

**CITY OF WILLIAMSTON
REGULAR CITY COUNCIL MEETING
NOVEMBER 14, 2005
MINUTES**

Mayor Zichi called the meeting to order at 7:00 p.m. in the Council Chambers at 161 E. Grand River Ave., Williamston, Michigan. Boy Scouts Grant Smith and Matt Silverthorn led the Pledge of Allegiance.

3. Roll Call

Present: Mayor Zichi, Mayor Pro-Tem Hanna, Council Members Davis, DeForest, Monroe, O'Connell, VanAllsburg
Absent: none
Others: City Manager Hitchcock, Attorney Perrone, Executive Secretary Garnham
Visitors: Williamston High School Cross Country Team; Coach Paul Nilsson; Enterprise Reporter Will Whelton; JFM Productions; Debi Drick of Habitat for Humanity; Williamston EDC Representatives Michelle Hyne and Pamela Jeffers; residents Mike Thomas, Bill St. John, John Pratt

4. Approval of Agenda

City Manager Hitchcock stated that the EDC had submitted a proposed lease agreement for the unoccupied portion of the Public Service Building and requested that item 9b, Lease of 1500 West Grand River building, be added to the agenda. Zichi also stated that the City had received correspondence regarding pending litigation and requested that Brooke Development and Krause versus the City of Williamston be added to the Closed Session.

Motion by **DeForest**, seconded by **Hanna**, to approve the agenda as amended. Voice vote all Yes. **Motion carried.**

5. Certificate of Commendation to the 2005 State Championship Cross Country Team

Mayor Zichi asked the members of the Williamston High School Cross Country Team and Coach Paul Nilsson to step forward. Nilsson stated that the team's record for the year was 195 wins and zero losses, that the team had also won at several invitational events, and that the team grade point average was 3.85. Zichi presented the certificate of commendation on behalf of the Council and the City.

6. Audience Participation (non-agenda items)

There was no public comment.

7. Approval of Minutes – Regular Council Meeting of October 24, 2005

O'Connell asked that the Clerk change the word "would" to "should" in the second sentence of paragraph 3 on page 3. VanAllsburg asked that the phrase "in the future" be added to the end of the last sentence in paragraph 8 on page 3.

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

8. Accounts Payable

Hanna reported that the accounts payable, reference numbers 5602-5748, total \$154,534.01 and reflect a three-week period and include a payment to MDOT for the local share of the bridge construction project, costs for the November 8th election, the City's water bills, and a payment from the TIFA 2A to DTE Energy for the street light at Winding River Drive. Davis asked if street lights that are on all day affect the DTE Energy bill. City Manger Hitchcock stated that they are not metered and the bill is calculated on a per-fixture basis, however it can affect rates long-term.

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

9. Action Items

a. 2005 Compensation Step Table

City Manager Hitchcock stated that the revised step table is based on the table generated by the Michigan Municipal League in the Compensation Classification Study dated March 2004. Hitchcock stated that the salary data cited in the Study was from July 2003. Hitchcock stated that the table had been updated using a CPI of 2.7% for 2004. Mayor Zichi stated that this is the first phase of the non-union employee salary adjustments, and the second is employee evaluations.

Monroe asked when the salary adjustments would take effect. Hitchcock stated that they would be retro-active to July 1, 2005. Davis asked how many non-union employees there are, and Hitchcock answered around ten.

O'Connell asked if the step table is adopted each year. Zichi stated that it has to be reviewed each year because the CPI changes for each year. DeForest stated that the City is not obligated to use the CPI but has done so in the past. Hitchcock stated that the Study had recommendations for updating the step table.

O'Connell asked if there was a City policy regarding the questionnaire in the Study and stated that the Study included other recommendations for salary adjustments, including merit increases. O'Connell further stated that based on the step table employees with below-average job performance would still receive a raise. Zichi stated that it would only be a cost of living raise if that were the case. O'Connell stated that it would still be a quarter-step increase even if the employee had grade 'D' work.

Hanna stated that the City does not want to discourage employees who are striving for improvement. Zichi stated that if an employee's performance is poor, the employee can be fired.

Hitchcock stated that the step table did not guarantee any employee an increase. O'Connell stated that an above-average evaluation did not guarantee an increase, and that if an employee is doing an excellent job, that employee should get more than a one step increase.

Monroe stated that the City Manager is in charge of evaluating the employees and determining whether they get a raise, and it is not the job of the Council to micro-manage.

Davis asked when evaluations would be performed. Hitchcock stated that they would be performed before the next Council meeting, and that in the future she would like to perform them on each employee's anniversary date of hire.

