

Draft Copy

**CITY OF EVART
REGULAR COUNCIL MEETING**

October 6, 2014

Meeting called to order at 7:00 p.m.

Present: **Mayor** - Eric Schmidt; **Council** – Dan Elliott, Casey Keysor, Gregg Sherman;

City Clerk – Seraphim Bieri; **City Manager** – Zack Szakacs

Absent: **Treasurer** Sarah Dvoracek (infant developed high temperature, as per City Mgr)

Late Arrival: **Councilman** BJ Foster

Guests: John Tanner – OHM Consultants, Deb Mishler, Maryann Borden, Debra McNeil, Jim White – City Attorney, “Jan Gabble” (sp?), Bill Bradley, Brenda Bradley, Brandy Dimond, Buck Vallad – Director DPW, Joel Johnson – State Representative, Patrick Muczynski

Citizenry Comments:

(no remarks)

Moved by Keysor, seconded by Schmidt to amend the agenda ...

Adding City Manager’s discussion of a Sewer credit for a citizen ... and ... Flood Insurance reimbursement program ...

Passed unanimously

Moved by Keysor, seconded by Sherman to accept the minutes of September 15 ...

Mayor asked Bieri to confirm/elaborate on her corrections to Fleis & Vanenbrink Consultants’ report/figures. City Clerk revisited her discovery that Council had voted-in their recommended contractor (Playworld, of Midland, MI) but that Playworld’s attached bid was for \$748.00 LESS than F&V’s summation letter had indicated. Telephone discussions with Rick Stout of F&V initially suggested he’d done a tax miscalculation, but she and Stout determined even that could not account for the figure. Ultimately, Stout verified her discovery that \$13,142.00 is the correct and lower figure for Evart and that the one presented in their (previously) attached summation may and should be disregarded.

Passed unanimously

The LDFA - Director Melora Theunick, not in attendance

City Manager spoke with Director Theunick with regard to McNeilly property; she’ll be addressing their Board about hiring attorney other than Jim White since he had involvement with the parties previously. Also LDFA looking into the 100th Avenue property north of US 10.

The DDA – Director Al Weinberg, not in attendance

Unfinished Business:

• **2014/15 Goals**

City Manager notes Foster’s absence and therefore sees wisdom in tabling this again until full participation is possible. Adds that he still needs emails from Council with overviews and refined lists based on Dan’s extensive list: goal is 10 overall.

- **City Service Fees**

Szakacs clarifies that “fees” are already addressed for anything within the Water/Sewer department in that when unpaid, legally they may be added to taxes. For other City provided services (tree trimming, et al) nothing currently serves as motivation to pay unpaid bills. He cites most communities’ 1% practice, while Cadillac and Clare – 0%. Szakacs recommends 1%/month (12% annually).

1. **Mayor** wonders if that percentage isn’t eaten away by stamps and mailing costs.
2. **Sherman** cautions that citizens are suddenly incurring raised Water and Sewer rates, currently paying the highest legally allowable percentage of Tax, and that this is not the time to impose a new service fee.
3. **Foster** counters that if the bill is unpaid, it should have been, and 3%/month isn’t too much to demand.
4. **City Attorney** quickly points out that Foster’s figure, is legally too high (48% annually).
5. **Szakacs** offers recent example *where Funeral Home visitors would have been impeded by neighbor’s downed tree limb; owner is out-of-state; City responded to Funeral Home’s request for timely aide, sending DPW and calling neighbor to inform of forthcoming bill – owner appreciative of removal having been unable to find contractor to do job in first place, City fully expects payment in full.* **Moved** by Foster, seconded by Keysor to approve the recommended 1%/month service fee... non unanimous vote, so ...

