

CITY OF FENTON COUNCIL PROCEEDINGS
Monday, May 11, 2015
City Hall Council Chambers
301 South LeRoy Street

Mayor Sue Osborn called the meeting to order at 7:32 PM.

The invocation for the evening was the Lord's Prayer and was followed by the Pledge of Allegiance.

Present: Bland, Grossmeyer, Jacob, Lockwood, McDermott, Osborn.
Absent: King.
Others Present: Lynn Markland, City Manager; Mike Burns, Assistant City Manager; Rick Aro, Police Chief; Chris Patterson and Chuck Barbieri, Legal Counsel.

Mayor Osborn asked for a moment of silence to observe the passing of Councilwoman King's sister. The Mayor and Council offered their condolences to Councilwoman King and her family.

POLICE SERGEANT OATH OF OFFICE

Mayor Osborn congratulated Officer Jeffrey Cross on his promotion to Sergeant and delivered the Law Enforcement Oath of Honor to Sergeant Cross.

MAYOR'S COMMENTS

Osborn commented she attended a ribbon cutting on May 2nd for Salon 416 and stated it was a great event and the Salon has been designated as one of the top twenty design salons in the nation.

CITY MANAGER'S REPORT

Markland congratulated Officer Cross on his promotion to Sergeant. He gave an update on the Community Center and Streetscape projects. He stated Administration is busy working on the health care renewal.

COUNCIL MEMBER COMMENTS

Grossmeyer commented the issue of court consolidation was discussed at last week's Small Cities meeting and he invited Commissioner Tony Brown to the June work session to discuss the issue.

Lockwood commented May 30th is the Community Planting Day and volunteers are needed. She thanked Gerych's for working with the Beautification Commission. She has received a lot of positive comments about the proposed solid waste program now that correct information has been provided to the public. She reminded all this Thursday is the donor Open House at the Community Center and the public Open House is this Saturday.

LEGAL COUNSEL REPORT – Patterson commented his office has been working on real estate matters for the City.

CITIZEN COMMENTS – None.

CONSENT AGENDA

Osborn reviewed all items that were on the Consent Agenda.

A motion was made by Bland and seconded by Jacob to approve the consent agenda containing the following items:

- Authorize payment of invoices in the amount of \$217,422.16.
- Approve and place on file the minutes of the April 25, 2015 City Council budget work session and the April 27, 2015 City Council meeting.
- Appoint Lisa Estep to a vacant term on the Beautification Commission expiring September 1, 2017.
- Approve request from the Curtis-Wolverton VFW Post 3243 to conduct the annual Memorial Day Parade on Monday, May 25, 2015.

YEAS: Bland, Grossmeyer, Jacob, Lockwood, McDermott, Osborn.

NAYS: None.

ABSENT: King. Motion carried by a roll call vote.

PUBLIC HEARING ON THE PROPOSED 2014-2015 AMENDED BUDGET AND THE 2015-2016 FISCAL BUDGET AND SUPPORTING MILLAGE RATE OF 10.6226 MILS.

Markland reviewed the State of the Budget letter, which has been updated since the budget work session and provided Council with copies of the updated letter. He stated there is an undesignated fund balance in the 2015-2016 budget totaling \$11,930. This total is less than what was in the original letter and is due to the purchase of radios for the police and fire departments.

Markland highlighted the significant expenditures for the upcoming fiscal year:

- Streetscape Project – \$4,700,000
- Silver Lake Road Bridge – \$2,000,000
- Fire Rescue Truck - \$200,000
- Police and Fire Radios - \$290,000
- Water Plant Vehicle - \$25,000
- DPW Vehicles (2) - \$35,000
- Fire Dept. Duty Truck - \$35,000

Mayor Osborn opened the public hearing at 7:48 PM.

Mayor Osborn closed the public hearing at 7:49 PM due to lack of comment.

RESOLUTION 15-8

A motion was made by Lockwood and seconded by McDermott to approve Resolution No. 15-8, which approves the amended budget for fiscal year 2014-2015 for the City of Fenton.

YEAS: Grossmeyer, Jacob, Lockwood, McDermott, Osborn, Bland.

NAYS: None.

ABSENT: King. Motion carried by a roll call vote.

RESOLUTION 15-9

A motion was made by Lockwood and seconded by Jacob to approve Resolution No. 15-9, which approves the budget for the 2015-2016 fiscal year for the City of Fenton and sets the supporting millage rate for the City at 10.6226 mils.

YEAS: Jacob, Lockwood, McDermott, Osborn, Bland, Grossmeyer.