Motion by **DeForest**, seconded by **Hanna**, to adopt the 2005 Compensation Step Table as presented. Yes: DeForest, O'Connell, Davis, Monroe, VanAllsburg, Hanna, Zichi. No: none. **Motion carried.**

b. Lease of 1500 West Grand River Building to Habitat for Humanity

Davis stated that the EDC had met at 7:30 a.m. on November 14th to review a draft lease prepared by Attorney Gormley. Davis noted that the lease indicated that no rent would be paid for the period November 15, 2005 through November 14, 2006, that the lessee would pay for utilities during that time and would provide building improvements as listed in the agreement. Davis stated that leasing the space to Habitat for Humanity would be a good business and community partnership, that it would bring people to town, and that Habitat may want to purchase the building in the future.

Zichi asked why the EDC was not participating in the cost of leasing the building for no rent, and that the cost would be borne by the taxpayers.

Hanna asked if there was an estimate on what the cost of the proposed improvements would be. Debi Drick of Habitat for Humanity stated that they had not priced out the improvements, and that the value of the improvements would not necessarily be what Habitat would pay for them because of their internal resources.

Davis referred to a memo from Planning and Development Administrator Lynn Wilson, which stated possible issues with parking and compliance with building code requirements. Drick stated that Habitat will be meeting with Wilson to discuss the issues. Hitchcock stated that it was her understanding that Habitat had been told verbally that these were issues. Drick stated that they had been told that parking would be an issue, and

that parking in the rear would be necessary, and they need to find out what the standard for parking is. Davis stated that the building is currently not in compliance for parking, and that if Habitat makes improvements it would bring the building up to code. Zichi stated that item 3.1.1 g – parking – should be added to the lease.

Drick stated that Habitat partners with Americorp and Vista, but that it would not be a sublease. Drick stated that they would like to get approval of the dollar amounts for the lease and then straighten out the details in the future.

Davis asked if item 2.2.2 would cover the parking issue. Hitchcock stated that item 2.2.1 regarding the site plan would address parking. Hanna asked about item 30, which stated “time is of the essence,” and asked for whom it was of the essence. Davis stated that Habitat would like to begin setting up in the building as soon as possible.

Drick stated that the Restore would consist of selling donated new and used household items, which would pay for the lease, but that the main use would be for a community volunteer center so Habitat could partner with civic and service organizations to get involved in the community. Hanna stated that he had visited the Restore in Lansing and it was interesting.

Drick stated that they use some of the donated building materials to provide a weatherization program for low-income seniors. Drick stated that Habitat would like a place where volunteers can come and sign up in one location.

DeForest asked if having the item placed on the agenda tonight allowed enough time and information for the Council to approve the lease. VanAllsburg stated that they only needed to approve the dollar amount for the lease. Davis asked what would be done about the other concerns. DeForest stated that whatever the Council approved that night the other issues need to be clarified.

Zichi asked what the lease terms were for previous tenants. Hitchcock stated that Vertical Solutions had paid \$4.25 per square foot per year. Zichi stated that having a zero dollar base rent for the first year caused the tax payers to pick up the cost. Davis stated that the building is currently vacant and has been for over a year. Drick stated that by using it as a training center it would bring people into Williamston from out of town.

Pamela Jeffers, a member of the EDC, stated that the only reason the EDC is involved is because they hold the mortgage on the building for the City. Jeffers stated that the EDC has had to legally pursue payment from previous tenants. Jeffers stated that leasing the building to Habitat was a

win-win situation for the City, and that Habitat may be interested in purchasing the building in the future.

O'Connell stated that the City had been paying the mortgage during the 18 months the building was vacant, and asked if the payments would drop if Habitat moves in. Hanna stated that the payments would not drop for the first year of the lease, and that based on Habitat renting 1/3 of the building and the annual mortgage being approximately \$60,000, the City would be paying \$20,000 for them to be there.

VanAllsburg stated that in Wilson's memo she wrote that people who have looked at the building in the past have shied away because of the cost of repairs, and that Habitat can do the repairs themselves. Davis stated that Habitat would provide resources for the community.

Monroe asked if in the long run, is the City better off or worse off if Council approves the lease. VanAllsburg stated that he felt the City would be better off.

Attorney Perrone stated that this was his first look at the lease, but that it does not include an option to purchase the building, but instead gives Habitat first right of refusal. VanAllsburg stated that Habitat has indicated an interest in purchasing the building. Drick stated that Habitat looked specifically for a location in Williamston because it is the right place for them to be located.

