

**CITY OF WILLIAMSTON
CITY COUNCIL
JUNE 12, 2006
REGULAR MEETING MINUTES**

1. Call To Order:

The meeting was called to order at 7:02 p.m. by Mayor Kenneth Zichi and the Pledge of Allegiance was recited.

3. Roll Call:

Mayor Kenneth Zichi, Mayor Pro-tem Robert Hanna, Council Members Brian O'Connell, Penny Davis, George Monroe, Scott VanAllburg, and Michelle Hyne.
Absent: None.

Also Present:

City Manager Lisa Hitchcock, Deputy Clerk Holly Thompson, City Attorney Dave Stoker, JFM Productions, Enterprise Reporter Will Whelton, EDC Members Dan Frank and Mike Thomas, Zoning Board of Appeals Members Robert St. John and John Pratt, DDA Member Barb Vandenberg, Chamber Representatives Barb Burke, Dawn Marie Joseph, TSC Representative Don Kettler, TMN Builders Representative Jeff Shapiro, and citizens Terri Campbell, Gary Theis, Bill Dyke, Wendy Shaft, Nicole Knapp, Larry & Rita Cockroft, John and Marlene Saum, Frank & Jeanne McKowen, Jane and Dave Ray, Eric and Marcia Howard and Dan Kazewtch.

4. Approval of Agenda:

Replace item 9i. with Proclamation.

Motion by **Hanna**, second by **O'Connell**, to approve the agenda as amended.

Motion passed by voice vote.

5. Audience Participation:

Robert St. John asked if there was a date or timetable for the paving of the end of Hickory Lane. Manager Hitchcock replied that she is working with the School to negotiate a property swap for that property so the City will be able to pave it. John Pratt asked when the City would be fixing the parking lot at the corner of High St. and Putnam St. He stated that he has received complaints from people at the Farmers' Market regarding the condition. Manager Hitchcock answered that it will be rolled before the next Farmers' Market.

6. Public Hearing- To Hear and Consider Comments to the Adoption of the Proposed Fiscal Year 2006-2007 Budget:

Mayor Zichi opened the public hearing at 7:06 p.m.

Manager Hitchcock reported that the millage for the 2006/2007 fiscal year will be 15.1342 mills. She stated that the purpose of the public hearing is to hear public

comment regarding the tax rate and the proposed budget for the year. Manager Hitchcock reviewed the budget amounts.

Member O'Connell asked the City Manager to explain where the extra revenue is coming from and what the expenditures are.

Manager Hitchcock replied that the general fund has \$75,000 for architectural engineering for the Community Center, and the payment for the balance owed on the Community Center is \$181,000. At this time the general fund balance is \$905,000. At the end of the fiscal year it is projected to be at \$566,000. The Major Street Fund has a grant for E. Riverside St. for \$296,000 with the project costing \$652,000. There was money budgeted for the E. Riverside project as well as the Putnam Street Bridge project last year. Many of the other funds are funded by the General Fund. Local Street will receive \$135,000 from the General Fund for improvements to Fuller Street to replace the water main and pave the street. The TIFA 2A fund is currently only receiving interest income with no projected projects. The money will be to pay the bond payment to the sewer project on West Grand River. The TIFA 2B is working on the ice house property as well as road improvements on Elevator Street. The DDA is not planning any capital improvement projects but are saving money for the South Putnam & W. Grand River Streetscape projects.

John Pratt questioned if E.T. MacKenzie has been paid in full.

Manager Hitchcock answered that they have not been paid in full, but the majority of the payment will come from MDOT.

Barb Vandenberg questioned when Putnam Street is redone, will there be a new water main put in?

Manager Hitchcock answered there is a small section that will need to be done between Middle Street and the alley.

Ms. Vandenberg also asked if the parking lot behind her building would be fixed as well.

Mayor Zichi recommended that she bring it up at the DDA meeting.

Manager Hitchcock reported that in the sewer fund there is an issue with debt from bonds that were issued in 1987. They were refinanced in 1991 and at the time they were refinanced so that none of the principal payment was paid for 15 years, so the debt was not reduced. In 2001 it was refinanced to pay principal in the next seven years minimally and then the payments will go up. This is scheduled to occur next year.

Member Monroe commented that the refinancing of the bonds saved the City \$2750,000.

Mayor Zichi commented that the Council was uncomfortable raising the rates a lot at first and making it the same amount over the next few years. The increase was proposed at 9% in the Sewer Fund.

Member O'Connell commented that the consultants recommended the rate increase to pay for the increase of the bond payment.

Member Hanna commented that the General Fund cannot be paid back if it is taken from there to pay for the increase.

