

**PROCEEDINGS  
OF  
CITY COUNCIL  
OF THE  
CITY OF LOWELL  
MONDAY, NOVEMBER 21, 2016, 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 Pro Tem Mike DeVore and City Clerk Susan Ullery called roll.

Present: Mayor Pro Tem Mike DeVore, Councilmembers Jim Hodges, Jeff Phillips and Alan Teelander.

Absent: Mayor Jeff Altoft

Also Present: City Manager Mike Burns, City Clerk Susan Ullery, DPW Director Rich LaBombard, Light & Power Director Steve Donkersloot, and Chief of Police Steve Bukala.

City Attorney Dick Wendt stated the General Election was held on November 8, 2016. However, the Board of Canvassers will not be certifying the election until November 22, 2016. Therefore, the Council must proceed with the council meeting as things were prior to the election.

2. **EXCUSE OF ABSENCES**

IT WAS MOVED BY TEELANDER and seconded by PHILLIPS to excuse the absence of Mayor Jeff Altoft.

YES: 4. NO: 0. ABSENT: 1. MOTION CARRIED.

3. **APPROVAL OF THE AGENDA**

IT WAS MOVED BY HODGES and seconded by TEELANDER to approve the consent agenda as written.

- Approval of the Agenda
- Approve and place on file the minutes of the November 7, 2016 City Council meeting
- Authorize payment of invoices in the amount of \$102,658.85

YES: Mayor Pro Tem DeVore, Councilmember Hodges, Councilmember Phillips and

Councilmember Teelander. NO: None. ABSENT: Mayor Altoft MOTION CARRIED.

4. **CITIZEN DISCUSSION FOR ITEMS NO ON THE AGENDA**

Heidi Ogle of 5625 Dunn spoke in regards to the building official and the ongoing investigation.

5. **OLD BUSINESS**

a. Bio-digester Update.

City Manager Michael Burns noted there have been four citations issued by the Lowell Police Department with regards to the odor at the bio-digester since the last City Council meeting. Since then work has been done to try and mitigate a solution as they are not in compliance with the seven day agreement. Representatives met earlier to discuss the status of the project and the next steps.

Lowell Energy AD LLC Attorney Jay Rosloniec, odor specialist Bruce Koetter with Webster Environmental Associates and Greg Northrup of Lowell Energy AD were all present for discussion. Rosloniec provided an update of the bio-digester and stated earlier today he and others visited the site with no odor being found outside of the boundaries. There is one component left to the system that needs to be enclosed.

Councilmember Teelander spoke with several homeowners who indicated their lack of trust and confidence in the system. Concern was raised with temperature change in the summer. City Attorney Dick Wendt questioned the issue of heat. Koetter stated the odor would be the same in the winter and summer months.

Councilmember Phillips stated he has also received complaints from homeowners.

Councilmember Hodges stated the Council wants this to work but we need to be confident and it needs to work correctly. Koetter stated he is completely confident with the technology and proper training procedures have been put in place.

Chad Rosenzweig of 504 Amity spoke regarding his concerns.

Councilmember DeVore asked if Koetter was confident the system was going to be completely odor free. Koetter explained nothing is 100% odor free. DeVore noted they had previously indicated there would be no detectable odor by November 1 and it is now November 21.

Perry Beachum of 924 Riverside questioned the procedure of changing the carbon. Koetter explained the process. It can typically be done in less than four hours.

Pam Krzysik of 617 Howard, Tracy Kropf of 516 Howard and Heidi Ogle of 5625 Dunn spoke regarding their concerns of the bio-digester.

Jeff Dickerman stated he owns a business near the bio-digester and has no problem with the smell recently.

DeVore questioned the dates of the four citations. Rosloniec believed the dates were the October 9, 10 and 14. Burns added November 1 and 7 as well.

Marleen Kropf of 516 Howard and Greg Canfield of 403 N. Washington spoke of their concerns.

Wendt read an important provision from the agreement that LEAD had agreed to under "Section IV A".

Burns asked Wendt if the Council takes action to enforce the plan that was approved in September, is the bio-digester shut down completely or until they can prove it can operate again. Wendt explained they would stop operations until such time the odors have been eliminated and the testing has been completed to confirm that detectable odors will not disburse beyond the property boundary.

Wendt explained the three areas of concern include the ordinance which pertains to the nuisance, the lease agreement with the City of Lowell and the Power Purchase agreement with Lowell Light and Power.

Wendt went on to state the Council could press upon the importance of following the agreement, then the remedy would be some sort of litigation. The terms of the lease state a reasonable amount of time must elapse before one can hold this as a fault of the agreement.

Jeff Hill of 1116 Bowes spoke regarding his concerns of the bio-digester.

Wendt confirmed it was the Council's wish to direct staff (Wendt and Burns) to advise LEAD that Council is asking them to immediately cease operations as provided in the letter of agreement that they signed and then determine the next step. Burns agreed and by general consensus, Council agreed.

## 6. **NEW BUSINESS**

### a. Purchase of a S550 T4bobcat Skid-Steer Loader and Caterpillar 926M Wheel Loader.

DPW Director Rich LaBombard stated beginning in August of this year, the DPW began to evaluate the department's equipment repair and replacement needs. The results of that evaluation identified two vital pieces of equipment were in need of immediate replacement due to their state of repair, age, service impact, availability of replacement parts, and ongoing maintenance costs.

With that in mind, LaBombard recommended the purchase of a 2016 Caterpillar 926 M for the sum of \$177,070.00 and the purchase of a 2016 Bobcat S550 for the sum of \$45,467.38.