O'Connell asked if the lease could cost the City \$20,000 a year. Zichi stated that it would be \$20,000 for the first year, less the second year and the lease would go up to market rate at the fourth year. DeForest stated that there is also the risk that the City would not find a renter for two or three years. Hitchcock stated that there have been others interested, but that they were not followed up on because the EDC was working with Habitat. Hitchcock also stated that if a private firm leased the building they would also pay property taxes of approximately \$10,000 per year.

Jeffers stated that the City cannot measure the benefit Habitat for Humanity would bring to the community, not just the loss of potential lease income. O'Connell stated that the intangibles Habitat would bring to the community would have a definite return on investment, and would cost approximately the same as the Thursday Open Late advertising campaign, which has an unknown return. Drick stated that local and national volunteers would be coming to Williamston, as well as other people from outside of town.

Motion by **Monroe**, seconded by **Hanna**, to accept the proposal for the lease of the 1500 Building to Habitat for Humanity with the actual wording of the lease to be revised to satisfy both parties, that the dollar amounts in Section 3 would be approved tonight as presented, with the remainder

of the sections to be clarified. Yes: O'Connell, Davis, Monroe, VanAllsburg, Hanna, Zichi, DeForest. No: none. **Motion carried.**

10. Discussion Items

a. **Library Joint Building Authority**

Mayor Zichi stated that members of the Council, along with representatives of the Williamstown Township and Wheatfield Township Boards, would be meeting at Wheatfield Township Hall on November 16th so that everyone can look at the information on the Joint Building Authority.

VanAllsburg asked if there would be a time limit on private donations before the final cost of the library was decided. Zichi stated that the Joint Building Authority would set the time limit.

Hanna asked how the Council would receive reports from the Joint Building Authority. Zichi stated that the Joint Building Authority would report to the City, because the Council has to approve the final decision. Zichi stated that the Townships wanted the cost to be presented to their voters, and that the City should also.

Davis asked what would happen if one of the municipalities opts out. Zichi stated that the other two municipalities would have to determine whether to continue the project. VanAllsburg stated that if one municipality dropped out, the percent of contributions for the remaining two would have to be changed.

Hanna asked if the Council would receive progress reports. Hitchcock stated that the meetings would be open and minutes would be recorded. Davis asked why the City would not get two representatives because it is contributing 48%. Zichi stated that currently the City pays 100% and that the percentages in the agreement are based on a formula that includes library usage, population, and enrollment in the Williamston School District.

O'Connell asked where the funds would come from that the Joint Building Authority agrees to spend. Zichi stated that a vote of the people would determine where the funds come from. Davis asked how the figure \$1,500,000 was determined. Zichi stated that in discussions with the Townships, it was decided that \$1,500,000 was the total amount of public dollars that would be spent on the project, but that the actual total cost for the building could be higher if there were private funds raised.

VanAllsburg stated that the Library Foundation claimed that uncertainty about the final location of the library was negatively affecting their fund raising efforts. Davis stated that the people she has talked to all want

a new library, but they don't care where it is. Hanna said the location was not the issue, and that the process needs to get moving.

O'Connell asked about the Library Foundation fund raising. Zichi stated that the Library Foundation asked the Council to form a Joint Building Authority. O'Connell stated that the municipalities' votes should be proportional to their percent contribution, and that the City only got a one-third vote but was contributing almost half of the money.

Hanna asked what would happen if Wheatfield Township decided not to participate, and could the project continue with just the City and Williamstown Township. Davis stated that this is not the best situation, but it is farther than anyone has gotten in ten years.

VanAllsburg stated that it makes everyone look bad if the process does not move forward, and that public feeling is that the City is failing the people in this area. Davis stated that the Joint Building Authority only starts the process; the voters get the final say.

Zichi stated that although it made a mathematical difference if the City had 47% of the votes, we would still need the agreement of at least one of the Townships for a majority anyway, so in a practical sense there was no difference whether the City had one vote or two.

VanAllsburg asked if the Joint Building Authority would choose the site for the new library, and also about the provision for compensation for serving on the board. Hitchcock stated that her interpretation is that if the Township appoints somebody they can choose to pay that person and that the Townships routinely pay all board members a stipend for each meeting they attend. Hitchcock also stated that any compensation would be paid directly by the municipality, not by the Joint Building Authority. Davis stated it was just like a Council member serving on the Planning Commission or EDC and getting compensated for each meeting. Hitchcock stated that the City still has to approve whether there will be compensation or not.

