

**CITY COUNCIL MINUTES**

City of Hillsdale  
 July 17, 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 William Zeiser, Ward 3 Matthew Bell, Ward 4
--------------------------	---

Council Members absent:	Bruce Sharp, Ward 3 Patrick Flannery, Ward 4
-------------------------	---

Also present were: City Manager David Mackie, City Clerk Stephen M. French, City Attorney John Lovinger, City Attorney Tom Thompson, Bonnie Tew (Finance), Kay Freese (HR), Jake Hammel (DPS), Mike Barber (BPU), Chris McArthur (BPU), Mary Hill (Library), Alan Beeker (Zoning), Kim Thomas (Assessor), Corey Murray (Hillsdale Daily News), Joseph Hendee, Dennis Wainscott, Penny Swan, Mark Naida, and Noah Weinrich.

**Council Member Excused**

Mayor Sessions reported Council Member Flannery and Council Member Sharp would not be at the meeting and had asked to be excused.

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

**Approval of Agenda**

City Manager Mackie requested "Consent Agenda Item F – Code Enforcement Report" be removed from the Consent Agenda and moved to the "Unfinished Business – Item B" for discussion.

Council Member Stockford requested that the "New Business Item B – Amended Schedule of Fees" be separated into separate motions on each of the three staff recommendations.

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

Council Member Bell, seconded by Council Member Watkins, moved to approve the July 17, 2017 agenda as amended. By a voice vote, the motion carried unanimously.

**Public Comment**

Mr. Jack McLain, 1445 South Bunn, noted a typographical error in the BPU minutes that were included on the meeting's Consent Agenda. Mr. McLain also noted the Hillsdale College noise variance would occur on a Monday evening during the school year, and cautioned the variance may negatively impact the families near Hillsdale College during those events. Mr. McLain then discussed the proposal to replace the city's "Welcome" signs and questioned if the signs would include the same verbage as the previous signs.

Ms. Penny Swan, 192 S. West Street, questioned if the service club symbols would be enlarged when the new "Welcome" signs are installed. Ms. Swan also stated a city slogan should be included on the new signs, whether it be "It's the People" or another motto. Ms. Swan questioned who would be responsible for the installation and replacement costs associated with the new signs. Ms. Swan also requested the city repair the audio system in the Chambers, as it was difficult to hear the staff and Council Members throughout the meeting.

**Consent Agenda**

- A. Approval of Bills
  - 1. City Claims
    - a. June 15, 2017: \$132,506.00
    - b. June 30, 2017: \$266,315.55
  - 2. BPU Claims
    - a. June 15, 2017: \$132,989.88
    - b. June 30, 2017: \$111,399.59
  - 3. Payroll
    - a. June 29, 2017: \$154,598.23
    - b. July 13, 2017: \$160,131.73.
- B. City Council Minutes
  - 1. Closed Session of June 5, 2017
  - 2. Regular Meeting of June 19, 2017
- C. Operations and Governance Committee Minutes of June 19, 2017
- D. Board of Public Utilities Board Meeting Minutes of June 13, 2017
- E. Zoning Administrator Report
- F. Noise Variance and Street Closure requests from Hillsdale College
- G. Third Party Agreement with Key Opportunities, Inc.
- H. June 2017 Hillsdale Policy Group (HPG) Report
- I. Mrs. Stock's Park Use Agreement with Ms. Elizabeth Connell
- J. Approval of "Molly's Glitter Run" Special Event

Council Member Morrissey requested additional information on the third-party agreement with Key Opportunities, Inc. City Manager Mackie reported the agreement was in regards to a grant contract for the mobility management plan that was being developed with the assistance of Dial-A-Ride (DART) and Key Opportunities.

Council Member Watkins, seconded by Council Member Dixon, moved to approve the Consent Agenda as presented.

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye
	Council Member Morrissey	Aye
	Council Member Stockford	Aye
	Council Member Watkins	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

**Communications/Petitions**

- A. Daily Activity Reporting – Chief Hephner
- B. Correspondence from Ms. JoAnne Miller
- C. Correspondence from Mr. Michael Nye
- D. Regulating Medical Marijuana Facilities: A Workshop for Local Government
- E. Youth Football Registration Form
- F. Hillsdale County Early/Middle College Program

Council Member Watkins questioned if the workshop on the Medical Marijuana Facilities could be videotaped and watched at a later date by interested citizens. City Manager Mackie stated the city would ask and report back to Council.

