

PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL

For the Regular Meeting of MONDAY, MAY 17, 2010.

The Meeting was called to order at 7:30 p.m. by Mayor Jim Hodges and City Clerk Betty Morlock called the roll.

Present: Councilmembers Jeff Altoft, Maryalene LaPonsie, Andrew Schrauben, Mayor Pro Tem Sharon Ellison and Mayor Hodges.

Absent: None.

Also Present: City Manager David Pasquale, City Clerk Betty Morlock, Chief of Police James Hinton, Director of Public Works Dan DesJarden, City Treasurer Suzanne Olin and Lowell Light and Power General Manager Greg Pierce.

Item #1. **APPROVAL OF THE AGENDA**

IT WAS MOVED BY ELLISON and supported by LAPONSIE to approve the agenda as written.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #2. **APPROVAL OF THE MINUTES OF THE MAY 3, 2010 MEETING.**

IT WAS MOVED BY ELLISON and supported by LAPONSIE to approve the minutes of the May 3, 2010 regular meeting as corrected.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #3. **APPROVAL OF THE ACCOUNTS PAYABLE.**

IT WAS MOVED BY ELLISON and supported by SCHRAUBEN that the bills and accounts payable be allowed and the warrants issued.

YEA: Councilmembers Altoft, LaPonsie, Schrauben, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: 0. ABSENT: 0. MOTION CARRIED.

<u>BILLS AND ACCOUNTS PAYABLE (05/17/10)</u>	
GENERAL FUND	\$15,892.45
MAJOR STREET FUND	32.74
LOCAL STREET FUND	250.00
DDA FUND	203.99
CITY HALL CONSTRUCTION FUND	250.00
AIRPORT FUND	9,329.82
WASTEWATER FUND	878.53
WATER FUND	7,270.13
DATA PROCESSING FUND	175.00
EQUIPMENT FUND	440.53
CURRENT TAX FUND	288.44

Item #4. **CITIZENS COMMENTS FOR ITEMS NOT ON THE AGENDA.** Al Mathews (822 Grindle) stated he received the survey regarding trash/recycling pickup. He suggested it be noted the surveys can be dropped off in the drop box by the North Monroe entrance of City Hall/Police Department or the Light and Power drop box on Riverside.

Ron Warning of Oberley Drive stated concerns with the Lowell Police Department having cars being pulled over unnecessarily. He stated people from the Saranac area will not drive through Lowell because of this. Police Chief James Hinton responded 30,000 cars pass through Lowell every day and on average his department pulls over 10 cars a day, which is .03 of a percent. Hinton wants his officers to be professional, respectful and courteous to those they come in contact with and keep the community safe.

Item #5. **REQUEST FOR PLACEMENT AND INSTALLATION OF A BATTLEFIELD MEMORIAL AT VETERANS MERMORIAL – AMERICAN LEGION.** Dave Thompson, Commander of the Lowell American Legion, Post #152 and with the support of the Lowell VFW, requested permission to place and install a Battlefield Memorial at the Veterans Memorial located in the King Milling Parking Lot. This memorial recognizes all men and women who have fought and died in Iraq and Afghanistan. They will be adding the name of Lowell resident, Sgt. Lucas Beachnaw, who was killed in Afghanistan last January.

Thompson stated approval had been received from both Brian Doyle, President of King Milling and Jim Reagan, Chair of the Lowell Downtown Development Authority to move ahead with the project. It is planned to have the formal dedication of July 10, 2010 during the Riverwalk Festival following the parade.

IT WAS MOVED BY ALTOFT and supported by LAPONSIE to approve the placement and installation of a Battlefield Memorial at Veterans Memorial located in the King Milling Parking lot.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #6. **EXPANSION OF ENTERTAINMENT PERMIT TO SECOND LEVEL FOR ROLL AWAY (805 E. MAIN) – RESOLUTION TO THE MICHIGAN LIQUOR CONTROL COMMISSION.**

Bob Van Noller, owner of Roll Away had requested an expansion of the entertainment permit to the second floor of his building located at 805 East Main. This would allow greater use of his facility.

