

**PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL
MONDAY, JULY 20, 2020, 7:00 P.M.**

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

The Meeting was called to order at 7:00 p.m. by Mayor DeVore and City Clerk Susan Ullery called roll.

Present: Councilmembers Cliff Yankovich, Greg Canfield, Marty Chambers, Jim Salzwedel and Mayor DeVore.

Absent: None.

Also Present: City Manager Michael Burns, City Clerk Susan Ullery, Police Chief Chris Hurst, City Attorney Richard Wendt, and DPW Director Dan Czarnecki.

2. **APPROVAL OF THE CONSENT AGENDA.**

- Approval of the Agenda.
- Approve and place on file the minutes of the July 6, 2020 Regular City Council meeting.
- Authorize payment of invoices in the amount \$278,567.29.

IT WAS MOVED BY SALZWEDEL and seconded by CHAMBERS to approve the consent agenda as written.

YES: Councilmember Canfield, Mayor DeVore, Councilmember Salzwedel, Councilmember Yankovich, and Councilmember Chambers.

NO: None.

ABSENT: None.

MOTION CARRIED.

3. **CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA.**

Attorney Kathy Henry representing former Chief of Police Steve Bukala stated she was looking for a reasonable resolution regarding the forced resignation of Bukala. Attorney Henry explained the reason for Bukala's actions and stated it was his duty. They are asking for his retirement that is just shy of 25 years to be granted.

Rod Roline who resides at 10229 Partly Rd, Middleville, MI was not in favor of the forced resignation of the former Chief of Police Steve Bukala.

City Clerk Sue Ullery stated she did receive six additional signatures for the petitions that were read into record for Mayor Mike DeVore and City Manager Michael Burns at the July 6, 2020 City Council Meeting.

4. **OLD BUSINESS**

a. Showboat.

City Manager Michael Burns stated after thoroughly reviewing with members of the showboat committee, we are close to recommending a bidder for the general contractor work for the interior of the showboat, however, the fundraising efforts have been slow due to the COVID 19 pandemic. The design and

specifications for the showboat have been very complicated and we have looked at a number of options to reduce costs for construction. We have tried to minimize as much of the cost for this project as we feasibly can, however there is concern that cutting cost too much will negatively impact the integrity of what the community envisions for the showboat. The committee was very concerned in not heating the boat because of the metal structure. The intent for designing the boat in the matter that it was implemented was so it could operate on a year round basis. After discussing this at length with the committee we believe additional fundraising can be accomplished. However, we need to begin construction of the interior in short order. For example, we requested five hundred thousand dollars from the Lowell Area Community Fund in the Spring and we received two hundred thousand at the time and were told to come back for additional funding. We plan to apply for the next cycle of funding. That said, the committee intends to move forward with the sponsorships' we discussed in the fall and they fully intend to continue fundraising. However, there is currently a gap of an estimated \$865,000 to complete construction costs. The committee would like to ask the city to consider installment purchase financing to complete the project. While there is a risk, we believe the cost can be recouped through the fundraising efforts and the revenue generated from operating events at the facility. It is still the goal that no city tax dollars will be used to subsidize this project. The showboat committee have been very diligent working on this project and we are at the point now where we have to make a decision. We think if we do this, we should be able to finance the project and be able to pay for it through fundraising efforts and through revenues.

Attorney Dick Wendt then explained the installment purchase process.

City Council agreed to have a committee of the whole meeting the beginning of August to discuss further.

5. **NEW BUSINESS**

a. Lowell Township Water Report.

City Manager Michael Burns stated at the last council meeting, we were directed to bring Dave Austin with Williams & Works to review the Lowell Township Water Report.

Dave Austin with William & Works stated from an engineering standpoint some of the numbers for instance on operation and maintenance are kind of a guess at this point. But he does not disagree with their methodology or the estimates they have made in regards to the flow that they need in the areas that they may need. But the ball is really in their court, the only question Austin has is if they choose to be totally separate from the City water/sewer, what does that do to the City's revenue source and the operation of your existence. The recommendation that their engineer had on the water end was to expand a new system to the south and continue the existing relationship serving the north with their anticipating growth on the north and west end. That alone is going to require there be an expansion in existing facilities in the city, just to handle that. on the sewer end as we know, the plant is running at times at 80% which means that has to be addressed anyway. And they are recommending the township continue to negotiate with the city and try to get capacity in the plant, and whether or not you do an authority is more of a political decision then a financial decision. But strictly from an engineering standpoint, we didn't see anything that was a big red flag but this report was really for them, to see if they are comfortable in proceeding and negotiating with you.

City Council members agreed that they need a cost analysis/rate study showing what are the effects for doing it both ways both for the township and the City.

b. Bond Authorizing Ordinance – 20-03.

General Manager Steve Donkersloot stated at the July Lowell Light & Power Board Meeting, the LL&P Board unanimously voted to move forward with a recommendation for the City Council to adopt a Bond Authorizing Ordinance for LL&P with a principal amount of \$995,000 at 2.20% interest rate over a 7-year term.

Donkersloot then gave a review to recap what has taken place over the past several months.

IT WAS MOVED BY YANKOVICH and seconded by CHAMBERS to adopt the Bond Authorizing Ordinance 20-03.

YES: Councilmember Yankovich, Councilmember Chambers, Councilmember Canfield, Mayor DeVore, and Councilmember Salzwedel.

