

**PROCEEDINGS  
OF  
CITY COUNCIL  
OF THE  
CITY OF LOWELL  
MONDAY, NOVEMBER 05, 2018, 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 Sue Ullery called roll.

Present: Councilmembers Marty Chambers, Jeff Phillips, Jim Salzwedel and Mayor DeVore, Councilmember Canfield.

Absent: None.

Also Present: City Manager Michael Burns, City Clerk Sue Ullery, DPW Director Rich LaBombard, Chief of Police Steve Bukala and City Attorney Dick Wendt.

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

- Approval of the Agenda with the removal of Item A- South Broadway Project Coordination and Bond Budget and the addition of a resolution attached for item c under new business.
- Approve and place on file the Committee of the Whole and Regular minutes of the October 15, 2018 City Council meeting as written.
- Authorize payment of invoices in the amount of \$503,272.88.

IT WAS MOVED BY CHAMBERS and seconded by PHILLIPS to approve the consent agenda as amended.

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

NO: None.

ABSENT: None.

MOTION CARRIED.

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

None.

5. **OLD BUSINESS.**

a. Proposal 1.

City Attorney Dick Wendt explained the proposal and what it means to the City of Lowell and if the proposal is adopted, the next steps City Council will have to take.

6. **NEW BUSINESS.**

a. Amendment to the Sewer Ordinance.

1. Resolution 31-18

IT WAS MOVED BY CANFIELD and seconded by CHAMBERS to approve Resolution 31-18 approving Sanitary Sewer System policies and procedures for determining industrial allocation portion of wastewater treatment plant maximum allowable headworks loading.

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

NO: None. ABSENT: None. MOTION CARRIED.

IT WAS MOVED BY PHILLIPS and seconded by SALZWEDEL to approve Ordinance 18-05 adding section 25.205A "Special Discharge Allocation," to Division 1, "General Pretreatment Requirements," of Article VI, "Sewer Discharge Requirements and Enforcement Procedures," of Chapter 25, "Water and Sewage Disposal Service," of the Code of Ordinance of the City of Lowell.

YES: Councilmember Phillips, Councilmember Chambers, Councilmember Canfield, Mayor Devore, and Councilmember Salzwedel.

NO: None. ABSENT: None. MOTION CARRIED.

b. Resolution 32-18.

Assistant City Manager Rich explained The Michigan Department of Transportation (MDOT) requires a contract and Special Trunkline Maintenance Permit in order for the City's contractor (Universal Sign) to install wayfinding signage within the MDOT right-of-way. The contract and permit outline MDOT's terms and the City's requirements for installing signage within the trunkline and cover such items as project execution, costs, and ongoing maintenance of the signage. MDOT is requesting a resolution be adopted authorizing signatures by the Mayor and City Clerk to formally enter into agreement for the signage installation work.

IT WAS MOVED BY DEVORE and seconded by CHAMBERS to approve Resolution 32-18 Authorizing signatures for a contract between the City and the Michigan Department of Transportation involving Contract No. 18-5449, Permit Reference No. 55177.

YES: Councilmember Chambers, Councilmember Canfield, Mayor DeVore, Councilmember Salzwedel, Councilmember Phillips.

NO: None. ABSENT: None. MOTION CARRIED.

c. 2560 Bowes Road RFP

City Manager Michael Burns stated that on October 19, 2018, the City opened two bids for the purchase of the 2560 Bowes Rd. Property. During the bidding process, we set a minimum price of \$20,000 for the land based on the evaluation from the Assessor. The two bids were from Lowell Charter Township – \$20,550 and Vergennes Broadband - \$20,000. Last summer Vergennes Broadband discussed what they would like to do with the property and at the time, the Council was supportive of the endeavor as it would make the property taxable and provide a small amount of new revenue to the City. Burns was also contacted by Lowell Township on their interest in the property as it is adjacent to the new park and that it would be a tremendous benefit to them. Both Entities have a great idea for the use of the .4 acre parcel and the community benefit from either endeavor.

Burns explained after the bids came in, Lowell Township and Vergennes Broadband offered a cooperative option to move forward, have the township purchase the land and carve out a portion of it for Vergennes Broadband's needs. Since you cannot use public property for

a private purpose, the portion of the land Vergennes Broadband would use, would become taxable and they would be responsible for the taxes. One stipulation, the parcel will remain in the City and cannot be detached. Upon the sale of the property, I request the City Council allow me to set aside proceeds to cover payments so I may utilize these for funding retiree healthcare premiums in the 2020 fiscal year. This would allow me to utilize the money I would have budgeted to be set aside for an out year.

Burns recommended the City enter into an agreement with Lowell Township to sell 2560 Bowes at a cost not to exceed \$20,000 contingent upon them entering into a lease agreement with Vergennes Broadband and the agreement not to detach the property from the City.

d. Rec Park Steering Committee.