Councilmember LaPonsie questioned if there would be specific nights that this area would be used? Van Noller responded it would be used only when an event is planned. He will not have it open as an on going business.

Police Chief James Hinton recommended approval.

IT WAS MOVED BY ELLISON and supported by ALTOFT to recommend approval of the resolution to the Michigan Liquor Control Commission for the expansion of the entertainment permit to the second level at Roll Away, 805 East Main Street.

YEA: Councilmembers Altoft, LaPonsie, Schrauben, Mayor Pro Tem Ellison and Mayor Hodges.

NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #7. **2010-2011 BUDGET PRESENTATION AND PUBLIC HEARING.**

TO: Mayor Jim Hodges and Members of the City Council

The establishment of an operating budget for the fiscal year 2010-2011 provides a schedule of proposed revenues and expenditures. Priorities are confirmed through this process. This document represents many staff hours of work compiling needed equipment and facility requests. These requests were carefully reviewed in terms of limitations of available funds.

The following narrative provides an outline of key elements comprising the City budget for this year:

GENERAL FUND

- Revenues: The 2010-2011 General Fund Budget has proposed the rate of \$16.08 (mills) per \$1,000 of Taxable Value. This includes 0.25 mills voted on November, 2002 for operating the Lowell Area Historical Museum. The projected revenues are to decrease from 2.674 to 2.474 million dollars or a 7% decrease.

It was noted that the Taxable Value would increase 2.5% (from 115.392 to 118.327 million dollars). Also, State Shared Revenues are projected to decrease to \$329.272 because of legislative order.

The fund balance is planned to be 9.0% of expected expenditures. The unreserved fund balance has been projected at \$226,751. This is after a mill transfer of \$97,607 to the Local Street Construction Fund.

- Expenditures: The General Fund has a total of 2.453 million dollars in expenditures. This represents approximately 5% decrease from the FY 2009-2010 estimated budget.

This reflects a tightening of expenses because of lessened revenues. The primary points in reviewing these accounts are:

1. No cost-of-living increases have been calculated into the budget for employees' salaries.
2. The Police Department budget provides \$15,000 involving the second year of a three year lease to purchase two 2010 cruisers replacing the 2005 Impalas. Also, a full time officer position will be filled easing over time.

With the adoption of the Lowell Area Fire and Emergency Services Authority, a total of \$75,000 is allocated toward fire department operations out of \$215,000 budgeted.

3. The City will continue its refuse collection program whereby residents pay \$1.50 per bag. Yard waste is provided with the residents paying \$2.00 per bag. The City will solicit bids for a new three year trash pickup contract. This is to include recycling at the cost of the residents.
4. Seasonal, part time labor has been provided for parks and cemetery.

PARKS

A total of \$5,000 is being allocated from the Lee Fund for park maintenance. The Parks and Recreation Commission have set aside seven thousand five hundred dollars (\$7,500) for future projects. Agreements have been signed with the YMCA, Lowell Little League, Lowell Xtreme Softball, Kent County Youth Fair, Lowell Rugby and Lowell Lacrosse providing a pay per participant (\$5) for park usage.

EQUIPMENT FUND

No new purchases are planned. The third year lease on the cemetery pickup truck is \$8,500. The plow truck has a payment (second year) of \$21,000.

LIBRARY

Projects for the Englehardt Public Library include reroof repairs totaling \$60,000 from the Lowell Area Community Fund and LCTV Endowment Fund.

DATA PROCESSING FUND

A total of \$2,000 is planned for the purchase of new Microsoft Office 2010 software to handle the City's financial operations.

AIRPORT FUND

With assistance from the State, the Airport Board is seeking to upgrade the facility to General Utility status enabling the airport to qualify for State grant funds. A \$70,000 loan from the Michigan Aeronautics Commission has assisted in securing air easements enabling tree removals at the ends of the main runway. During this past year, easements have been secured on the west side through a 90% grant from the State of Michigan amounting to a total project of \$234,000. Trees will be cut in this location during the coming year.

