

**PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL
TUESDAY, JANUARY 17, 2012**

1. **CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL**

The Meeting was called to order at 7:00 p.m. by Mayor Hodges and City Clerk Betty Morlock called the roll.

Present: Councilmembers Jim Hall, Andrew Schrauben, Jim Valentine, Mayor Pro Tem Ellison and Mayor Jim Hodges.

Absent: None.

Also Present: City Manager Mark Howe, City Clerk Betty Morlock, Chief of Police Barry Getzen and Light and Power General Manager Greg Pierce.

2. **APPROVAL OF THE AGENDA.**

IT WAS MOVED BY ELLISON and seconded by HALL to approve the agenda as presented.

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

3. **APPROVAL OF THE MINUTES**

IT WAS MOVED BY HALL and seconded by VALENTINE to approve the regular minutes of the January 3, 2012 meeting as corrected.

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

IT WAS MOVED BY ELLISON and seconded by HALL to approve the closed session minutes of the January 3, 2012 meeting as presented.

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

4. **APPROVAL OF THE ACCOUNTS PAYABLES.**

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

YEA: Councilmembers Hall, Schrauben, Valentine, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: None. ABSENT: None. MOTION CARRIED.

BILLS AND ACCOUNTS PAYABLE (01/17/12)

GENERAL FUND	\$24,950.83
MAJOR STREET FUND	385.18
LOCAL STREET FUND	443.72
DOWNTOWN DEVELOPMENT FUND	2,235.27
AIRPORT FUND	107.50
WASTEWATER FUND	45,637.62
WATER FUND	8,345.86
Cable TV Fund	484.25
DATA PROCESSING FUND	795.07
EQUIPMENT FUND	123.92
CURRENT TAX FUND	152,653.01

5. **CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA.** No comments were received.

6. **OLD BUSINESS**

- A. **PENDING COUNCIL PROJECTS UPDATE.** City Manager Howe stated the City will consider allocating CDGB funds toward the Sidewalk plan.

Howe stated the working team for the Riverwalk/ Amphitheater project consisting of Mayor Pro Tem Ellison, Councilmember Hall, DPW Director Dan DesJarden, Parks Supervisor Scott Fosburg, DDA Chair Jim Reagan, Chamber of Commerce Director Liz Baker as well as an individual from LARA had their first meeting on Monday, January 16, 2012. It was a very productive meeting.

7. **NEW BUSINESS**

- A. **LOWELL AREA HISTORICAL MUSEUM UPDATE.** Pat Allchin, Executive Director of the Lowell Area Historical Museum gave an update on the 2011 activities of the Museum.

- B. **PUBLIC HEARING – KING MILLING COMPANY REQUEST FOR TAX ABATEMENT CERTIFICATE.** Mayor Hodges noted his wife works for King Milling and he abstained himself from the discussion and left the room at 7:09 p.m. The meeting was turned over to Mayor Pro Tem Ellison.

King Milling Company is planning three large capital projects totaling \$2.7 million in building improvements and \$8.6 million in machinery and equipment. The certificate would qualify King Milling for a tax abatement under Public Act 198 for 12 years in accordance with current City policy. Approval of the tax abatement will have no effect on the General Fund as the district is entirely within the Downtown Development Authority district.

Ellison opened the public hearing. No comments were received. Ellison closed the hearing.

IT WAS MOVED BY VALENTINE and seconded by HALL to recommend the King Milling Company Tax Abatement Certificate as presented for approval to the State Tax Commission.

YEA: 4. NAY: 0. ABSTAIN: 1. (Hodges) ABSENT: 0. MOTION CARRIED.

Mayor Hodges returned to the meeting at 7:13 p.m.

- C. **MOWING BIDS**. Bids were secured for mowing parks and other public areas within the city. There were nine responses to our request for bids with the lowest being Zach's Clean Cut of Lowell at a total of \$79,560 for three years. A full bid tabulation was provided.

IT WAS MOVED BY HALL and seconded by SCHRAUBEN to approve the bid from Zack's Clean Cut of Lowell for \$79,560 over three years and authorize the City Manager to execute the appropriate agreements.

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

- D. **COST ALLOCATION PLAN**. The City has received a proposal from MGT of America to prepare a Cost Allocation Plan for the City of Lowell. A Cost Allocation Plan will accurately determine how administrative costs should be allocated to various funds such as the streets, water and sewer. This will be an important tool for our use in preparing the 2012-13 Fiscal Year Budget.

