

CITY COUNCIL MINUTES

City of Hillsdale

April 3, 2017

7:00 P.M.

Regular Meeting

Call to Order and Pledge of Allegiance

Mayor Scott Sessions opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Scott Sessions called the meeting to order.

Council Members present:	Scott M. Sessions, Mayor Adam Stockford, Ward 1 Timothy Dixon, Ward 2 William Morrissey, Ward 2 Bruce Sharp, Ward 3 William Zeiser, Ward 3 Patrick Flannery, Ward 4
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Council Members absent:	Brian Watkins, Ward 1 Matthew Bell, Ward 4
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Also present were: City Manager David Mackie, City Clerk Stephen M. French, City Attorney Tom Thompson, Bonnie Tew (Finance), Scott Hephner (HCPD/HCFD), Mike Barber (BPU), Corey Murray (Hillsdale Daily News), Nic Rowan (Hillsdale Collegian), Penny Swan, Dennis Wainscott, Ray Briner, and Richard Wunsch.

Council Member Excused

Mayor Sessions reported Council Member Bell and Council Member Watkins would not be at the meeting due to work obligations.

Council Member Flannery, seconded by Council Member Dixon, moved to excuse the absence of Council Member Bell and Council Member Watkins from the meeting. By a voice vote, the motion passed unanimously.

Approval of Agenda

Council Member Flannery, seconded by Council Member Sharp, moved to approve the April 3, 2017 agenda as submitted. By a voice vote, the motion carried unanimously.

Public Comment

Mr. Jack McLain, 1445 South Bunn Road, noted the certificates provided by Hillsdale College did not provide workers compensation insurance coverage information and questioned if those items were necessary for their applications that were included on the meeting agenda.

Ms. Penny Swan questioned the purchase of glucose test strips from Nash Drugs that were approved at the March 20, 2017 Council Meeting and the advertising paid to Chestey Publishing that was included on the current claim report for the BPU.

Mr. Ray Briner, 73 E. Sharp Street, discussed the Finance Committee recommendation to diversify the city's depositories in different banks and stated County National Bank provided Insured Cash Sweep (ICS) Accounts, which limited the city's liability if Council elected to hold all city funds with vendor.

Consent Agenda

- A. Approval of Bills
 - 1. City Claims of March 24, 2017: \$250,954.75
 - 2. BPU Claims of March 24, 2017: \$206,489.04
 - 3. Payroll of: \$153,453.48
- B. City Council Minutes of March 20, 2017
- C. Planning Commission Minutes of February 21, 2017
- D. Board of Review Minutes of March 7, 13 & 14, 2017

Council Member Flannery, seconded by Council Member Zeiser, moved to approve the Consent Agenda as presented.

Roll call:	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

Communications/Petitions

- A. Arbor Day Proclamation

Mayor Session offered a proclamation honoring Arbor Day 2017 throughout the City of Hillsdale.

Introduction and Adoption of Ordinance/Public Hearing

- A. **Resolution 3306**: An Authorizing Resolution for the Garden-Vine-Mead-Rippon Street CDBG-Infrastructure Capacity Enhancement (I.C.E.) Grant

Mayor Sessions opened a public hearing at 7:07 p.m. to receive public comment regarding the Garden-Vine-Mead-Rippon Street CDBG-Infrastructure Capacity Enhancement (I.C.E.) Grant

Mr. Dennis Wainscott questioned if damages within a private residence or on private property that were incurred during the project would be repaired by the contractor, or would be the responsibility of the home owner. Mr. Wainscott stated he was forced to pay for the replacement of a water shut-off valve that was damaged when the BPU replaced a water meter near his home. Mr. Wainscott noted the problems property owners may have in replacing valves and other equipment, in addition to paying any special assessments that may be included in the project.

Mr. Richard Wunsch encouraged Council and city staff to keep the needs of the people in mind during this project.

Mayor Sessions closed the public hearing at 7:11 p.m.

City Manager Mackie reported the city was not permitted to utilize special assessment revenues from the property owners within the project area, as a condition of the I.C.E. grant. City Manager Mackie stated property owners would be responsible for repairs or upgrades to equipment within their property lines or inside their homes.

