

**CITY OF FENTON COUNCIL PROCEEDINGS
WORK SESSION
Monday, February 6, 2006
City Hall Conference Room
301 South Leroy Street**

Mayor Sue Osborn called the meeting to order at 7:30 PM.

Present: Angeluski, Hammond, King, Moffitt, North, Osborn, Rauch.

Absent: None.

Others Present: Michael Senyko, City Manager; Christopher Wren, Assistant City Manager; Brent Morgan, Economic Development Director.

CITIZEN COMMENTS - None.

LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)

Senyko delivered information to the Council about entering into a one year agreement with the LDFA to provide \$200,000 in revenue sharing to the City. Morgan discussed his memo to the Council which explained the legal process which the LDFA needs to involve itself in to share revenue with the City. This process includes a recommendation to Council to change their master plan and holding a public hearing on the matter. Morgan also discussed the completion of the intersection at Rounds Drive and Shiawassee, as well as informing the Council that the LDFA has other projects of interest at this time. Senyko stated that the money would be available to use this fiscal year. Osborn inquired about placing a light at Fenway and Owen, in the interest of the Target Development. Morgan was not aware of a plan for this, but he will check with Les Bland, and Senyko stated that he would follow up as well.

Phil Adkison, attorney for the LDFA, was present to answer any of the Council's questions. Adkison informed the Council that changes were made to paragraph three in the agreement which excludes the city millage capture. Adkison stated that Council must hold a hearing and make their determination because this "process" is necessary.

King confirmed that the agreement would be for one year and Morgan stated that the LDFA requested this length of time, but it could be reviewed later. Senyko confirmed with Morgan that their plan could be amended later as well. Adkison stated that the agreement could be modified to accommodate that provision at this point in time, however, the amounts requested for revenue sharing must be very specific.

King expressed her concern that the DDA will take over the LDFA area if the LDFA is dissolved. King would like to see this agreement with the LDFA in the future because the money will be needed to cover the City's costs due to cuts in revenue sharing from the State. Senyko stated that the Council could still utilize the LDFA when appropriate and accomplish Council goals at the same time. Senyko further stated that this agreement would allow the City to recapture some money.

Senyko expressed that if the LDFA is dissolved, the City stands to lose a lot of captured

revenue because that money will revert to the DDA since the DDA district entirely encompasses the LDFA district. King confirmed that the \$200,000 in revenue sharing from the LDFA would go directly into the General fund and could be used for infrastructure outside of the LDFA or DDA district. Morgan explained that this would allow the City to continue services while maintaining the ability to complete much needed projects at the same time.

Rauch asked how long the City could keep the LDFA without any projects going on. Senyko stated that this was a policy decision, but it is his recommendation to keep it as long as it can be justified because it can accomplish what is needed while giving the option for projects.

Rauch inquired about the benefit of having one entity (DDA) instead of two (LDFA & DDA). Osborn stated that the benefit is for the industrial park. Adkison stated that the LDFA can do things that the DDA can't and there are still projects that can be completed.

Hammond instigated a discussion about the idea of lowering the millage in the City in order to avoid having to rely on revenue sharing from the LDFA. Hammond feels it is better to look for a permanent solution to this issue, and expressed concern for the other jurisdictions who have taxes captured by the LDFA, and how they would react to rolling those funds over to the City. Adkison suggested that it would be prudent for the Council to analyze what projects they want to complete and how they want to fund those projects, after this is done, Council will have a much clearer sense of direction they can follow to achieve their goals.

Angeluski questioned if the funds that are in the LDFA would be transferred to the DDA if the LDFA were to be dissolved and Adkison stated that the LDFA money would revert to the DDA, which would result in a significant loss of revenue for the City. Osborn stated that this course of action needs to be researched carefully and Adkison agreed that there should be some cautious financial analysis on this matter before any action is taken. Morgan stated that there are still projects that could be completed through the LDFA funds, being that there is still a significant amount of money to work with. Angeluski stated his interest for using some of the money for repairs to side streets in town. King expressed her opinion that attention needs to be paid to the infrastructure of the City. Adkison stated that both of these projects would be an appropriate use of funding for LDFA or DDA projects, provided the projects fell inside the perimeter of either district.