NO: None.

ABSENT: None.

MOTION CARRIED.

c. Vacation Day Accrued.

City Manager Michael Burns stated during May, the Classification and Compensation study was presented for your review. One of the items suggested to consider was the amount of vacation time accrued for the longer serving non-union and department directors. For many years, once you reached your twelfth year of service, an individual received 20 days of vacation. However, it did not increase beyond that amount if you had additional years of service. In the reopener to the recently expired IBEW collective bargaining agreement and the Lowell Police Officers collective bargaining agreement, the City agreed to additional amount of days as follows:

20 years of service – 21 days
21 years of service – 22 days
22 years of service – 23 days
23 years of service – 24 days
24 years of service – 25 days

Burns continued stating he is requesting the same benefit be provided to the non-union and department director staff. This would in no way change the amount of vacation time employees can cash out once they sever employment with the City of Lowell. The City of Lowell allows employees to cash out no greater than 20 days' vacation time when they leave the City.

IT WAS MOVED BY SALZWEDEL and seconded by YANKOVICH to approve the policy.

YES: Councilmember Yankovich and Mayor DeVore. NO: Councilmember Canfield, Councilmember Salzwedel and Councilmember Chambers. ABSENT: None. MOTION DENIED.

d. CARES ACT – Hazard Pay.

City Manager Michael Burns stated the City of Lowell is eligible to seek reimbursement for Hazard Pay for our Police Officers if we so choose. This would allow for each full time and part time officer to receive \$1,000 in hazard pay from the City who would thereby be reimbursed from the State of Michigan through \$100,000,000 allocation from CARES ACT. There are some issues which would need to be addressed if we were to proceed with this. The City must actually provide the Hazard Pay prior to filing for reimbursement. At this time, there is no contractual obligation to provide this in our

collective bargaining agreement with our full time police officers. Also, there is not a budget allocation for this. If we were to proceed with this, it would be an \$11,000 expenditure to account for eleven officers who worked since March 1, 2020 during the pandemic. Also, the CARES ACT reimbursement is first come first serve. I was informed of this program July 3rd and participated in the webinar on July 9. The first application period began on July 7, 2020 and expired on Friday July 17, 2020 for April and May payments. Since I did not have authority to participate I did not apply before the July 17th deadline. There is supposed to be a second wave of applications before the program deadline expires on September 30, 2020. Burns continued stating if given authority, he would like to wait until the second application period begins and immediately provide the bonus. The next day, I would file the application with the Michigan Department of Treasury seeking reimbursement. Now there is a risk of not receiving the funds because they were depleted. Since these funds are something we are eligible to participate in, I would like to move forward and obtain these funds for our officers.

IT WAS MOVED BY DEVORE and seconded by CHAMBERS that the City of Lowell apply for the Hazard Pay reimbursement in the matter described above.

YES: Councilmember Yankovich, Mayor DeVore, Councilmember Chambers, Councilmember Salzwedel.
NO: Councilmember Canfield ABSENT: None. MOTION CARRIED.

6. **BOARD/COMMISSION REPORTS.**

Councilmember Canfield stated LARA met a couple weeks ago. Attempting to move forward with fund raising.

Mayor DeVore only has the Fire Authority meeting. Consultants are coming to the next meeting in August to present the study that they did with the staff, equipment etc. Ron van Overbeek and Scott VanSolkema did a press release last Thursday on the new boat the Fire Authority received.

7. **MANAGER'S REPORT.**

- Burns stated there was a recommended modification to the PUD for the Riverview Flats. Public Notices have gone out and the Public Hearing will be at the August 3, 2020 meeting.
- Mers will be here on August 3rd, 2020 to go over the actuarial from the 2019 year for our pension system.
- Joe Baker and Leslie Heffron will be retiring on July 31st. We have already replaced Leslie's position. A lady by the name of Deputy Butts, who worked for the Kent County in a similar role there for many years and looking forward to her coming aboard.
- The Riverside Project began last week and is moving along pretty well. Hopefully they are close to putting the baseboard down maybe next week.
- The Elizabeth, Howard and Suffix street projects are near completion, just have to put second coat on those streets.

8. **APPOINTMENTS.**

There were none.

9. **COUNCIL COMMENTS.**

Councilmember Canfield stated he has some concern with replacing employees that are retiring since a month or so ago we were looking at reducing our workforce by 20% for the layoff and felt that we could do that for three months and possibly longer with an extension. Concerned we have some very difficult times coming and if we tighten our belt by not replacing some of these people that we thought we could get along without, that would help us financially.

Councilmember Chambers asked DPW Director Dan Czarnecki what is the status of the crack sealing that was approved and when is it going to happen.

DPW Director Dan Czarnecki stated the crack sealing company was holding off due to COVID 19 but he will get ahold of them and find out what their schedule is.

10. **ADJOURNMENT.**

IT WAS MOVED BY SALZWEDEL and seconded by CANFIELD to adjourn at 8:07.

YES: Councilmember Salzwedel, Councilmember Yankovich, Councilmember Chambers and Councilmember Canfield and Mayor DeVore.

NO: None.

ABSENT: None.

MOTION CARRIED.

DATE:

APPROVED:

Mike DeVore, Mayor

Sue Ullery, Lowell City Clerk