Member Davis commented that it would be unfair for the people that are paying taxes to the City to subsidize the water/sewer for Township residents.

Member Hyne asked how many City residents pay water/sewer and how many pay water/sewer in the Township?

Manager Hitchcock answered that there are currently approximately 50 in the Township.

Member Hyne commented that these are tough times for citizens and she has a difficult time increasing the cost to residents. She believes there can be some budget cuts made to cover the cost from the General Fund.

Member VanAllsburg asked if the money was paid from the General Fund, how much would it be?

Manager Hitchcock responded that one mill is equal to \$115,000.

Mayor Zichi commented that there are projects that need to be done. He explained that in the 90's there was a negative fund balance in the General Fund, but since then the City stopped spending money, but now there needs to be work done.

Member Hyne commented that the City is putting money into the Community Center building and the Council needs to budget and look ahead.

Mayor Zichi commented that a thousand households in the City would be subsidizing fifty in the Township, and the thousand residents are what the Council should be concerned about.

Member VanAllsburg asked how they could get more tap fees.

Mayor Zichi answered that they need more new buildings.

Member Davis asked how many tap fees are projected for 2006/2007.

Manager Hitchcock replied that they are projecting 5 tap fees.

Gary Theis commented that he has 18 lots and no offers for houses in Plymouth Landing.

Hyne also commented that based on the increases for the Community Center and Waste Water Treatment Plant ?????.

Member O'Connell commented that one of the problems they have is they can spend down the fund balance to not increase fees or taxes but that will only last for 2 or 3 years.

Member Hanna stated that it is a hard thing to do, but eventually they will have to do it.

Member Hyne reiterated that she still wants to look at the budget and see what can be cut in the General Fund.

Robert St. John commented that if the Council decides to make cuts to the budget, they need to make it very clear to the public what they are from. To justify exactly what will be cut from the budget.

Dawn Marie Joseph commented that the problem seems to be from a lack of tax base and it needs to be increased.

Mayor Zichi commented that the Industrial Park is privately owned, and there is vacant land that is not being developed and the economy is not good.

Ms. Joseph stated that the economy is bad but her business is doing well. She added that she was on the DDA a few years ago, and they have been asking for a list of all of the vacant properties in the downtown and it has not been done. She asked what group will help that get done.

Mayor Zichi answered that Community Development Director Alison Alfredson has been working on this issue but the problem is that there is no response from landlords. They do not seem to want the help.

Member Hyne commented that the lack of development proves how important it is to get Tractor Supply Company to come to the community.

Motion by **Monroe**, second by **O'Connell**, to hold another budget work session.
Motion passed by voice vote.

Mayor Zichi asked the City Manager to schedule the budget work shop with Council within the next 10 days.

Terri Campbell asked if ideas could be posted with the work shop notice so the public can see them.

Mayor Zichi asked Council to write down any of their ideas so they can be distributed.

Mayor Zichi closed the public hearing at 7:55 p.m.

7. Council Minutes of May 22, 2006:

On page 2, item 9b., add "Councilmember Hyne voiced a concern that she would like to see a screened fireplace that would be adequately screened." On page 2, 9c. add "Councilmember Hyne asked the Police Chief his position on the Uniform Traffic Code and he stated that he supported it". On page 3, item 10b. add "Councilmember Hyne asked if it was appropriate to continue with Lisa not present and that the Mayor said it was appropriate to proceed." add "She questioned the benefits package of the City's contribution." And "Also questioned the benefits package, the City contribution, and that she had questioned also the severance package and the six months pay. On page 4, 14 lines down add "Hyne stated that it is also the taxpayer's money." On page 5, 10c. add "Hyne stated that it was a two year Eagle Scout project and she would like to encourage community service and she would like the hydrants painted by the Eagle Scouts exempt."

Motion by **Hanna**, second by **O'Connell**, to approve the minutes of May 22, 2006 as amended. **Motion passed by voice vote.**

8. Accounts Payable:

The accounts payable totaled \$94,131.58 which included consultant fees, legal fees, insurance fees, utilities, and other miscellaneous supplies and services. Reference #'s 6801-6900.

Motion by **Hanna**, second by **Monroe**, to approve the accounts payable as presented. Yes: Monroe, VanAllsburg, Hanna, Zichi, Hyne, O'Connell, Davis. No: None. **Motion passed.**

9. Action Items

9a. 2nd Reading of Ordinance #297 Open Burning:

Motion by **Hanna**, second by **O'Connell**, to approve the second reading of Open Burning Ordinance #297 as presented. Yes: Zichi, Hyne, O'Connell, Davis, Monroe, VanAllsburg, Hanna. No: None. **Motion passed.**

9b. 2nd Reading of Ordinance #298 to Adopt by Reference the Uniform Traffic Code:

Motion by **Hanna**, second by **VanAllsburg**, to approve the second reading of Ordinance #298 to Adopt by Reference the Uniform Traffic Code. Yes: VanAllsburg, Hanna, Zichi, Hyne, O'Connell, Davis, Monroe. No: None. Motion passed.

