

CITY OF FENTON COUNCIL WORK SESSION PROCEEDINGS
Monday, May 1, 2017
City Hall Conference Room
301 South LeRoy Street
7:30 PM

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

ROLL CALL

Present: Draves, Grossmeyer, Jacob, Lockwood, McDermott, Osborn, Smith.
Absent: None.
Others Present: Lynn Markland, City Manager; Michael Hart, Assistant City Manager; Jason Slater, Interim Police Chief; Dan Czarnecki, Director of Public Works; Steve Guy, Water Plant Supervisor; Mike Reilly, Building and Zoning Administrator and Stephen Schultz, Legal Counsel.

CITIZENS COMMENTS – None.

ORDINANCE NO. 703 – Interim Police Chief Jason Slater reviewed the proposed ordinance which allows for solicitation within the roadway. Controls have been added to ordinance regarding location, time and equipment that the City deems necessary for the safety of volunteers within the roadway and motorists. He feels the ordinance will make it safe to allow for in-street solicitation to continue.

Smith commented she called the Attorney General's (AG) office who indicated their opinion on this topic has not changed.

Attorney Schultz responded his office looked at the (AG) opinion regarding in-street solicitation. They then looked at the provisions in the Motor Vehicle Code, Uniform Traffic Code and the Home Rules City Act. He stated there is nothing inconsistent between the proposed ordinance and what the AG wrote in his opinion. The City has the right to control its streets and the Motor Vehicle and Uniform Traffic Codes recognize that. The City can act in a way that is consistent with the AG's opinion provided the City addresses the safety issues raised by the AG. He is comfortable this ordinance complies with the Motor Vehicle Code and the City's rights as a Home Rule City to control streets within its jurisdiction.

A motion was made by Lockwood and seconded by Jacob to adopt Ordinance No. 703, an ordinance that amends Chapter 23, Article I, Section 23-5 of the Code of Ordinances to establish a permit process to authorize non-commercial soliciting in the public right-of-way. Motion carried by a voice vote with Smith dissenting.

INTRODUCTION OF ORDINANCE NO. 704

Attorney Schultz stated an issue was raised regarding the City's liquor license ordinance. The current ordinance was drafted based upon the previous rules of the Liquor Control Commission (LCC). Under those rules, the City had the right to approve or reject any license that would be utilized within the City. The LLC rules have changed. The City has the opportunity for

input, but does not have the opportunity to block license transfers. This change raised questions as to what role the City has regarding transfer requests. The current ordinance calls for the City to approve, or reject transfers. The ordinance introduced tonight retains the obligation of someone seeking to sell alcohol within the City to file an application with the City. For licenses other than transfers, the City will continue with the same process and will have the right to approve or reject. For purposes of license transfers, the City has the right to object to a transfer, but it is only advisory and there is no obligation to act on liquor license transfer requests.

Ordinance will come forward at the next City Council meeting for a second reading and consideration for adoption.

QUOTE FROM BSB COMMUNICATIONS FOR CABLING FOR VOICE OVER INTERNET PROTOCOL (VOIP) TELEPHONE SYSTEM

Markland stated Council recently approved switching to a VOIP telephone system. With this change, additional cables need to be installed. The quote provided from BSB Communications covers installing cables at all City buildings that will utilize the VOIP system.

A motion was made by Smith and seconded by Grossmeyer to approve the quotation from BSB Communications dated 4/21/17 in the amount of \$10,201.96. Motion carried by a unanimous voice vote.

DISCUSSION OF MARIHUANA GROW OPERATIONS AND DISPENSARIES UNDER THE NEW STATE LAW

Attorney Schultz updated Council on recent changes to medical marihuana laws. His office, along with City Administration have received calls inquiring whether the City is going to allow medical marihuana dispensaries and grow operations. Because of these inquiries, he thought Council should have a general discussion on the issue so Council understands what may be coming down the road regarding the medical marihuana industry and what Council's options are and how they would like to proceed.

