

**CITY OF WILLIAMSTON
REGULAR CITY COUNCIL MEETING
JUNE 13, 2005
MINUTES**

Mayor Zichi called the meeting to order at 7:02 p.m. in the Council Chambers at 161 E. Grand River Ave., Williamston, Michigan. Mayor Zichi led the Pledge of Allegiance.

3. Roll Call

Present: Mayor Zichi, Mayor Pro-Tem Wittrup, Council Members Davis, DeForest, Hanna, Monroe, VanAllsburg
Absent: None.
Others: City Manager Hitchcock, Attorney Starmer, Executive Secretary Garnham, Police Chief Ambs
Visitors: Enterprise Reporter Will Whelton; Williamston Tennis Booster Representative Kate VanAllsburg; First Properties Representatives Barry Ludwig and Robert Kabbe; YMCA Project Representatives Robert Roach and Tony Fragale; Williamston Librarian JoAnn Hegedus; CADL Representative Nancy Bujold; Lions Club Representatives Wendy Cutler and Gerald Smith; citizens Bill St. John and Tim Grossman; JFM Productions

4. Approval of Agenda

Mayor Zichi stated that the order of items 10g and 10h needed to be reversed.

Motion by **DeForest**, seconded by **Wittrup**, to approve the agenda with the correction to the order of items 10g and 10h. Voice vote all Yes. **Motion carried.**

5. Audience Participation (non-agenda items)

Kate VanAllsburg stated that the Williamston Tennis Boosters are very interested in the possibility of the YMCA project as it pertains to indoor tennis facilities. The Boosters have already received one donation from E.T. MacKenzie and are filing for up to four grants. They would like to combine their fund-raising efforts with the YMCA project for indoor tennis courts if applicable.

6. City Center YMCA Presentation

Robert Roach of Wieland-Arten presented the concept of a YMCA City Center. Wieland-Arten has developed a modular design for use in any city that includes both private office space and public health, fitness and recreation facilities. The city can save the cost of architectural fees, legal duplication, 1/3 of the land costs, and construction interest costs. The total project cost is approximately 3.7 million dollars. Tony Fragale of the YMCA stated that operational costs would be approximately 1 million dollars per year, and the YMCA could offer management services.

Mayor Zichi recommended that they plan to meet with the Parks and Recreation Commission that the City is in the process of forming, as well as the Planning Commission.

7. **Presentation of Annual Library Report**

JoAnn Hegedus, Librarian for the Williamston Branch of the Capital Area District Library (CADL), presented a summary of library statistics and events for the year 2004. She stressed that the library interacts frequently with classes from the elementary schools.

8. **Approval of Minutes – Regular Council Meeting of May 23, 2005**

Motion by **DeForest**, seconded by **Wittrup**, to approve the minutes as presented. Voice vote all Yes. **Motion carried.**

9. **Accounts Payable**

Hanna reported that the accounts payable, reference numbers 4771-4879, total \$484,326.13 and include payroll, consultant and attorney fees, utilities, insurance premiums and other miscellaneous supplies and services. City Manager Hitchcock stated that it included the final payments for the Church Street project that was completed this spring.

Motion by **Hanna**, seconded by **Wittrup**, to approve the accounts payable as presented. Yes: Davis, Monroe, VanAllsburg, Hanna, Zichi, DeForest, Wittrup. No: none. **Motion carried.**

10. **Action Items**

a. **Payment in Lieu of Taxes (PILOT) Request**

City Manager Hitchcock stated that the representatives of First Properties had given a presentation at the May 9th Council meeting regarding a proposed PILOT agreement for the Park Terrace Apartments. Hitchcock had researched PILOT agreements in other communities, and found that they were generally for new developments, not for property rehabilitation, which would not be a fair comparison. Hitchcock also referred to the June 1st memo from Gail Watkins, City Assessor.