City Manager Michael Burns explained that City Administration had recently met with Williams and Works to have our first meeting on the future Recreation Park feasibility study and discussed how to get the community involved. We believe a steering committee of approximately 20 people should be involved for the visioning of the future of the site as well as an online survey for the public. We will wait to implement plans once it is near or the fair vacates. If the Council is supportive of this, we would like to designate a Recreation Park Future Use Steering Committee for the feasibility study. City Administration will take the necessary steps to seek interested candidates from within the community.

e. Industrial Development District.

We received an Industrial Facility Tax Credit application for the new construction of a 41,000 sq. ft. facility to pack and warehouse packaged flour at 115 S. Broadway, King Milling. This property is located on the former Michigan Wire Property.

During our analysis of the application, we learned that part of the property is not currently in the Industrial Development District, which King Milling has. However, we discovered a portion of this property was in an Industrial Development District formed in 1978 for Michigan Wire. Additionally, the district formed was that of the expanded property which was given the abatement, not the entire property. As a result, if an Industrial Facility Tax Credit (IFTC) was granted, currently, only a portion of expansion on the property would be eligible. A new district would need to be formed to offer the IFTC.

Burns explained he is asking if the City Council would be interested in considering a request for an Industrial Facility Tax Credit to King Milling for the new facility. If so, he and the City Attorney will begin the process to formally establish the district and formally introduce the IFTC request. IFTC's are abatement of 50% of real and personal property taxes on the new investment. Since the State of Michigan will have completely phased out the personal property taxes on all the property in 2023, the impact to the applicant is the real property on the new expansion.

Burns stated King Milling has received IFTC's in the past. IFTC's can be established for up to 12 years, and he recommends to initially grant a five year IFTC, and then have the applicant return for the remaining seven years. This ensures the applicant has been compliant with proper documentation necessary for the abatement, along with assurances they have been paying taxes timely. The City Council all conceded to move forward with the process.

f. Industrial Facility Tax Credit Application Fee and Policy.

City Manager Michael Burn stated that during the review of the IFTC request, he realized we do not charge an application fee for these request and we should have a formal policy in place for future IFTC applications. He would like City Council to consider a fee structure for these applications along with a formalized policy. While the City Charter does not allow standing committees of the City Council, having a special committee of council members and staff on these applications will be intermittent enough to where this should not be an issue. Burns would like to entertain discussion on this topic and recommend the Lowell City Council direct the City Manager to develop a fee structure and a policy going forward in managing Industrial Facility Tax Credit applications.

The City Council agreed to create a IFTC Fee and Policy.

7. **BOARD/COMMISSION REPORTS.**

Councilmember Salzwedel stated that LCTV will be meeting on December 05, 2018.

Mayor DeVore stated the LOOK meeting will be on November 14, 2018 and a second meeting will be held on November 28, 2018 if needed. Fire Authority meeting will be held on November 19, 2018.

8. **MANAGER'S REPORT.**

City Manager Mike Burns reported the following:

- Election is tomorrow and the results of election will have an impact on the City of Lowell regardless of how is pans out so we will let you know what the next steps are.
- New City website is up and much more user friendly. Still has a few kinks but we are working them out.
- This week we will have three different RFP's go out. An RFP for the Showboat. An RFP for the park property adjacent to the Unity School, and the LCTV Grant the council modified so we could utilize for sidewalks on public property will also go out.

9. **APPOINTMENTS.**

Mayor DeVore noted there are appointment several changes that should be cleared up by next Council meeting.

10. **COUNCIL COMMENTS.**

Councilmember Canfield reminded everyone to get out and vote tomorrow.

Councilmember Chambers said downtown is gearing up for the Christmas through Lowell and its getting bigger and better and would like to see everyone come out.

Mayor Devore stated he was able to judge the chili cook off, thanked Mike Larkin and said there were some great chili's.

Councilmember Jeff Phillips stated he just received a job promotion and his new job will conflict with his role as City Council member, so tonight will be his last council meeting. He thanked the City and the council and stated he has gained much information, knowledge and experience and has enjoyed working with everyone.

11. **MOTION TO GO INTO CLOSED SESSION.**

IT WAS MOVED BY SALZWEDEL and seconded by CHAMBERS to go into closed session at 8:21 pm.  
YES: 5. NO: None. ABSENT: None. MOTION CARRIED.

12. **ADJOURNMENT.**

IT WAS MOVED BY SALZWEDEL and seconded by PHILLIPS to adjourn at 10:02 pm.  
YES: 5. NO: None. ABSENT: None. MOTION CARRIED.

DATE:

APPROVED:

---

Mike DeVore, Mayor

---

Susan Ullery, City Clerk