

CITY COUNCIL MINUTES

City of Hillsdale
November 21, 2016
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 Matthew Bell, Ward 4 Patrick Flannery, Ward 4
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Council Members absent:	Brian Watkins, Ward 1
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Also present were: City Manager David Mackie, City Clerk Stephen M. French, City Attorney John Lovinger, City Attorney Tom Thompson, Kay Freese (HR), Scott Hephner (HCPD/HCFD), Jake Hammel (DPS), Mike Barber (BPU), Chris McArthur (BPU), Mark Hawkins (HCFD), Russ Picek (HCFD), Andy Barrand (Hillsdale Daily News), Dr. Gary Wolfram (Hillsdale Policy Group), Penny Swan, Ray Briner, and Jack McLain.

Council Member Excused

Mayor Sessions stated he had received notice from Council Member Watkins indicating he would not be able to attend the meeting due to a work obligation.

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

Approval of Agenda

City Manager Mackie noted that City Assessor Kim Thomas had requested city staff had requested the agenda be amended to include a recommendation to approve a Land Division Act application from the David W. Hanakeff Trust for property located at 25 Fayette Street and 19 McClellan Street.

Council Member Bell recommended the item be included on the December 5, 2016 Council meeting agenda to ensure all applicable parties had been formally noticed and made aware of the request.

Council Member Bell, seconded by Council Member Flannery, moved to approve the November 21, 2016 agenda as presented. By a voice vote, the motion carried unanimously.

Public Comment

No public comments were offered.

Consent Agenda

- A. Approval of Bills
 - 1. City Claims of November 3, 2016: \$656,478.86
 - 2. City Claims of November 17, 2016: \$119,295.50
 - 3. BPU Claims of November 3, 2016: \$45,729.53
 - 4. BPU Claims of November 17, 2016: \$158,671.75
 - 5. Payroll of November 17, 2016: \$95,650.22
- B. City Council Minutes of November 7, 2016
- C. Finance Committee Meeting Minutes
 - 1. September 26, 2016
 - 2. October 10, 2016
 - 3. October 24, 2016
 - 4. November 7, 2016
- D. TIFA Targeted Development Committee Meeting Minutes
 - 1. September 26, 2016
 - 2. October 25, 2016
 - 3. November 1, 2016
- E. Tax Increment Finance Authority (TIFA) Meeting Minutes – September 20, 2016
- F. TIFA Façade Grant Committee Meeting Minutes – September 27, 2016
- G. Planning Commission Meeting Minutes – October 18, 2016
- H. F.A.I.R. Committee Meeting Minutes – October 10, 2016
- I. Right of Way Permit – Hillsdale Business Assoc. Christmas Parade – Dec. 3, 2016

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

Roll call:	Council Member Bell	Aye
	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 8-0.

Communications/Petitions

There were no Communications/Petitions on the agenda.

Introduction and Adoption of Ordinance/Public Hearing

There were no Ordinances or Public Hearings on the agenda.

Unfinished Business

There was no Unfinished Business on the agenda.

Old Business

- A. Leaf Collection Discussion

DPS Director Hammel reported the department had completed two rounds of leaf collection in Wards 2, 3, and 4 while the final collection for Ward 1 was expected to begin on Tuesday,

November 22, 2016. Mr. Hammel stated there had been a tremendous amount of interest in adding a third leaf collection program due to the large amount of leaves that remained following the second collection.

DPS Director Hammel recommended the City Council not approve a third leaf collection program, as the costs had not been included in the FY2017 budget and the need to be transition the equipment with plows and salt spreaders in case of a snowfall.

Council Member Bell questioned the associated costs of clearing drains and storm grates with leaves that had not been collected by city staff. DPS Director Hammel stated the Vactor truck recently received by the department from BPU would be used in the upcoming weeks to clear the storm drains of debris, including leaves. Mr. Hammel also reported the city's compost site would remain open for an additional week from 7:00 a.m. until 3:00 p.m. to allow residents to dump their leaves without cost.

Responding to a question from Council Member Bell, DPS Director Hammel stated a total review of the leaf collection program would be completed during the off-season and any recommendations for program changes would be presented to Council at the appropriate time.

Council Member Zeiser recommended the leaf collection program be delayed until later in the months of October and November. DPS Director Hammel warned pushing the program back in the season could interfere with the department's ability to clear streets if an early snowfall occurred during the scheduled leaf collection.

Council Member Sharp also encouraged the leaf collection program be delayed until later in year. Council Member Sharp questioned the effect of leaves being left in the roadway and clogging the storm sewer drains or impacting the snow removal efforts of staff.

