

CITY COUNCIL MINUTES

City of Hillsdale

June 19, 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, Bonnie Tew (Finance), Jake Hammel (DPS), Mike Barber (BPU), Chris McArthur (BPU), Scott Hephner (HCPD & HCFD), Kelly LoPresto (Grants), Jason Walters (Patriot Aviation), Nick Patterson (RS&H), Corey Murray (Hillsdale Daily News), Terry Langston (Center for Family Health), John Spiteri, Joseph Hendee, Dennis Wainscott, Penny Swan, Dustin Adams, Karla Embach, and Ray Briner.

Council Member Excused

Mayor Sessions reported Council Member Zeiser would not be at the meeting due to a work obligation.

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

Approval of Agenda

Council Member Watkins requested "Old Business Item A – Draft Telecommunications Tower Ordinance – Discussion" be removed from the meeting agenda.

Council Member Morrissey, seconded by Council Member Flannery, moved to amend the agenda as requested by Council Member Watkins. By a voice vote, the motion carried unanimously.

Council Member Flannery, seconded by Council Member Dixon, moved to approve the June 19, 2017 agenda as amended. By a voice vote, the motion carried unanimously.

Public Comment

Mr. Joseph Hendee, 181 Rea Street, objected to the construction of a new apron at the Hillsdale Airport. Mr. Hendee stated the airport improvements would not benefit the average, Hillsdale resident and the airport apron would provide no real enhancement to the Hillsdale economy. Mr. Hendee stated the airport needed much more improvements than just an apron and questioned why the airport did not have any traffic for the recent NASCAR race at Michigan International Speedway (MIS).

Ms. Penny Swan, 192 S. West Street, also questioned why the airport did not have an increase in traffic due to the NASCAR race at MIS.

Consent Agenda

- A. Approval of Bills
 - 1. City Claims of June 2, 2017: \$106,484.03
 - 2. BPU Claims of June 2, 2017: \$63,469.77
 - 3. Payroll of June 15, 2017: \$151,756.32
- B. City Council Minutes of June 5, 2017
- C. May 2017 Financial Reports
- D. May 2017 Code Enforcement Report
- E. Board of Public Utilities Board Meeting Minutes of May 9, 2017
- F. Heather Tritchka Agreement re: Winona Statute at Mrs. Stock's Park
- G. Sara Berry Agreement re: Mrs. Stock's Park
- H. Hillsdale Policy Group Monthly Report – May 2017
- I. Economic Development Corporation (EDC) Meeting Minutes of April 20, 2017
- J. Approval of Checker Records Street Dance Event

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. Presentation by Hillsdale Center for Family Health

Molly Kaser, CEO/RN and Terry Langston, representing the Center for Medical Health, provided detailed information on the federally-qualified health center that provided comprehensive, primary health care for the areas un-insured and under-insured population. Ms. Kaser reported the center served approximately 29,000 patients in Hillsdale and Jackson counties and had an annual budget of nearly \$28.0 million. Ms. Kaser stated the center had been in the Hillsdale for approximately two years and provided medical care for men, women, and children at the Hillsdale facility, in addition to complete dental care at their Jackson-area site.

Ms. Kaser reported the center had recently developed a partnership with Hillsdale Hospital and Branch-Hillsdale-St. Joseph Community Health Agency to provide breast and cervical cancer screenings to Hillsdale area women. Ms. Kaser also reported the agency worked with the St. Peter's clinic to help staff their agency and aid those in need.

Ms. Kaser then discussed the new Recovery Court initiated in Hillsdale County and the center's assistance with medication-assistance drug or alcohol dependency treatment. Responding to a question from Council Member Stockford, Ms. Kaser stated the health center utilized the drug Vivitrol for opioid dependency treatment.

Introduction and Adoption of Ordinance/Public Hearing

A. Ordinance 2017-01: Amended Cemetery Rules

Council Member Watkins recommended the proposed ordinance be amended to expand the hours of the cemetery than the proposed 8 a.m. until 8 p.m. times.

Council Member Sharp questioned if signs would be installed to notify residents of the changes to the cemetery rules. City staff reported signs would be posted detailing the affected changes.

Council Member Watkins, seconded by Council Member Flannery, moved to adopt the proposed ordinance, with an amendment to change the cemetery hours from "sun up until sun down."

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.

Unfinished Business

A. Approval of Airport Apron Construction Contracts

Mr. Nick Patterson, Senior Aviation Engineer from RS&H Engineering and Jason Walters from Patriot Aviation, provided information on the recommended contract to construct the new apron at the airport. Mr. Walters stated the project had been rebid after the estimates received in 2016 were much higher than anticipated.

