

PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL

For the Regular Meeting of MONDAY, APRIL 5, 2010.

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

Present: Councilmembers: Jeff Altoft, Maryalene LaPonsie (arrived at 7:43 p.m.), Andrew Schrauben and Mayor Jim Hodges.

Absent: Mayor Pro Tem Sharon Ellison.

Also Present: City Manager David Pasquale, City Clerk Betty Morlock, Director of Public Works Dan DesJarden, City Treasurer Suzanne Olin, Chief of Police James Hinton and Lowell Light and Power Boardmember and Planning Commissioner Jim Hall.

IT WAS MOVED BY SCHRAUBEN and seconded by ALTOFT to excuse the absence of Councilmember LaPonsie and Mayor Pro Tem Ellison.

YEA: 3. NAY: 0. ABSENT: 2. MOTION CARRIED.

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

IT WAS MOVED BY SCHRAUBEN and supported by ALTOFT to approve the agenda as submitted.

YEA: 3. NAY: 0. ABSENT: 2. MOTION CARRIED.

Item #2. **APPROVAL OF THE MINUTES OF THE MARCH 15, 2010 REGULAR MEETING.**

IT WAS MOVED BY SCHRAUBEN and supported by ALTOFT to approve the minutes of the March 15, 2010 regular meeting as written.

YEA: 3. NAY: 0. ABSENT: 2. MOTION CARRIED.

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

IT WAS MOVED BY SCHRAUBEN and supported by ALTOFT that the bills and accounts payable be allowed and the warrants issued.

YEA: Councilmembers Altoft, Schrauben and Mayor Hodges. NAY: 0.

ABSENT: 2. (LaPonsie and Ellison). MOTION CARRIED.

<u>BILLS AND ACCOUNTS PAYABLE (04/05/2010)</u>	
GENERAL FUND	\$64,347.58
MAJOR STREET FUND	2,814.12
LOCAL STREET FUND	5,379.79
AIRPORT FUND	490.14
WASTEWATER FUND	2,263.17
WATER FUND	4,959.13
DATA PROCESSING FUND	306.25
EQUIPMENT FUND	701.52
CURRENT TAX FUND	109,596.53
LEE FUND	3,500.00
CARR FUND II	2,000.00

Item #4. **CITIZENS COMMENTS FOR ITEMS NOT ON THE AGENDA.** Alan Mathews (822 Griddle) requested the Council to look at a soft sided garage on the corner of Main Street and North Division as well as one on M21 west of the road side park and Tip Top Gravel, a clear sided quonset hut type. He has major concerns with this and feels there is not a place for these in the City. Mathews was not sure he would be able to attend the upcoming public hearing regarding temporary soft sided garages.

Mathews also questioned how many are on the Planning Commission. Pasquale responded seven (7) but there is a vacancy. Currently six (6) have been serving but an appointment for the seventh position will be made tonight. He noted it passed by four (4). Pasquale responded that is a quorum.

Mayor Hodges noted if anyone who would care to go on record regarding a public hearing, they may submit a letter to the City Clerk and it will be entered into the public records for that public hearing.

Item #5. **RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT FOR THE LOWELL AREA CHAMBER OF COMMERCE AT 113 RIVERWALK PLAZA.** City Manager Pasquale and Mayor Hodges met with Liz Baker, Director and Evert Bek, Boardmember of the Lowell Area Chamber of Commerce, to discuss the renewal of the lease agreement for the Riverwalk building and the following has been recommended:

- Extend the lease agreement ten years from May 1, 2010 to May 1 2020.
- Increase the operating expenses for Chamber responsibility from a maximum amount of \$120 to \$200 per month.
- Keep the rental payment at \$1 per year. Reduce the membership dues for the City from \$3000 per year to \$205 keeping this in line with other organizations.
- The Chamber will provide a \$2,000,000 commercial liability insurance policy, which is already in place.
- The Chamber will have the right to provide up to \$5000 (from \$1000 previously) for physical alterations and additions without City consent
- Include the current storage area within the space to be leased

The lease agreement has been altered to reflect the above changes and Mayor Hodges and City Manager Pasquale recommend approval of this lease agreement.

Councilmember Schrauben questioned section 9, Insurance of the agreement which stated "Insurance. Landlord shall, at its sole cost and expense, during the entire term hereof, keep in full force and effect: (a) a policy of commercial general liability shall be not less than Two Million Dollars (\$2,000,000.00) per occurrence, and in which the limit of property damage liability shall be not less than Five Hundred Thousand Dollars (\$500,000.00); and (b) a policy or policies to ensure the Premises, including the portion of the Premises occupied by Tenants, providing coverage for fire, vandalism, windstorm, explosion, smoke damage, malicious mischief, and such other perils as are from time to time include a standard extended coverage endorsement, insuring the Premises, fixtures, and equipment in an amount of not less than Five Hundred Thousand Dollars (\$500,000.00). Tenant agrees to carry, at its own cost and expense, a policy or policies of general liability insurance, in an amount equal to not less than eighty percent (80%) of the actual replacement cost thereof of the Tenants items of personal property located on or within the Premises". Schrauben questioned shouldn't it state Tenant instead of Landlord? City Manager Pasquale responded yes. It should state Tenant and the Chamber does have the policy in place.

