

CITY COUNCIL MINUTES

City of Hillsdale
 Council Chambers
 April 2, 2018
 7:00 P.M.

Regular Meeting

Call to Order and Pledge of Allegiance

Mayor Adam Stockford opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Adam Stockford called the meeting to order.

Council Members present:	Adam Stockford, Mayor R. Gregory Stuchell, Ward 1 Timothy Dixon, Ward 2 William Morrissey, Ward 2 Bruce Sharp, Ward 3 William Zeiser, Ward 3 Matthew Bell, Ward 4 Raymond Briner, Ward 4
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Council Members absent:	None
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Also present were: City Manager David Mackie, City Clerk Stephen M. French, City Attorney John Lovinger, City Attorney Tom Thompson, Scott Hephner (HCPD & HCFD), Gary Stachowicz (DPS), Bonnie Tew (Finance), Autumn Rathbun (Finance), Kay Freese (HR), Mary Hill (Library), Nic Rowin (Hillsdale Collegian), Thomas Duke, Sheri Lemke, Jill Hardway, Dennis Wainscott, Penny Swan, Ted Jansen, Jack McLain, Ruth Brown, Bob Finegan, and Brian DuBois.

Approval of Agenda

Council Member Morrissey, seconded by Council Member Briner, moved to the April 2, 2018 agenda as submitted. By a voice vote, the motion passed unanimously.

Public Comment

Mr. Jack McLain, 1445 South Bunn Road, noted the Manning Street block party that Council had approved at the March 19, 2018 meeting included a beer tent that was not alluded to in the original application. Mr. McLain stated the beer tent may have been a violation of the state's liquor control laws.

Consent Agenda

- A. Approval of Bills
 - 1. City Claims of March 22, 2018: \$185,314.59
 - 2. BPU Claims of March 22, 2018: \$441,894.98
 - 3. Sewer Fund Claims of March 22, 2018: \$282,293.69
 - 4. Payroll of March 22, 2018: \$152,420.23
- B. City Council Minutes
 - 1. March 19, 2018 Regular Meeting
 - 2. March 27, 2018 Work Session
- C. Operations & Governance Committee Minutes of March 14, 2018
- D. Planning Commission Minutes of February 20, 2018 and March 12, 2018

- E. TIFA Meeting Minutes of February 6, 2018
- F. TIFA Targeted Development Committee Minutes of February 27, 2018

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

Roll call:	Council Member Bell	Aye
	Council Member Briner	Aye
	Council Member Dixon	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stuchell	Aye
	Council Member Zeiser	Aye
	Mayor Stockford	Aye

Motion passed 8-0.

Communications/Petitions

- A. Hillsdale County 4H Shooting Sports Notice
- B. Retirement System Annual Report
- C. Comcast Communication

The communications were received for informational purposes only.

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 Treasurer Vacancy – Verbal Update

City Manager Mackie reported the city had received twenty applications for the vacant City Treasurer position and four candidates had been identified for an initial interview that would be scheduled in the upcoming week.

Mayor Stockford invited any Council Members who were interested to attend the interviews of the four candidates.

- B. Lot Division Application from West Street Living LLC, 240 N. West St

Mr. Thomas Duke, Operating Manager for West Street Living LLC, reviewed the housing project and his request to appeal Council's earlier decision that would require all sales to include a common area maintenance agreement. Mr. Duke stated any common area maintenance and improvements would be handled by the property owners collectively, without the necessity of a formal agreement, a master deed, or a condominium association. Mr. Duke noted the common area would be owned by Hillsdale College and any maintenance of the common areas would be maintained by the college.

Council Member Dixon questioned if a formal agreement was not required, how ownership would legally require an owner to contribute to common area maintenance or improvements. Mr. Duke stated each owner would have a contract with the college to pay for items such as snow removal and grass mowing.

Mayor Stockford questioned if the development would be privately owned. Mr. Duke responded the townhomes would be privately owned, while the college would maintain ownership of the common areas.

Council Member Bell voiced support for Mr. Duke's request and stated the requirement of a maintenance agreement would create an unnecessary, administrative oversight of the development. Council Member Bell stated the owners should be allowed to assume personal responsibility of ownership and support the maintenance of the common area without the requirement of a formal agreement.

