

**PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL**

For the Regular Meeting of **TUESDAY, JULY 5, 2005**

The Meeting was called to order at 7:30 p.m. by Mayor Shores and City Treasurer Suzanne Olin called Roll.

Present: Councilmembers Hodges, Mathews, Pfaller, Mayor Pro Tem Myers and Mayor Shores.

Absent: None.

Also Present: City Manager David Pasquale, City Treasurer Suzanne Olin, DPW Director Dan DesJarden, Chief of Police Jim Valentine, Planning Commission Chairman Clark Jahnke and Lowell Light and Power and Cable TV Boardmember Jim Maatman.

IT WAS MOVED BY HODGES and seconded by MYERS to approve the minutes of the June 20, 2005 regular and closed session meetings minutes as submitted.

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

IT WAS MOVED BY PFALLER and seconded by MATHEWS that the bills and accounts payable be allowed and the warrants issued.

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

BILLS AND ACCOUNTS PAYABLE (07/05/05)

GENERAL FUND	\$82,131.23
MAJOR STREET FUND	1,435.67
LOCAL STREET FUND	650.68
DDA FUND	6,431.00
AIRPORT FUND	292.04
WASTEWATER FUND	138.59
WATER FUND	7,186.79
DATA PROCESSING FUND	850.22
EQUIPMENT FUND	274.71
CURRENT TAX FUND	1,028.98

Item #1. **AUTHORIZATION OF CREDIT CARD**. In order to provide greater flexibility for purchasing, City staff proposed securing a VISA card through Ionia County National Bank with a credit limit of \$10,000. The use of the card is governed through a policy adopted by Council on March 18, 1996 in conformance with State Law.

City Treasurer Suzanne Olin stated it is good to do business with a local bank.

Councilmember Pfaller questioned why a \$10,000 limit was necessary. Mayor Pro Tem Myers abstained from discussion and voting. However, he noted the time he placed a hotel reservation on his personal credit card because the City went over its limit.

IT WAS MOVED BY HODGES and seconded by MATHEWS to authorize a VISA credit card through Ionia County National Bank with a credit limit of \$10,000.

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

Item #2. **AMENDMENT TO THE OUTDOOR DISPLAY ORDINANCE – RECOMMENDATION TO THE CITY COUNCIL FROM THE PLANNING COMMISSION – ADOPT OR SET PUBLIC HEARING DATE (7/18)**. At its June 27, 2005 meeting, the Commission unanimously recommended to Council that the proposed ordinance amendment which would eliminate the requirement that merchandise which is placed in the outdoors be moved within 10 feet of the building upon closing. The Planning Commission prepared an ordinance and unanimously recommended it to the Council.

The Council may either adopt the ordinance or establish a public hearing.

Councilmember Pfaller questioned if public comments were received during the Planning Commission meeting. Councilmember Hodges stated he attended the meeting noting there were photos to support the case. Only one comment was received which supported the ordinance.

IT WAS MOVED BY HODGES and seconded by PFALLER to adopt the amendment to the Outdoor Display Ordinance as proposed.

Mayor Pro Tem Myers noted a public hearing is not being held because he believed adequate representation has been held from the business community as well as close scrutiny and solid recommendations from the Planning Commission.

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

Item #3. **ADOPTION OF THE CAPITAL IMPROVEMENTS PLAN 2005 - 2010**. The Planning Commission had the opportunity to review the Capital Improvements Plan at its meeting of June 27th and recommended approval. The Parks and Recreation Commission has not reviewed the update. However, the skateboard park has been placed as a priority which the Commission endorses. All projects have been reviewed by either the Airport Board for airport improvements or by the Planning Commission.

IT WAS MOVED BY MYERS and seconded by PFALLER to adopt the Capital Improvements 2005 – 2010 Plan as presented.

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

Item #4. **AUDITING SERVICES CONTRACT - CONSIDERATION**. Recently, auditing proposals were received from Rehmann Robson and Biggs Hausserman for services involving the City, Lowell Light and Power and Cable TV for a three year schedule.

City Treasurer Suzanne Olin and City Manager Pasquale reviewed the proposals. Both firms are well qualified. However, it is recommended that Biggs Hausserman be selected. It was noted Lowell Light and Power and Cable TV boards approved Rehmann Robson.

Pasquale stated the City can select either firm or delay the decision. There is also a proposal to schedule a worksession for August 8 for further discussion.

Myer inquired if a discount would be received if the same firm is used. Pasquale believed there would be additional costs if different firms were chosen.