Council Member Morrissey, seconded by Council Member Flannery, moved to adopt Resolution 3306: “An Authorizing Resolution for the Garden-Vine-Mead-Rippon Street CDBG-Infrastructure Capacity Enhancement (I.C.E.) Grant.”

Roll call:	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

B. Approval of Anti-Displacement and Relocation Assistance Plan for the I.C.E. Grant

City Manager Mackie stated the I.C.E. Grant required the City of Hillsdale to adopt an Anti-Displacement and Relocation Assistance Plan as part of the application process. City Manager Mackie stressed no citizens would have to be displaced or relocated due to the project.

Council Member Morrissey, seconded by Council Member Flannery, moved to approve the “Anti-Displacement and Relocation Assistance Plan” for the Garden-Vine-Mead-Rippon Street CDBG-Infrastructure Capacity Enhancement (I.C.E.) Grant.

Roll call:	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

C. Approval of Community Development Plan for the I.C.E. Grant

City Manager Mackie also reported a Community Development Plan was required to be adopted by the City of Hillsdale for the I.C.E. Grant. City Manager Mackie stated a copy of the plan was included in the Council packet for the meeting.

Council Member Morrissey, seconded by Council Member Flannery, moved to approve the Community Development Plan for the Garden-Vine-Mead-Rippon Street CDBG-Infrastructure Capacity Enhancement (I.C.E.) Grant.

Roll call:	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

Unfinished Business

There was no Unfinished Business on the agenda.

Old Business

A. Finance Committee Recommendation re: Banking RFQ's

Council Member Flannery stated the Finance Committee had met to consider a request from City Council to review the financial institutions used by the City of Hillsdale and whether the city should request bids for depository and banking services. Council Member Flannery reported the Finance Committee did not recommend the city solicit bids for depository and banking services at this time. Council Member Flannery responded to comments made by Mr. Briner earlier in the meeting by noting ICS accounts had lower interest rates than accounts currently in use by the city. Council Member Flannery also discussed the advantages of utilizing several different banking institutions which included immediate access to cash in the event of a bank closure or due to an unexpected computer attack or failure.

City Manager Mackie reviewed a spreadsheet created by city staff which detailed each depository used by the city and the amount held in each location. City Manager Mackie noted the city held funds in each of the banks that had a branch located within the city.

Council Member Stockford questioned if bids should be requested by city staff, even if the final decisions did not recommend the consolidation of the city banking to a single depository.

Council Member Flannery reported the Finance Committee had reviewed the current rates and services received by the City of Hillsdale and had not recommended the City Council request for bids at this time. Council Member Flannery stated the city was receiving fair market rates and appropriate levels of services from the individual banks.

New Business

A. Approval of Contract to Paint the Exterior of the Hillsdale Municipal Library Building

City Manager Mackie, responding to a question from Council Member Stockford, stated the library building was in need of exterior painting, especially on the rear wall where vandals had spray painted graffiti.

Council Member Dixon, seconded by Council Member Flannery, moved to approve a contract in the amount of \$13,325.00 with "Steve the Painter" to paint the exterior of the Hillsdale Municipal Library Building

Roll call:	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	No
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 6-1.

B. Establishing a Public Hearing Regarding Proposed Changes to City Council Election Dates

Clerk French presented a staff recommendation to conduct a public hearing to receive citizen comments regarding a proposal to change City Council election dates. Clerk French stated the recommendation would change the odd-numbered year city elections to the even-numbered years, saving valuable resources and staff time. Clerk French stated the proposed change would not affect the 2017 municipal election cycle, but would extend the Council terms that ended in 2019 an additional year to 2020. Clerk French noted the process to change the election cycle had been made more efficient by a new state law, which allowed the change to be approved by City Council, and did not require an amendment to the City Charter.