Mayor Stockford, seconded by Council Member Zeiser, moved to remove the condition of the lot division application at 240 N. West Street that all sales include a common area maintenance agreement.

Roll call:	Council Member Bell	Aye
	Council Member Briner	Aye
	Council Member Dixon	No
	Council Member Morrissey	Aye
	Council Member Sharp	No
	Council Member Stuchell	Aye
	Council Member Zeiser	Aye
	Mayor Stockford	Aye

Motion passed 6-2.

New Business

A. Introduction of 2018-2019 Budget and Public Hearing Date

City Manager Mackie presented the proposed 2018-2019 Budget and thanked Finance Director Tew and city staff for their diligent efforts in regards to the development of the budget. City Manager Mackie noted the budget addressed major goals and objectives that had been expressed by Council, which included public safety, street & infrastructure improvements, economic development, and accountability.

City Manager Mackie reported the total revenues for the city were estimated at \$11,619,000 for FY2019, while total expenditures were presented at \$11,994,350. City Manager Mackie noted the budget included 77 full-time employees, a reduction from the early 2000's when the city employed more than 90 full-time employees.

City Manager Mackie noted the revenue for FY2019 included \$2.6 million in property taxes receipts (42% of total revenue), \$2.0 million from State of Michigan revenue sharing (22% of revenue), \$1.1 million in PILOT payments (10% of revenue), \$2.3 million in grants & donations, \$1.8 of internal transfers, and \$1.7 million labeled as "other".

City Manager Mackie presented a brief overview of the expenditure totals for each fund that included \$4.8 million in General Fund expenditures. City Manager Mackie noted the \$350,000 of excess expenditures from the anticipated revenues was due to the purchase of three plow/dump trucks that Council had approved in March 2018.

City Manager Mackie reported \$300,000 from the budget would be directed to the "Municipal Street Fund" for future road construction and \$215,000 was included for other Capital Improvement projects. City Manager Mackie noted the Capital Improvement totals included \$51,000 for sidewalk replacement program; \$45,000 for the Mill Pond Dam repair; \$37,000 for computer upgrades; \$60,000 for improvements at the Mitchell Research Center; and \$47,000 for City Hall exterior repairs. City Manager Mackie announced no capital improvement projects were planned for the airport during FY2019.

City Manager Mackie reviewed the draft resolution that would approve the taxing millage rates for FY2018-2019 that included 12.4337 for general tax, 2.4868 for street repairs, 2.981 for the sinking fund for street construction, and 0.9947 for the library.

Council Member Bell questioned how many years the city administration planned to levy the 3-mil tax for the sinking fund. City Manager Mackie noted that with all of the necessary work that was needed for city streets, the 3.0 mil levy would be included within the proposed budgets for the foreseeable future. City Manager Mackie noted the sinking fund required Council approval on an annual basis. Responding to a question from Council Member Bell, Finance Director Tew stated the tax millage rates were the same as the previous fiscal year.

City Manager Mackie reviewed the long-term and outstanding debt summary of the city, which was primarily concentrated within the BPU funds. City Manager Mackie stated the only city-related debt was for the MDOT Bureau of Aeronautics Loan and the interdepartmental loan for the new fire truck.

City Manager Mackie presented the totals Debt Service Fund, which was the 3-mil sinking fund levy for street repairs. City Manager Mackie noted the budget estimated \$400,000 in revenue from the 3-mil levy, as well as an additional \$300,000 transfer from the city's General Fund for street improvements.

City Manager Mackie finalized his comments by reviewing the historical trends of property tax revenue from 2006 to present and the impact of the 2008 recession on the property tax totals received by the city.

Responding to a question from Council Member Bell, City Manager Mackie reported the expenditures for FY2019 were approximately 4.5% less than FY2018, while also maintaining the existing city services.

Council Member Sharp questioned when the city would receive monthly fees for the new AT&T tower that was to be constructed near M-99. City Manager Mackie stated the fees would be collected when the tower was constructed and those revenues were included in the FY2019 budget.

A printed copy of City Manager Mackie's Power Point presentation was filed with the Council papers of the meeting.

Council Member Morrissey, seconded by Council Member Bell, moved to set a public hearing for May 21, 2018 at 7:00 p.m. to receive public comments on the proposed FY2018-2019 city budget.