Council Member Dixon asked if certain sections of the city that had an especially large amount of leaves remaining could have a third leaf collection. Council Member Dixon stated the entire city may not have to be canvassed, but only those areas especially impacted by the unseasonably warm fall. City Manager Mackie and DPS Director Hammel both warned again only offering service to certain sections of the city and not to other areas.

DPS Director Hammel noted that following the final leaf collection, residents were required by City Code to clear the curb area from any remaining brush and leaves. Mr. Hammel stated that leaves left on the curb would pose a hazard during snow plowing.

DPS Director Hammel finalized his comments by indicating a third leaf collection would have a negative effect on the city's cemeteries and parks, as those areas were cleared by city staff following the city's leaf pickup program. Mr. Hammel stated the failure to complete the leaf pickup in the parks and cemeteries would create additional work for city staff in the spring.

New Business

A. Proposal for BPU Electric Cost of Service and Rate Design Study

BPU Director Barber recommended the approval of a contract with SSOE Group in the amount of \$18,500 to perform a five-year rate study for electrical costs. Mr. Barber stated the previous five-year study was set to expire in January 2017, and SSOE had been selected as the low bidder for the project.

City Manager Mackie noted the SSOE Group had also contracted with Union City to complete a similar rate study, which reduced the estimated costs of the contract.

Council Member Flannery, seconded by Council Member Bell, moved to approve a proposal from SSOE Group to provide an Electric Cost of Service and Rate Design Study for a not-to-exceed cost of \$18,500.00.

Roll call:	Council Member Bell	Aye
	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 8-0.

B. BPU Pole Attachment Licensing Agreement

BPU Director Barber presented a draft agreement which would mandate the requirements expected of providers who utilized the utility poles owned by the BPU. Mr. Barber stated the utility had several, informal agreements with Internet providers, cable television companies, and telephone services that would be formalized with the agreement. Mr. Barber indicated the last licensing agreement was approved between the BPU and Michigan Bell Telephone in 1954.

Council Member Zeiser, seconded by Council Member Bell, moved to approve the Pole Attachment Licensing Agreement.

Roll call:	Council Member Bell	Aye
	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 8-0.

C. Proposal for BPU Distribution System Improvements

BPU Director Barber stated the FY2017 budget included \$350,000 to complete the construction and energizing of the High Rise Substation and reconfigure feeders 13 and 14. Mr. Barber stated SSOE Group was active in the engineering and initial construction of the substation, and had submitted a subsequent contract proposal to finalize engineering, design, bidding and construction administration of the improvements.

Council Member Flannery, seconded by Council Member Dixon, moved to approve a contract with SSOE Group at a cost of \$48,900.00 to engineer, design, solicit bids and administrate the construction to reconfigure feeders 13 and 14, complete the design of the High Rise Substation, and replace the dead-end riser structure at the High Rise Substation.

Roll call:	Council Member Bell	Aye
	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 8-0.

D. Temporary suspension of BPU Power Cost Adjustment

BPU Director Barber reviewed a staff recommendation to temporarily suspend the utility's Power Cost Adjustment program until a new electric rate study could be completed. Mr. Barber reviewed how the adjustment was calculated and how the program had resulted in the utility incurring an October deficit of \$84,472.

Council Member Flannery, seconded by Council Member Dixon, moved to temporarily suspend the utility's Power Cost Adjustment program, pending the approval of the new electric rates.

Roll call:	Council Member Bell	Aye
	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 8-0.

E. Amendment and Renewal of Hillsdale Policy Group Contract

City Manager Mackie reviewed the renewal contract with the Hillsdale Policy Group (HPG) for 2017 economic development services at a total cost of \$48,500. City Manager Mackie stated the contract was a 25% reduction from 2016 and that current city staff would assume some of the responsibilities that were previously handled by Mary Wolfram. City Manager Mackie commended Mary Wolfram for her dedicated leadership of the city's economic development programs.

Dr. Gary Wolfram noted many of the responsibilities assumed by the Hillsdale Policy Group had previously been assigned to the Assistant City Manager, a position that had been eliminated.

Council Member Bell questioned what type of businesses or industries were being targeted by the Hillsdale Policy Group for development within the City of Hillsdale. Dr. Wolfram discussed how the city should not target a specific type of industry, but rely on the unique attributes that Hillsdale could offer that were not available in other areas. Dr. Wolfram discussed how the installation of the high-speed fiber system could be used to attract employees who had the ability to telecommute for their jobs.

Council Member Stockford questioned how potential employees without a college degree could succeed in Hillsdale's economic growth plans. Dr. Wolfram discussed the lack of employees with a skilled trade and the importance of a successful K-12 educational system in Hillsdale to combat this issue. Dr. Wolfram highlighted the positive impact of the Hillsdale ISD building trades program partnering in the Three Meadows subdivision development.

