

May 16, 2017

IMLAY CITY COMMISSION
150 N. Main Street
IMLAY CITY, MI 48444
REGULAR MEETING
May 16, 2017

1. CALL TO ORDER

Mayor Bargaen called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

Mayor Bargaen led the Pledge of Allegiance.

3. ROLL CALL

Present: Mayor Walt Bargaen
Commissioner Joi Kempf
Commissioner Marty Rankin
Commissioner Robert Tanis

Commissioner Amy Planck
Commissioner Mike Romine

Absent: Commissioner Al Ramirez

Also Present: City Manager Tom Youatt; DDA Director Dana Walker; Fire Chief Richard Horton; Doug Skylis of ROWE Professional Services Company; six members of the community; and one member of the media.

4. APPROVAL OF AGENDA

Moved by Romine, seconded by Tanis, to approve the agenda with the following addition:
8.F. Board Appointments.

MOTION CARRIED UNANIMOUSLY

5. APPROVAL OF CONSENT AGENDA ITEMS

Motion by Tanis, seconded by Romine, to approve the following Consent Agenda Items as presented:

- A.** Approval of Minutes – Regular Meeting – May 2, 2017
- B.** Other Minutes - Parks & Recreation Meeting – May 9, 2017
- C.** Payment of Bills - Payroll totaling \$89,060.75
Accounts Payable and Trust & Agency totaling \$159,380.68

ROLL CALL VOTE

Ayes: Rankin, Romine, Kempf, Tanis, Planck, Bargaen
Nays: None

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MOTION CARRIED 6 - YEAS; 0 - NAYS

6. CITIZENS FROM THE FLOOR

Alan Rosenbalm, Imlay City, addressed the Commission to relay his thoughts on the recent SAW project, stating that Spicer Group had done a good job of presenting on the status of the City's infrastructure and reporting the results of televising the pipes. Mr. Rosenbalm urged the Commission that when repairing the system, the City do something other than a Band-Aid approach. Additionally, Mr. Rosenbalm inquired as to why MDOT had not yet re-striped M-53 for the lane reconfiguration.

City Manager Tom Youatt responded that MDOT began their statewide striping efforts in May and will notice the City 2-3 weeks prior to their local work on M-53 so that the City can notify its citizens.

7. PUBLIC HEARING – FY2017-2018 BUDGET

Motion by Romine, seconded by Kempf, to enter all notices, publications and communications into the record for the Public Hearing on the FY17/18 Budget.

MOTION CARRIED UNANIMOUSLY

Mayor Barga opened the Public Hearing at 7:04 p.m.

City Manager Tom Youatt reported that proper notice had been given for the public hearing on the FY17/18 Proposed Budget and it had been made available at City Hall per Charter requirement. Youatt explained the FY2017-18 Proposed Budget included total revenues of \$6,641,000.00 across all funds and total expenditures of \$6,572,100.00. Youatt noted the proposed operating millage rate of 17.7213 mills to support the General Fund since the City is not subject to a Headlee rollback this year; 2.2750 mills of proposed Road Millage to be levied for the purpose of road and sidewalk improvements; and 1.5000 mills of proposed Drain Debt levy. Youatt detailed the major projects that the City will undertake in the next several years. Youatt noted an increase of only 2.81% to health insurance costs in FY17/18; and increases in employee contributions from 10% to 11% for health insurance premiums and from 2% to 3% of pension costs for the MERS B-4 Plan. Youatt noted these are good trends and the City is headed in the right direction. Youatt reported stable property values, with a slight increase in residential values, and noted strong fund balances in the General Fund and Water/Sewer Fund. Youatt referenced the goal of the City to complete projects while maintaining healthy fund balances.

Stu Davis, Imlay City, stated he had watched the budget process for forty years and sees the need to budget \$225,000.00 annually within the Fire Department so that equipment can be replaced every 20 years. Mr. Davis noted that a good pumper truck costs \$750,000.00.

City Manager Tom Youatt noted that when you look at the budget and particularly the revenue streams, you will see that the State of Michigan has not lived up to its Shared

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Revenue promises and the City has lost over \$1,600,000.00 since 2002 due to this. Youatt stated that property values have remained stable and there are no new revenues.

Stu Davis, Imlay City, stated that is a fact of life when you don't get this or that, and the money needs to be found to fund this. Mr. Davis encouraged a different way of budgeting.

