

CITY COUNCIL MINUTES

City of Hillsdale
City Council Chambers
May 9, 2016
6:00 P.M.

Special 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.

Councilmembers present:	Scott M. Sessions, Mayor *Adam Stockford, Ward 1 Brian Watkins, Ward 1 Timothy Dixon, Ward 2 Bruce Sharp, Ward 3 Patrick Flannery, Ward 4
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Councilmembers absent:	Matthew Bell, Ward 4
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Also present were: City Manager David Mackie, City Clerk Stephen M. French, Finance Director Bonnie Tew, Recreation Director Michelle Loren, BPU Director Mike Barber, Mary Wolfram (EDC), BPU Finance Controller Dawn Townley, Scott Hephner (HCPD), and Jake Hammel (DPS).

Council Member Excused

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

Public Comment

No public comments were received.

Budget Presentations

1. Board of Public Utilities

BPU Director Barber reviewed the proposed FY2017 budget, which was slightly lower than previous years due to the department's reduction in personnel costs. Mr. Barber stated the budget had been developed by reviewing the previous four years of budgets, the FY2016 year-to-date figures, in addition to meeting with departmental supervisors.

Council Member Flannery questioned if the FY2017 wastewater budget would include the July rate increase that had been previously scheduled for implementation. Mr. Barber stated the auditors were reviewing the need for a rate increase and would present their recommendation to Council in the upcoming months. Council Member Flannery voiced support for the budget as the expected revenues exceeded planned expenditures.

Responding to a question from Council Member Flannery, Finance Controller Townley reported staff had reallocated certain expenditures in the FY2017 budget from previous years to more accurately reflect the budget to the duties assigned.

Council Member Sharp voiced support for the exemplary work that had been done by the new BPU staff members.

City Manager Mackie reported a recommendation to purchase a new, accounting software package for the BPU would be presented to Council at the May 16, 2016 meeting. City Manager Mackie stated the new software was from the same vendor utilized by other city departments and would allow the city and BPU to further streamline their operations.

2. Recreation/Field of Dreams

Recreation Director Loren reviewed the programs being offered by the department including those involving the Field of Dreams, the Hillsdale Soccer Club, Hillsdale High School events, and travel baseball teams. Ms. Loren noted there had been a greater number of activities at Mrs. Stock's Park such as weddings and outdoor concerts from previous years.

Ms. Loren discussed the growing amount of support from community organizations that had allowed the Recreation Department to concentrate funding on other programs. Ms. Loren stated the Kiwanis Club, Rotary Club, and Exchange Club had all contributed to specific improvement projects within the parks systems. Ms. Loren also noted the increase of revenues received from Sandy Beach had helped reduced the transfers necessary from the General Fund into the Recreation Department.

Ms. Loren reviewed the planned improvements and expansions that could be added to the Recreation Department in upcoming years that included tennis, sand volleyball, basketball, and swimming programs. Ms. Loren stated the five-year Recreation Plan for the department would also be reviewed during the fiscal year.

Council Member Sharp discussed the sea-wall improvements that were included within the budget document. DPS Director Hammel stated the project would be done with certain oversight and assistance from the Michigan Department of Environmental Quality (MDEQ). Council Member Sharp also questioned the use of the house at Owen Memorial Park. Ms. Loren noted staff continued to look at the most efficient uses for the house, including improvements or rebuilding of the structure. Ms. Loren, responding to a question from Council Member Sharp, then discussed the improvements that were needed to the various bicycle/walking paths throughout the city.

Council Member Stockford voiced encouragement for the expansion and progression of the department in recent months and noted recreation programs were vital for economic development of a successful city.

Council Member Flannery inquired on the use of Keekoos Park. Ms. Loren stated the park was primarily used by the neighborhood in that direct area, but the park's use was limited due to consistent flooding in the area.

Council Member Watkins questioned if changes would be made at the Sandy Beach area to reduce the visitors in vehicles who do not stop when they enter the park to pay admission. Ms. Loren stated staff would look to be more visible in the area to reduce that specific problem. Ms. Loren also discussed the expansion of concession sales throughout the parks and the resulting increase of revenue from those sales.

3. Economic Development

Mary Wolfram reviewed the Economic Development expenditure budget that included contractual services for the Hillsdale Policy Group contract, rental rehabilitation costs, and the Community Development Block Grant (CDBG) in the amount of \$350,000 for the project at 42 Union Street.

City Manager Mackie noted the payment of the Hillsdale Policy Group contract would be made through the General Fund in FY2017, while in previous years, the contract was paid using a BPU budget transfer.