IT WAS MOVED BY ELLISON and seconded by VALENTINE to approve the proposal from MGT of America for \$3,900 for preparation of a Cost Allocation Plan and authorize the City Manager to execute the appropriate agreements.

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

- E. **PUBLIC HEARING – COMMUNITY DEVELOPMENT BLOCK GRANT**. Delayed until 7:30 p.m. as advertised.

8. **MONTHLY REPORTS**. Mayor Pre Tem Ellison stated her concern on the amount of water treated versus the amount of water used. She was also concerned about the amount of time the Lowell Police Department assisted other agencies. Ellison requested the Police Department track the amount of time the other agencies assist the City of Lowell.

Councilmember Schrauben wondered when Hubbell, Roth and Clark would present their finding on the water treatment usage. City Manager stated he has received a draft copy and is in the process of scheduling a meeting with them.

Councilmember Hall noted City taxpayers paid the same millage for services to Kent County as township resident do.

9. **NEW BUSINESS – Council returned to New Business at 7:33 p.m.**

- E. **PUBLIC HEARING – COMMUNITY DEVELOPMENT BLOCK GRANT**. It is anticipated that the City will have \$31,200 available from the Community Development Block Grant program for the 2012-13 Fiscal Year. While we typically allocate CDBG funds toward street projects, we have developed an aggressive plan to reconstruct sidewalks within the City of Lowell. You may recall during previous discussion that it will cost approximately \$166,000 to reconstruct all

sidewalks that are in need of repair. A report was provided that outlined a plan for securing grant funds to complete this project. The CDBG funds would be an essential element of that plan.

It was noted that the allocation to North Kent Transit was reduced from \$6,000 to \$3,000. In reviewing ridership from City of Lowell residents, it seems evident that only a small amount, perhaps less than 20 percent, of the \$6,000 allocation is being used. Should we begin to see an increase in ridership we may want to revisit this amount in future years, however, at the current time we are confident that this reduced amount would meet the current need.

The proposed breakdown of the CDBG grant is recommended to be:

Sidewalk Reconstruction Project	\$28,200
North Kent Transit	\$3,000

Mayor Hodges opened the public hearing. No comments were received. Hodges closed the public hearing.

IT WAS MOVED BY VALENTINE and seconded by SCHRAUBEN to adopt Resolution 2-12 approving the Community Development Block Grant Funding application for sidewalk reconstruction and assistance for the elderly and handicapped through North Kent Transit.

YEA: Councilmembers Schrauben, Valentine and Mayor Hodges.

NAY: Councilmember Hall and Mayor Pro Tem Ellison. ABSENT: None. MOTION CARRIED.

10. **COUNCIL COMMENTS.**

Councilmember Hall had no comments.

Councilmember Schrauben stated the Airport Board will meet on February 7th, Parks and Recreation meeting was postponed and the Lowell Area Recreational Authority met last Thursday, January 12, 2012.

Councilmember Valentine had no comments.

Mayor Pro Tem Ellison noted the Arbor Board will meet next month, LCTV Endowment Board should meet in March or April and the Downtown Development Authority met last Thursday, January 12, 2012.

Mayor Hodges attended the Light and Power Board meeting on January 12 and the Chamber of Commerce Board of Director meeting on January 10, 2012.

11. **CITY MANAGER'S REPORT.**

1. The Building Authority will be meeting in the near future for discussion on refinancing the bonds for City Hall. The current bonds will be eligible for refinancing in June of this year. There are 20 years remaining on the bonds. The city hall project was constructed through the Building Authority

and as such that body is responsible for any bond refinancing, which means no council action will be required. Interest rates on bonds have declined substantially which has created an opportunity to obtain a substantial savings on the present value cost of the bonds. Restructuring the bonds could also result in some budget savings for the General Fund. I will continue to keep you posted on the progress of the proposed refinancing.

2. We are getting closer to having the content uploaded into the new website. Staff members have produced more than 26 pages of material and we still have several items that need to be migrated from the old site into the new site. Our target is to have the new site up by the first of February.
3. On Thursday, January 12, 2012 the Downtown Development Authority approved the purchase of property off South Monroe Street behind the 200 block of East Main Street. It is anticipated that the property will be developed into additional downtown parking.
4. The Planning Commission will be reviewing a number of site plans during its meeting this month. This seems to be an indication that the local economy is showing some signs of life which is very encouraging.

12. **APPOINTMENTS**. No appointments were made.

IT WAS MOVED BY ELLISON to adjourn at 8:00 p.m.

DATE:

APPROVED:

James W. Hodges, Mayor

Betty R. Morlock, City Clerk