

**CITY COUNCIL MINUTES**

City of Hillsdale

May 1, 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 Brian Watkins, Ward 1 Timothy Dixon, Ward 2 William Morrissey, Ward 2 Bruce Sharp, Ward 3 Patrick Flannery, Ward 4
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Council Members absent:	William Zeiser, Ward 3 Matthew Bell, Ward 4
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Also present were: City Manager David Mackie, City Clerk Stephen M. French, City Attorney John Lovinger, City Attorney Tom Thompson, Bonnie Tew (Finance), Scott Hephner (HCPD/HCFD), Mark Hawkins (HCFD), Jake Hammel (DPS), Mike Barber (BPU), Chris McArthur (BPU), Tom Fitzpatrick (SSOE), Doug Baker (Patriot Aviation), Kyle Martin (Patriot Aviation), Jason Walters (Patriot Aviation), Alan Beeker (Zoning), Julie Beeker (Treasurer), Brian DuBois (DuBois Trucking & Excavating), Scott Pienta (Hillsdale TV), Corey Murray (Hillsdale Daily News), Ray Briner, Penny Swan, Dennis Wainscott, and Ray Briner.

**Council Member Excused**

Mayor Sessions reported Council Member Bell would not be at the meeting due to a family matter and Council Member Zeiser would not be at the meeting due to work obligations.

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

**Approval of Agenda**

Council Member Flannery, seconded by Council Member Watkins, moved to approve the May 1, 2017 agenda as presented. By a voice vote, the motion carried unanimously.

**Public Comment**

Mr. Jack McLain, 1445 Bunn Road, spoke on the staff recommendation to schedule a public hearing for the installation of a communications tower at 60 West Fayette Street. Mr. McLain stated he had been unable to locate the Planning Commission minutes from the meeting when the issue had been discussed. Mr. McLain requested a report from the City Engineer on construction application and the analysis on the fall distance of the tower in relation to neighboring property lines and the St. Joe River.

Ms. Mary Wolfram of Hillsdale Policy Group distributed a copy of the January 9, 2017 Planning Commission minutes when the communications tower had been discussed. Ms. Wolfram stated that the existing zoning designation permitted the placement of a communications tower, the proposal was not consistent with the city's Master Plan. Ms. Wolfram indicated a more fitting location could be located within the city for the tower, as the West Fayette Street location was a gateway to the city and to Hillsdale College.

Ms. Penny Swan, 192 S. West Street, encouraged the city and construction managers to utilize local businesses for the apron construction project at the airport.

Mr. Dennis Wainscott, 34 Garden Street, discussed the high costs of cable television service from Comcast and questioned if the Board of Public Utilities (BPU) could provide high-speed Internet and cable television service at cheaper costs.

### **Consent Agenda**

- A. Approval of Bills
  - 1. City Claims of April 21, 2017: \$49,367.58
  - 2. BPU Claims of April 21, 2017: \$122,175.13
  - 3. Payroll of April 20, 2017: \$153,980.97
- B. City Council Minutes
  - 1. April 17, 2017 Regular Meeting
  - 2. April 18, 2017 Special Meeting
  - 3. April 24, 2017 Special Meeting
- C. EDC Minutes of February 16, 2017

Council Member Flannery, seconded by Council Member Watkins, 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 Watkins	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

### **Communications/Petitions**

- A. Partnership with Child Safety of America

Chief Hephner provided information regarding the Partnership with Child Safety of America, a national program that provided age-appropriate safety and educational information to the city's population. Chief Hephner stated the program would contact local businesses regarding sponsorships to help pay for materials that would be distributed at local events and schools.

### **Introduction and Adoption of Ordinance/Public Hearing**

There were no ordinances or public hearings on the meeting agenda.

### **Unfinished Business**

There was no Unfinished Business on the agenda.

**Old Business**

There was no Old Business on the meeting agenda.

**New Business**

- A. A recommendation to schedule a public hearing on May 15, 2017 in regards to the installation of a new wireless communications tower on city property located at 60 W. Fayette St.

Council Member Sharp discussed the need for improved wireless phone service in the area and noted many parts of the city were in “dead zones” with little or no coverage.

Council Member Flannery, seconded by Council Member Sharp, moved to schedule a public hearing for May 15, 2017 at 7:00 p.m. to receive public comments regarding a request from Mastec Corporation to construct a new wireless communications tower at 60 W. Fayette Street. By a voice vote, the motion passed unanimously.