City Manager Mackie noted the Airport Advisory Committee (AAC) had recommended approval of the contract as presented.

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 the 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.

B. Resolution No. 3313: MDOT Contract re: Airport Apron Construction

City Manager Mackie reported the apron construction would be funded using federal and state entitlement funds, state discretionary funding and local funds. City Manager Mackie stated the local funding would total approximately \$102,000.

Council Member Watkins, seconded by Council Member Flannery, moved to adopt Resolution No. 3313: MDOT Contract re: Airport Apron Construction

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.

C. Approval of Amendment No. 1 for Professional Engineering Services re: Airport Apron Construction

City Manager Mackie stated the engineering costs had been included in the total contract expenses and would be reimbursed using the same funding formula.

Council Member Flannery, seconded by Council Member Watkins, moved to Approve Amendment No. 1 for Professional Engineering Services re: Airport Apron Construction.

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.

Old Business

A. Budget Amendments – Old Business

Finance Director Tew reviewed the proposed budget amendments for the year-ending June 30, 2017. Ms. Tew stated the amendments would have a zero-net effect on the General Fund budget, but would transfer funds from one line-item to another, based on actual expenses.

Council Member Flannery, seconded by Council Member Morrissey, moved to approve the FY2017 budget amendments 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.

New Business

A. Resolution No. 3314: Resolution Regarding Repurchase of Substation Facilities

BPU Director Barber reported that in 1979, each of the Michigan South Central Power Authority's (MSCPA) members entered into separate Substation Agreements with the Agency whereby certain substation assets were acquired by the Agency for the benefit of each respective member. Mr. Barber stated that in Section 11 of these agreements, provisions were made providing each member the option to repurchase the assets for \$100 once the debts related to these assets had been retired.

BPU Director Barber stated that following the retirement of the Litchfield Endicott Generating Station, with a reduce asset base for the Agency, it had become more cost effective for each member to add these facilities to their own asset lists, and to insure as each member deemed appropriate.

Council Member Flannery, seconded by Council Member Watkins, moved to adopt Resolution No. 3314: Resolution Regarding Repurchase of Substation Facilities.

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.

B Resolution No. 3315: A Resolution to Amend the Hillsdale Board of Public Utilities Customer Service, Electric, Water and Sewer Department Rules and Regulations and Thereby a the Posting of a Customer Service Security Deposit in Certain Situations

BPU Director Barber reviewed the recommended changes to the security deposit policy for the utility, which would base the security deposit purely on the customer's credit risk percentage and not on the average use of that particular home or apartment. Mr. Barber stated the deposit amounts would not exceed \$400.00.

Council Member Morrissey, seconded Council Member Dixon, moved to adopt Resolution No. 3315: A Resolution to Amend the Hillsdale Board of Public Utilities Customer Service, Electric, Water and Sewer Department Rules and Regulations and Thereby a the Posting of a Customer Service Security Deposit in Certain Situations

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.

C. Approval of Phase Three: BPU Generator #5 & #6

BPU Director stated the final phase of the three-year project would be to replace on-board computer systems with updated Program Logic Controllers and continue final repairs to Generators #5 and #6. Mr. Barber stated the capital project had been included in the FY2018 budget at a level of \$385,000.00.

Council Member Flannery, seconded by Council Member Watkins, moved to approve the recommendation of the Hillsdale Board of Public Utilities to expend the Capital Project budgeted amount of \$385,000.00 to continue with the repairs of Generators #5 & #6.

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.

D. Approval of BPU Water and Wastewater Revised Utility Rate Model

City Manager Mackie reviewed the water and wastewater revised utility model that had been prepared by Plante Moran. City Manager Mackie stated the annual review of the water and wastewater rates would raise the water and wastewater rates for the average residential customer by approximately 6%.

Council Member Watkins, seconded by Council Member Flannery, moved to approve the BPU Water and Wastewater Revised Utility Rate Model 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.

E. Resolution No. 3316: Resolution Adopting the MERS Defined Contribution Plan

City Manager Mackie stated the proposed resolution would affect non-union BPU and city employees hired on, or after, July 1, 2017. City Manager Mackie stated the resolution would switch new employees from a defined benefit system to a defined contribution and would limit the city's unfunded pension liabilities. City Manager Mackie stated the new plan would require the employees to contribute 5% of their total pay, while the city would contribute 7%.

Council Member Flannery, seconded Council Member Watkins, moved to adopt Resolution No. 3316: Resolution Adopting the MERS Defined Contribution Plan

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.