9c. 1st Reading of Ordinance #299- Zoning Ordinance Text Amendments:

Councilman VanAllsburg asked about the history of the off street parking. **Zichi** responded that the decision was made by the Planning Commission in the 1990's when they were re-doing the Zoning Ordinance. His understanding is, the Planning Commission was trying to devise a way to make Williamston Road not look like every other entrance to other cities. **VanAllsburg** commented that the Antique Mall has parking in the front but it is not in the overlay district. **Hanna** commented that he does not like the overlay district. **Hyne** commented that the lack of development proves a point and the water/sewer fund is struggling. **VanAllsburg** asked why they can't put the parking and loading dock on the same side. **Mayor Zichi** answered that it would cause traffic issues. **Lynn Wilson** commented that she feels that there has been a lot of work in bringing the ordinance to them. The Planning Commission has held two public hearings, they have held a preliminary site plan, there have been detailed minutes provided for all of those meetings. Several Council members have been at the meetings. While she appreciates that the Council has different opinions, and she appreciates the fact that Councilman VanAllsburg has a question, but the questions he is asking has been answered several times, it has been discussed several times, it has been recorded in the minutes several times. She hopes the Council appreciates that the Planning Commission is working very hard, and hope the Council is reading the Planning Commission minutes to see the public input that has been provided not only in person but in writing. She asked the City Council to be active members of the community and if they have questions, she would have loved to having them ask the questions last month. She added that she is not criticizing his questions. **VanAllsburg** commented that he believes she is, and the vote was 5 to 3 and they are discussing a major decision about the aesthetics of the town. **Zichi** commented that bottom line those concerns were raised at the Planning Commission and there was a lot of dissent among the Commissioners. Member **Davis** commented that there was not a lot of dissent. She commented that the information that **Zichi** provided from **Jim Foulds** that was done at his request, was given to the Planning Commission at the last minute, and the Planning Commission did consider the correspondence, but they chose not to act on it. It makes the Planning Commission sound irresponsible. **Zichi** commented that he did not mean for it to sound that way. **Gary Theis** asked who will be paying for the opinion from **Jim Foulds**. **City Manager Hitchcock** responded that the City will be paying for it. **Mr. Theis** asked why they would need that if they

have a Planning Commission and a Planning Director. Manager Hitchcock responded that she requested the opinion and the Mayor requested that it be put in writing. Councilmember Davis commented that the opinion was not shared with the City Council and she felt that she should share it as the Planning Commission representative. She encouraged the Council to attend the meeting that night, because she remembers that it was one of VanAllsburg's issues. Councilman Hanna commented that he does not have a problem with getting a second opinion, but believes the memo came off poorly and insulting because of the timing. Councilmember Hyne commented that she believes the memo was inappropriate, it oversteps the authority of the Planning Director, and the authority of the Planning Commission. She believes it was inappropriate for the Mayor to do that before the ordinance even reach the Council. Zichi commented that per the City Charter he is allowed to provide information to the boards and commissions to the City Council. He believed it was appropriate to get more information. VanAllsburg commented that he has a lot of respect for the people that set up the aesthetic plan for the corridor. He realizes that nearly everyone is in favor of TSC, but it is very difficult for him to vote on it because he does not want a chain store to go out there. Davis commented that she would have a hard time voting no with the tax dollars they will bring in.

Motion by **Hanna**, second by **Davis**, to approve the first reading of the Zoning Ordinance Text Amendments, Ordinance #299 as presented. Yes: Hyne, O'Connell, Davis, Monroe, VanAllsburg, Hanna. No: Zichi. **Motion passed.**

9d. Agreement with Ingham County Road Commission for Pavement Striping:

Motion by **Hanna**, second by **Davis**, to approve the agreement with the Ingham County Road Commission for pavement striping as presented. Yes: Hanna, Zichi, Hyne, O'Connell, Davis, Monroe, VanAllsburg. No: None. **Motion passed.**

9e. DTE Tax Tribunal Settlement:

Attorney Stoker commented that the DTE issue is a statewide dispute, but the City of Williamston will not likely be affected by it.