O'Connell asked if the City's representative would get to state where the final site would be. Zichi stated that the Joint Building Authority would make that decision.

Attorney Perrone stated that Article V, Section 2, has provisions for staggered terms, and that the City can reappoint the same person at the end of the term. VanAllsburg asked if the City could appoint a Library Foundation member. Zichi stated that the City could; it cannot be an elected official. Davis stated that the Joint Building Authority agreement has language about a Chairman, Secretary and Treasurer, and asked if they would appoint the positions among themselves.

Zichi stated that between this meeting and Wednesday November 16th, the Council members should read the agreement and mark it up and bring questions to the meeting. DeForest stated that the Council should not argue at the joint meeting, and that they should get any questions answered ahead of time.

b. Temporary Library Space

City Manager Hitchcock stated that she had discussed this issue with Joel Raddatz, the Superintendent of the Williamston Community Schools. Hitchcock stated that the Community Center purchase agreement signing date had been extended to December 15, 2005 in order to allow time to work out the details of the land swaps so the City could sign one agreement for everything. Hitchcock stated that she is working with Raddatz to set up a meeting to discuss the land swap issue.

Zichi stated that CADL (Capital Area District Library) is impatient to get working on the computer and telephone wiring in the proposed temporary library space. Hitchcock stated that the City had a verbal agreement to move the library into the space, and that she had told Raddatz the City needed a written agreement.

Hitchcock stated that the City would be installing the additional bracing underneath the floor, as well as pulling up carpeting, sanding the floor, painting and removing cupboards, and that the City's total expenditure would be less than \$5,000.

O'Connell stated that the final layout for the building has not been approved, particularly the location of the police department, and yet we are planning on putting in an occupant now. Zichi stated that in the past the library and police station shared a building and there was never a problem. O'Connell stated that just because something occurred in the past does not mean the City should repeat its mistakes. Hanna asked for a specific issue regarding the location of the police department next to the library. O'Connell stated that sex offenders have to go to the police department to register and then they will be near the library. Zichi stated that there will be police officers with them at that time. Davis stated that there are several sex offenders living in the City, that some live near public buildings now and could go into the library whether it was next to the police department or not. Hanna stated that it was just one more reason to work quickly to complete the new library so it is no longer an issue.

Davis asked if the Joint Building Authority has a firm date to start planning of the new building. Zichi stated that the Joint Building Authority agreement is just the skeleton for the process, and that the Authority will flesh out the details, including a timeline for design and construction, before it goes to a vote. DeForest asked when an

election could be held. Zichi stated it would probably be either the May or August election in 2006.

11. Correspondence Received / Information Only

c. Granger Recycling Program

Hanna stated that he still is hearing complaints about Granger's trash service. Hitchcock stated that any incidents should be reported immediately, both to Granger directly and to City Hall. Hitchcock stated that when City Hall gets a complaint, we also report it to Granger.

j. Art of Cool Conference information

Hanna asked who was handling enrollment for the conference. Hitchcock stated that Community Development Director Alison Alfredson had the material.

i. Correspondence – Diane Byrum

Hanna stated that there is an Economic Development conference at the State Capitol on December 5, 2005.

12. Staff Reports

a. City Manager

City Manager Hitchcock submitted a written report. Hitchcock stated that there had been a pre-construction meeting with Goldstein Excavating for the water main project, and that the Soil Erosion Permit had not been issued yet for either the well house or water main although all of the MDEQ permits were in place. VanAllsburg asked about progress on the road connection. Zichi stated that the new Council would continue to work on the issue in either December or January.

b. City Attorney

Nothing to report in open session.

c. Planning & Development Administrator

Planning & Development Administrator Lynn Wilson submitted a written report. Hitchcock stated that the issue of parking on the sidewalk at Speedway is still not resolved, and that the City will need to talk to MDOT about putting in some kind of barrier. Davis asked if it would be similar to the wall next to Felpausch. Hitchcock stated that that wall was more than 12 inches in width, and that is the maximum width available at the Speedway site. Zichi stated that it might be two concrete-filled metal poles with brick work in between. Hitchcock stated that she would ask Wilson for an update at the next staff meeting.

d. Treasurer

Treasurer Alan Dolley submitted a written report. Hanna asked about the budget for street lights, stating that the current report showed that \$38,000 had been spent. Hanna also asked about the sweeping and flushing budget line, and whether the frequent flushing on High Street had affected

the expenditures. Hitchcock clarified that the right hand column in the report indicated the amount of funds remaining, not the amount of funds expended.