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

There were no ordinances or public hearings on the agenda.

**Unfinished Business**

There were no “Unfinished Business” items on the agenda.

**Old Business**

- A. City Entrance “Welcome” Signs

City Manager Mackie provided information on the two “Welcome” signs that would be replaced with a larger size sign and different font color for better visibility. City Manager Mackie stated the two existing signs would be reinstalled at other city entrance points.

Council Member Stockford reviewed the committee that had been formed to discuss and receive options regarding a city slogan. Council Member Stockford stated the group had been formed by Penny Swan and had met one time, but had not decided on a preferred motto or a process for selecting a city slogan.

Council Member Watkins stated an informal poll could take place during the November 2017 municipal election held at the library.

Responding to a question from Council Member Morrissey, City Manager Mackie stated the Rising Tides Initiative was a separate project and would not have an impact on the new design or color scheme of the new entrance signs.

- B. June 2017 Code Enforcement Report

Council Member Watkins requested information on the processes used by the staff to address blighted or unsafe structures in the city. Council Member Watkins noted many of the properties listed on the Code Enforcement Report had been included for an extended period of time and no improvements had been done to those sites.

City Attorney Thompson reviewed the enforcement options available to Michigan municipalities that included condemnation actions, municipal civil infractions, or declaring the property as a public nuisance. City Attorney Thompson noted each of these processes were very time consuming and required the expenditure of city funds to eliminate the blighted conditions.

City Attorney Thompson provided specific information on the enforcement actions to address the building at 23 & 25 N. Broad Street. Attorney Thompson stated a notice of municipal civil infraction violation had been issued to the property owner due to their failure to maintain the exterior of the structure. Attorney Thompson stated a structural engineering analysis was necessary to determine the integrity of the building and to define any remediation options.

**New Business****A. Approval of Collective Bargaining Agreements**

City Manager Mackie reviewed the four agreements with the International Brotherhood of Electrical Workers (IBEW), International Brotherhood of Teamsters, International Association of Fire Fighters (IAFF), and Police Officers Association of Michigan (POAM) that had been tentatively approved. City Manager Mackie stated the pension plan changes and wage increases were the two components of the agreement changes.

City Manager Mackie report the new agreements would require all new employees hired after July 1, 2017 to participate in a Defined Contribution Plan, instead of the Defined Benefit Plan currently in place. City Manager Mackie stated this change would reduce the city's unfunded pension liabilities with Municipal Employees Retirement System (MERS) of Michigan, although the impact would be realized over a multi-year period and not have an immediate impact.

City Manager Mackie stated the tentative agreements would increase wages for employees within the four bargaining units by 2%, with certain equity adjustments for the Board of Public Utilities (BPU) electrical linemen and water operators. City Manager Mackie noted the agreements would also require the BPU water operators to obtain their state certification within two years to maintain their employment with the utility.

Council Member Stockford noted the BPU electrical linemen were underpaid in comparison with other utilities in the area and the costs associated with hiring and training new linemen would exceed the wage increases proposed in the agreements.

Council Member Watkins asked if the BPU was in compliance with two of the water operators not having state certification. City Manager Mackie stated the utility was in complete compliance, as the utility employed a water system manager who was properly certified by the state.

Council Member Bell voiced support for the tentative agreements and noted the pension changes were much needed changes to address the city's pension liabilities.

Mayor Sessions thanked City Manager Mackie for his leadership in obtaining the tentative agreements.

Council Member Watkins, seconded by Council Member Stockford, moved to approve the Collective Bargaining Agreements with the International Brotherhood of Electrical Workers (IBEW), International Brotherhood of Teamsters, International Association of Fire Fighters (IAFF), and Police Officers Association of Michigan (POAM).

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye
	Council Member Morrissey	Aye
	Council Member Stockford	Aye
	Council Member Watkins	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

**B. Approval of Amendments to the Schedule of Fees****Use and Occupancy Permits**

City Assessor Thomas presented a staff recommendation to increase the fees for a Use and Occupancy Permit from \$25.00 to \$50.00. Ms. Thomas stated the increase was necessary to cover the city's actual costs for the firefighter to perform the inspection, the use of the fire apparatus, and the administration costs of the program. Ms. Thomas indicated the permits are good for two years and were required for all properties within the city; however, following the two years, a new inspection (and fee) were only required if there was a change of occupancy.

