

**PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL**

For the Regular Meeting of **MONDAY, MARCH 16, 2009.**

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

Present: Councilmembers Altoft, Ellison, LaPonsie, Mayor Pro Tem Pfaller and Mayor Hodges.

Absent: None.

Also Present: City Clerk Betty Morlock, DPW Director Dan DesJarden, Acting Police Chief James Hinton, Lowell Light and Power General Manager Greg Pierce, Lowell Light and Power Boardmember and Arbor Boardmember Jim Hall and Planning Commission Chair Doug Folsom.

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

IT WAS MOVED BY ELLISON and seconded by LAPONSIE to approve the agenda as presented.

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

Item #2. **APPROVAL OF THE MINUTES OF THE MARCH 2, 2009 REGULAR MEETING.**

IT WAS MOVED BY PFALLER and seconded by ELLISON to approve the minutes of the March 2, 2009 regular meeting as corrected.

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

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

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

YEA: Councilmember Altoft, Ellison, LaPonsie, Mayor Pro Tem Pfaller and Mayor Hodges.

NAY: 0. ABSENT: 0. MOTION CARRIED.

<u>BILLS AND ACCOUNTS PAYABLE (03/16/09)</u>	
GENERAL FUND	\$83,521.11
MAJOR STREET FUND	350.40
LOCAL STREET FUND	293.06
HISTORIC DISTRICT FUND	12,950.89

DDA FUND	58.70
AIRPORT FUND	157.40
WASTEWATER FUND	1,730.97
WATER FUND	22,004.76
EQUIPMENT FUND	658.35
CURRENT TAX FUND	466,240.62
LEE FUND	1,250.00
LOOK FUND	1,000.00
FRANK L. CARR FUND 11	1,250.00

Item #4. **CITIZENS COMMENTS FOR ITEMS NOT ON THE AGENDA.** County Commissioner Sandra Frost Parrish explained the County is beginning to enter the budget process for 2009. She will provide an additional update the end of June. As Vice Chair of the County Commission, Parrish oversees the Legislative Committee. The Vice Chair of the Legislative Commission is Brandon Dillon, Democrat for the City of Grand Rapids. There are also six new commissioners serving on the Legislative Committee. All are doing a great job. Parrish also serves on the Zoo Advisory Board and the Transportation Sub Committee at Metro Council. Efforts continue to try and establish bus services down M-21 to Lowell.

The Road Commission has been expanded from three to five members. Thirty-eight applications were received and are in the process of being filled.

Councilmember Ellison commented on the need for bus transportation coming into Lowell. Parrish stated The Rapid has received a Federal Grant which will pay for a Laton Demand Study for all of the transportation throughout Kent County.

Item #5. **STREET SWEEPING BIDS FOR 2009.** DPW Director Dan DesJarden received four bids for the street sweeping for the coming year. The price has been broken down into five sweeps. One stipulation for the bid was to give a price at a minimum number of sweeps within the City. With the uncertainty of the economy and budget constraints, DesJarden recommended Street Sweep, Inc. for four sweeps. The first will be the initial clean up for the spring, one mid summer and then two in the fall.

Councilmember LaPonsie confirmed MDOT pays for the sweeping of M21. DesJarden responded yes. The City's budget from MDOT is \$2,500, which includes sweeping and disposal of the debris. Last year, the initial spring clean included approximately 140 tons of debris. DesJarden noted the road conditions are bad and there is much broken up asphalt and road gravel from pot holes. He expected the dumping fees to range between \$5,000 to \$6,000.

DesJarden noted the first street sweeping could begin as soon as next week, if Council approves. It should be done before the spring rain pushes the debris into the storm sewers.

Mayor Hodges commented on the length of time in between sweeps. He suggested the

streets be cleaned before the Riverwalk Festival.

Councilmember Altoft did not believe the streets could be swept as well as last year due to many falling apart. He asked if a price drop could be given. DesJarden responded it could be negotiated because the price is based on curb miles.

Altoft confirmed the truck being used this year would be better than the one used last year. DesJarden believed so. Altoft thought Main Street should be swept more than what was scheduled. DesJarden responded stated this could be done. However, the City is only allocated a certain amount of money from MDOT.

