

**CITY OF FENTON COUNCIL WORK SESSION PROCEEDINGS**  
**Monday, February 6, 2017**  
**City Hall Conference Room**  
**301 South LeRoy Street**  
**7:30 PM**

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

Present: Draves, Grossmeyer, Jacob, Lockwood, McDermott, Osborn, Smith (via telephone).  
Absent: None.  
Others Present: Lynn Markland, City Manager; Michael Hart, Assistant City Manager; Cindy Shane, City Treasurer; Jon Satkowiak, Deputy Treasurer; Steve Guy, Water Plant Supervisor; Dan Czarnecki, Director of Public Works; Tim Juidici, OHM Advisors and Alan Panter, Auditor.

**CITIZENS COMMENTS** – Dawn Overmyer, asked to speak on agenda item #9 – Set Meeting Date to Discuss Street Program and Funding.

**ICE RINK PRESENTATION**

Jen & Brady Snyder read a letter to, and addressed City Council regarding the possibility of installing an ice rink within the City. Council discussed funding and placement options for an ice rink. Osborn commented there is material that can be used for rink construction that doesn't melt; she will gather information about this and the possibility of having property donated for placement of a rink.

**WELLHEAD PROTECTION PROGRAM (WHPP) UPDATE**

Guy updated Council on work being done for the Wellhead Protection Program by members of the WHPP committee. Guy reviewed items that the committee came up with to draw attention to the Program including an informational brochure, paper pads and magnets. Information will be available on the City's website about the program and at the Community Expo.

**2016 AUDIT REPORT**

Alan Panter of Abraham & Gaffney, P.C. presented the 2016 audit report. He stated the audit went well and the City was prepared when his office arrived. He first reviewed the Independent Auditor's Report.

Panter next reviewed the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance. The unassigned general fund balance is \$2,271,469, which is the amount available for future expenditures and needed to provide adequate cash flow and reserves. Fund balance is at 45% of annual expenditures, which up 5% over last year. Revenues increased by approximately 1.5% and is mostly due to an increase in property tax revenue. He then reviewed charts that show revenue and expenditure detail in the general fund.

Panter reviewed the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position for the Proprietary (water and sewer) funds. He stated these funds are funded by user charges and noted net position increased in both funds this year. He then reviewed graphs that show historical data for the water and sewer funds.

Panther reviewed the letter of audit findings and commented there is one issue of concern regarding documentation for credit card transactions. During the audit it was noted that two of the fifteen transactions sampled did not have proper supporting documentation. This was an issue during the last audit and while improvements were made during the prior fiscal year, he felt the item needed to be reported this year since it was previously reported.

Council discussed how often receipts should be submitted and how to document recurring monthly charges.

Panther stated a GASB Statement is coming out with a reporting standard (#74) effective June 30, 2017 regarding post-employment benefit obligations. The City pays for retiree health care benefits and this upcoming standard will require additional disclosures in the footnotes of the financial statements. In 2018, a liability will be recorded for the City's unfunded post-employment benefits. The actuarial valuation performed three years ago indicates the amount of this liability is \$9.1 million.

Markland asked if the amount of the City's liability would change if the way retiree health care is provided changed. Panther responded a change in plans would affect the amount of the liability.

## **VOICE OVER INTERNET PROTOCOL (VoIP) SYSTEM**

Markland commented the City accepted, and staff has reviewed bids for a voice over internet protocol (VoIP) phone system for the City. He stated area of concerns include redundancy in the system, system quality and customer service. Based on the information provided, staff felt BSB Communications provided the best option to meet the needs of the City. Markland stated the new system will pay for itself in a short period of time.

Leonard Green of Comprehensive Computing Solutions, stated the objective was to find a provider that would be able to implement service within an acceptable period of time and provide the City with redundancy in the event of disaster recovery, which would allow the service to continue to operate. Another thing looked at was whether a vendor is able to provide the equipment and implementation and meet other specifications of the Request for Proposal (RFP).

Jeffrey Head, Director of Sales and Brent Ouderkirk, Engineer from BSB Communications presented to Council the products and services offered by BSB as well as an overview of the company. BSB Communications is an authorized dealer for Mitel products. Mr. Head stated the pricing provided to the City is in accordance with the National Joint Powers Alliance purchasing authority.

Mr. Head stated the system will have two servers, one housed at City Hall and the other housed in another City building. Everyone connected to the new system will be mobile and the system also has built in conference calling features.

Mr. Ouderkirk reviewed product specifications of the new equipment to be installed. He reviewed features of each phone model that will be installed and stated the phones can be utilized over any secure internet connection and used at a location other than City Hall if needed.

Mr. Head stated all training, along with a five year warranty is included in the bid price. A project manager will come out and conduct on-site training.

Mr. Green stated he initially agreed to go with BSB Communications and noted they met all of the requirements of the RFP and were able to easily explain how the system works. He commented other vendors that responded to the RFP did not meet the requirements of the RFP or were deficient in major areas. The primary consideration in choosing a system was the ability to maintain communications in the event of an emergency.

After discussion, consensus was to place item on the next Council agenda for action.