Council Member Sharp questioned Ms. Wolfram regarding the progress at 221 Industrial Drive. Ms. Wolfram discussed the environmental contamination issues at the site and the MDEQ consent judgement that placed additional remediation responsibilities on future ownership. Ms. Wolfram stated there was a prospective buyer of the property; however, the issues surrounding the environmental contamination was a hindrance to the sale.

4. TIFA/EDC

Ms. Wolfram reviewed the Tax Increment Financing Authority (TIFA) budget that included flowers for downtown, legal services, facade grants, the historical building program, a business attraction/retention program, and a restaurant attraction program. Ms. Wolfram also noted the \$10,000 transfer from the General Fund was used to offset the costs of watering the flowers in the downtown area during the spring and summer months.

Ms. Wolfram then discussed at length the Capital Improvement expenditure requested by TIFA to assist in the purchase of a building in the TIFA district, which could be rehabilitated and later sold. Ms. Wolfram stated the infusion of the public dollars was necessary, as neither the Keifer Building nor the Courthouse Annex was being actively marketed for lease or sale.

Responding to a question from Council Member Dixon, Ms. Wolfram explained the new Historical Building Program, which was a 1:1 match program with a \$10,000 maximum allotment.

Ms. Wolfram then presented the Economic Development Corporation (EDC) budget that included contractual services for site-selection expertise, in addition to funds to assist with the development of an advertising brochure for the city's industrial park. Ms. Wolfram noted the Capital Outlay included funding for a new sign at the industrial park, as well as continued planning for an improved transportation corridor between downtown and Hillsdale College.

*Council Member Stockford left the meeting at 6:50 p.m.

5. Department of Public Services (DPS)

DPS Director Hammel presented the proposed DPS budget that included major and local streets, parks maintenance, parking lots, cemeteries, building & grounds, and the Revolving Mobile Equipment Fund.

Responding to a question from Council Member Dixon, Mr. Hammel discussed the new, road maintenance process using spray patching, rather than cold patching that had been done in the past. Mr. Hammel stated the new spray patching was utilized in Jonesville, and had worked well there in the past.

Director Hammel noted the leaf and brush collection remained on the same schedule from previous years; however, the department would bring the collected brush to a field, instead of having staff turn and sift the materials into the compost. Mr. Hammel stated this change would save the department approximately \$10,000 per year.

Director Hammel stated the department did not plan any major improvements or expenses to the city parking lots in FY2017, as a great deal of work had been done to the municipal lots in recent history.

Director Hammel reviewed the goal to have one road construction project ready for bid in each of the Major Street and Local Street categories, so that when grant opportunities arose, a project could be quickly identified for funding assistance. Mr. Hammel stated the rating of the individual city streets continued, which was helpful in planning future improvements.

City Manager Mackie stated a committee would be assembled in the upcoming months to study funding alternatives for city street improvements.

6. Capital Improvements

DPS Director Hammel presented the Capital Improvement budget that included sidewalk repairs, major road reconstruction, local street reconstruction, street sealing, park enhancements, and repairs to the Mill Pond Dam.

City Manager Mackie stated the results from the traffic study in the downtown area had not yet been received, although staff expected the report in the near future. City Manager Mackie also reported the State Street project would be pushed back from June 2016 to late summer due to higher-than-estimated construction costs. City Manager Mackie stated the city hoped to save approximately \$75,000 in delaying the project to an August 2016 start date.

Finance Director Tew provided a brief review of the city's Special Assessment Policy, in which the homeowners provided 75% of the project, with the city funding the remaining 25%.

7. Revolving Mobile Equipment Fund (RMEF)

DPS Director Hammel reviewed the RMEF budget which included the capital purchase of a new front-end loader, as well as a turbine leaf/material blower. Mr. Hammel stated the loader purchase was necessary as the city's ageing equipment required costly, on-going maintenance.

Finance Director Tew noted a new, police vehicle had also been included in the RMEF and city staff continued to search for grant funds to help offset the cost of the vehicle and associated equipment.

8. Miscellaneous

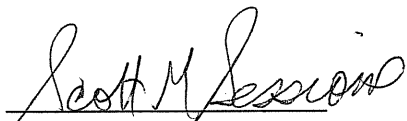
Finance Director Tew reported a Public Hearing regarding the proposed FY2017 budget would be held at the May 16, 2016 Council Meeting, with final adoption of the budget scheduled for the June 6, 2016 meeting.

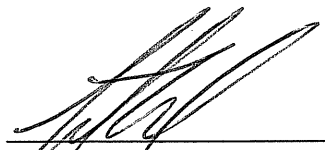
Council Member Sharp, Council Member Watkins, and Mayor Sessions each voiced support for the new, budget meeting format that was implemented by City Manager Mackie.

Adjournment

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

The meeting adjourned at 7:35 p.m.


Scott M. Sessions, Mayor


Stephen M. French, City Clerk