IT WAS MOVED BY ALTOFT and supported by SCHRAUBEN to approve the resolution authorizing the execution of a lease agreement for the Lowell Area Chamber of Commerce at 113 Riverwalk Plaza as amended.

YEA: Councilmembers Altoft, Schrauben and Mayor Hodges. NAY: 0.

ABSENT: 2. (LaPonsie and Ellison) MOTION CARRIED.

Item #6. **PERMISSION FOR FIREWORKS DISPLAY.** Betsy Davidson, representing the Lowell Area Chamber of Commerce, requested permission and approval of a permit to have a fireworks display at the Riverwalk Festival on Saturday, July 10, 2010. Davidson also presented the Council with a tentative schedule of events for the Riverwalk stating most of the events are the same with the addition of the North Country Trail Pack and Paddle event as well as the dedication of a Memorial Wall. But, they are working out the details on these two events. Also, the Pauly's Brew B-Q event will be on Friday and Saturday instead of Saturday and Sunday with the beer tent on Saturday afternoon. They are trying to incorporate some of the local restaurant on Saturday night to get the downtown businesses involved.

IT WAS MOVED BY SCHRAUBEN and support by ALTOFT to grant permission and approve the permit to have a fireworks display at Stoney Lakeside Park on Saturday, July 10, 2010.

YEA: 4. NAY: 0. ABSENT: 1. MOTION CARRIED.

Item #7. **SELLING OF 1997 CHEVY LUMINA AND PUBLIC WORKS CHEVY C70 DUMP TRUCK.** Chief of Police James Hinton said the Lowell Police Department seized through drug forfeiture a 1997 Chevy Lumina four door and advertised for bid on Craig's List. The highest bid received was \$300 from Jerry Emelander. Also, placed on Craig's List was the Public Works 1989 Chevy C70 dump truck. The highest bid received was \$3500 from Pete Manlez. Both bids were acceptable from the Police Department and Public Works. Thus, it is recommended Council approve these bids.

Councilmember Altoft suggested the \$3500 received for the dump truck be placed on the principal amount of the new dump truck loan.

IT WAS MOVED BY LAPONSIE and supported by SCHRAUBEN to approve the bids for the sale of the 1997 Chevy Lumina of \$300 from Jerry Emelander and the dump truck of \$3500 to Pete Manlez with the stipulation the \$3500 be applied to the principal amount of loan for the new dump truck.

YEA: 4. NAY: 0. ABSENT: 1. MOTION CARRIED.

Item #8. **REQUEST FOR RECYCLING – PATRICIA RAMOS (1116 BOWES RD., APT 2).** City Clerk Morlock received a letter from Patricia Ramos, who lives at the Pebble Beach Apartments, requesting a recycle bin from the City. At present, Allied Waste does not pick up recycle bins from any apartment complexes or mobile home parks. At this time, apartments and mobile home parks are not addressed in the contract with Allied Waste.

The consensus of the Council was not to make any changes until after the renegotiations of contract for recycling, which will be effective in November.

Item #9. **ORDINANCE TO INCLUDE TEMPORARY SOFT SIDED GARAGES IN RESIDENTIAL DISTRICTS – RECOMMENDATIONS FROM THE PLANNING COMMISSION – ADOPT OR SET PUBLIC HEARING (5/3).** Councilmember LaPonsie stated after many months of review and study, the Planning Commission has proposed an ordinance which addresses temporary soft sided garages in residential districts. LaPonsie stated a public hearing should be established.

IT WAS MOVED BY LAPONSIE and supported by SCHRAUBEN to establish a public hearing for Monday, May 3, 2010 to consider an ordinance to include temporary soft sided garages in residential districts.

YEA: 4. NAY: 0. ABSENT: 1. MOTION CARRIED.

Item #10. **REVIEW OF THE 2010–2011 PRELIMINARY GENERAL FUND BUDGET.** City Manager Pasquale and City Treasurer Sue Olin have prepared an overall view of the General Fund budget.

Revenues are estimated at \$2,470,536 with expenditures at \$2,433,344.80. This leaves a positive balance of \$37,191.20 and added to the projected 09-10 balance of \$163,760.10 brings the projected fund for 2010-2011 to \$200,951.30, which is 8.25% of planned expenditures.