LaPonsie commented on MDOT providing five sweeps for an amount of \$1,700, while there is \$2,500 provided for in the budget. DesJarden reminded LaPonsie of the dumping fees.

IT WAS MOVED BY ELLISON and seconded by ALTOFT to contract Street Sweep, Inc. of Holland providing five sweeps for the 2009 season at a cost of \$13,800.

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

Item #6. **PRESENTATION OF THE LIGHT AND POWER 2009 – 2010 ANNUAL BUDGET AND CAPITAL PLAN.** Lowell Light and Power General Manager Greg Pierce presented the 2010 Annual Budget and Capital Plan as follows:

Capital Plan – Anticipated Capital Projects:

- Upgrade accounting, billing, customer information system, work orders. Should be completed in May, 2009.
- Notebook PC Replacements
- Meter reading instruments (hand held number entry). Light Power is also in the process of working with the City for meter reading water and sewer reads and trying to find a way to combine.
- Continuation of the rebuild and process of removal of the south substation. This was originally budgeted at approximately \$350,000. At this time about \$100,000 worth of work has been done on it. Light and Power anticipates another \$160 to \$170,000 in the next budget year and then being finished the following year.
- Engineering to remove the South substation which is projected to cost \$300,000 expenditure for 2009/2010.

Mayor Pro Tem Pfaller asked after the South substation is removed, which direction will be taken with the voltage upgrade. Pierce responded a better service needs to be built which travels over the bridge on South Hudson, across Grand River and back up the other side with a new feed. This will allow Light and Power to ultimately eliminate the substation by the library.

As time provides, Light and Power is also working on issues with the north substation and how

that connects into the plan. There is also a need to eliminate some of the transformer areas which are around the physical plant itself.

Councilmember Ellison questioned the accounting/billing system. Wasn't a large sum already spent updating the computer or is this part of the initial programming of the old billing system? Pierce explained the system was very old and was broken down into phases. The project would begin its second phase. Mayor Hodges added ultimately hand held meter readings would be desired. Pierce noted there has also been good discussion with City Manager Pasquale regarding a joint billing between Lowell Light and Power and the City of Lowell's water and sewer department.

Ellison questioned if there would be a cost savings if meters are automatically being read. Pierce responded yes.

Operating Budget 2009 – 2010 – begins July 1, 2009.

- Not much difference between this budget and the revised budget presented a few months ago for the current physical year.
- With the economy, there are some decreases in consumption. There are no huge changes in revenue. Light and Power is working very hard to decrease expenses.
- The requirement to implement programs through the State will cost Light and Power money. Light and Power has to spend 2% of its revenue over the next four to six years to encourage, foster and implement energy efficiency activities with its customers. For 2% being spent, there has to be shown a 1% decrease in energy consumption. This is built into the budget showing an automatic 2% increase in expenses.

Pfaller questioned the purchase of power and the deficiency capacity. Examining this year's revised budget compared to next year, there is a significant change. Pierce explained these are charges that Light and Power pays when more power is purchased than anticipated. There is an average peak established with the power pool. When more power is used on a peak day, a penalty must be paid.

Pierce explained the 6% increase and understood it was difficult. Almost \$50,000 is allocated with another \$50,000 being placed in energy observation. Another 6% is essentially needed beyond this. However, as a board and utility, as much cost as possible is being absorbed without passing it onto the customer. Another part of the legislation pertains to providing renewable energy. This will be significantly more expensive within the next few years. Light and Power will do its best to absorb the cost in house.

Councilmember LaPonsie questioned what the 2% would be spent on to help individuals with energy efficiency. Pierce responded Light and Power is in the process of finalizing the plan. The plan has to be submitted to the Michigan Public Service Commission by April 4, 2009. Much of it will be encouraging and giving rebates or coupons for compact florescent bulbs. This is one of the biggest savings items for residents. Also, consideration is being given regarding appliance rebates and helping people obtain more efficient appliances. Money also has to be spent toward low income housing. Ideas include weatherization and other simple

programs which are costly for low income families.