ROLL CALL VOTE:

Ayes: Elliott, Foster, Keysor, Schmidt

Nays: Sherman

Abstentions: (none)

Passed with 4 – 1 majority

New Business:

- **Car Wash Water Meter – Bill Bradley**

As owner of the defunct Car Wash, Bradley is frustrated by failed attempts to disconnect service and avoid suddenly “exorbitant” Ready-to-Serve fees, noting his recent unreturned calls to DPW of 9/29, 10/3, even this morning (9:10am). He asks Council if “tearing down the building” is the only remedy. Mayor asks DPW Director Vallad what other Car Wash has as its bill – similar \$200? Bradley responds “No!”, offering a copy of their \$19 bill.

>> **City Manager** explains that Bradley owns his meter since Evert did not possess the needed size, ultimately turning discussion over to OHM Consultant John Tanner to explain why \$200 is not an unusual fee, before hand Szakacs cites Ventra’s \$500,000 annual fees to the City which with new October 1st final construction will have dropped to about \$75,000.

>> **Mrs. Bradley** interjects the question of why the local citizen/business owner should be “punished” for the factory’s upgrade.

>> **Mayor** insists it isn’t punishment, there is a fiscal-reality accompanying the loss of Dean’s Dairy and of Ventra’s upgrade.

>> **Mrs. Bradley** counters with concern that first Evert billed quarterly, then monthly, then rate increases, then...

>> **Bill Bradley** asks Council to consider the percentage that this increase represents, noting that his research shows many other cities won’t even invoke the “shut off” fee if it is merely a once-a-year seasonal issue.

>> **Mayor and Keysor** clarify it is only to “cover costs” of the system. Mayor and Foster emphasize that singling him (his business) out for a modification of policy would be inequitable to the citizenry at large.

>> **Bradley** asks for a bottom-line plan of action: what does he do to avoid the monthly \$200.

>> **Tanner** explains what a “Ready to Serve” fee is. Conversation ensues as to neither the closure of a business nor the creation of an empty lot where it stood eliminates the “readiness” i.e. the fee for commercial properties. New Family Dollar is offered as example by **Szakacs** while **Foster** emphasizes that if unused buildings were simply dropped from the fee structure, it would create a huge deficit in City revenue. **City Attorney** and **Mayor** cite their own mega-jumps in Ready-To-Serve fees.

>> **Bradley** asks Council / DPW what the Dairy’s water bill was last month. (no response). Bradley says: \$864 (**City Manager** invites a deferment until next meeting so he can access all figures.)

>> **Bradley** asks Council to offer a rough number of how many homes are vacant in our City. Response not forthcoming, Bradley offers his own estimate of 60-80, **Foster** criticizing that when Bradley was on Council he wouldn’t have known the figure he just asked for. **Bradley** laments the economic climate of Evert, informing Council the sale of a (known) home was stopped when prospective owners learned of the \$118 utility bill.

>> **City Attorney** cautions that it can be “apples ‘n oranges” when quickly comparing utility billing between Evert and Reed City since they do not include garbage service on that invoice.

>> **City Manager** points out that Evert is very much in line with Clare and Ionia.

>> (**unidentified woman**) ... objects at the size comparison of not only comparing larger populations to Evert but asking that “equally employed vs. retiree-based” citizenship communities are more accurately/fairly compared for such purposes. She concludes by suggesting City employees be paid more discriminately when listed as ‘dual job employees”.

>> **Mayor** summarizes by noting the twice a month meetings plus special meetings at which Council has had to face the tough decisions of covering the Enterprise fund obligations. He points out that television cable rates increase and are “exorbitant” at a business versus a home. Adds that he/Council feel sorry about the changes.

>> **Keysor** summarizes by noting that all business expenses have escalated over the years; has DPW Director confirm that that department is still running under the same budget they had 20 years previously, and wonders if Bradley could run his business on a two decades’ old budget.

>> **White** adds that “Ready-To-Serve” should have been in place for years, but wasn’t and suspects places like Centennial Arms are none too amused as no longer getting away with a minimal charge.

>> **Szakacs** asks if Dean’s Dairy has a 1”? “No -- 6” because of fire suppression needs” which then evolved into a discussion of the well they own, the 5/8” line into the trailer and the \$2300/monthly due to broken contract, with **Vallad** acknowledging that they are still “working out the bugs”, he’s glad Bradley brought Dean’s to his attention since “fair is fair”.