Attorney Schultz stated the medical marihuana statute was adopted by voters in 2008 and gave a brief background of the statute. In September 2016, the legislature passed the "Michigan Medical Marihuana Facilities Act" (Act) which was signed into law by the Governor. Schultz reviewed the five new license categories, with regards to medical marihuana that were created by the passage of this Act.

Schultz stated the City cannot prohibit the utilization of medical marihuana within the City, nor can it prohibit caregivers and patients from utilizing and growing medical marihuana for their own use. With respect to medical marihuana facilities, the City has the option to allow some, or all of those facilities to operate within the City. The City also has the option to 'do nothing' which means those facilities would not be authorized to operate in the City. Schultz stated it is an "opt in" statute. If the City does nothing, the licenses created under the Act would not be allowed within the City. Council can also decide to allow some, or all of the licenses to be utilized within the City.

Schultz commented the State has to issue regulations to implement the Act by December 2017. After those regulations are issued, individuals will be allowed to apply for the licenses created by the Act and engage in those activities in communities that allow for it.

Schultz stated some communities have already decided to adopt an ordinance to allow this industry. There are taxes and fees communities are allowed to charge or share in with the

state, so there is a potential for revenue. Schultz stated Council may be called upon between now and the end of the year to address whether or not to allow this industry within the City.

Discussion ensued regarding whether or not to allow these operations to occur within the City; Council also questioned if the amount of potential revenue is known and if the federal government has taken a position on this issue. Schultz commented \$5,000 per license is the maximum annual fee a municipality can charge and a portion of a tax collected by the State will be shared with municipalities that authorize marihuana facilities within their boundaries. Schultz stated there has been no clear indication from the federal government where they stand on this issue.

Schultz stated if the City chooses to do nothing (opt out), it can opt-in at a later date. If the industry is going to be allowed, in whole or in-part within the City, Council will need to adopt an ordinance.

After discussion, Council members were polled as to whether they want to opt-in to the statute or do nothing.

Grossmeyer: Do nothing, but look at re-wording current ordinance.

McDermott: Do nothing.

Draves: Do nothing.

Osborn: Do nothing.

Lockwood: Do nothing.

Jacob: Opt-in. Thinks a serious discussion is needed and would like to further investigate what the positives and negatives are.

Smith: Not opposed to allowing it in the Industrial Park; thinks more discussion is needed.

TOUR DES LACS BICYCLE TOUR

Slater stated Harrison Cypher, Athletic Administrator for Southern Lakes Parks & Recreation has requested authorization to conduct the 14th annual Tour Des Lacks Bicycle Tour on Saturday, August 19, 2017 beginning at 8:00 AM. The event will include 4 different bicycle tours consisting of routes that are 62 miles, 31 miles, 15 miles and 6 miles long. Slater reviewed the routes for each tour. The tours have staggered start times to allow all four routes to finish at approximately the same time. The tours will start and finish at the Community Center, where an after party will be held when the tours conclude. The only road closure requested is River Street to allow for a staging area for the cyclists.

Slater clarified this event is a tour, not a race so riders must obey the rules of the road. The Police Department will assist at major intersections to facilitate the start of each tour. Proceeds from the event will be split between the LAFF Pathway Group and the Southern Lakes Scholarship Program and he is recommending approval of the event.

Item will be added to the next City Council agenda for action.

SOUTHERN LAKES PARKS AND RECREATION ANNUAL REPORT

Vince Paris, Executive Director of Southern Lakes Parks and Recreation (SLPR) presented the 2016 Annual Report for SLPR. He reviewed graphs that provided data on property tax revenue, expense and revenue trends, and fund equity growth. Mr. Paris next reviewed information regarding SLPR's contribution to the Loose Senior Center. About 19% of SLPR's annual millage levy goes to the Loose Senior Center.

Mr. Paris reviewed groups and businesses that partner with SPLR to support community programming and shared statistics on community events, along with youth and adult programs offered through SLPR and recapped special events held throughout the year.

Mr. Paris reviewed the results of a customer satisfaction survey and participation information based on residency. He recapped new programming and events that occurred in 2016 and upcoming events for 2017.