City Manager Tom Youatt inquired of Mr. Davis as to whether he had reviewed the FY17/18 Proposed Budget, and noted that once he does, he will realize the money is not available within the operating budget. Youatt added that the City Commission is being responsible and has identified the need for a new pumper truck, but the equipment would be financed rather than an outright purchase.

Mr. Davis, Imlay City, noted that the City pays interest when they borrow and he hates to see that.

City Manager Tom Youatt responded that General Fund fund balance is approximately \$2,000,000.00 and questioned whether it was wise to spend \$750,000.00 on a pumper truck, causing such fund balance to be unavailable.

Earl Gass, Imlay City, inquired as to whether the City was in the process of acquiring the DNR property on Borland Road.

City Manager Tom Youatt responded that the City is pursuing acquisition of the property and it is going before a DNR committee soon. Youatt noted there would be an appraisal process prior to Commission consideration for approval.

Alan Rosenbalm, Imlay City, stated that in the future perhaps it would be possible to have a small capital improvement fund for repairs.

City Manager Tom Youatt responded that the City budgets for repairs and maintenance each year to provide Department Heads with the best equipment to do their jobs.

Mayor Barga closed the Public Hearing at 7:17 p.m.

8. OLD BUSINESS - None

9. NEW BUSINESS

A. Resolution 2017-7 to Adopt FY2017-2018 Budget and Set Supporting Millage Rates

City Manager Tom Youatt described the resolution under consideration and noted it was a standard resolution for adopting the budget and setting the supporting millage levies.

Motion by Romine, seconded by Planck, to adopt Resolution 2017-7 to Adopt FY2017-18 Budget and Set the Supporting Millage Rates.

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Ayes: Kempf, Tanis, Planck, Rankin, Romine, Bergen

Nays: None

MOTION CARRIED 6 - YEAS; 0 – NAYS

B. 2017-2018 Employee Wages

City Manager Tom Youatt presented his rationale for the 2017-18 Budgeted Pay Rates for City staff, noting a few rate corrections since the April 19, 2017 Budget Workshop. In addition, Youatt noted that the rate for City Assessor Nathan Hager should be \$26,098.00 to accurately reflect the 3% increase. Youatt noted that POAM and TPOAM staff pay rates were in line with negotiated contracts.

Motion by Romine, seconded by Kempf, to approve the 2017-18 Budgeted Pay Rates for City staff, as presented.

ROLL CALL VOTE

Ayes: Tanis, Planck, Rankin, Romine, Kempf, Bergen

Nays: None

MOTION CARRIED 6 - YEAS; 0 – NAYS

C. City Manager Contract

City Manager Tom Youatt presented his proposed employment contract for 2017-2020. Youatt presented a summary of the City Manager evaluations, noting his average score of 4.35 on a 1 to 5 scale.

Mayor Bergen stated that the multi-year contract should be approved subject to attorney review.

City Manager Tom Youatt noted that this is essentially the same contract as last time, with the addition of car allowance and other previously negotiated terms, and annual pay increases.

Commissioner Planck noted that City Manager Youatt is doing a fine job and the City is lucky to have him for another three years.

City Manager Tom Youatt stated that it is a pleasure to work for the City and the Commission.

Motion by Rankin, seconded by Romine, to approve the 2017-2020 City Manager Employment Agreement, subject to attorney review.

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Ayes: Kempf, Tanis, Planck, Rankin, Romine, Borgen

Nays: None

MOTION CARRIED 6 - YEAS; 0 – NAYS

D. Resolution 2017-8 to Authorize the City of Imlay City to Participate in the MEDC Redevelopment Ready Communities Program

DDA Director Dana Walker presented an overview of the MEDC Redevelopment Ready Communities Program, stressing that the MEDC is requiring cities to be engaged in the Program for future project eligibility. Ms. Walker noted her attendance at required RRC meetings on behalf of the City and the overall goal of RRC to empower communities through strong planning and development practices. Ms. Walker indicated the ability to apply for MEDC grants is secured through engagement in the process, and eventual RRC certification could equate to waiving of certain MEDC grant match dollars. Ms. Walker noted that the next step involved Commission approval of the resolution to participate and then the City would undergo a self-evaluation of its planning and development practices and work with MEDC staff to improve in areas of need. Ms. Walker stated there is no deadline for the certification but the goal would be to be certified by the next round of MEDC ICE grants.

Motion by Romine, seconded by Kempf, to approve Resolution 2017-8 to authorize the City of Imlay City to participate in the MEDC Redevelopment Ready Communities Program.