Council Member Bell questioned why the inspection required the large fire truck to be utilized and why a smaller, more economic vehicle could be used. City Assessor Thomas noted the firefighter conducting the inspection was the only firefighter on duty and responsible to respond immediately with the fire truck to any emergency calls for service. Council Member Bell also noted the Council had recently approved a property tax increase and BPU rate increases, which caused financial burdens on many city residents. Council Member Bell encouraged city staff to review alternative ways to provide this service at a less-expensive cost to the city.

Council Member Stockford noted that while Council had increased the tax rate and fees to city residents, the poverty rate in the city had continued to increase. Council Member Stockford also encouraged staff to find innovative ways to reduce the costs of this program.

Council Member Watkins noted the inspections were vital to ensure safe and code-compliant housing for the city's rental units. In response to a question from Council Member Watkins, Assessor Thomas discussed the items that were reviewed during an inspection.

Council Member Bell asked if a certified inspection performed during a home closing process, could be used in lieu of a Use and Occupancy Permit. Assessor Thomas stated this was not permitted at the present time; however, this idea could be reviewed by city staff.

City Manager Mackie reported 47% of the homes in the city were used for rental units.

Council Member Watkins, seconded by Council Member Dixon, moved to increase the fees for a Use and Occupancy Permit from \$25.00 to \$50.00.

Roll call:	Council Member Bell	No
	Council Member Dixon	Aye
	Council Member Morrissey	No
	Council Member Stockford	No
	Council Member Watkins	Aye
	Council Member Zeiser	No
	Mayor Sessions	Aye

Motion failed by a vote of 4-3.

### **Fire Department Charges**

City Manager Mackie reviewed a staff recommend to implement service fees for fire department responses to structure fires and serious auto accidents that required extrication equipment (Jaws of Life). City Manager Mackie stated the fee structure was recommended by the city's insurance carrier and would be paid by the property owner's insurance carrier. City Manager Mackie stressed the city would only submit payment requests to the insurance carrier and would not require the property owner to personally pay for the services.

City Manager Mackie presented the following service fees:

- a. Residential Structure Fires: \$500.00
- b. Commercial Structure Fires: \$1,000.00
- c. Industrial Structure Fires: \$2,500.00
- d. Auto accidents requiring extrication: \$500.00

Council Member Watkins voiced support for the recommendation and noted the issue had been discussed by the Public Safety Committee for many years.

Responding to a question from Council Member Stockford, City Manager Mackie stated city staff continued to review other revenue options that could be implemented to offset the costs associated with a fire or police responses.

Council Member Dixon encouraged the staff recommendation be amended to include a service fee for fire department responses to car fires.

Council Member Bell, seconded by Council Member Watkins, moved to approve the following Fire Department service fees:

- a. Residential Structure Fires: \$500.00
- b. Commercial Structure Fires: \$1,000.00
- c. Industrial Structure Fires: \$2,500.00
- d. Auto accidents requiring extrication and car fires: \$500.00

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye
	Council Member Morrissey	Aye
	Council Member Stockford	Aye
	Council Member Watkins	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

### Public Services Department

DPS Director Hammel reviewed a staff recommendation to increase the city's right-of-way application fee from \$10.00 to \$35.00 and also charge applicants for actual staff costs and use of barricades, signs, and other city-owned equipment for their event. Director Hammel stated the city expended thousands of dollars for personnel expenses to deliver and pick-up barricades needed for events such as parades, promotional events, car shows, and construction within the city rights-of-way, and the new policy would require applicants to reimburse the city for those expenses.

Responding to a question from Council Member Stockford, Director Hammel reported the expenses associated with the recent Great American Parade were approximately \$2,000 that did not include the costs associated with the detour signs or police assistance.

Council Member Bell questioned if the increase in fees would result in any of the organizations from not holding their events, or moving their events to other areas.

Council Member Watkins noted alternative areas, including the fairgrounds, the high school, and Fields of Dreams, could be used for events like 5k walk/runs, which would dramatically reduce the applicant's costs and associated fees for barricades and city personnel costs.

Responding to a question from Council Member Bell, Director Hammel stated most contractors included any permit fees and equipment rental into their project bid, which were then paid by the property owner.

City Attorney Thompson reviewed the state statute, which prohibited public funds from being used for a private purpose. Attorney Thompson stated there were only a few, specific exceptions to this law, including public funding for domestic violence shelters and costs associated with an Independence Day or Veterans Day parade.

Council Member Stockford, seconded by Council Member Morrissey, moved to refer this item to the Public Services Committee for review.