Barry Ludwig of First Properties stated that a survey of residents of the Park Terrace Apartments indicated that approximately ½ of the residents were senior citizens and the other ½ were families. He further stated that without the PILOT they would have to impose a \$25.00 per month rent increase on the tenants in order to go forward with the proposed rehabilitation. Ludwig disagreed with Mr. Watkins's memo, stating that the total impact of the PILOT would be less than the \$92,000 Mr. Watkins had calculated.

Monroe referred to the tax law, which allows the owners of a low-income property to receive a tax credit for rehabilitation over 10 years, as opposed to the 15 years that they are asking for the PILOT. Ludwig stated that the loan repayment obligation is for 15 years.

Hanna stated that he felt it was risky to agree to a tax reduction when we are unsure of the level of state-shared revenue that we will be receiving. Mayor Zichi stated that he did not want the City to become involved in a situation similar to that which occurred in the 1970s and 1980s when the City participated in the HUD program. Davis stated that giving a tax break to First Properties would shift the tax burden to others in the community. Wittrup asked Police Chief Ambbs about the number of calls received by the police department for Park Terrace. Ambbs stated that rental properties generally have frequent police calls, but not all result in citations.

Motion by **Monroe**, seconded by **Wittrup**, to deny the PILOT request by First Properties as presented.

Further discussion ensued. DeForest asked what would happen if the PILOT were not approved. Ludwig stated that the sale would not occur. VanAllsburg stated that he believed that First Properties were truthful in their presentation of the facts. Hanna stated that the period of time requested for the PILOT was too long. Zichi stated that the Council might be flexible if a different proposal were presented.

Mayor Zichi called for a vote on the motion as stated. Yes: Hanna, Zichi, DeForest, Wittrup, Davis, Monroe. No: VanAllsburg. **Motion carried.**

b. Resolution 10-05 Modifications in Water & Wastewater Rate Structure

City Manager Hitchcock stated that there was one change in the resolution, the addition of a rate for special field services that would cover unusual situations like taking meter readings for pool filling. Zichi stated that the intent of the rate modification was to make the fixed costs more proportional and shift more costs to the usage charge.

Motion by **DeForest**, seconded by **Wittrup** to approve resolution 10-05 as presented. Yes: Davis, Monroe, VanAllsburg, Hanna, Zichi, DeForest, Wittrup. No: none. **Motion carried.**

c. Resolution 11-05 Adopting the Fiscal Year 2005-2006 Budget

Mayor Zichi stated that this is the single most important thing the Council does each year in order to preserve the financial health of the community.

City Manager Hitchcock stated that the City's millage rate will be 15.1373; the General Fund balance will drop due to planned expenditures such as the Putnam Street Bridge; that a major water project was planned for this construction season; and the Sewer Master Plan recommendations will be implemented beginning with the complete reconstruction of all utilities, road and sidewalk on East Riverside Drive in the 2006 construction season.

Zichi stated that fund balances will go down as the City will pay cash for water and sewer projects when possible to develop equity in the system that can then be considered when calculating the tap fees.

Motion by **DeForest**, seconded by **Wittrup**, to approve resolution 11-05 as presented. Yes: Monroe, VanAllsburg, Hanna, Zichi, DeForest, Wittrup, Davis. No: none. **Motion carried.**

d. Budget Amendments

City Manager Hitchcock explained that many of the budget amendments were to move capital expenses to newly created Capital Outlay budget lines on the advice of the auditors.

