

A worksession of the City Council was held at City Hall, 200 S. Main Street, on Monday, September 15, 2008, at 5:00 p.m.

Present were Mayor Davidson and Councilpersons Brown, Greenhoe, Letarte and Harri. None were absent.

Administrative Staff Present was City Manager Bill LeFevere, WWTP Director Todd Nichols, Building Inspector Jon Hill, Fire Chief Roger McNutt, City Superintendent Scott Poyer, City Assessor Mike Baker, Police Chief Paul Malewski, Deputy Clerk/Treasurer Carla Mazur and City Clerk Kristy Reinecke.

Purpose of the meeting was a worksession. Notice of the meeting was duly given.

Public Comments:

None.

Old Business Topics of Discussion were:

DDA:

Hall Street Project: The property has been marketed with an extension and the project is still ongoing. NRHP Nomination: This will be on the Agenda for the State at their September Meeting. Red Ribbon Hall: Work continues on the remodeling of the bathrooms and painting has begun.

LDFA:

South Industrial Park Infrastructure: Project specifications are being completed with the work planned to begin in October and completion in the Summer of 2009. MDOT Turn Lanes: There was a preconstruction meeting this morning, and the work is anticipated to begin later this week.

Infrastructure Projects:

Sewer River Crossings: A Contractor has been hired to perform the work, with a funding mechanism will be discussed later on the Agenda and completion scheduled for late Fall of 2008. Mill Street Parking Lot: Design work for the new location closer to Knight Street is on-going at this time, with completion scheduled for late Fall of 2008. GAR Island Park: LAP Study to evaluate and provide alternatives for Island wall restoration is almost complete, with the evaluation of the report beginning. Hall Street Parking Lot Study: LAP study is funded 50/50 with DDA and Local Street Funds, and will provide a plan for streetscaping, dumpster location, and overhead lines with the study being completed by the end of the year.

Economic Development:

Kingston Place: Work on this project is progressing as planned. Eaton Rapids Medical Center: Work on this project continues as planned. Old School Village: No plans have been submitted, and there is no visible activity on this project. Eaton Rapids Medical Park: The Planning Commission has approved the Site Plans.

Planning:

City/Townships: The joint Resolution to identify local funding for a 2035 Bridge project will be developed and submitted to Tri-County Planning by the end of 2008. City: Update of the Master Plan has been included in the 2009 Budget with the next step being to identify eligible bidders and solicit bids.

Grants:

MSHDA/CDBG: Second round of funding is in place, Grant Agreement with Ingham County has been renewed, the procedural steps required by MSHDA including the environmental review are being completed and projects have been committed that obligate the available funds, scheduled to be completed by late 2008 or early 2009. MDEQ 319: Covered under Mill Street Parking Lot project. Michigan Main Street Program: City has been chosen as an "Associate Level" Community and will receive specialized training in the nationally recognized Main Street Four-Point Approach.

Miscellaneous Projects:

Sale of Dollar House: Work on the bid specifications is on-going. City Hall Pocket Park: Funding is tied to the DDA/MDOT Streetscaping Project and construction is planned for the Summer of 2010. M50/M99 Corner Project: Acquisition of the two properties north of this intersection are in progress, with completion and demolition by late Fall of 2008. Joint Marketing Project: the Schools, Chamber, LDFA and Hospital have been working on this project for the past year, and funding has been approved, with ads to run in August.

New Business Topics of Discussion were:

City Manager LeFevere reviewed with Council an upcoming property maintenance hearing that will appear on the September 22nd Agenda. City Manager LeFevere stated that the individual had not shown up at the Administrative Hearing, so that it would be on the Agenda at the Appeal Stage.

Dr. Bill DeFrance, Brenda Stohr, and School Board Members Carolyn Wyckoff and Jeff Allison appeared before Council regarding the use of Union Street School. Dr. DeFrance gave a presentation to Council regarding parties that have been interested in the use of the Union Street School Facility. Dr. DeFrance stated that there has been interest from the Westside YMCA, three different churches, an Artist/Children's Creation Studio, Jackson Symphony as well as possible interest from LCC and Olivet Colleges. Dr. DeFrance stated that the School would not let any type of organization in that would detract from the City's plans, and nothing commercial that should be located downtown in the General Business District.