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye
	Council Member Morrissey	Aye
	Council Member Stockford	Aye
	Council Member Watkins	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

July 17, 2017

City Council Minutes

C. **Resolution No. 3317:** A Resolution to Apply to the Secretary of State for a Grant to Purchase a New Voting System

City Clerk French presented a resolution to seek federal and state grant funding for the purchase of a new election system. Clerk French noted the new election equipment would be received in early 2018 and be ready for use in the August 2018 Primary Election.

City Clerk French discussed his preference for a different vendor and voting system than what had been selected by County Clerk Marney Kast, and discussed his concerns with the sealed bid process that was conducted by the State of Michigan for the equipment. Clerk French reported the new vendor, Hart Intercivic, was a new vendor within the State of Michigan and had never conducted an election before in Michigan. Clerk French noted the final decision had been made by County Clerk Kast and assured Council that city staff would be supportive of the new system during its implementation.

Council Member Bell voiced concern with the city publically questioning the decision of County Clerk Kast.

Council Member Stockford stated he had met with County Clerk Kast about this issue and stated the city's costs associated with the new equipment would be less than the bid submitted by the current vendor, Election Systems & Software. Clerk French responded the price quotes between the two vendors were difficult to compare and the costs savings from one vendor to another was minimal. Clerk French noted any concerns with the new system was not solely based on cost, but on the customer support and equipment differences between the two voting systems.

Council Member Dixon also stated he had spoken with County Clerk Kast about this issue.

Council Member Bell, seconded by Council Member Morrissey, moved to adopt Resolution No. 3317: A Resolution to Apply to the Secretary of State for a Grant to Purchase a New Voting System

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye
	Council Member Morrissey	Aye
	Council Member Stockford	Aye
	Council Member Watkins	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 7-0.

## XI. Miscellaneous Reports

### A. Board & Committee Appointments

Council Member Watkins, seconded by Council Member Dixon, moved to approve the reappointment of Mr. Matt Granata to the Economic Development Corp (EDC). By a voice vote, the motion passed unanimously.

Council Member Morrissey requested the board applications be updated to clearly indicate the board or committee that the application is in reference to.

### City Manager's Report

City Manager Mackie:

1. Welcomed the city's Library Director, Ms. Mary Hill to the meeting. Ms. Hill introduced herself and stated she had over 40 years of library experience and had most recently served at the Stevensville Library.

2. Introduced Mr. Brandon Higgins, a representative from CGI Communications, who would be in the area throughout the next couple of days to continue the new video project for the city's website.
3. Reported the Center City Apartments were accepting applications for new tenants.
4. Announced the Indiana Outboard Races would be held at Baw Beese Lake on September 8-10, 2017
5. Reminded everyone of the Molly's Glitter Run that would occur on August 12, 2017.
6. Noted the Planning Commission would hold a public hearing regarding a city-wide rezoning recommendation on July 18, 2017 beginning at 5:30 p.m.

### **General Public Comment**

Mr. Jack McLain discussed the implementation of a fee structure for fire department responses and issues associated with that policy. Mr. McClain also discussed the need for a city-wide reassessment to correct any errors within the assessment roll. Mr. McClain finalized his comments by discussing the need for a more appropriate location for the upcoming Planning Commission public hearing.

Mr. Joseph Hendee, 188 Rea Street, read a letter voicing concern with the improvements made to a hangar at the Hillsdale Municipal Airport without a proper building permit. A copy of the letter was filed with the City Council papers for the meeting.

Mr. Dennis Wainscott, 34 Garden Street, announced another "Meet the Candidates" event would be held on August 19, 2017 at 10:00 a.m. at the Rough Draft Coffee House.

Mr. McClain encouraged the city to advertise for vacancies on the city's board and commissions and not to routinely re-appoint members to those boards.

### **Council Comments**

Council Member Bell discussed the time commitment necessary to serve on the city's boards and commissions and encouraged interested citizens to submit their applications if they were interested to serve.

Council Member Watkins invited everyone to attend the Summer Concert of the Hillsdale Wind Symphony at Hillsdale College on Tuesday, July 18, 2017 beginning at 7:30 p.m.


Mayor Sessions noted he would be out of town on August 5, 2017 and regrettably unable to attend the "Meet the Candidates" event on that day.

### **Adjournment**

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

The meeting adjourned at 9:15 p.m.

  
Scott M. Sessions, Mayor

  
Stephen M. French, City Clerk