

MINUTES OF CITY COUNCIL MEETING

January 21, 2020

Meeting was called to order by Mayor Ray Nau at 6:00 pm

Pledge of Allegiance was recited by all attendee's present

Present: Council members: Neville, List, Werth, Danielak

Absent: Frei, McCartney

Also present: Mayor Ray Nau, City Treasurer Shannon Sirpilla, Police Chief Brad Davis, City Auditor Tom Smith, Sharon Campbell, Dave with Rowe Engineering, and members of the community

Approval of Agenda: Motion by Danielak, support by Neville to move Chief Brad Davis up ahead on the agenda, so he can attend a different meeting. All present voting aye, motion approved

Public Comment: No comments made.

Adoption of meeting minutes: Motion by Danielak, support by Neville to approve minutes from December 16, 2019. All present voting aye, motion carried

Chief Brad Davis was moved up on the agenda in order to attend another important meeting. Council packet pages 78 & 79 requesting

FY2019 Audit Presentation given by Tom Smith with Smith & Klaczkiwicz. (Page 22 of council packet) Insurance increase due to fire damage of the DPW building. Sewer ended the year in the deficit partially due to Glidden Road project. General fund owes streets money. Enterprise funds ended in the negative for both hydro and sewer. General Budget (Page 47 council packet) was over budget in areas. General fund wants major streets to pay money back. Difficult to segregate job responsibilities with such a small municipality. Policies need to be adopted.

Agenda Items:

- A. Motion by Danielak, second by Neville, All voting aye, motion approved for consideration to approve Maintenance Plan & local contribution to Ross Lake Park Improvement Project CDBG Application. In summary: The City has been working with Fleis & Vandenbrink to complete the grant application and submit to the State (MEDC). Some of the requirements of the application are a maintenance plan for Ross Lake Park and a local match. The City was grandfathered into the previous CDBG call for projects, which is a 90/10 match. Our proposed application has a slightly higher local match to earn extra points for approval of the project. Note: The City was solicited to put in the application for \$700 thousand plus, and plans are in the works for the Farmers Market, Phase 2 of the Splash Pad to include changing rooms, fencing, benches, entry archway, pavilion, and a digital sign on M18 to advertise all activities in the City of Beaverton. See page 67&68 of council packet for further details.
- B. Roll Call Vote: All Ayes, motion approved for Resolution 2020-1 – Deficit Elimination Plan. Hydro deficit from 2018 is on track to come out of deficit by 2021. Street fund deficit Public Act 51 has an influx of cash. Glidden and Saginaw Road funds are expected to come out of deficit in year 2020. Sewer to come out of deficit with incremental rate increases as suggested by the Rate Study that was recently done. Currently in the second year of incremental increases. Five-year plan expects City to come out positive with incremental rate increases. St Gobain increasing service lines to the City system contributed to sewer/water influx of cash. Glidden Road is set to get new sewer lines since

water lines were done not long ago, while Saginaw Street will get new water and sewer lines replaced.

- C. Motion by Danielak, support by Neville, All Ayes, motion approved for creation of part-time assistant position and set hourly wage. In summary: Sharon Campbell has been our Vista-AmeriCorps intern for almost a year. Our engagement with CEDAM is almost complete (February) and I would like to continue to work with Sharon. The results of Sharon's work greatly benefited the City during Project Rising Tide and these initiatives will move quickly with her continued engagement. I recommend the City create a part-time administrative assistant position compensated at an hourly rate of \$13 per hour.
- D. Motion by Neville, support by Werth, Ayes, motion approved for Performance Bond for the Hydrodam Contract with Consumer's Energy. In summary: One of the conditions of the new agreement between the City and Consumer's Energy requires either the City secure a surety bond, letter of credit, one-time escrow payment or monthly escrow payments. I tried to get a letter of credit from Chemical Bank to no avail. I recommend a surety bond since the security amount is \$25,000. The annual payment for the surety bond is \$625 per year.
- E. Motion by Danielak, support by Neville, All voting aye, motion approved for encumbrance of \$100,000 for City Hall Renovation Project. In summary: Bids were received for the City Hall Renovation Project on January 6th. The City received 7 bids. Due to the amount of the average bid amount (\$672,977), I am recommended setting aside an encumbrance of \$100,000 for the City Hall Project. USDA RD is providing a 30-year loan at 2.75% up to \$545,000. This has been a process waiting for State to approve USDA loan pending deficit elimination plan. Danielak agrees that the City is being financially responsible in comparison to costs of other City Hall construction projects.

8. Reports

- A. County Commissioner Rick Grove: Absent, no report.
- B. DPW Supervisor Robert Sabisch: Written report. Paid HTMS Bond – Funds can only be used for capital improvement. Robert recommends new bucket truck. Estimating an encumbrance up to twenty thousand dollars. Currently waiting on a riverbank wall repair estimate. Wall is bowing towards the river and is considered a hazard. Danielak suggested contacting Mid State Seawall for an additional quote. Danielak asked Sabisch to use his best discretion on the bucket truck, but to wait until wall repair has been done to know where they stand financially. Motion to table by Danielak, support by Werth, All Ayes, tabled.
- C. Police Report: Written report provided; Chief Davis spoke at the beginning of the meeting.
- D. Mayor's Report/Ray Nau: Report was emailed to Council members with no discussion.
- E. City Manager's Report/Heath Kaplan: Out to council, no discussion.
- F. Engineer's Report: All three lift stations will go out to bid in next two weeks, easement has been approved. Saginaw Street moving forward for funding, application has been submitted. Hoping to be out to bid in the next three weeks. Industrial Park and Iron Removal are expected to go out to bid in February 2020.
- G. Library Use Data Report: No report.

9. Ways and Means: Payment of Bills for December 2019: \$137,352.69 Motion by List, Support by Danielak.

10. Committee Reports

- A. Fire Board- Phillip Andrist is doing well and payroll is being reimbursed by the townships.
- B. Fair Board- Not met since last council meeting.
- C. Parks and Recreation- Not met since last council meeting.
- D. Police Committee- Not met since last council meeting.
- E. Personnel Committee- Not met since last council meeting.
- F. Downtown Development Authority-Moving forward with projects. Comerica site plan will be

going to Planning Commission on January 22, 2020 at 6pm. Public announcement will be made by purchaser at the Town Hall Meeting on January 28, 2020 at 6:30pm.

11. Communications-N/A

12. Due to no other business, motion to adjourn made by Danielak and supported by Neville, All Ayes, motion carried to adjourn at 6:55pm.