- B. Approval of Hillsdale BPU Cost of Service Study and Rate Design

Mr. Tom Fitzgerald representing the SSOE Group provided a review of the completed service study and rate design for the BPU. Mr. Fitzgerald reviewed the following items:

1. **System Characteristics:** Mr. Fitzgerald reported the BPU had an annual electric usage of 128,372,565 KWH, with a peak of 28,000 KWH. Mr. Fitzgerald noted the BPU obtained 18% of its power from hydro sources and created 0.4% of its power from the BPU power plan.
2. **Methodology:** Mr. Fitzgerald discussed the budgetary changes associated with the BPU including the increased PILOT payments, elimination of the economic development expenses for the city, increased pension costs, and a one-time write-off of the MSCPA charges for the shuttered Endicott Plant.
3. **Results:** Mr. Fitzgerald reviewed the study’s results, which recommended a 2% increase and a reduction to 7.083 cents/KWH sold for the Power Cost Adjustment figure.
4. **Factors Influencing Rates:** Mr. Fitzgerald noted the increase in Distributed Energy Resources (DER) could result in lower KWH sales. Mr. Fitzgerald stated DER included energy generation from solar panels, wind systems, and other co-generation facilities. Mr. Fitzgerald reviewed Michigan Senate Bill 438, which required the BPU to maintain a level of purchased energy from eco-friendly sources, such as solar, hydro, and wind.
5. **Proposed Rates:** Mr. Fitzgerald reviewed the 2% increase in revenue from base rates, as well as changes to the “green” rates and economic development discounted rates.
6. **Forecast of Operations:** Mr. Fitzgerald reported that with the recommended rate changes, BPU would meet its cash reserve policy in FYE2020.

Council Member Stockford questioned why electric rates in Coldwater were lower than the rates offered in Hillsdale. Mr. Fitzgerald stated this savings were due, in part, to the higher load factors that were realized in the Coldwater service area.

Council Member Flannery, seconded by Council Member Watkins, moved to approve the Hillsdale BPU Cost of Service Study and Rate Design as presented.

Roll call:	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrisey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Watkins	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

C. Approval of Airport Apron Bid Award

Council Member Stockford read a brief statement receiving from Council Member Zeiser prior to the meeting, who voiced appreciation for the many improvements made at the airport that included the construction of a new apron at the airport.

City Manager Mackie noted Kalin Construction was the lowest bidder for the project in the amount of \$1,057,477.60. City Manager Mackie stated the city would receive \$260,000 funding from the federal government and \$808,000 from the State of Michigan, which would leave approximately \$102,000 in local funding requirements.

Mr. Jason Walters of Patriot Aviation stated the construction of a new apron had been a long-standing need of the airport and would allow the airport to expand its amenities to attract additional users to the site. Mr. Walters also noted the bids for the project were lower than the bids that had been received in 2016.

City Manager Mackie stated the construction of a new apron had been included in the 10-year capital improvement plan for the airport.

Council Member Sharp noted the many, positive improvements that had been implemented at the airport in the past year and thanked Mr. Walters and his team for leading those changes.

Council Member Stockford also thanked Mr. Walters and Patriot Aviation for the many improvements and discussed the impact of the airport on the city's economic development strategies.

City Manager Mackie stated the grant award contract and agreement from the State of Michigan would be presented to Council for approval in June 2017 and construction would commence soon after that. City Manager Mackie stated the construction would conclude in August or September 2017.

Council Member Watkins, seconded by Council Member Flannery, moved to approve a contract with Kalin Construction in the amount of \$1,057,477.60 for the construction of a new apron at the Hillsdale Municipal Airport.

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

Motion passed 7-0.

**Miscellaneous**

Council Member Morrissey, seconded by Council Member Stockford, moved to appoint Mr. John Condon to the Economic Development Corporation (EDC). By a voice vote, the motion passed unanimously.

**City Manager's Report**

City Manager Mackie reported:

1. The Infrastructure Capacity Enhancement (I.C.E.) Grant awards would be released on Friday, May 5, 2017. The city's \$2.0 million grant application had been submitted for the Garden-Mead-Vine-Rippon St. Project.
2. The budget public hearing had been scheduled for May 15, 2017 at 7:00 p.m.

3. The Cemetery Board would meet on Wednesday, May 3, 2017 at 4:00 p.m. One of the items on the agenda was discussion of an inter-departmental loan between the Cemetery Perpetual Care Fund and the city's General Fund for the purchase of a new fire engine.
4. There would be some personnel shifts in the city beginning May 8, 2017. Finance Director Tew and HR Director Freese would be moved to the BPU Offices. Kelly LoPresto from the Assessing Office would be moved to the 3<sup>rd</sup> Floor at City Hall. Finally, Katy Price would be moved from the City Clerk's Office to the Ms. LoPresto's position in the Assessing Office.

Council Member Stockford commended the employees who provided excellent customer service at the BPU offices.

### **General Public Comment**

Ms. Penny Swan thanked Chief Hephner for his innovative ways for locating funding opportunities to provide excellent public safety services to the city residents.

Mr. Jack McLain questioned the placement of the communication tower on West Fayette Street and the rezoning request that had been proposed for that location.

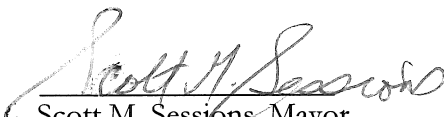
### **Council Comments**


Council Member Stockford announced another "Coffee with Council" would be held on May 17, 2017 at 10:00 a.m. at the new Rough Draft Coffee House, 42 Union Street. Council Member Stockford also reported an additional public forum similar to "Coffee with Council" would be held in the future during the evening hours, for those who were unable to attend during the day.

### **Adjournment**

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

The meeting adjourned at 7:50 p.m.

  
 Scott M. Sessions, Mayor

  
 Stephen M. French, City Clerk