Council Member Stockford questioned the public perception if Council arbitrarily extended the terms of four members by one year without a public vote of the people. Clerk French noted the recommended change would extend terms by one year; however, there had been little interest in citizens wishing to be placed on the ballot for the 2017 election as only two petitions had been received for a total of four seats. Clerk French stated the alternative would be to have elections in 2019 that would only serve a one-year term to serve until the 2020 election.

Council Member Sharp discussed other changes to the election requirements in the City Charter including four-year terms and term limits. Council Member Stockford stated a change in term length to two-years instead of four, may create additional interest in citizens who wished to serve on Council.

City Clerk French noted a complete review of the City Charter could be performed by a Charter Review Committee that could then recommend amendments to the voters at an upcoming election.

Council Member Zeiser, seconded by Council Member Flannery, moved to establish a public hearing on April 17, 2017 to receive public comments regarding a staff recommendation to change the City Council election dates. By a voice vote, the motion passed unanimously.

C. Hillsdale College Noise Variance, Alley Closure, and Use Agreement Request

Council Member Sharp noted last year's event did not create the level of noise that was problematic in previous years.

Council Member Dixon, seconded by Council Member Flannery, moved to approve a request from Hillsdale College to permit a noise variance, alley closure, and Use Agreement for the Centralhallalalooza event on April 29, 2017.

Roll call:	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

D. Hillsdale College Street Closure and Use Agreement Request

Responding to a question from Council Member Sharp, it was noted the 2017 Commencement speaker was Dr. Anthony Esolen, an internationally known translator and writer.

Council Member Zeiser, seconded by Council Member Flannery, moved to approve the use Agreement and request to close Hillsdale Street on May 13, 2017 for the Hillsdale College Commencement event.

Roll call:	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

E. Introduction of 2017-2018 Budget and Public Hearing Date

City Manager Mackie presented the proposed 2017-2018 Budget and thanked Finance Director Bonnie Tew and city staff for their diligent efforts in regards to the budget.

City Manager Mackie provided detail of the proposed budget document including:

1. The budget was balanced, as expenses did not exceed expected revenues
2. The budget addressed major goals and objectives that had been expressed by Council, including public safety, street & infrastructure improvements, and economic development.
3. The total budget expenditures for FY2018 was \$11,292,655 which was a 21% increase from FY2017 due, in part, to the I.C.E. grant and Garden/Mead/Vine/Rippon Streets project.
4. The proposed budget included the implementation of a 3-mil sinking fund that would be utilized for road construction and improvements. City Manager Mackie stated the anticipated revenue from the sinking fund would total approximately \$365,000.
5. The construction of a new apron at the airport had been included in the budget, which would be paid through state and federal grant funding.
6. Capital improvements had been planned for a number of the city's parks
7. The existing buildings in the city's Industrial Park would be fully occupied in 2017-2018
8. Four additional homes had been constructed in the Three Meadows development within the past year
9. The city continued to be involved in the installation of the computer fiber network that would improve connectivity in the region.
10. The FY2018 revenues remained stable from previous years, although the city received approximately \$632,000 less in property taxes than what had been received in 2008 and received \$300,000 less in state-shared revenues than what had been received in 2002.
11. The budget included a reduction of 9% in expenses, in part due to staff members who had accepted additional roles & responsibilities.
12. City staff continued to work on grant requests for the purchase of a new platform aerial truck for the Fire Department.
13. The city anticipated a slight increase in revenue received from the increase in gasoline tax and vehicle registration fee increases, which would be used for additional street maintenance programs.
14. A new Municipal Street Fund Account had been created to increase transparency in the street improvements within the city.
15. The budget includes the replacement of a DPS dump & plow truck at an expected cost of \$145,000 in addition to the replacement of two DART buses, which would be covered by federal and state grants.
16. The Recreation Department continued to partner with non-profit organizations, such as the Kiwanis Club, the Exchange Club, Hillsdale Rotary, and the Ronald McDonald House, for various improvements and equipment for the city's programs.
17. Three rehabilitation projects had been completed in the previous year, including Stock's Mill, 42 Union Street, and 98 N. Broad Street.
18. The construction of the new Center City Apartments continued with an anticipated completion date of October 2017.
19. Two dilapidated houses were razed with state grant funds.
20. The M-99 corridor continued to expand with the new Family, Farm & Home Store, in addition to renovations to Kroger and Family Market.
21. Paragon announced a \$20.0 million expansion in the City of Hillsdale with the promise of adding 50 new jobs.
22. The Hillsdale Tool Building had been purchased and would be reused
23. The Keefer House and Dawn Theater redevelopment plans would continue to progress during the upcoming year.
24. The on-going and future concerns of the city included infrastructure funding and unpaid pension liability.
25. City residents, staff, and Council Members should be proud of the new programs and expansions that had occurred throughout the past few years.