Angeluski suggested expanding the DDA district, however Senyko did not recommend doing such. Senyko stated that the money for street repair is allocated in the budget, and this is a good suggestion for how the money should be allocated in the budget. Angeluski questioned if the revenue sharing from the DDA was used for this purpose and Senyko confirmed that it was. Hammond asked if it was necessary to state a purpose for the revenue sharing from the LDFA and Adkison replied that it was not, in fact, necessary to do so and would be better if it was not a targeted use, but instead used with discretion. King expressed that some attention to the City's infrastructure would be best because water main breaks are detrimental to the daily activities of residents and businesses in the City, however, Hammond felt that this expense should come from the water fund. Senyko stated that the City administration would do further research on this topic and report back to the Council.

TREE PLANTING PROGRAM

Wren delivered the highlights of a local tree planting program which was developed by a committee composed of North, King, and himself. Wren stated that part of this plan is to offer residents and businesses alike, the opportunity to go in half and half with the City to plant trees in the right of ways near their respective property. Wren stated that this effort would be to try and highlight certain areas of the City, but would be open to everyone. Wren stated that the Committee requested information from several nurseries concerning the price of 3"-3 1/2" diameter trees and the best price they found was \$562 per tree which includes planting and a one year warranty. Of that \$562, half would be paid by the property owners and half would be paid by the City. Wren stated that the City has \$5000 to use for this project but he anticipates the project will continue to generate interest for next year.

Rauch questioned if the property owners have been surveyed to see if there truly is an interest for this project, and Wren stated that the response to the project will be the survey. Wren added that there will be a mix of trees to choose from including the Norway Maple, Red Maple, and Little Leaf Linden. All of these trees are very hearty, have deep root systems, and a good canopy to add to fall colors. Angeluski asked how many new trees could be planted this year, and Wren estimated it to be about twenty. King stated that she felt this was a good program with a great opportunity for the public to give back to their community while enhancing their homes or businesses. Wren stated that the City is also working on a tree maintenance policy which will aid in the application for grant funding to replace more trees in the City. North agreed that this was a good plan for the City since it is losing so many old trees and thanked Wren for all of his work on this project.

Angeluski inquired about the maintenance level for these trees. Wren stated that these trees are the best option for the City because they have a one year warranty that will take them through the critical phase of their growth. Wren added that these trees are easy to maintain and are used in landscaping quite frequently. North asked if there would be a limit on the number of trees that people could purchase and Wren was unsure at that point, however he stated that planting would be limited at first in order to attain an even distribution of trees disbursed throughout the City. North questioned if the City has an ordinance for landscaping, specifying the number of trees that can be planted, and felt that the City should use it as a guideline for distribution. Wren stated that the program will progress as it evolves and eventually other tree alternatives, such as plant boxes could be used as well. Hammond agreed that it was best to start small. Moffitt inquired about purchasing seedlings and growing them to maturity at Silver Lake Park until they could be transplanted throughout the City. Wren informed him that the City has attempted that before, but it does not work out too well and, in addition, Haddon Nursery will provide a growing area to ensure continuing this project.

SOUTHERN LAKES PLANNING INITIATIVE

As the Council representative for the Southern Lakes Planning Initiative, Hammond reported to the Council on its progress. Hammond stated that the initiative sent out a resolution of support to the Planning Commissions and Hammond strongly urged the Council not make a decision about this without input of the Planning Commission. Hammond feels that the program is moving too rapidly in order to address all of the proper concerns with this concept and there needs to be considerably more

discussion, especially with the Planning Commission. Hammond read a letter he received about the initiative, and stated that he needed to see more comparable information as to how this type of agreement can benefit cities instead of just townships and villages. Hammond also addressed the fact that entering into this agreement could place the City in a position of liability regarding the development plans for other municipalities. Hammond informed the Council that, among the various municipalities involved, manufactured housing is a large concern.

Osborn expressed her concern about the nature of the “shared “ utilities and feels that caution is necessary with this issue. King stated that this agreement would be most beneficial to Fenton Township and Argentine Township because cities and townships have very different guidelines. King agreed with Osborn’s statement about the shared utilities and stated that the City of Fenton has stayed ahead of the game concerning improvements to utilities and it is not fair that other municipalities should benefit from it.