Davis asked whether there had been any progress on selling garbage bag tags at True Value Hardware or Felpausch. Hitchcock stated that she would be delegating that issue.

e. Community Development Director

Community Development Director Alison Alfredson submitted a written report. Hanna stated that he had seen the new Thursdays Open Late advertisement on television and that is was very good.

13. Committee / Sub-Committee Reports

a. Legislative Director

DeForest stated that he had nothing to report.

14. Audience Participation (non-agenda items)

Bill St. John stated that the members of Council have been hearing from the public and that there is pressure to build a new library, and that they should organize citizens to help promote the project. St. John stated that the City should contact other municipalities who have recently passed a library millage to get ideas on how to sell the project to the public.

John Pratt stated that he agreed with O'Connell that the City is putting the cart ahead of the horse on the temporary library, and asked how the City could lease a space in the Community Center when it does not own the building. Zichi stated that it was mentioned earlier in the meeting that the City Manager has been discussing an agreement for the temporary library space with the School Superintendent, and that the City will not do anything until they have written approval.

Mike Thomas asked if the Williamston Enterprise was being delivered differently. Thomas stated that he had contacted the Enterprise, and that they had cut all individual delivery persons and newspaper drops, and that Gannett was now doing them. Thomas stated that retail establishments and the library were not receiving the paper, and that it was now being delivered in the Monday Lansing State Journal or inserted in the Source. Davis stated that it was not in this weeks Source and Hanna stated that it was not in the Monday Lansing State Journal either. Hitchcock stated that other local newspapers were being delivered in the Lansing State Journal instead of the Enterprise. Thomas stated that he is encouraging local advertisers to complain to the Enterprise, and that he knows the City spends a lot of money for public notices in the Enterprise. Zichi stated that the Enterprise is 132 years old, and it would be a shame for it to become simply a section of the Lansing State Journal. Thomas stated that the on-line version of the Enterprise does contain some good information, but that there are no legal notices included. Thomas also stated that it would be a good idea to have a

space in the Community Center with computers and internet access for low-income people.

Thomas also stated that he had experience working at the Michigan State University Library as a supervisor, and would be interested in an appointment to the Joint Building Authority.

15. Council Member Comments

Monroe – has received complaints from a resident on Georgia Street about speeding on Wallace Street and the resident would like more police surveillance in the area.

Davis – asked about a report from the Chief of Police. Hitchcock stated that the report is usually in the packet for the second meeting of the month. Davis asked for follow up on the garbage tag sales at True Value or Felpausch. Davis asked how changes to the City website were handled, internally or externally. Hitchcock stated that most of it was being handled externally for now, but that staff will be getting more training and taking over more of the website management in the future. Davis asked about the City's \$20,000 annual contract with the schools for public hours at the pool, and would it be possible to get more open hours and to have the pool temperature raised during public hours.

DeForest – none.

Hanna – stated that Patti Marston, Pool Director, had organized an event at 11:00 a.m. on November 16th to dedicate the Dennis Collins Memorial Scholarship Fund.

O'Connell – none.

VanAllsburg – tickets are on sale for the December 1st La Dolce Vita auction at Poynter Phelps Photography.

Zichi – December 3rd is the Chamber of Commerce Light Parade, and December 4th is Williamston Night at the Potter Park Zoo.

16. Closed Session – Union Negotiations with Fraternal Order of Police, Brooke Development Pending Litigation, Krause Pending Litigation

Motion by **DeForest**, seconded by **Hanna**, to go into closed session for union negotiations with the Fraternal Order of Police, Brooke Development litigation and Krause litigation. Yes: Davis, Monroe, VanAllsburg, Hanna, Zichi, DeForest, O'Connell. No: none. **Motion carried.**

Closed session started at 8:37 p.m.

Motion by **DeForest**, seconded by **Hanna**, to return to Open Session. Voice vote all Yes. **Motion carried.**

Returned to Open Session at 9:06 p.m.

Action on Closed Session

Motion by **DeForest**, seconded by **Hanna**, to accept Counsel's recommendation to dismiss the Brooke Development litigation without prejudice or costs. Yes: O'Connell, Davis, Monroe, VanAllsburg, Hanna, Zichi, DeForest. No: none. **Motion carried.**

17. Adjourn to the Call of the Chair

Motion by **DeForest**, seconded by **Hanna**, to adjourn. Mayor Zichi called for opposition to adjournment. Hearing none, Mayor Zichi called for adjournment.

Meeting adjourned at 9:07 p.m.

Respectfully submitted by:

Catherine Garnham, Executive Secretary

Kenneth V. Zichi, Mayor

Date approved: _____