NAYS: None.

ABSENT: King. Motion carried by a roll call vote.

PUBLIC HEARING ON ACT 381 COMBINED BROWNFIELD AND WORK PLAN #1

Burns stated Administration has been working with Skypoint Ventures on their purchase of 102 W. Silver Lake Road. Skypoint is requesting to submit an Act 381 Combined Brownfield and Work Plan which is required to complete environmental remediation activities by the Michigan Department of Environmental Quality (MDEQ) and Michigan Strategic Fund. A resolution is before Council tonight to accept the recommendation of the Brownfield Redevelopment Authority to accept the 381 Brownfield Plan.

Chuck Barbieri stated 102 W. Silver Lake, LLC, which is affiliated with Skypoint Ventures, and AKT Peerless have presented a Brownfield Plan that meets the requirements that entitles the developer to tax increment financing and allows recapture of incremental tax revenues as a result of the project that will reimburse the developer for the environmental activities necessary to clean up the site, costs incurred for asbestos and lead abatement and certain demolition costs. The developer has already incurred expenses for the Phase I, Phase II and baseline environmental assessments and a due care plan. The developer will be removing contaminated soil and the underground storage tanks. The environmental expenditures can cost up to approximately \$640,000 and these costs are repaid by tax incremental financing. The taxable value of the property in its current state is \$246,000. The value of the redeveloped property is anticipated to be \$2.28 million. The incremental taxes will first be paid to reimburse the developer for environmental and demolition costs and then to the City to reimburse some of its administrative expenses. He stated there will be a capture of taxes for five years beyond the date of repaying the developer. Funds accumulated during this five year period will go into a local site remediation revolving fund which the City can use for other Brownfield projects. The City would realize \$298,000 from the recapture during this five year period.

Barbieri stated on April 20, 2015, the Brownfield Redevelopment Authority passed a resolution recommending the Brownfield plan be adopted by City Council. Notice was then given to the public, all affected taxing jurisdictions, the MDEQ and the Michigan Strategic Fund. At the close of the public hearing, Council can take action to adopt the resolution presented which will allow the project to proceed. The next step is to submit the plan to the MDEQ and Michigan Strategic Fund for their approval. As part of the plan submission, an interlocal agreement has to be entered into between the DDA and the Brownfield Redevelopment Authority. In addition a reimbursement agreement is needed and will be negotiated with the developer's counsel.

Mayor Osborn opened the public hearing at 8:02 PM.

Mayor Osborn closed the public hearing at 8:03 PM due to lack of comment.

Bland stated he is glad someone has taken the initiative to develop this property and thanked the developers for investing in the City.

Lockwood stated this is a win-win situation for all involved. She thanked the developers for coming forward with this project and thinks it will enhance the downtown.

Markland thinks this is a worthwhile project and thanked all involved for their working in moving the project forward.

Osborn commented she is grateful to Skypoint Ventures for what they have done for the community and stated the City has had a difficult time trying to clean up and redevelop the property. She thanked those who worked on a plan to develop the property.

RESOLUTION 15-10

A motion was made by Lockwood and seconded by McDermott to adopt Resolution 15-10, which adopts the Act 381 Combined Brownfield and Work Plan #1.

YEAS: Lockwood, McDermott, Osborn, Bland, Grossmeyer, Jacob.

NAYS: None.

ABSENT: King. Motion carried by a roll call vote.

ORDINANCE NO. 694

Markland stated this is a proposed amendment to Chapter 10 of the Code of Ordinances regarding nominating petition dues dates for odd year general elections. The amendment will bring the ordinance in line with state law.

A motion was made by McDermott and seconded by Grossmeyer to introduce Ordinance No. 694 for a first reading and set a second reading and adoption at the May 26, 2015 City Council meeting. Motion carried by a voice vote.

RESOLUTION NO. 15-11

Markland stated this resolution confirms the special assessment district for the paving project for the Eagles on the Waters Edge townhomes. This assessment will pay for repairs to the basecoat of asphalt, drainage corrections and the final coat of asphalt. After completion of the work, the streets will remain under the ownership of the homeowners association as was originally planned.

A motion was made by Bland and seconded by Lockwood to adopt Resolution 15-11, which accepts the special assessment roll for the Eagles on the Waters Edge Townhome Improvements.

YEAS: McDermott, Osborn, Bland, Grossmeyer, Jacob, Lockwood.

NAYS: None.

ABSENT: King. Motion carried by a roll call vote.