Lowell Light and Power and Cable TV Boardmember Jim Maatman explained the board believes Rehmann Robson is more qualified to handle the audit for Lowell Light and Power and Cable TV. Contracts are held which state the auditing firm must have experience with public utilities.

Myers questioned if both firms were notified that this was an action item on the agenda for tonight. Olin responded yes.

Councilmember Pfaller inquired regarding the amount budgeted for this line item. Olin responded \$10,000 for the City only.

Myers suggested the firms provide separate costs as well as attend the next meeting.

Pasquale stated this can be placed on the next agenda.

IT WAS MOVED BY PFALLER and seconded by MYERS to table the issue of auditing services for future consideration during the July 18, 2005 meeting.

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

Item #5. **CITIZEN COMMENTS**. Charles Bernard of Bernard's Ace Hardware commented on the tax bill he recently received. He noted Lowell Township taxes are 35% less than his in the City. This is a major issue and should be addressed. Mayor Shores stated there is always the Board of Review that one can attend if there is a disagreement with the assessment amount. She also made note of the City services available. It is attractive to have the Fire and Police departments close as well as having City water and sewer. Mayor Pro Tem Myers stated the City also supports all of the parks within the City.

Bernard stated the City of Lowell has the third highest tax rate within Kent County. In East Grand Rapids, trash is picked up and leaves are taken care of. Myers questioned his concern. Is it the millage rate or tax assessments? Bernard responded both.

Item #6. **COUNCIL COMMENTS**. Councilmember Pfaller commented on the events of the Riverwalk Festival and use of the Showboat. When indicating his support he believed, it was for activities such as rehearsal dinners or wedding receptions. He did not intend his vote to be approving an open bar. If the City is going to maintain this asset and carry the insurance, then the City should receive a percentage of the sales from the use. Pasquale stated there is a three party contract but not to specifics of the City

receiving a percentage from profits. The old Showboat Corporation agreed to turn over the ownership of the boat to the City, while the Chamber is responsible for scheduling events. Myers was concerned with the cost of the insurance. Pfaller indicated his concerns with the City providing extra space for one business to make a profit and it be an expense to the citizens of Lowell. He requested the agreement be placed on the next agenda for discussion. Shores noted the Flat River Grill does carry insurance during these specific days.

Councilmember Hodges agreed with Pfaller. He also commented on the Riverwalk festival and what a wonderful weekend it will be.

Councilmember Mathews stated Tractor Supply Company was in major violation with merchandise being stored outside the building. Mathews commented railroad tracks which were recently repaired. DPW Director noted the tracks are not finished.

Mayor Shores stated the City Council and Lowell and Light and Power and Cable TV worksession can be scheduled for Monday, August 8, 2005. By general consensus the Council agreed.

Shores also noted a request has been made for the Council to walk in the 11:00 a.m. Riverwalk parade. The Planning Commission is also welcomed.

Item #7. **MANAGER'S REPORT**. City Manager Pasquale reported on the following:

1. The following boards and commissions meetings minutes are provided:
 - Planning Commission meeting of May 23, 2005
 - Downtown Historic District Commission meeting of April 26, 2005 and May 24, 2005.
2. The Rotary Club of Lowell has expressed interest in utilizing the Council Chambers on Wednesdays during the noon hour for its meetings covering all necessary expenses. The majority of Council have no problems with this.
3. The Michigan Department of Transportation announced that the City will receive \$375,000 in Federal funds to construct Gee Drive from the Creekside Park entrance to 2100 feet west in 2006. The federal funds will be matched by a \$94,300 contribution in Major Street funds. It should be noted an added \$82,700 in design and construction engineering is the City's responsibility. The amount of \$375,000 is the maximum the City can receive in these federal funds in a year. The remaining 1900 feet of Gee Drive reconstruction is estimated to cost \$424,000.
4. The Riverwalk Festival will be held on Friday, July 8 and Saturday, July 9.
5. Bonds for the Grindle Drive project will be issued on July 12, 2005 in an amount of \$300,000.

IT WAS MOVED BY PFALLER and seconded by MYERS to adjourn to closed session at 8:07 p.m. pursuant to the provisions of the Open Meetings Act for property acquisition.

YEA: Councilmembers Hodges, Mathews, Pfaller, Mayor Pro Tem Myers and Mayor Shores

NAY: 0. Absent: 0. MOTION CARRIED.

IT WAS MOVED BY PFALLER and seconded by MATHEWS to return to open session at 8:20 p.m.

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

IT WAS MOVED BY MYERS to adjourn at 8:21 p.m.

DATE:

APPROVED:

C. Jeanne Shores, Mayor

Betty R. Morlock, Clerk