>> **Elliott** asked for clarification as to which Dean’s building was under discussion, noting that the main one never was on the City system. **Foster** saying that a former City Manager granted them that privilege without review by Committee or Council.

Additional discussion centered around Elliott’s assertion that anything less than \$1-million in a fund for upgrades is inadequate, and Vallad’s alert that the lines on Hemlock and Oak date to the 1930s. Vallad pointed out that “everyone in the past” was too afraid to raise

rates so the natural progression of small to modest rate hikes never was undertaken. He points out we are still paying off the load to build the Water/Sewer system. Bradley wonders if the lagoon couldn't be sectioned-off now, as other cities have done. "Not our system, it is Mother Nature dependent." DPW elaborated, detailing goals of spending less on electricity to deal with infiltration – goal which becomes more achievable with upgraded waterlines throughout town.

- **Dumpster Contract – Annual Renewal Republic Service**

Mayor questions if City needs expense of dumpster at Riverside East (where it is often misused by residents dumping their personal trash). Szakacs explains the DEQ requirement.

Moved by Sherman, seconded by Elliott to approve the renewal summarized in Republic Service's 9/23/14 letter addressing both Riverside Parks, Cemetery, Water Plant and DPW...

Passed unanimously

- **South Oak Street – Request for Council Action – Design/Engineering**

DPW requests approval for \$18,800 in OHM Consultants work designing and evaluating the engineering requirements for upgrade/repair. South Oak is not only outdated with history of freezing and splitting but it isn't "looped" therein creating threat of sediment backwashing if pressure is lost. Additionally it is only a 1¼-inch line, substandard for fire abatement. **City Clerk** wants to know how 1¼ compares to what is 'standard'; "6-inch". (**Vallad** notes that Hemlock is better than Oak but still two inches too narrow for fire standards.) **Elliott** wants to know if the stretch from US 10 to Railroad includes curb costs; **Tanner** notes it is not, **Elliott** insists it be added to the estimate. **Sherman** asks if this was budgeted for this year? "NO" – although **Vallad** explains that actual work isn't likely until July 2015 on the cusp of the start of the new fiscal year. **Sherman** insists that Evert have the money before undertaking the actual project. **Elliott** is concerned that since there isn't an 'over all' plan, how does Council know this is "the" priority! **Vallad** revisits the Reality Study with its 10 projects, some of which are huge dollars for which grants are the only avenue, others have health and human service issues, to tackle all would easily be \$1.5-million.

Moved by Foster, seconded by Elliott to approve the Design / Engineering request...

Passed unanimously

- **Street & Utility Improvements – Request for Council Action**

DPW requests approval for \$28,500 in OHM Consultants work for preliminary engineering work to be billed monthly for upgrades detailed in Exhibit A of OHM's 9/29/14 proposal (review with City staff of envisioned projects; completion of topographical surveys; soil borings; hydraulic analysis; etc.)

>> **Elliott** urges support is easier if first, the "big picture" has been addressed cites past value of knowing "Intersection Elevations" citywide, calls for inclusion now. Also says Evert overdue for "every 10 year practice" of aerial photography survey (great aide to industry and municipality), noting November to February the preferred months. Suggests a range encompassing at least South of the Muskegon to 2 to 3 miles North of city line, East to 66 and West to Reed City.

>> **Tanner** supports this if it could have costs divided by project.

Moved by Elliott, seconded by Keysor to approve the request...