ROLL CALL VOTE

Ayes: Planck, Rankin, Romine, Kempf, Tanis, Borgen

Nays: None

MOTION CARRIED 6 - YEAS; 0 – NAYS

E. Form Redevelopment Ready Committee

City Manager Tom Youatt noted that he had met with DDA Director Dana Walker and City Clerk/Treasurer Nicole Frost regarding the RRC Program and is recommending a committee be formed to address the work to be done. Youatt recommended the RRC Committee be comprised of himself, Ms. Walker, Ms. Frost, Zoning Administrator Jerry Edwards, Commissioner Planck and Mayor Borgen. Youatt further recommended meeting on a monthly basis with the goal of earning certification by this time next year to optimize future grant dollars.

Motion by Romine, seconded by Tanis, to form a Redevelopment Ready Communities Committee comprised of City Manager Tom Youatt, DDA Director Dana Walker, City Clerk/Treasurer Nicole Frost, Zoning Administrator Jerry Edwards, Commissioner Amy Planck, and Mayor Walt Borgen.

MOTION CARRIED UNANIMOUSLY

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F. Board Appointments

Mayor Bergen noted a number of committee appointments that are expiring in June and presented the Commission with the following appointment recommendations:

Reappoint Frank Demske to the Board of Review with the term to expire June 2020.

Reappoint Glen Clemence to the Lamb Steele Building Board with the term to expire June 2020.

Reappoint Lois Rheume and Kelly Villanueva to the Parks and Recreation Commission with terms to expire June 2019.

Reappoint Tom Germayne and Jason Schwab to the Planning Commission with terms to expire June 2020.

Reappoint Tom Blount to the Zoning Board of Appeals with the term to expire June 2020.

Motion by Romine, seconded by Tanis, to reappoint Frank Demske to the Board of Review with the term to expire June 2020; reappoint Glen Clemence to the Lamb Steele Building Board with the term to expire June 2020; reappoint Lois Rheume and Kelly Villanueva to the Parks and Recreation Commission with terms to expire June 2019; reappoint Tom Germayne and Jason Schwab to the Planning Commission with terms to expire June 2020; and reappoint Tom Blount to the Zoning Board of Appeals with the term to expire June 2020.

MOTION CARRIED UNANIMOUSLY

10. MANAGER'S REPORT

Additional information was attached to the packet.

City Manager Tom Youatt drew attention to the Trial Balance report in the meeting packet and noted that General Fund revenues are at 97.63% and expenditures are at 75.51%. Youatt further noted that, with less than a couple of months to go in the fiscal year, the City should come under budgeted expenditures and outperform budgeted revenues. Youatt commended Clerk/Treasurer Nicole Frost for her work on the budget, noting the good job she does keeping departments on track. Youatt reported that he, along with DPW Superintendent Ed Priehs and Clerk/Treasurer Frost, will attend training on the SAW Grant financial model for the sanitary sewer system May 25, 2017. Youatt added that the training will be covered in the SAW Grant expenditures and is a great benefit to the City. Youatt noted issues at the WWTP with ammonia and BOD loading, and stated that sludge hauling efforts and more seasonal weather should improve the situation. Youatt reported he will be meeting with Rob Eggers of Spicer Group to discuss the M-53 Gateway Project and the preparation of a Capital Improvement Plan for the City. Youatt noted that Mr. Eggers will be involved in prioritization meetings with the Commission going forward as well as financing meetings with Tom Traciak. Youatt reported that the new VOIP phone system is slated to be installed June 20, 2017 and relayed his

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appreciation to Clerk/Treasurer Frost for coordinating the project among the departments. Youatt reported that the First Congregational Church has a draft land contract and purchase agreement regarding the purchase of 320 N. Almont Avenue near Old School Park. Youatt noted that while the Commission had previously approved the purchase option of three annual payments of \$23,500.00, it still would need to approve the purchase documents. Youatt updated the Commission on the EMS lawsuit, noting the Judge had ruled that EMS is free to spend the millage dollars collected. Youatt announced that May 21, 2017 would be Planting Day at the Butterfly Garden on W. Third Street. Lastly, Youatt thanked the Commission for approving his three year contract and stated that he looked forward to working with them and moving the City forward.

11. OTHER BUSINESS

Commissioner Romine noted a recent fishing adventure with Lapeer City Manager Dale Kerbyson.

12. ADJOURNMENT

Motion by Romine, seconded by Tanis, to adjourn the meeting at 7:47 p.m.

MOTION CARRIED UNANIMOUSLY

Respectfully submitted by: Nicole F. Frost: _____
City Clerk/Treasurer

Approved: June 6, 2017