Also, Council has presented with taxable value comparison from 2002 to 2010 and it was noted a decrease in total taxable value from 2009 to 2010 which is in line with what other communities are experiencing.

A projected fund balance of \$200,951.30 is shown based on the following:

- Operating millage at 15.83 with the added 0.25 mills for the Lowell Area Historical Museum.
- Assumes further cuts in State Revenue Sharing currently at \$329,272 (projected for 2010-2011). This is much lower State Revenue than planned (\$50,359 reduction).

- Request allocations from the Downtown Development Authority (\$140,000), Look Memorial Fund (\$15,000) and the Lee Fund for parks maintenance (\$5,000).
- Provides a salary freeze for all full time employees; a 1% increase would cost the General Fund about \$8500.
- Proposed elimination of seasonal employees in parks (\$11,000) and cemetery (\$13,000).
- Current recycling costs (\$523 bins x \$4.34 per month x 12) are \$27,237.
- A replacement police officer is shown in the budget. This will provide a substantial reduction in temporary, part time officers. Also, full time officers have agreed to scheduling and overtime reductions. The Police Department must have officers on duty 24 hours a day; seven days a week and Chief Hinton will provide substantial documentation to show the reason for this.
- At this time, health insurance is projected to increase 10%.
- Parks (Creekside Kingdom ground cover) and library (roof replacement) have projects which have been grant funding in 09-10. This substantially reduced the 2010-2011 budget.
- A total of \$97,607.30 will be transferred to the Local Street Construction Fund. The milling and repaving of S. Pleasant and S. West Streets will have \$25,186 in Community Development Block Grant funds and \$72,421.30 from the Local Street Construction Fund. Street maintenance will be provided \$25,000.

Again, the budget has not been completed in total, but this provides present status with the General Fund.

Councilmember LaPonsie asked when the last time City staff received a raise was. Pasquale responded a 2% was received last year.

Councilmember Schrauben asked if any income was projected from the trash program. The City charges enough to cover the garbage and yard waste charge by the bags. But, the recycling is provided as a service to the residents and most of the cost is covered by the General Fund.

Schrauben also questioned what impact would there be with the elimination of seasonal employees in the parks and cemetery? DPW Direction DesJarden stated his records showed that approximately 4,000 man hours would be lost.

Schrauben would like to know what is being lost in compared to what is being saved to determine if it is worth it. He wanted to see what impact in terms of what would not be getting done or redistribution of task. Pasquale said this will be reviewed over the next month and more information will be provided to Council regarding seasonal staff as well as the police officer position.

Councilmember Altoft questioned if the \$163,760 General Fund balance include the \$97,912 for the Street Fund included in that? Olin stated no, the \$163,760 is accumulation of revenues over expenses through the years in the General Fund.

Item #11. **CITY MANAGER'S REPORT.** City Manager Pasquale reported on the following:

1. The following boards and commissions meetings minutes were provided:
 - Parks and Recreation Commission meeting of February 20, 2010
 - Planning Commission meeting of February 22, 2010
 - Lowell Area Fire and Emergency Services Authority meeting of December 21, 2009
2. Ada was recently informed that the bridge replacement over the Grand River can be carried out maintaining traffic and not requiring a temporary bridge. Enclosed are documents related to this issue. The project is planned for 2011, but this could be extended.
3. Once again! The Expo and Firefighters breakfast were very successful.
4. The Light and Power Board wishes to have a joint work session with Council. The consensus of the Council was to meet the on Monday, May 10, 2010 at 7:00 p.m.

Item #12. **COUNCIL COMMENTS.** Councilmember Altoft suggested the sign on the south side of town on Alden Nash needs to be reworded. Another sign needs to be placed by James Street stating no west bound traffic on M21. Chief Hinton stated he would contact Daryl Heuker of MDOT to look into these issues.

Councilmember LaPonsie apologized for being late and she encourages everyone to please continue to shop downtown Lowell. Sidewalks are open and you can get to all businesses.

Councilmember Schrauben noted the river being so low and all the trash is showing. He asked is it possible to have some clean up now that the water is down? Pasquale stated several years ago we had a clean up but is not sure what the State would allow now. Chief Hinton noted there is about four (4) feet of muck you would have to go through. The Police Department has had to rescue kids from the mud.

Item #13. **APPOINTMENTS.** By general consensus, the City Council made the following appointments.

		<u>Term Expires</u>
Planning Commission		06/30/2010
Barbara Brown	appointment	
Light and Power		06/30/2010
Jim Valentine	appointment	

IT WAS MOVED BY SCHRAUBEN to adjourn at 8:14 p.m.

DATE:

APPROVED:

James W. Hodges, Mayor

Betty R. Morlock, City Clerk