Officers Compensation Commissioner Roger LaWarre agree that due to shrinking revenues there are no changes and should be readdressed in two years.

Hodges stated the City of Belding visited on May 6, 2011 for Mayor Exchange. The City of Lowell will visit the City of Belding on May 20, 2011.

A skateboard party was held in appreciation of the Skateboard Park. Pizza and a live band were offered.

City Manager Pasquale mentioned \$30,000 has been allocated toward the Equipment Fund. Everything else will go toward street maintenance and improvement projects.

Item #15. **CITY MANAGER'S REPORT.** City Manager Pasquale reported on the following:

1. The following boards and commissions meetings minutes are provided:
 - Airport Board meeting of April 12, 2011
 - LCTV Endowment Fund Board meeting of April 26, 2011
 - Downtown Development Authority meeting of March 24, 2011
 - Arbor Board meeting of April 12, 2011
 - Chamber of Commerce meeting of April 12, 2011
2. The following have filed for the three City Council positions in the November 8, 2011 election.

Sharon Ellison	Jim Valentine
Maryalene LaPonsie	Don Green
Jeff Altoft	Jim Hall
3. The City offices will be closed on Monday, May 30 in observance of Memorial Day.

Item #16. **APPOINTMENTS.** None.

IT WAS MOVED BY ELLISON to adjourn at 8:25 p.m.

DATE:

APPROVED:

James W. Hodges, Mayor

Betty R. Morlock, City Clerk