

**CITY OF FENTON COUNCIL PROCEEDINGS**  
**Monday, July 10, 2006**  
**City Hall Council Chambers**  
**301 South Leroy Street**

Meeting was called to order by Mayor Osborn at 7:30 P.M.

The invocation for the evening was offered by Pastor Jim Maschow of the Tyrone Covenant Presbyterian Church, followed by the Pledge of Allegiance.

Present: Angeluski, Hammond, King, Moffitt, North, Osborn, Rauch.  
Absent: None.  
Others Present: Michael Senyko, City Manager; Christopher Wren, Assistant City Manager; Stephen Schultz, Legal Counsel; Les Bland, Director of Public Works;

**MINUTES**

Moved by Rauch, seconded by North to approve the minutes of the June 26, 2006 regular meeting. Motion carried by voice vote.

**ACCOUNTS PAYABLE**

King had some questions pertaining to the purchase of some Water Department software, as well as some Livescan equipment that were answered to her satisfaction.

Moved by Hammond, seconded by Rauch to authorize payment of invoices in the amount of \$241,550.38.

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

NAYS: None.

ABSENT: None. Motion carried.

**CORRESPONDENCE, MINUTES & REPORTS**

Moved by Hammond, seconded by North to place on file the following correspondence and minutes:

- Minutes of the May 16, 2006 Downtown Development Authority meeting.
- Minutes of the May 25, 2006 Fenton Planning Commission meeting.

Motion carried by voice vote.

**CITIZENS COMMENTS** - None.

**RESOLUTION NO. 06-13**

Senyko presented the Council with Resolution No. 06-13, which is necessary to adopt to authorize a 45 day referendum on the DWRF project. This resolution only authorizes the referendum period. Senyko explained that in light of the dramatic difference in estimates for the project cost, the water rate could be much higher than anticipated if the project is not postponed for cost. Jon Booth, of HRC, explained the scope of the project and the differences between the road improvements from one to the other. Osborn expressed that she is troubled by the first

estimate that came in from Abe Munfahk because she thought that both roads would be re-paved. Bland explained that this estimate was completed during the transition between engineering firms and the communication had broken down. Rauch stated that he feels misled by the information the Council was given initially. North stated that she wanted to see documentation for this discrepancy. Senyko explained that the original project was originally reviewed by Abe and subsequently Abe and HRC drew comparisons from their estimates. There were more differences than just asphalt material. Senyko explained that the procedure is to have Abe do the preliminary estimate then HRC does the field work and provides a more accurate estimate. Senyko explained that there is always a difference between these numbers, however, this time it was quite substantial.

North questioned what the total water rate increase would be. Paul Stauder, of Stauder and Associates, stated that the increase would be approximately \$26 to \$33 per quarter, however, the rate increase is also based on the need to address operating costs for the Plant itself as well. After North questioned what basis is used to generate the increase, Stauder answered that the increase was based on a one inch meter in a single family dwelling and was not associated with consumption. North again questioned what the total increase would be and Senyko stated that they could not give an accurate answer to that effect this evening because it depends on how the bids come in tomorrow. Only then can Stauder provide an accurate projection. Osborn commented that if the Resolution is approved, then the City has the ability to legally stop the project at this point. Stauder explained that there would be publishing costs involved and Senyko stated that this would be for the purpose of informing the public in order for them to voice any concerns that they may have. Osborn stated that she is not comfortable being up against the wall in this situation. Osborn went on to state that the roads in question for this project, as well as the infrastructure is in very poor condition. Osborn suggested approving the resolution tonight and seeing how the bids come in for the project. King stated that the Council needs to know where the ball was dropped in this situation and that communication needs to be streamlined because she does not feel that they were informed. Senyko stated that he relayed the information to the Council as soon as he had clear information about the discrepancy. Osborn suggested having a special meeting for the Council to discuss the bids and Senyko stated that the bids need to be reviewed by HRC first.

Hammond questioned if the City could still use funds from the DWRP if the project was done next year and Booth explained that it could still be used next year, however it is a gamble because the DWRP depends on what the State's financial position is but, in the last few years, the State has had more money than projects to spend it on in these cases. Osborn questioned what the projected increase of the project will be if it is put off for a year and Booth explained that it would probably be 5-6%. Stauder explained that the funding from the DWRP is a good financing deal either way because otherwise the City could be looking at a 4% interest rate for the project. Osborn asked if the State will have a problem with the increased cost of the project and Booth stated that the money is there, however the explanation will be tricky. North expressed that she is not comfortable with this project because it is unclear what cost the public will have to bear. North asked why the DDA could not contribute money for this project and Senyko explained that the DDA could not directly fund this project because only 5% of the DDA district is inside the perimeter of this project and the water system is run off of a proprietary fund.

Moffitt inquired if the project could be delayed and Osborn stated that the cost of the project will just go up. Moffitt was adamant that the Council needs to consider other options of

paying for this project besides a rate increase. Osborn agreed that the Council should investigate a different way to provide the same product to the residents at a reasonable price. King stated that the State mandated that these improvements had to be made to the Water System and the mills keep going down for taxes while the costs keeps going up. King suggested asking for 1 mill to be used strictly for road and infrastructure improvements and then removing the mill when the improvements are complete. Osborn stated that it would be unfair to charge this to the residents because not everyone in the City has city water.