MILL POND GAZEBO BATHROOMS

Czarnecki stated the gazebo at Mill Pond Park is rented for various activities throughout the year. It is rented in 4-hour blocks at a cost of \$100 per block, plus \$100 deposit which is returned if the renters clean up the gazebo and surrounding area. Since City Hall is closed on weekends, the nearest bathroom facilities are located at the Community Center and Fire Hall restaurant, but are not always available. Recently, the City was asked by a renter if they could bring a port-a-john to the park for their event; the City denied the request. One option discussed to provide access to restrooms for gazebo renters is to give renters the option of paying an additional fee to pay for staff to open City Hall for use of the bathrooms. The proposed rental rate would be \$70 to cover the costs associated with opening the building. The City could utilize the gazebo deposit if the building is not left in clean condition.

Czarnecki stated if this is acceptable, he would like to try out the program during the summer and review at the end of the season to determine if changes are needed, or if the program should continue.

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

LED UPGRADES AT WATER TREATMENT PLANT AND D.P.W. FACILITY

Guy stated Consumers Energy is offering incentives to change non-LED bulbs to LED. The Water Plant has many metal halide and fluorescent bulbs that if changed to LED, could result in substantial savings. He met with representatives from ATI Group who described the program and inventoried the light bulbs that would be changed out during the program. ATI submitted a proposal to Consumers Energy, which has been conditionally accepted.

Guy also stated this program was budgeted in the upcoming fiscal year. The total project cost is \$42,466.58, with incentives from Consumers Energy equaling \$19,558.28, resulting in the City's investment totaling \$22,908.30. The estimated energy savings is over \$10,000 per year and the payback period is 2.1 years. Conditions of the program include Consumers Energy performing two inspections pre and post project. Two participation agreements must also be signed by the City and submitted to Consumers Energy prior to beginning the project.

Guy stated the incentives from Consumers Energy are subject to change so getting the project approved quickly will ensure the City can take advantage of the incentives being offered.

Czarnecki stated after ATI worked with the Water Plant, he had them come to the D.P.W. facility and perform the same work. The total project cost for the D.P.W. facility is \$44,879.47. The Consumers Energy program would pay \$16,600, which results in a City investment of \$28,279.36. The annual energy savings is estimated at \$9,861.79 with a payback period of 2.9 years. He is recommending approval to move forward with the program for both the Water Treatment Plant and D.P.W. facility.

Item will be added to the next City Council agenda for action.

DISCUSSION REGARDING PARTICIPATION IN THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION (MEDC) REDEVELOPMENT READY COMMUNITIES PROGRAM

Hart stated the MEDC developed an economic development best practices program called Redevelopment Ready Communities (RRC), which is a statewide certification program. Hart reviewed the program requirements and stated the next step is for Council to approve a resolution authorizing participation in the RRC program. A draft of the proposed resolution was included with the meeting packet. He stated the City's ability to obtain grant dollars is tied to participation in this program. Municipalities certified through this program will have a better chance of obtaining funds from the State of Michigan.

Following discussion, it was decided to place a resolution authorizing participation in the MEDC RRC Program on the next Council agenda for consideration.

COUNCIL COMMENTS – Grossmeyer commented with the Caroline Street construction coming up, the Cornerstone parking agreement needs to be addressed.

Draves inquired if a committee will be formed to look at possible charter revisions.

Lockwood commented the National Day of Prayer breakfast is scheduled for Thursday, May 4th at 7:30 AM at the First Presbyterian Church.

CALL TO THE AUDIENCE – Stephanie Pytlowanyj, 409 2nd Street, commented she agrees with Council's direction tonight to not allow medical marihuana facilities within the City. She stated she is a nurse who has done research on this topic and feels more research is needed.

Craig Hering, representing the Knights of Columbus thanked Council for passing an ordinance that allows non-profit groups to continue soliciting within street intersections.

Meeting adjourned at 9:13 PM.

Mayor Sue Osborn

City Clerk, Renee Wilson

Date approved: June 26, 2017