Fire Chief McNutt stated that there would need to be some retrofitting of the facility to meet fire code purposes.

Dr. DeFrance stated that what the School was looking for from the City was an endorsement from the City, and that the School wanted to fit into the vision of what the City wanted for this facility. Mayor Davidson stated that his main concern was that this facility not compete with the downtown businesses and the for profit businesses. Dr. DeFrance stated that the School was willing to form a committee, on which the City Manager could sit, or that the City would be notified with any business that was interested in coming to this facility, and the City could have the say as to whether they felt this was the right fit or not.

Councilman Letarte asked if there were any zoning issues. City Manager LeFevere stated that there were no zoning issues as this was in a Single Family Residential area and the businesses that were interested in coming in were compatible with this area.

Councilman Harri asked if the School was anticipating to make a profit off of this or were they just trying to break even. Dr. DeFrance stated that any monies made would be contributed back to the School system. Dr. DeFrance stated that the main intent was to just make enough money so that they could cover the costs of owning this facility, so that the utility costs would be covered.

City Assessor Baker stated that the School needed to be careful on what type of businesses they allowed in the facility as it could change their tax exempt status. School Board President Allison stated that it was the Schools intent to keep this as an educational enrichment atmosphere, and that they would only be keeping the building open if it could pay for itself, and so that there was not a boarded up building in this area.

Councilman Harri stated that one of the complaints that he hears is that there is nothing to do for the youth in the community. Councilman Harri asked if the YMCA had given any ideas on the programs that they would be offering at this facility. Dr. DeFrance

stated that it was in the material that had been distributed, and that they were looking at filling in the holes or gaps and complimenting what is already existing with local programs. Brenda

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Stohr stated that the YMCA has a very strong summer camp program that would be very welcome in the community. Dr. DeFrance stated that the YMCA was looking to have a partnership with the School and enhance programs such as the before and after School programs. Dr. DeFrance stated that they had also shown an interest in expanding the sports leagues and having management of these programs to help with the expansion. Dr. DeFrance further stated that the YMCA did have excellent camp programs to offer throughout the summer months, and that the School pool would be used to help facilitate some of these activities. Brenda Stohr stated that the YMCA is looking for gaps to fill in with their programming ideas, not to take over ones that are already successful.

Dr. DeFrance stated that why the School was giving the presentation was because they wanted support from the City. Dr. DeFrance stated that the City had presented the idea of having this facility be a business incubator and that this is a possibility that could be a partnership with the City and School. Mayor Davidson stated that the incubator idea was just so a business could get their feet on the ground and then move into their own facility, that this would not be the type of business that would stay in this location. City Manager LeFevere stated that these types of businesses have been very successful in other areas. City Manager LeFevere stated that in Hart the business incubator had been for cooperative extension services, so they were not for profit businesses as well.

Dr. DeFrance stated that with the possibility of LCC holding some classes at this facility, the School District needed to remember that we currently do not pay LCC taxes, and that this effects the City as well as seven other Townships within the School District.

Councilman Letarte stated that he felt that this was a great idea, his only concern was whether or not there would be direct competition with existing businesses. Dr. DeFrance stated that he had no problem forming a Committee and having either the City Manager or a member of Council on the Committee to work with that issue to make sure that this does not happen.

Councilwoman Brown stated that she felt that Westside YMCA wants to become a part of our Community, not be in competition with our Community. Councilwoman Brown further stated that a proposed Resolution should be drafted so that the School could move forward with this and it could be acted on at the next Council Meeting. This item will appear on the September 22nd Agenda.

School Board President Allison stated that at some point he would like to revisit the purchase of electricity for the School and the possibility of a single use rate for all of the School facilities and perhaps the use of a master meter at the Greyhound Drive Campus location. City Manager LeFevere stated that this could be looked into.

Mayor and Council thanked the School for their presentation.