Pierce turned to commercial and industrial customers. Individual energy audits will begin throughout 2009/2010. Ideas such as new lighting systems and programs to decrease lighting throughout the day will be discussed. New motors on equipment may also provide energy efficiency.

Hodges stated the board has worked very hard on this process and reviewed it carefully.

IT WAS MOVED BY PFALLER and seconded by LAPONSIE to approve the Light and Power 2009 – 2010 Annual Budget and Capital Plan.

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

Item #7. **RESOLUTION SUPPORTING THE LOWELL AREA RECREATION AUTHORITY RECREATION PLAN AND GRANT APPLICATIONS.** City Clerk Morlock explained Mayor Pro Tem Pfaller has requested an approval of a resolution to support the Lowell Area Recreation Authority and its recently completed Recreation Plan. In addition, grant applications to the Michigan Department of Transportation and Michigan Department of Natural Resources are endorsed toward the construction of a trail system.

Mayor Pro Tem Pfaller stated LARA is not authorized to use local tax dollars. It is carried out by private donations as well as State and Federal grants. Neighboring communities add a mill or more to taxes to build such trails. The LARA does not have this authority. The organization is looking for the support from the City of Lowell and Lowell and Vergennes Townships. Pfaller noted the townships are reviewing similar resolutions.

Councilmember Altoft asked who would be responsible for maintaining the trails within the City limits. Pfaller responded LARA. Altoft questioned what would happen if LARA disbands. Pfaller was unsure. Mayor Hodges did not foresee this happening.

IT WAS MOVED BY PFALLER and seconded by LAPONSIE to adopt the resolution supporting the Lowell Area Recreation Authority Recreation Plan and Grant applications.

YEA: 5. Councilmembers Altoft, Ellison, LaPonise, Mayor Pro Tem Pfaller and Mayor Hodges.

NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #8. **REVIEW OF ROOF REPAIR ESTIMATE ON THE CABLE TV BUILDING.** DPW Director Dan DesJarden explained the lease of Comcast has expired and has moved out of the building. A cost estimate was received to repair the Cable TV Building. Specifically, the anchor bolt holes from the removed satellite dishes would be patched. The roof will be power washed and then a water proof coating applied. The cost for this project would be \$12,085. Further, to re-circuit loads to the correct breaker panels, the amount from Ricker Electric is

\$490. This would allow the City to use this section or lease the building, so each would have its own utility.

Mayor Hodges asked if money was budgeted for this project. DesJarden responded no. He wishes to present the project to the CATV Fund Board or possibly the DDA. This is unforeseen cost to the City after the lease expired.

Councilmember LaPonsie questioned if the holes in the roof were significant. DesJarden explained the beams bolted to the roof which held the satellite dishes are 1 to 2 inch diameter holes and are bolted from the inside. He noted this is the original roof and it does leak.

Hodges commented on the one remaining satellite dish. DesJarden responded this is AT&T's dish. It is not mounted to the roof but rather a frame and held down by blocks.

Mayor Pro Tem Pfaller asked if there was any discussion of installing a pitched roof on the building. DesJarden responded no.

Councilmember Ellison questioned if the City was receiving funds from the tower which is on the building. DesJarden stated the City is receiving funds for the lease of the tower.

Hodges believed seeking funds from the DDA would be a better choice than the LCTV Fund. This is a City owned building. He hoped eventually a pitched roof could be placed.

DesJarden stated the holes could be temporarily plugged until funds are sought from the DDA. He suggested a new roof not be placed until a decision is made regarding a pitched roof. By general consensus, the Council agreed as well as consider a pitched roof. DesJarden stated he would provide estimates.

Councilmember Altoft reminded the Council he suggested setting funds aside last year for this.

Pfaller did not believe it would be inappropriate to use LCTV Funds as this is part of the expense of selling the Cable system. Altoft believed the City should have made sure the holes were repaired. He believed the funds should also come from the LC TV fund.