Motion by **DeForest**, seconded by **Wittrup**, to approve the budget amendments for the General Fund, department 000 (Revenues) decrease \$122,400, department 101 (City Council) decrease \$3,000, department 253 (Treasurer) increase \$16,000, department 301 (Police) decrease \$35,000, department 441 (DPW) decrease \$79,000, department 442 (DPW Equipment Maint.) decrease \$26,000, department 790 (Library) increase \$3,000, department 901 (Capital Outlay) increase \$291,000, department 990 (Transfers) increase \$15,000; for the Major Street Fund, department 463 (Surface Maint.) increase \$31,500, department 466 (Sweeping/Flushing) increase \$1,500, department 473 (Bridge Maint.) decrease \$50,000; for the Building/Zoning Fund, department 000 (Revenues) increase \$3,000. Yes: VanAllsburg, Hanna, Zichi, DeForest, Wittrup, Davis, Monroe. No: none. **Motion carried.**

e. Planning Commission Reappointments

Mayor Zichi stated that two Planning Commission appointments expire in June, and both members had asked to be reappointed. Mayor Zichi recommended to the Council that Dr. Schall and Mr. Jones both be reappointed to the Planning Commission.

Motion by **DeForest**, seconded by **Wittrup**, to concur with the Mayor's recommendation for reappointments. Voice Vote all Yes. **Motion carried.**

f. Engineering Proposal for Community Center

City Manager Hitchcock stated that Capital Consultants had combined with Design Works A/E in order to provide architectural services. The City had received an earlier proposal for Program Development (space needs) that gave a price range of \$7,000 to \$12,000 for that service alone. Capital Consultants price for this service was at least \$2,000 less. Using Capital Consultants would also provide continuity as the City is using them for other projects. In addition, an architect from Capital Consultants had already performed a preliminary walk-through of the Community Center. The Program Development, which would determine the present and future

space needs for City staff, would be valid for any space, not just the Community Center.

Hanna asked about asbestos assessment and/or abatement. Zichi stated that it was probably done in the 1990s when the new high school was constructed.

Motion by **DeForest**, seconded by **Wittrup**, to approve Capital Consultant's proposal of May 20th for an amount not to exceed \$24,400. Yes: Zichi, DeForest, Wittrup, Davis, Monroe, VanAllsburg, Hanna. No: none. **Motion carried.**

g. MDOT Resolution 12-05

Mayor Zichi stated that the City's Attorney had reviewed the resolution and recommended approval. Hitchcock stated that this covers the use of Grand River Avenue for parades, etc. Hitchcock further stated that page two of the document should have her and Gary Haney listed as contacts.

Motion by **DeForest**, seconded by **Wittrup**, to approve resolution 12-05 as presented with the completion of the form to include Lisa Hitchcock and Gary Haney as contacts. Yes: Davis, Monroe, VanAllsburg, Hanna, Zichi, DeForest, Wittrup. No: none. **Motion carried.**

h. Resignation of Councilmember Wittrup

Mayor Zichi stated that Councilmember Wittrup had submitted a letter of resignation on May 23, 2005. Wittrup said he appreciated the nice article the Williamston Enterprise had published. Hanna presented Wittrup with a certificate of appreciation from NIESA. Mayor Zichi presented Wittrup with a certificate of appreciation from the City for his service on Council and the Planning Commission.

Motion by **DeForest**, seconded by **Hanna**, to accept with deep regret the resignation of Councilmember Wittrup. Yes: Davis, DeForest, Hanna, Monroe, VanAllsburg, Wittrup, Zichi. No: none. **Motion carried.**

11. Discussion Items

a. Deer Creek Park / Jubilee & Lion's Tent

Mayor Zichi stated that the City will work with the school system and community groups to make this a win/win/win situation. Wendy Cutler of the Lions Club stated that there is a long history of the Lions using Deer Creek Park; that the Lions had made various improvements to the site; and that all funds raised by the Lions Club go back into the community. Mayor Zichi stated that all parties need to benefit from any changes.

Gerald Smith of the Lions Club stated that he is the last active charter member of the club, and that a past Council which included Lloyd Hamlin had agreed to let the Lions Club use the park for as long as they needed to in exchange for improvements to the property, which included tree

removal; filling in the low areas; installation of water, sewer and electric utilities; paving of the parking area; and installation of lights for the football field. He also stated that money raised by the Lions is used for scholarships and Habitat for Humanity. Smith then stated that the agreement had occurred in the late 1970s and was an unwritten agreement.