City Manager Burns read a memo into record regarding the equipment purchase. He had asked LaBombard to track the percentage of usage for each piece of machinery for a fiscal year. Burns learned that the DDA paid for 22% of the rentals charged by the Equipment Fund to use the Front End Loader and nearly 40% of the rentals for the Skid Steer.

The cost of the two pieces of equipment was calculated and it is suspected that the City will have to make installment payments of nearly \$50,000 a year for five to seven years based on how the City finances' each piece of equipment.

While this is not a budgeted item, Burns asked the DDA to consider the following proposal for assisting with financing the machines. Rather than charging the equipment fund for usage, Burns asked them to transfer a percentage of funds from the DDA up front to the Equipment Fund to assist with the financing of the new machines. The DDA would not be charged lease rentals for the equipment unless their hours' equivalent was more than the percentage of financing payments. Each machine's percentage would be the following:

- Front end loader – 25% of annual financing payment from DDA
- Skid Steer – 40% of annual financing payment from DDA

- Remaining percentage paid for from Equipment Fund

When Burns presented this at the November 10, 2016 DDA meeting, the board was supportive of the proposal pending finalized financing details.

IT WAS MOVED BY HODGES and seconded by DEVORE to approve the purchase a 2016 Caterpillar 826M at a cost not to exceed \$177,1070 and the purchase of a 2016 Bobcat S550 at a cost not to exceed \$45,467.38.

YES: Mayor Pro Tem DeVore, Councilmember Hodges, Councilmember Phillips and

Councilmember Teelander. NO: None. ABSENT: Mayor Altoft MOTION CARRIED.

b. Presentation Regarding Phone System Update.

Lowell Police Chief Steve Bukala and General Manager of Lowell Light and Power Steve Donkersloot provided a presentation regarding a joint VOIP Phone System. The current phone system is becoming cost prohibitive due to it being 20 plus year old technology. The current phone system costs have increased 20% per phone line this past fiscal year and the City anticipates the cost to increase again this year. This is two projects in one as LL&P will be completing a fiber loop to connect all the buildings, and a secure reliable network for the phone systems.

By general consensus, the Council agreed to move forward with the VOIP phone system.

c. LL&P MERS Retiree COLA Memo.

Lowell Light and Power General Manager Steve Donkersloot stated every year since 1990, with the exception of 2010, the LL&P Board has provided LL&P retirees with a cost of living adjustment (COLA). At October's LL&P Board meeting, the Board voted to move forward, pending City Council approval, with a .20% COLA for retirees starting in January 2017. The cost to do so is \$4,475. The LL&P MERS plan is a separate division than the City's, but still falls under the overall city-wide plan. Thus, the City Council must ultimately approve this COLA.

The COLA is in the LL&P's 2017 budget and will not impact the funding levels of either LL&P or the City.

IT WAS MOVED BY HODGES and seconded by TEELANDER that the City Council approve a .20% COLA for LL&P retirees at a cost of \$4,475.

YES: Councilmember Phillips, Councilmember Teelander, Mayor Pro Tem DeVore, and

Councilmember Hodges. NO: None ABSENT: Mayor Altoft MOTION CARRIED.

7. MONTHLY REPORTS

There were no comments received.

8. **BOARD/COMMISSION REPORTS**

Councilmember Phillips spoke on the Historic District Commission being cancelled and wished everyone a Happy Thanksgiving.

Councilmember Hodges had nothing to report.

Councilmember Teelander attended the L&P Board meeting where Perry Beachum was selected as the new Chair and Andrew Schrauben was selected as the new Vice Chair. He also attended the Planning Commission meeting where discussion continued regarding Chapter 4 and 17 of the zoning ordinance. A site plan was also approved for Lake Michigan Credit Union as well as an expansion for Curtis Cleaners.

Mayor Pro Tem DeVore had nothing to report.

9. **MANAGER'S REPORT**

City Manager Burns reported the City's bond rating has been increased from an A+ to an AA-. This is a very good rating and will help our upcoming bond sales. He thanked City Treasurer Sue Olin on her hard work. He also stated there are concerns from the City's insurance carrier with regards to upcoming events being held on the Showboat for Christmas events. A recommendation was made to only utilize the first floor of the boat. The Chamber of Commerce has been informed. The MML will provide a presentation at the Lowell High School Performing Arts Center on January 12, 2017 regarding a number of issues with the State of Michigan. The community is welcome to attend. Dr. Lew Bender is scheduled to come to the City of Lowell on January 20<sup>th</sup> and 21<sup>st</sup> for Council training. Burns also noted he and Councilmember Hodges attended the LowellArts! grand opening.

Burns asked if the Council would prefer to cancel the December 19, 2016 council meeting due to the Christmas holiday. By general consensus, the Council agreed.

Heidi Ogle of 5625 Dunn spoke regarding the building official for the City of Lowell. Is this something that can be put on the agenda? Burns stated he contacted Cascade Township and will be conducting an investigation. A report will be provided to the Council.

10. **COUNCIL COMMENTS**

Councilmember Hodges congratulated Greg Canfield in joining the City Council. In the past two weeks, Hodges met with the other Councilmembers and had great conversations. He also attended the DDA meeting, visited the LowellArts! opening and advised the LCTV Endowment Board meeting will be held on December 1, 2016 at 7:00 p.m.

Councilmember Phillips wished everyone a Happy Thanksgiving and mentioned the Christmas through Lowell event.

Councilmember Teelander congratulated Greg Canfield and thanked him for his opinion with the bio-digester. The City has a wonderful team that is working well together.

11. **ADJOURNMENT**

IT WAS MOVED BY HODGES and seconded by DEVORE to adjourn at 8:56 p.m.

DATE:

APPROVED:

---

Mike DeVore, Mayor Pro Tem

---

Susan Ullery, City Clerk