King questioned why there was such a big difference in the estimates. Booth explained that HRC had the luxury of more insight into the project and it is a difficult time to make estimates because contractors are inconsistent about the pricing due to their need to work.

Angeluski stated that the purpose of the project was to improve service and the Council cannot even be sure if the 3.3 million estimate will be correct. Angeluski stated that by stalling this project the costs will only go up and the Council needs to do what is in the best interest of the public.

A motion was made by Angeluski and seconded by Rauch to adopt Resolution No. 06-13 authorizing a 45 day referendum on the Drinking Water Revolving Fund (DWRP) project.

YEAS: Rauch, Angeluski, Hammond, King, Moffitt, Osborn.

NAYS: North.

ABSENT: None. Resolution declared adopted.

#### **RESOLUTION NO. 06-14**

Wren explained that Genesee County is attempting to provide wireless internet access to every resident of the County at no cost, further, if end users chooses to have a faster connection than what is offered for free, they may pay a higher fee to the provider. Wren stated that this project will have no fiscal impact on the City and Genesee County is just looking for a Resolution in support of the project. The resolution being offered this evening does not commit the City to the project in any way. To this date, the County has received six bids from service providers, including one from Tri-County Wireless.

Rauch questioned if this project would help or hinder local current wireless vendors. Wren explained that the wireless companies could remain independent of the project, or they could work in conjunction with the County, so there will not be a monopoly on the market for wireless. Senyko stated that the project is designed to bridge the digital gap. Osborn questioned if Charter Communications was involved with the project and Wren answered that they were not.

Angeluski questioned how many providers were in the County and Wren stated that six vendors have bid on the project, however, it is unknown at this time how many vendors provide wireless service. Angeluski questioned what the impact of the project would be on the residents of Fenton. Wren repeated that all residents could receive free wireless service if they sign up for it, with the option to upgrade, at their own cost, to a faster connection. Wren also explained that this service could draw in more economic development. Wren reminded the Council that Resolution No. 06-14 just shows support for the project, and if the County wanted to use the City to construct wireless towers, it would come back to the Council for a separate approval, as well as the Planning Commission. Angeluski requested that information about this project be viewable by the public and Wren agreed and stated that this project could provide a huge benefit to low-income households.

A motion was made by North and seconded by Hammond to adopt Resolution No. 06-14,

which supports the Genesee County Wireless Initiative.

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

NAYS: None.

ABSENT: None. Resolution declared adopted.

### **TREE TRIMMING BID EXTENSION**

Bland informed the Council of the proposal of Owen Tree Service to extend their bid for tree trimming services. North questioned what was budgeted for this line item and Bland explained that \$20,000 was budgeted, but an additional \$20,000 will be needed due to the mandatory removal of several Ash trees. Rauch expressed his disapproval of how the trees were trimmed on Holly Road and Bland informed the Council that Consumers Energy was responsible for the trimming of those trees due to their Line Clearing Program.

Angeluski confirmed that the tree program would be extended to the residents if they are in need of Ash tree removal.

A motion was made by Angeluski and seconded by Rauch to approve the extension of Tree Removal and Trimming Bids from Owen Tree Service through the year 2007, maintaining the same price structure as 2006. Motion carried by voice vote.

### **CALL TO THE AUDIENCE**

Gary Hall, of 603 West Shiawassee, expressed his concern that he does not think that Code Enforcement is held to the same standard for everyone in the City.

Prudy Adams, of 4124 Split Rail announced that she is running for County Commissioner in the 6<sup>th</sup> District.

### **CITY MANAGER'S REPORT**

Senyko distributed preliminary renderings from HRC for the Silver Lake Road project. Senyko stated that the agreement still needed to be reviewed, however, the State has informed the City that there is not a rush to return the agreement, as was previously thought. Jon Booth, of HRC, explained how to read the diagrams and stated that the elevation will have an impact on the easements. North questioned if the removed trees would be replaced and Booth confirmed that they would be.

### **COUNCIL MEMBERS COMMENTS**

Moffitt inquired if the old Sunoco location was going to be an extension of the adjacent parking lot and Wren stated that he would investigate this.

North stated that the Freedom Festival Parade was nice, however she requested that there be more trash receptacles located in Freedom Park. Wren stated that he would plan this for next year. North also requested copies of the estimates for the North Road project that were received from HRC and Abe Munfahk.

King questioned why the Fire Board meeting was cancelled and who had been appointed to the Fire Board from Council. Osborn stated that nobody had been appointed yet and there was no need for the Fire Board to have a meeting at this point. King suggested that Moffitt be appointed as the Council representative. King questioned when the new Target store was going to open and Senyko stated that they will be open on July 19<sup>th</sup>, however, their Grand Opening will take place on July 23<sup>rd</sup>.

**LEGAL COUNSEL**

Schultz stated that he is working on the Wal-Mart appeal.

**MAYOR'S COMMENTS**

Osborn would like a brochure she received from Dearborn Heights to be placed in the Friday Memo along with the information she has from Consumers Energy about tree trimming. Osborn also questioned the grace period for water bill payment. Osborn thanked everyone for working hard to make the Fourth of July successful.

Meeting adjourned at 9:10 PM.

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Sue Osborn, Mayor

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Jennifer Wills, Deputy City Clerk