### **RIGGS STREET PROJECT**

Czarnecki gave an update on the upcoming watermain replacement project on Riggs Street. The water line currently beneath Riggs Street is a galvanized water line that varies in diameter from 1¼-2 inches and services the whole street. The City has been contacted by several homeowners with pressure flow issues. This past fall and winter the City looked at designing a new waterline for Riggs Street. The replacement line will be eight inches in diameter and copper service leads will be run to property lines. The project will be bid out with alternates to the main piping, requesting bids for installation of ductile iron watermain and also plastic watermain.

Czarnecki stated several communities have been using plastic watermain piping instead of ductile iron pipe and have seen a substantial cost savings without any loss of service. The City of Burton started using plastic watermain about three years ago and have realized a savings of almost \$2 million in material costs.

Czarnecki stated while the watermain is the main portion of the project, the remainder of the project includes installation of a new street surface, intersection improvements for pedestrian safety, improvements to driveway approaches and drainage. Czarnecki reviewed the work to be completed for these aspects of the project and stated at this time there are no plans to install curb/gutter except at the intersections.

Czarnecki stated the proposed project plans do not include replacing all the sidewalk along Riggs Street. Work includes completing the sidewalk in the south block from Rockwell Street to South Holly Road and intersections will be improved as required for ADA accessibility. After discussing the option of including additional sidewalk work as part of the overall project, it was decided to get input from Riggs Street residents on this issue.

Czarnecki stated a small part of this project not connected to Riggs Street pertains to the looping of the watermain behind the businesses on the 100 block of South Leroy. There is an existing water line that dead ends in front of the Community Center. Prior to the expansion project, the Community Center received its water from this line. The expansion project brought in a new water line from Leroy Street. Now that the Community Center does not utilize the dead end line, the City looked at looping the existing water main behind the buildings in the 100 block of South Leroy to the new line. During the Streetscape Project, a contractor installed a watermain stub on the drive into the Community Center. The work to be performed will include the installation of about 150 foot of watermain from the stub to the dead end line to finish off the loop.

### **SET MEETING TO DISCUSS STREET PROGRAM AND FUNDING**

Czarnecki stated OHM completed the update of the City's street evaluations utilizing the PASER rating system. The updated evaluations were reviewed on January 25<sup>th</sup>. Discussion took place regarding the development of a new five-year street maintenance plan and other infrastructure improvements. OHM also provided the City with information from several other communities who have implemented street improvement programs and the information they utilized for public education. A meeting needs to be scheduled to discuss and determine the next step in the process.

Dawn Overmyer, 826 Southwood Drive, commented a roads millage has been discussed for the last two years and nothing has been done and she hopes this issue is not delayed another two years.

Council discussed dates to hold a special Council meeting to review the updated street program and funding options, including the possibility of asking voters for a road improvement millage. Meeting was tentatively scheduled for Saturday, February 18, 2017 at 9 AM.

**COUNCIL MEMBER COMMENTS** – Lockwood commented she is saddened to learn Chief Aro has resigned. She stated the Mayor, City Manager and herself will be at the National League of Cities conference on March 13<sup>th</sup> and suggested that meeting be rescheduled.

McDermott gave a Parks and Recreation Board update stating the Board is currently in the process of updating the five-year Parks and Recreation Master Plan. Meetings were recently held to receive public input and there is also a survey available both at City Hall and on the City's website.

Markland commented Chief Aro has resigned effective February 17<sup>th</sup> and Lieutenant Jason Slater will serve as interim Chief beginning February 17<sup>th</sup> at 5 PM.

Jacob thanked Council for their support of the Shiawassee River water trail and stated support was received from the Chamber of Commerce as well.

Grossmeyer commented Charity Thompson is the new Planning Commission chairperson.

Osborn thanked Terry Steffey for his work on the gazebo.

**CALL TO THE AUDIENCE** – Elizabeth Saab, resident of the Cornerstone Building, addressed Council regarding the parking situation at Cornerstone. She stated the building is surrounded by a municipal parking lot. The Cornerstone Building, nor their association own any parking spaces; they are leased from the City. She stated there has been feedback regarding the parking situation with some issues of concern being that the 'resident only' parking spaces remaining empty for long periods of time and are not being utilized. Another point of concern has been residents, and their guests, parking in the spots immediately adjacent to the building, making those spots unavailable for the retail businesses. She suggested some solutions to these issues could include designating spaces as 'resident only' spaces for certain hours, which would open them up for use outside those hours and providing residents with numbered passes instead of just a block of passes to be used for the building so those violating the parking agreement could have their pass revoked. Ms. Saab stated the homeowner's association has sent out correspondence asking residents to not park right next the building to allow visitors to utilize those spots, but there is nothing enforceable to make residents comply. She stated these items could be addressed in the next lease agreement if Council is opposed to renewing the lease as is.

Markland commented he is willing to attend a meeting of the homeowners association to discuss parking issues and possible solutions.

Pam Fairbanks, resident of the Cornerstone Building, commented she moved to Cornerstone last May and she is impressed with the community and agreed with Ms. Saab's comments and suggestions.

Meeting was adjourned at 9:47 PM.

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Mayor Sue Osborn

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City Clerk, Renee Wilson

Date approved: March 20, 2017