RESOLUTION 15-12

Markland stated this resolution authorizes the bonds for the Eagles on the Waters Edge paving project. The homeowners petitioned the City for a special assessment district to have the work completed and the assessment will be paid 100% by the property owners. The resolution was prepared by the City's Bond Counsel, Tom Colis from Miller Canfield. The total cost of the project is \$555,000 which is more than originally anticipated due to additional items requested by the homeowners association.

A motion was made by McDermott and seconded by Grossmeyer to approve Resolution No. 15-12, a resolution authorizing 2015 special assessment bonds for the Eagles on the Waters Edge Townhome Improvements.

YEAS: Osborn, Bland, Grossmeyer, Jacob, Lockwood, McDermott.

NAYS: None.

ABSENT: King. Motion carried by a roll call vote.

POAM CONTRACT

Markland stated a new contract has been negotiated with the Fenton Police Officers/Dispatchers Association. The contract will begin July 1, 2015 and end June 30, 2018. He highlighted the main changes in the contract:

- A \$50 increase in clothing allowance (paid every six months) for Detectives.
- Change in funeral leave for certain relatives 100 miles or more from the Police Department.
- Change in available options for the waiver of health care coverage – employees may take the payment of \$3,000 in a cash payment or it may be placed in a retirement account.
- Change in payment for higher classification pay – paid when a senior officer on the shift is working without a Sergeant.
- 2% annual increase in pay for each of the three years of the contract.

McDermott asked about page 43 of the contract which is a letter of agreement regarding vacation accrual and asked if that will be removed from the contract. Markland responded that letter is regarding an officer who is now retired and will be removed from the contract.

A motion was made by Bland and seconded by McDermott to approve the contract with the Fenton Police Officers/Dispatchers Association effective July 1, 2015 through June 30, 2018. Motion carried by a voice vote.

RENEWAL OF JANITORIAL SERVICES CONTRACT

Burns stated this is a contract renewal with Sunset Maintenance who have been providing janitorial services to the City since 2011. The City has been paying \$2,224.44 per month to Sunset to clean City Hall, Library and Fire Department. With the upgrades to the library, the cleaning needs have increased and Sunset has requested increases to their pricing to accommodate that. Sunset submitted a proposal of \$2,340 per month which includes a \$4.46 increase per day to clean the library. In addition, they have provided an option for a deep cleaning of City Hall for an additional cost of \$125/quarter and he is recommending approval of the contract.

Bland asked how long the contract is. Burns responded the contract will be for one year.

Osborn asked that Administration contact Sunset about not cleaning during Council meetings.

A motion was made by McDermott and seconded by Jacob to renew the janitorial services contract with Sunset Maintenance at a cost not to exceed \$2,340 per month and to add quarterly enhanced cleanings of City Hall at a cost of \$125 per quarter. Motion carried by a voice vote.

WORKERS COMPENSATION INSURANCE RENEWAL

A motion was made Bland and seconded by McDermott to approve the payment of \$89,720 to the Michigan Municipal League Workers Compensation Fund for workers compensation insurance. Motion carried by a voice vote.

PEG GRANT

Markland stated the Fenton, Lake Fenton and Linden School Districts have submitted a grant request for funding to replace obsolete and/or worn out equipment for video content that is broadcast on the PEG channel. PEG fees collected from Charter and AT&T are used, in part, to fund the purchase of this equipment. The FACT Committee has recommended the request be approved and the City's portion is \$59,790.05.

A motion was made by Lockwood and seconded by McDermott to approve the FACT consortium grant request. Motion carried by a voice vote.

CALL TO THE AUDIENCE – Doug Tebo, 409 Bent Oak, stated forty five high school baseball players were recently out at Oakwood Cemetery helping clean up the cemetery and commented they did an excellent job. He recently had ninety second graders from State Road Elementary come tour the cemetery.

CLOSED SESSION

A motion was made by Osborn and seconded by Lockwood to enter into a closed session to discuss the purchase of property.

YEAS: Bland, Grossmeyer, Jacob, Lockwood, McDermott, Osborn.

NAYS: None.

ABSENT: King. Motion carried by a roll call vote.

Council recessed to Closed Session at 8:28 PM

Council reconvened to Open Session at 8:38 PM

A motion was made by Lockwood and seconded by Jacob to purchase the property located at 206 East Caroline.

YEAS: Grossmeyer, Jacob, Lockwood, McDermott, Osborn, Bland.

NAYS: None.

ABSENT: King. Motion carried by a roll call vote.

Meeting was adjourned at 8:39 PM.

Mayor Sue Osborn

City Clerk, Renee Wilson

Date approved: May 26, 2015