F. Defined Benefit Adoption Agreement with MERS

City Manager Mackie stated the amended agreement would increase the employee contribution from 4%-5% for the MERS retirement system beginning July 1, 2017. City Manager Mackie stated the recommendation was similar to the increase on July 1, 2016 that increased the contribution from 3%-4%. City Manager Mackie stated the increase in employee contributions would further limit the city's unpaid pension liabilities.

Council Member Flannery, seconded by Council Member Watkins, moved to approve the Defined Benefit Adoption Agreement with MERS.

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.

G. MERS Contribution Plan Amendments

City Manager Mackie reported the amendment would formalize changes made to the Police Officers Association of Michigan (POAM) contract that had been ratified earlier in the year. City Manager Mackie noted that although the changes had been implemented by the city, the appropriate amendments had not been formally presented to MERS.

Council Member Flannery, seconded by Council Member Watkins, moved to approve the Defined Benefit Adoption Agreement with MERS.

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.

H. Amendment to Airport Ground Lease with JW Enterprises & Mr. Jason Walters

City Manager Mackie noted the contract amendment was due to Mr. Walters utilizing a small portion of his airport hangar for non-aeronautic purposes. City Manager Mackie stated the proposed amendment would require Mr. Walters to pay an additional \$215 in annual rent to the City of Hillsdale.

Council Member Watkins, seconded by Council Member Flannery, moved to approve the Amendment to Airport Ground Lease with JW Enterprises & Mr. Jason Walters.

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.

City Manager's Report

City Manager Mackie:

1. City Manager Mackie questioned if Council Members wanted to hold the July 3, 2017 City Council Meeting as scheduled.

Council Member Watkins, seconded by Council Member Flannery, moved to cancel the July 3, 2017 Regular Council Meeting. By a voice vote, the motion passed unanimously.
2. Announced the appointment of Ms. Amy Slade as the new Housing Director for the Hillsdale Housing Commission. City Manager Mackie stated Ms. Slade had begun her duties on June 15, 2017.
3. Announced the appointment of Ms. Mary Hill as the new Director of the Hillsdale Municipal Library. City Manager Mackie stated Ms. Hill would begin her duties on July 10, 2017.
4. Thanked everyone for attending the unveiling of the new Winona statute at Mrs. Stock's Park on Friday, June 16, 2017.
5. Invited everyone to the dedication of the new volleyball and basketball courts at Sandy Beach on Saturday, June 24, 2017.
6. Reported CGI Communications would be in the area on Wednesday, June 21, 2017 to film the new welcome videos for the City of Hillsdale.
7. Invited the Council to the Michigan South Central Power Authority's (MSCPA) annual meeting on July 12, 2017 at Olivia's Restaurant in Jonesville.

Council Member Stockford commended Ms. Heather Tritchka for her creation of the Winona statute. Council Member Stockford also encourage interested citizens to contribute through the Heritage Association for a future interactive artwork projects that were planned for the park.

General Public Comment

Mr. Jack McLain, 1445 South Bunn, questioned the timeliness of the information provided to the city's Planning Commissioners regarding the telecommunications tower that had recently been approved by the City Council. Mr. McClain also discussed the dangers of breast cancer that affected the male population. Mr. McClain reported the important impact of the Hillsdale Beauty College and encouraged the city to include the institution on future flyers and promotional brochures created by the city. Mr. McLain concluded his remarks by commending the open-door policy of City Manager Mackie and stated Mr. Mackie was one of the better city managers that the city had employed.

Mr. Dennis Wainscott, 34 Garden Street, discussed the 3-mil property tax increase, the BPU rate increases, and special assessments that had been recently approved by the City Council, and the impact that those increases had on residents with fixed incomes.

Mr. Joseph Hendee requested the membership of the Economic Development Corporation (EDC) be placed on the city's website. Mr. Hendee also questioned if Hillsdale Hospital was publically or privately owned.

Council Comments

Council Member Morrissey encouraged city staff to include all board and commission membership lists on the city's website.

Council Member Dixon reviewed the discussions held by the Operations and Governance Committee and the need for Council to establish a formula or structure in regards to the City Manager's compensation review.

Council Member Dixon, seconded by Council Member Morrissey, moved to instruct the Operations and Governance Committee to develop a formula or structure in regards to the City Manager's compensation review.

June 19, 2017

City Council Minutes

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.

Mayor Sessions thanked everyone who attended the open house at Mar-Vo Minerals. Mayor Sessions also commended the leadership of Chief Hephner and the dedicated employees of the Police and Fire Departments.


Adjournment

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

The meeting adjourned at 8:11 p.m.



Scott M. Sessions, Mayor



Stephen M. French, City Clerk