Council Member Sharp noted the need for skilled trade employees in the area and the importance of an available workforce. Council Member Sharp questioned if the Hillsdale Policy Group could have impacted the decision of Hartzell Veneer and American Copper & Brass to leave the city for other sites. City Manager Mackie stated the city and HPG representatives actively communicate with businesses to discuss any site retention issues. City Manager Mackie stated the relocation of Hartzell Veneer and American Copper & Brass could not have been averted by HPG or city staff.

City Manager Mackie anticipated that within 30-60 days, plans would be announced regarding new businesses that would fill the vacant sites at the city's Industrial Park.

Dr. Wolfram noted HPG staff spends many hours to ensure state and federally funded projects are progressing in compliance with the many rules & regulations imposed by the grant agreements.

Council Member Morrissey noted the importance of approving the contract with HPG when an alternative had not been previously discussed. Council Member Morrissey recommended the

contract approval and the continuity that would be realized in the Economic Development office.

Council Member Morrissey, seconded by Council Member Flannery, moved to approve the amendment and renewal of the Hillsdale Policy Group (HPG) consulting contract with a 25% reduction in cost, the modification of Section 8 of the contract to read Professional Liability insurance in place of Commercial General Liability insurance, and authorizing the Mayor and City Clerk to execute the contract amendment.

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

Motion passed 7-1.

Miscellaneous

A. November 2016 Election Report

Council Member Bell noted the memo should indicate the write-in votes were for Evan *McMullen* and not Evan *McWilliams*. City Clerk French noted this would be corrected.

B. 1st through 3rd Quarter Reports – Hillsdale Fire Department

The report was received by Council for informational purposes.

C. Planning Commission Appointments

Council Member Bell encouraged the Planning Commission to favor a less-restrictive, business-friendly zoning approach.

Council Member Flannery, seconded by Council Member Sharp, moved to approve the following appointments:

1. Dr. Robert Schall (New Appointment)
2. Eric Moore (Re-Appointment)
3. Samuel Nutter (Re-Appointment)
4. Amber Yoder (Re-Appointment)
5. Kerry Laycock (Re-Appointment)

By a voice vote, the motion carried unanimously.

Amendment of Agenda

Council Member Bell, seconded by Council Member Zeiser, moved to amend the agenda to move the Closed Session item to follow the City Manager's Report, General Public Comment, and Council Comment sections. By a voice vote, the motion carried unanimously.

City Manager's Report

City Manager Mackie reported the "Small Business Saturday" event was scheduled for November 26, 2016, which was a nation-wide promotional campaign to encourage consumers to shop at locally owned stores in their community. City Manager Mackie stated that Mary Wolfram had distributed promotional tote bags and fliers to city businesses to help promote the event.

General Public Comment

Ms. Penny Swan, 192 South West Street, thanked the BPU for quickly restoring the power throughout the city following the storm on Friday evening, November 18.

Mr. Jack McLain stated the City Council and staff placed too much emphasis towards Hillsdale College and argued there was more to the City of Hillsdale than just Hillsdale College. Mr. McLain also encouraged the inclusion of Hillsdale Beauty College on city brochures and advertisements.

Council Comments

Council Member Stockford responded to Mr. McLain and stated his concerns about Hillsdale Beauty College had been forwarded to Mary Wolfram following the last Council meeting. Council Member Stockford also commended the BPU for quickly restoring electricity to the city following the recent storm. Council Member Stockford then echoed Dr. Wolfram's comments about the need for skilled trade employees within the region and the issues surrounding employee absenteeism in today's workforce.

Council Member Sharp thanked the BPU for quickly restoring power following the recent storm.

Council Member Bell thanked the BPU for quickly restoring power following the recent storm.

Mayor Sessions thanked the BPU for quickly restoring power following the recent storm.

D. Closed Session – Litigation

Council Member Bell, seconded by Council Member Stockford, moved to enter into Closed Session under Section 8(e) of the Michigan Open Meetings Act, to consult with City Attorney regarding trial strategy in connection with Dawn Townley v City Council for the City of Hillsdale, Hillsdale Board of Public Utilities et. al.

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

Motion passed 8-0.

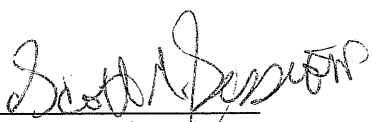
The Hillsdale City Council went into Closed Session at 8:40 p.m.

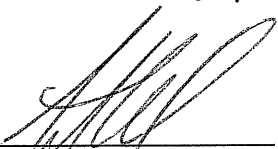
The Hillsdale City Council reconvened into Open Session at 9:18 p.m.

Adjournment

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

The meeting adjourned at 9:20 p.m.



Scott M. Sessions, Mayor

Stephen M. French, City Clerk