Mayor Zichi stated that there will be a meeting this week with representatives of the school system, the City and others interested in the park's use.

b. DDA Resolution for Business Advocate

Mayor Zichi stated that the DDA (Downtown Development Authority) had passed a resolution requesting that Alison Alfredson, the City's Community Development Administrator, be designated as Business Advocate. City Manager Hitchcock stated that this would not affect Alfredson's job description, but the title would be added to her business cards. The additional title is meant to present a positive image to new and prospective business owners.

12. Correspondence Received / Information Only

There was no discussion.

13. Staff Reports

a. City Manager

City Manager Hitchcock submitted a written report. She added the following verbally: the City's new website should be completed in about a month; June 16th there will be a demonstration of sewer videotaping equipment; the City received 48 resumes for Police Chief; a proposed agreement for transfer of funds to the Library Foundation was being forwarded to the City Attorney for review; and she thanked Councilmember Wittrup and Police Chief Ambs for their hard work. DeForest asked for an informal summary of the annual meeting with the Townships.

b. City Attorney

No report.

c. Police Chief - Monthly Statistics for May 2005

Police Chief Ambs stated that next week is Jubilee Week, the Kid's Parade will be on Wednesday, the Grand Parade will be on Saturday and Grand River will be closed off. He thanked donors to the Police & Kids fund and stated that there will be a Police and Kids golf outing on July 30th.

Hanna presented Ambs with a certificate of appreciation from NIESA, and Mayor Zichi presented him with a certificate of appreciation from the

City. Ambs thanked the Council for the opportunity to serve, and stated that there were no typical “small town politics” in Williamston.

d. Treasurer - Financial Reports for May 2005

Treasurer Alan Dolley submitted written reports. City Manager Hitchcock added that next month’s report will reflect the budget amendments approved tonight.

14. Committee / Sub-Committee Reports

a. Legislative Director

DeForest stated that he had received a fax bulletin regarding State Senate plans to significantly reduce state shared revenues. He contacted the Senate committee chair and Senator Valde Garcia to voice his objection to the proposed bill. The State Senate later passed a bill with spending levels similar to those proposed by the State House.

15. Audience Participation (non-agenda items)

Bill St. John stated that he wished to recognize the contribution of the two departing officials. St. John acknowledged Councilmember Wittrup’s devotion to the welfare of the City and stated that Wittrup had many virtues, considerable knowledge of politics and finances, and great attention to detail. St. John thanked Wittrup for his service to the residents of Williamston.

St. John then stated that he appreciated Police Chief Ambs level of experience, which he had acquired while working for the Michigan State Police, and the professionalism he brought to the department.

16. Council Member Comments

Monroe – sorry to see Ambs and Wittrup leave.

Davis – did not agree that the PILOT proposal could be reworked and that all property owners should pay their fair share. She appreciated the Annual Library Report and the access the school children have to the library in its present location.

DeForest – appreciated the new sidewalk on West Grand River and the pedestrian bridge.

Wittrup – stated that Williamston was the first place he had “put down roots”.

Hanna – will be going fishing and Monroe will do the next meeting’s accounts payable report.

VanAllsburg – appreciated the library’s efforts to bring in good programs, and cited the Portland library as an example of a possible compromise between the City and Library Foundation.

Zichi – encourage people to attend the Jubilee events as well as the ArtFest in July. He also stated that several groups, including Wetland & Coastal Resources and Wild Ones had contributed to the improvements near the boardwalk.

17. Adjourn

Motion by **DeForest**, seconded by **Wittrup**, to adjourn. Voice vote all Yes.
Motion carried.

Meeting adjourned at 9:32 p.m.

Respectfully submitted by:

Catherine Garnham, Executive Secretary

Kenneth V. Zichi, Mayor

Date approved: _____