LaPonsie requested DesJarden provide an estimate as to how long the \$12,000 repair of the roof would last versus the life span of a pitched roof. DesJarden stated most shingles have a life span of 20 to 30 years. It is hard to determine the life span of a flat roof in Michigan. The current roof has been in place since approximately 1932, but has been leaking.

Hodges confirmed DesJarden will patch the roof and bring forth to the Council the estimate of what a pitched roof may cost as well as the cost of \$12,000 for the repair, if the flat roof remains. By general consensus, the Council agreed.

IT WAS MOVED BY LAPONSIE and seconded by ELLISON to approve the work from Rickert Electric in the amount of \$490 to re-circuit loads to the correct breaker panels.

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

Item #9. **MONTHLY REPORTS**. No comments were received.

Item #10. **COUNCIL COMMENTS**. Councilmember LaPonsie stated it was enjoyable and informative to go to the MML Legislative conference. There was much discussion regarding the stimulus money, particularly the money for infrastructure. Unfortunately, no funds will be available for local roads. Mayor Hodges noted this was a legislative conference that Councilmembers attended. They spoke with legislators regarding where money was coming and going and how we can work better together.

Mayor Pro Tem Pfaller commented on expo signs placed throughout the City. He understood this is a big Chamber event, but these look like garage sale signs. The ordinance states no such signs are allowed.

Councilmember Altoft also attended the MML conference. There are many more grants available than what the City has been seeking. The City should be busy seeking grants this next year.

Altoft also wanted to thank Water Treatment Plant Superintendent George Regan for his hard work. The water is much better.

Councilmember Ellison questioned the LED test lights. Are there any on the west end of town? DesJarden noted 10 to 12 more LED lights have been placed in next year's budget. The lights will be scattered throughout the City. He has received positive feedback on the ones the City currently has.

Ellison also referred to her letter submitted to the Lowell Ledger regarding deer hunting. She has received calls from 11 citizens who were not in favor of hunting and 2 calls from citizens who were in favor. One said yes, but only if pointing toward the center of the property. Ellison encouraged citizens to continue contacting her or any other Councilmembers.

Mayor Hodges stated the Lowell Expo will be held on March 28th at the Lowell High School. This is a great way for people to see what the community has to offer.

City Clerk Morlock stated Bob Robinson from the Water Department will have a booth at the Expo as well as a booth for individuals to apply for passports. She noted as of June 1, 2009, passports are needed to enter Canada.

Hodges also said on March 28, 2009 the Fire Department will serve a pancake breakfast at the fire station between 7 a.m. and 11 a.m.

Cal Kamphuis will be celebrating his retirement after 35 years of service with the Lowell Police Department on March 31, 2009. The event will take place in the Council Chambers from 4 to 6 p.m. Everyone is welcome to attend.

Hodges gave condolences to Dave and Anne Pasquale. Pasquale's brother Tom passed away on Wednesday, March 11, 2009.

A worksession will be held with Lowell Light and Power on March 26, 2009 at 7 p.m. in the conference room. This is open to the public. Many matters will be discussed that concern Lowell Light and Power as well as the City and how we work together. Specifically, payments in lieu of taxes.

Item #11. **MANAGER'S REPORT**. City Clerk Morlock reported on the following:

1. The following boards and commissions meetings minutes are enclosed:
 - Airport Board meeting of January 6, 2009
 - Arbor Board meeting of February 9, 2009
 - Downtown Development Authority meeting of January 15, 2009
 - Chamber of Commerce meeting of February 10, 2009
2. A letter from the Arbor Day Foundation stating the City has once again achieved Tree City USA status. Also, Lowell will receive a Tree City Growth Award for its work on attaining a grant for tree plantings and a newly updated tree ordinance.
3. The City has been given approval of the Recreation Plan by the Michigan Department of Natural Resources.
4. A memo from Greg Pierce noting the poor condition of the former line building and joint consideration of demolition activities.
5. The preliminary General Fund budget will be presented at the April 6 meeting.

Item #12. **APPOINTMENTS**. None.

IT WAS MOVED BY PFALLER to adjourn at 8:33 p.m.

DATE:

APPROVED:

James W. Hodges, Mayor

Betty R. Morlock, Clerk