Responding to a question from Council Member Sharp, City Manager Mackie reviewed the vital involvement of Mary Wolfram and the Hillsdale Policy Group (HPG) with the expansion of Paragon Metals at the Industrial Park. City Manager Mackie stated Ms. Wolfram provided leadership with the city's Economic Development Corporation (EDC) in securing funds to support the business remaining in Hillsdale.

Council Member Flannery, seconded by Council Member Sharp, moved to establish a public hearing on May 15, 2017 to receive public comments regarding the FY2018 City budget. By a voice vote, the motion passed unanimously.

Miscellaneous

There were no miscellaneous communications on the meeting agenda.

City Manager's Report

City Manager Mackie reported:

1. The Airport Advisory Committee had scheduled a clean-up event at the Hillsdale Municipal Airport on Sunday, April 9 beginning at 10:00 a.m. The airport staff invited everyone to the event to help with this endeavor, which would include painting the "T" hangars.
2. Travathan's Sweep & Sow Shop would host a ribbon cutting on April 13, 2017 at 2:00 p.m. for a new weather monitoring station and camera that had been installed on their rooftop.
3. Following general discussion, it was the consensus of Council to wait until after the State of Michigan had established rules and guidelines for medical marijuana businesses before having training and education for Council Members on the subject.

Council Member Zeiser commended City Manager Mackie and city staff for the many points of progress that had been detailed in the proposed budget document.

General Public Comment

Chief Hephner responded to Ms. Swan's concern about the purchase of glucose test strips from Nash Drugs, by noting the tests were used by the Fire Department during emergency medical responses. Chief Hephner stated the department purchased the majority of the medical equipment and supplies used during emergency responses.

Mr. Jack McLain noted that Flagstar Bank had only a small portion of the city's banking business, compared to other banks located in the city. Mr. McLain also complained about the location of the bike rack at the library building and asserted the new election equipment would be paid for in full using federal and state grant funds.

Ms. Penny Swan stated the medical marijuana presentation made at a recent Planning Commission was very informative on the subject. Ms. Swan also stated her earlier question regarding the advertising expense paid to Chestey Publishing had not been addressed.

BPU Director Barber stated the Chestey Publishing expense was for a small, print advertisement for the Pittsford girls basketball state championship team. Mr. Barber stated the utility often advertised in high school programs, brochures, and sport's lineups.

Council Comments

Council Member Stockford thanked City Manager Mackie for the extensive information on the proposed budget and voiced encouragement on the direction of the city.

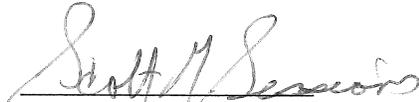
Council Member Sharp stated that he was not active on social media and did not communicate with other Council Members via text or email during meetings, which would be an obvious violation of the Open Meetings Act.

Mayor Sessions stated Council Members had been given evaluation forms for the City Manager, which needed to be returned to him no later than April 17, 2017.

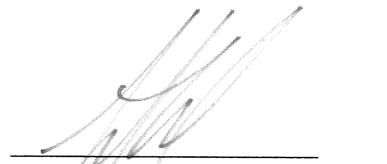
Adjournment

Council Member Zeiser, seconded by Council Member Flannery, moved to adjourn the meeting. By a voice vote, the motion passed unanimously.

The meeting adjourned at 8:29 p.m.



Scott M. Sessions, Mayor



Stephen M. French, City Clerk