The City is into the second year of agreement with Williams Air Power to act as the Fixed Base Operator.

DOWNTOWN DEVELOPMENT AUTHORITY

The DDA has set aside \$150,000 for downtown projects. The renovation of the amphitheater is a planned future project.

CITY HALL CONSTRUCTION BOND FUND

With the sale of \$4,725,000 Building Authority Bonds in July 2002, the City Hall Renovation-Police Station Construction Project commenced. The project was completed and dedicated on July 12, 2003. Payments of \$279,585 for the ninth year of a 30 year bond will be issued.

HISTORICAL DISTRICT FUND

Since 1998, the Lowell Downtown Historic District Commission has granted \$365,000 for the renovation and restoration of 12 downtown buildings. A total of \$50,000 (derived from the Lowell Area Community Fund) is planned for allocation on a match basis.

STREET FUNDS

The City has applied for Small Urban Funding to reconstruct Bowes from 1950 feet to 2900 feet of Valley Vista in FY 2011–12. The remaining road will be improved in FY 2013 – 14.

A total of \$97,607 has been allocated to the Local Street Fund. A milling and repaving project of S. West and S. Pleasant Streets is proposed. Community Development Block Grant funds will be used. Also, \$25,000 is to be utilized for street maintenance.

WASTEWATER FUND

The following rates are proposed to remain:

- User rate of \$3.38 per 1,000 gallons per month
- Readiness to serve charge of \$20.10 per residential unit per month

An infiltration study of the wastewater collection system is being completed. A total of \$40,000 has been budgeted for repair and upgrades of the system based on this study. In the coming year, both sanitary pumps at the plant are proposed to be rebuilt (\$12,000).

WATER FUND

The readiness to serve rate is recommended for approval by City Council to remain at \$23.68 per month and consumption charge would remain at \$1.45 per thousand gallons.

The following capital improvement projects for review and consideration include (1) install 450' of 8" water main on the 100 block of N. Center (\$45,000) (2) install 550' of 8" water main on the 200 block of N. Center (\$55,000) and 550' of 8" water main on Heffron (\$55,000) (3) install 550' of 8" water main on West St. (\$55,000) (4) Hazard Materials Handling and Disposal (\$50,000) (5) meter reading equipment software (\$30,000) (6) replace mainline valves (\$30,000) (7) funding for Water Treatment Plant (\$10,000) and (8) initial lime pond excavation (\$5,000).

After two public hearings, the City Council will adopt the budget.

I wish to thank the members of the city staff for their work on the budget. In particular, I also thank City Treasurer Suzanne Olin, who spent numerous hours compiling budget funds data and assisting in evaluation of departmental request. Betty Morlock providing the typing for this document. The budget is truly a team effort and would not be possible without it.

Respectfully submitted,

David M. Pasquale
City Manager

Councilmember Schrauben suggested the City look into using Open Office instead of purchasing Microsoft Office 2010 software in the Data Processing Fund. Open Office is free software.

Schrauben also questioned the \$14,900 for contractual services in the Assessor account. City Treasurer Sue Olin stated this is an estimated figure from the assessor for field inspections to measure, take pictures and document properties within the City for more accurate records.

Councilmember Altoft, who is on the Board of Review, stated the State Tax Commission is urging all municipalities to inspect properties.

Councilmember LaPonsie commented on the revenues decreasing by 7% and the taxable value increasing 2.5%. City Manager Pasquale stated at one time the City had over \$500,000 in State Revenue sharing. The City has lost approximately \$175,000 over the last several years. Olin explained part of this includes the Grand Rapids Community Foundation grants. The City has received \$77,000 for the current year to repair the roof at the library and place woodchips at Creekside.

LaPonsie questioned the Capital Improvement project regarding "Hazardous Materials and Disposal". Is this required through OSHA? Olin responded yes. DPW Director DesJarden stated there are certain issues that need to be handled through the DEQ.

Pasquale noted a second public hearing and consideration of adoption will be made at the June 7, 2010 meeting.

No further comments were made.