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City Manager LeFevere introduced Dan Cooper from the Michigan Public Power Agency. Mr. Cooper explained the history of the MPPA and how it came about. Mr. Cooper stated that he was here because the City has been working with the MPPA, but as the electrical field becomes more difficult, he feels that the City should become a full member of the MPPA, and not just a service member. Mr. Cooper stated that with the Resolution that Council just passed regarding the Granger power purchase, that these types of issues would require the City to have a longer term relationship with the MPPA. Mr. Cooper stated that if the City approved to become a full member with the MPPA, that this would enable them to have a member sitting on the Board at monthly meetings where decision are being made. Mr. Cooper further stated that this would add more continuity and consistency, and that all that was needed from Council was a Resolution to join the Agency, and then the MPPA would have to file an amended article of incorporation to include them as members to the MPPA. Mayor Davidson asked who some of the current members were that are of similar size. Mr. Cooper stated the City of Charlevoix, Petoskey, Harbor Springs, Lowell, Cheboygan, Chelsea and Hart were just some to name a few. City Manager LeFevere stated that three out of the five members who the City is associated with in the Rate Payers Association are members of the MPPA, and that the City of Eaton Rapids used to be a member. City Manager LeFevere stated that we needed the MPPA to help with negotiations on rates which would be coming up in 2012, and that it was his recommendation that the City become a member of MPPA again. Mayor Davidson asked how much was the membership fee. Mr. Cooper stated that it would be under \$10,000.00. City Manager LeFevere stated that the membership fee was based on the size of the entity as well as how much power the City sold. Mr. Cooper thanked the Council for their time.

City Superintendent Poyer reviewed with Council the Vactor bids that had been received. Superintendent Poyer stated that the proposal from Doheny was for a 1998 unit that had been reconditioned, and it had 13,000 miles on it, with a quote of \$159,000.00, which was \$9,000.00 over the amount budgeted. Superintendent Poyer stated that he had concerns as this was a 10 year old truck, but that they were willing to offer a one year warranty on the Vactor unit. Superintendent Poyer stated that the proposal from Fredrickson was for a Vac-con unit. Superintendent Poyer stated that this was currently a leased vehicle, and it was a 2005 vehicle with 22,000 miles on the engine and 500 hours on the auxiliary engine. Superintendent Poyer stated that the vehicle needed new tires, windshield, decals and nozzles needed to be replaced.

Superintendent Poyer stated that the quote was for \$150,000.00, and that it was his recommendation to go with this proposal. This item will appear on the September 22nd Agenda.

City Superintendent Poyer reviewed the bids that he had received from Glenn Buege Chevrolet and Candy Ford for the purchase of a DPW Dump Truck as well as a Water Department Utility Truck. Superintendent Poyer stated that it was his recommendation to go with the low bid from Candy Ford for the DPW Dump truck for the amount of

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\$33,909.00, and with Candy Ford for the Utility Truck for the amount of \$31,039.00. This item will appear on the September 22nd Agenda.

City Manager LeFevere reviewed with Council the proposal that had come from Gary Arnold, with C2AE, regarding the River Crossing Project Fund Reimbursement. City Manager LeFevere stated that there were two ways that this project could be funded. The first way was with Reserve funds and then to do one of the options that had been recommended, with the monies being paid back to the City over time. The second option was to bond for this project, with the options recommended being rolled into the base charge which is based on the meter size. The second option would require an Ordinance change and would take a couple months to implement. City Manager LeFevere stated that it was his recommendation to bond for the project as opposed to taking money from the Reserve Fund. Mayor Davidson stated that he like Option B, which was to have the monies paid back within 15 years, which would increase the monthly base charge by \$1.65. Councilman Harri stated that he felt the monies should be paid back as quickly as possible, so he liked Option A, which would increase the monthly base charge by \$2.31. Mayor Davidson agreed that he felt that bonding for the project was the best idea. City Manager LeFevere stated that he will be in contact with the Bond Counsel and have the Resolution prepared and bring this item back to Council at a Regular meeting.

City Manager LeFevere reviewed with Council the proposed Resolution to impose a moratorium on pawn/secondhand businesses. City Manager LeFevere stated that after reviewing this type of business with the City Attorney, that there is no type of Zoning restriction in the current ordinance, so that this Resolution needed to be passed to allow further review of this type of establishment. This item will appear on the September 22nd Agenda.

City Assessor Baker reviewed with Council the request from property owners on River Street to purchase property. After discussion it was decided to further review this option.

Councilwoman Brown left at this point in the meeting at 6:50 p.m.

Public Comments

None.

Reports:

Mayor Davidson thanked Department Heads for the great job that they did last night regarding the flooding.

The meeting was adjourned at 6:55 p.m.

James E. Davidson, Mayor

Kristy Reinecke, City Clerk