Passed unanimously

- **McNeilly Property Annexation**

Szakacs will know this Wednesday if LDFA opts to retain alternate attorney. Asks White if he has the deed yet, White is not sure and will check. Elliott shares conversation with LDFA Chairman Dennis Beamer who indicated enthusiastic support for the annexation. Elliott strongly advised against the 425-method, in favor of “LDFA District 2” in order to eventually build infrastructure, noting that there is a company in the wings which wants 45 to 50 acres and we would represent their only option between Clare and Ludington, but no firm will wait two years for “availability”. Representative Joel Johnson was brought into the discussion to address the brewing Lansing oversight vs. removal of LDFA/DDA processes (TIFA). Elliott poses the question of where budget-strapped Evert could otherwise have envisioned developing the McNeilly acres without the \$1.5-million dollar aide. City Manager agrees that it wouldn’t have been possible.

- **Sewer Bill Adjustment – Mr. Cass**

City Manager summarizes the situation in which John was there monthly, found a leak and then another. Mr. Cass is seeking not a Water credit, but Sewer (since the leaks didn’t feed into the sewer system), but as Szakacs is only empowered to adjust up to \$100, he asks that Council grant Mr. Cass the \$339.70 the resident is seeking.

Moved by Keysor, seconded by Sherman to approve the request...

Passed unanimously

- **Flood Insurance Reimbursement Program**

City Manager reviews, noting that this year’s flooding added up to “big dollars” and the Evert Fire Department has petitioned Uncle Sam for reimbursement, but that somewhere along the way, government has determined that our volunteer fire department is not a bonafied “political entity”, therefore the monies must (can only) be paid to the City, which in turn, is expected to pass them along to the Fire Department. Approximately \$5,000 is involved. **Moved** by Keysor, seconded by Sherman to approve the request...

Passed unanimously

- **Treasurer - Sarah Dvoracek, not in attendance**

Submission of Manual Check Report through October 6, 2014; Revenue/Expenditure Report 7/1/14 – 10/3/14 and Vendor List.

Moved by Keysor, seconded by Sherman to accept Vendor List as submitted

Passed unanimously

- **City Manager – Zack Szakacs reporting**

1) Distributes 23 page look at TIFAs and DDAs.

2) Shares 10/3/14 two page letter appeal he drafted to the Program Specialist (Greg West) in charge of the MEDC purse strings governing our current Pocket Park / Main Street DIG Grant improvements. Noting that Evert is unable to meet funding and timelines requirements, Szakacs hopes that instead of forfeiting the dollars altogether, a project timeline extension could be granted for completion by June 20, 2015. Again, Representative Johnson was entreated to exercise influence on our behalf upon his return to Lansing. Szakacs noted that Owasso dropped out of the DIG Grant and Big Rapids wrote a letter receiving \$300,000 extra (contractors apparently demanding higher rates than grantor envisioned).

3) Today was final day of employment of Parks and Rec Director Mark Wilson who has been let go; however he volunteered to volunteer his time for Hunter Safety Classes, Evert Snowshoe events, as well as Park 'n Rec Facebook pages (until a new point person has been hired).

- 4) The Auditors have been onsite for a week and half with another week and half to go,
- 5) Notes his work with the Teamsters (employee issues) is taking a great deal of time.

- **Police Department – Chief Backing reporting**

Safety Millage Community Meeting will be this week, 6:30pm Council Chambers.

- **Department of Public Works – Director Buck, reporting**

- 1) Vallad distributed spiral bound Asset Management Plan for City of Evert – city's water system.
- 2) He also calls upon City Attorney to draft appropriate language for use in ordinances. White counters that in many cases the use of "by Policy" is sufficient instead of "by ordinance".
- 3) Mayor asks for reminder of DPW participation in last year's inaugural Haunted Trail at Riverside East; "wood drop-off", but it was determined that this year, more could be done.
- 4) Jefferson Street does have a waterline break, they will be addressing it tomorrow (Tuesday).
- 5) Mayor asked about dates of "Free Leaf Pickup Week" – Vallad is sticking with the week prior to Halloween.

- **City Attorney – Jim White reporting**

Dealing with ordinance work and "strange" drug/alcohol issues and will be meeting with Tanner formatting Water/Sewer language.

Moved by Keysor, seconded by Sherman ...

... Adjournment at 8:14 p.m.

Passed unanimously