Item #8. **REVIEW AND CONSIDERATION OF OUT BUILDINGS AT 990 NORTH WASHINGTON STREET.** DPW Director Dan DesJarden contacted Vergennes Township Building Official Mark Fleet concerning the condition of the out buildings at 990 North Washington. There were several concerns regarding these brick and block buildings. Fleet has requested a structural engineer look at these to stabilize the buildings before an attempt can be made to repair the roofs and new doors.

The letter from Williams and Works provides a price of \$1,024.00. DesJarden believed the repair would be more costly than demolition of the buildings.

DesJarden requested permission to have the two buildings removed.

Mayor Pro Tem Ellison questioned who used the cement block building. DesJarden responded the Water Department and Lowell Light and Power.

Mayor Hodges stated these buildings have been in disrepair for some time. There was some discussion held regarding the pads where Light and Power removed a building. He noted the cement slab still remains. Hodges believed this should be removed as well.

John Mason of Keene Township questioned the long term plan for the shooting ranges by the Boy Scout Cabin. DesJarden responded they will be removed entirely.

Gary Dietzel of 990 N. Washington stated it is important for him to have a storage space. He stated he is willing to step forward and possibly seek an engineer.

Councilmember LaPonsie questioned the distance between the concrete slabs and the house. Hodges responded quite a distance.

Ellison was concerned about safety issues as well. Dietzel commented this is an existing building and should not require an inspection. It simply needs repair on an existing structure.

Al Mathews of 822 Grindle explained the issue initially began while he was serving on the City Council. He always questioned what the City was doing with rental property. Mathews believed the property should be placed for bid and the City walk away from the issue. He suggested placing the money earned toward a new building in the cemetery.

DesJarden confirmed Dietzel just made an offer to pay for the structural engineer. Dietzel responded yes. DesJarden believed it would cost more than the initial estimate. The City is faced with the liability. If the City were to repair the building, a structural engineer would still be necessary in order to provide blue prints of how to fix it.

Ellison felt the City never wanted to sell the property. Eventually, it would be great if this property was part of the park property. The Council's thinking was to make it safe and inspect everything

so that the City is not liable or considered bad landlords. The buildings are not safe and it would probably cost more to repair than it is to tear down.

Councilmember Altoft asked how long the bid prices were good for. DesJarden was unsure.

Councilmember Schrauben noted Dietzel has offered to pay for the study knowing he could very well gain nothing from it.

It would be necessary for Dietzel to present a construction analysis and construction plans from a structural engineer to be submitted for building permit application. It has to be a sealed blueprint.

LaPonsie had no problem doing this as long as it was presented by the next meeting.

By general consensus, the Council agreed an estimate on the repair should be provided by the next meeting of June 7, 2010.

The issue was tabled until June 7, 2010.

Item #9. **MONTHLY REPORTS.** Councilmember Schrauben questioned the test done on the hydrants from the water report. City Manager Pasquale explained the City is still waiting for the results. A copy will be provided when received.

Mayor Pro Tem Ellison confirmed no data had been received from the Wastewater Treatment Plant yet. DesJarden noted it has not been completed yet. However, good results are being received.

Item #10. **COUNCIL COMMENTS.** No comments were received.

Item #11. **MANAGERS REPORT.**

1. The following boards and commissions meetings minutes were provided:
 - Airport Board meeting of April 6, 2010
 - Chamber of Commerce meeting of April 13, 2010
2. A County Transportation Needs meeting will be held at City Hall on Monday, June 14 from 6:30 p.m. to 8:00 p.m. conducted through Grand Valley Metro Council. Out county public transportation will be emphasized.
3. An update was provided from Police Chief James Hinton regarding on-street parking ordinance.
4. In observance of Memorial Day, the City offices will be closed on Monday, May 31. Pasquale understood the parade is scheduled for this date.

Item #12. **APPOINTMENTS**. No appointments were made.

IT WAS MOVED BY ELLISON to adjourn at 8:43 p.m.

DATE:

APPROVED:

James W. Hodges, Mayor

Betty R. Morlock, City Clerk