Hammond stated that this agreement needs to be examined very closely to determine how the City could benefit from this agreement. While the aid with Police and Fire protection could prove very useful, Hammond also stated that this could be accomplished by agreements of cooperation. North expressed that the City of Fenton has participated in cooperating with other municipalities on several different occasions. Senyko stated that a discussion of this nature has existed for a very long time, but the way the current legislation is written, municipalities are required to notify one another if there are potential zoning changes near the boundaries. This notification is already present and the City has the ability to comment on such proposals. Senyko reinforced that keeping communication and cooperation present is key. King and Rauch agreed that the City could continue its cooperation through the means of mutual aid to other communities. Angeluski expressed that he feels the Council should be the guide for this matter and it should not go to the Planning Commission first because the Commission should be made aware of how the Council feels about this issue first. Angeluski feels it is hypocritical to give the perception of agreement here. Hammond stated that it is the nature of the order of business for this issue to go to the Planning Commission first, before the Council, and he has not indicated the illusion of any support for this agreement without the review of the Planning Commission first. Angeluski stated that people are not getting all the facts on this matter and he feels the Council is charged with protecting the interest of the taxpayers of the City of Fenton.

Moffitt stated that the City of Fenton is built-out and he can’t see the benefit of entering into this agreement, however, he does feel that it is very important to continue the mutual aid. Hammond stated that while Council has the final say, the Planning Commission is the most familiar with this area of study. Angeluski expressed that the law suits will increase and the City of Fenton should not be involved or bear the cost of them. King requested that Hammond attend the Planning Commission meetings and Hammond stated that the Council should not be making recommendations to the Commission because it compromises their purpose. North stated that King, being the Council representative for the Planning Commission, can relay the Council’s thoughts pertaining to this matter.

CELLULAR PHONES FOR CITY COUNCIL

Senyko brought this item to the Council at the request of Angeluski. Wren explained that if the

Council decided to provide cellular phones for each member, the same phone would be purchased for each member and these phones are included in a pool of minutes used by the Administration, so they would not have individual plans. Wren also reminded the Council that these phones would not be for personal use, but rather for City business only. Wren stated that this would cause a minimal increase to the minute pool as well as the additional cost for the purchase of the phones. Senyko stated that the itemized billing would only be questioned if there was an abuse issue. North stated that the Council is accountable to the City for these bills.

Hammond inquired if the phone could be an option for each member because he does not see the need to have a phone for himself. Osborn stated that she felt the phones could prove to be of some value if there was an emergency situation. Angeluski stated that he brought up this idea for a reason because it is a different time now and a cellular phone is no longer a luxury, but a necessity, especially in the instance of an emergency.

Moffitt asked if the numbers would be made available to the public, and what effect that would have on the billing. Wren stated that the numbers would be public information, however it would still have a minimal financial impact.

King stated that, currently, she uses her personal cellular phone to contact City Hall, so she can see where there could be the need for the phones. King inquired about being reimbursed for her personal cellular bill for these calls, as another option. King questioned if the service could continue if there was a natural disaster such as a tornado. Wren explained that Nextel has the ability to bring in a mobile tower so that communication can continue under those conditions. Senyko added that there are two factors that may change the availability of the mobile tower, and they are chance, and the scope of the disaster as it relates to the need of other communities requiring service as well.

Senyko stated that a benefit to Nextel phones is the direct connect system, which allows two parties to speak in the manner of a walkie talkie, in addition, the messages are digitally secure. Wren stated that this endeavor would be very easy to implement and they phones can be cancelled at anytime without penalty.

After polling the Council on their thoughts about this matter, Osborn suggested that the Council try it out and see how it works. Senyko directed the Council to contact Wren if they would like more information.

CITY MANAGER'S EVALUATION

Osborn informed the Council that the packet for the City Manager's evaluation was included in their Friday Memo and requested that they return it to her by March 1, 2006 so that she can compile the data.

CULTURAL CENTER

Senyko had nothing to report except that the committee is still working aggressively on fundraising for the project.

OTHER

Rauch questioned if there was going to be an agenda for the Council retreat. Senyko stated that

the retreat is not a public meeting, rather it is a team-building exercise similar to the new Council Member orientation. Senyko stated that this is not an open meeting, however, this meeting is allowed under the Open Meetings Act, provided that there is no discussion where the Council is deliberating towards a decision. Osborn stated that this is a good opportunity to focus on improving and Lynn Harvey, the retreat facilitator, is well respected around the state.

CALL TO AUDIENCE - None.

Meeting adjourned at 9:35 PM.

Mayor, Sue Osborn

Deputy City Clerk, Jennifer Wills