Roll call:	Council Member Bell	Aye
	Council Member Briner	Aye
	Council Member Dixon	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stuchell	Aye
	Council Member Zeiser	Aye
	Mayor Stockford	Aye

Motion passed 8-0.

B. City Mowing Contract for 2018-2020

Mayor Stockford reviewed the annual mowing contract, which included all city parks, some roadsides, city entrance signs, traffic islands, and parking lot borders for mowing, string trimming, edging and some light landscaping. Mayor Stockford noted city staff did not recommend the lowest bidder, Precision Lawn Care, be awarded the contract, as the company had a small staff and equipment list and would be unable to fulfill the terms of the contract.

City Forester Stachowicz stated Bill's Lawn Care was awarded the lawn maintenance contract for the City of Hillsdale in 2011-2014 and during that time, the work performance was exceptional and required minimal oversight from DPS staff.

Council Member Sharp, seconded by Council Member Bell, moved to approve a contract with Bill's Lawn Care for lawn maintenance during the 2018-2020 mowing seasons in the amount of \$166,440.00, and authorize signatures of the Mayor and City Clerk on all necessary documents.

Roll call:	Council Member Bell	Aye
	Council Member Briner	No
	Council Member Dixon	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stuchell	Aye
	Council Member Zeiser	Aye
	Mayor Stockford	Aye

Motion passed 7-1.

C. Uran Street Name Change - Discussion

Council Member Bell reported Mr. Jim Condon has requested Uran Street be renamed to Prosperity Drive in the City of Hillsdale. Council Member Bell noted this request would be presented to the other business owners on Uran Street to gauge their support of this proposal. A copy of Mr. Condon's request was filed with the City Council papers for the meeting.

Council Member Sharp objected to the request and stated tax payer dollars should not be used for this request.

Mr. Jack McLain provided a brief history of Mr. Denver Uran, who was a farmer on Hallett Road and served as a constable.

It was the consensus of Council Members to have the Public Services Committee review this request and make a recommendation to Council.

Miscellaneous Reports

There were no miscellaneous reports on the meeting agenda.

General Public Comment

Mr. Ted Jansen, 104 Hillsdale Street, noted multiple street signs were missing on River Street near Hillsdale College. Mr. Jansen also commended Council and staff for the excellent work session that was held on March 27th and for the open communication that occurred with the residents during that meeting. Mr. Jansen thanked Chief Hephner for administering the purchase of protective, body armor for the city's police officers.

Mr. Jack McLain noted the developer on North West Street planned to deed the common area of the housing development to Hillsdale College, which would make that area free of property tax liability. Mr. McLain stated Hillsdale Terminal had been operating within the city limits for a limited time and questioned the appropriateness of their request to rename Uran Street. Mr. McLain also commended Council and staff for the work session on March 27.

Pastor Bob Finegan thanked Council for allowing him the opportunity to lead Council Members and the public in prayer prior to the meeting.

Mr. Dennis Wainscott thanked Council for the work session that was held recently and noted the productivity of the meeting. Mr. Wainscott also discussed the importance of prayer and encouraged Council to offer a time for prayer before every meeting.

City Manager's Report

City Manager Mackie:

1. Reported on the improvements made at the Hillsdale Airport that were highlighted at the last Airport Advisory Committee (AAC) meeting. City Manager Mackie reported the hangar purchased from JW Enterprises had been leased to a tenant who planned to purchase a large amount of jet fuel from the airport. City Manager Mackie also indicated the airport was looking to continue its flight school and would attempt to develop a Civil Air Patrol unit at the airport as well.
2. Reported safety upgrades continued to be made at City Hall, which would include the installation of security cameras throughout the building. City Manager Mackie stated BPU employees were assisting in the installation of the camera system to reduce the city's cost of the project.

Council Comments

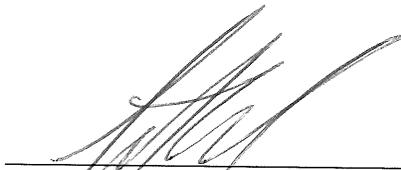
No comments were offered.

Adjournment

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

The meeting adjourned at 8:49 p.m.



Adam L. Stockford, Mayor

Stephen M. French, City Clerk