Motion by **Hanna**, second by **O'Connell**, to accept the settlement with DTE as presented. Yes: O'Connell, Davis, Monroe, VanAllsburg, Hanna, Zichi, Hyne. No: None. **Motion passed.**

9f. Authority and Commission Re-Appointments:

Motion by **Hanna**, second by **VanAllsburg**, to concur with the Mayor's appointment of Alyson Wendt to the DDA for a term to expire 6-30-10, George Bohart to the Planning Commission for a term to expire 06-30-09 and Lisa

Sawaya to the Planning Commission for a term to expire 6-30-09. **Motion passed by voice vote.**

Member O'Connell commented that although he agrees with the appointments he would like to see the applicants come to the Council meeting so he is able to meet them.

9g. Hideaway Woods Engineering Contract:

Motion by **Monroe**, second by **Davis**, to approve the contract for engineering services with Capital Consultants for Hideaway Woods as presented. Yes: Davis, Monroe, VanAllsburg, Hanna, Zichi, Hyne, O'Connell. No: None. **Motion passed.**

9h. Deer Creek Park Easement for Storm Sewer:

Manager Hitchcock reported that shallow digging will be done in the **Deer Creek Park area** a complex area. The project will start after Jubilee is over.

Motion by **Hanna**, second by **Monroe**, to approve the Deer Creek Park easement for the storm sewer for construction to begin after Jubilee. Yes: Davis, Hanna, Hyne, Monroe, O'Connell, VanAllsburg, Zichi. No: None. **Motion passed.**

9i. Presentation of Proclamation- Earl Salisbury:

Councilmember Hyne reported that there will be a flag ceremony to honor Earl Salisbury for his dedication to the community. A proclamation was presented for Council signatures. The ceremony will be held on Wednesday, June 14th at 7:00 p.m. at St. Mary's Church.

Motion by **Hanna**, second by **Hyne**, to approve the proclamation for Earl Salisbury as presented. Yes: Monroe, VanAllsburg, Hanna, Zichi, Hyne, Davis, O'Connell. No: None. **Motion passed.**

9j. City Manager's Employment Contract:

Motion by **Hyne** to approve a six month contract with no pay increase. Motion died due to lack of a second. Motion by **O'Connell** to approve the contract with amendments to be: a term of three years and no severance. Motion died due to lack of a second. Motion by **Hanna**, second by **Monroe**, to accept the contract as presented for the renewal of the City Manager's contract. Yes: Davis, Monroe, VanAllsburg, Hanna, Zichi. No: O'Connell, Hyne. **Motion passed.**

9k. Accessible Voting Systems Grant Agreement:

Motion by **Hanna**, second by **O'Connell**, to approve the Accessible Voting Systems Grant Agreement as presented. Yes: Davis, Monroe, VanAllsburg, Hanna, Zichi, Hyne, O'Connell. No: None. **Motion passed.**

10. Discussion Items

10a. Forest of Nottingham Readiness to Service Water Billing:

Bill Dyke commented that the Forest of Nottingham residents are appealing to the City for excessive readiness to serve charges. He stated that there has been a lot of discussion with the City Manager regarding this issue and they have not come to a conclusion. They are paying \$4600 to \$1100 in excessive charges. He stated that the City directed TMN builders to install a two inch water meter in the duplexes. Mr. Dyke recommended that the City reduce the charge to a one inch meter charge. There are 25 meters in the Forest of Nottingham development.

Councilman Monroe asked if the association pays for all of the water bills. Mr. Dyke answered that they do.

Manager Hitchcock commented that the City requires a shut off valve for each unit.

Councilmember Davis questioned how the City played a role in this issue.

Councilman Hanna commented that he would like to see copies of these bills for the next meeting.

This will be an action item on the next agenda.

12. Staff Reports

12a. City Manager:

Manager Hitchcock submitted a report and congratulated the Williamston Track Team for their State Championship.

12b. City Attorney:

No report.

12c. Police Chief:

Chief Hetfield submitted a written report for Council review.

12d. Planning and Development Administrator:

Administrator Wilson submitted a written report for Council review.

12e. WWTP:

A report for the Waste Water Treatment Plant was submitted for Council review.

12f. Treasurer:

Treasurer Dolley submitted the financial report for April 2006 for Council review.

13. Committee/Sub-Committee Reports

13a. Legislative Director:

Councilman O'Connell reported that the state budgets are now scheduled to be finished by July 15th, 2006.

14. Audience Participation:

Mayor Zichi called for public comment at this time and there was none.

15. Council Member Comments:

Councilmember Hyne reminded everyone of the Flag Day ceremony and the Red Cedar Jubilee. She also congratulated the Girls Softball and Girls Soccer on their achievements.

16. Closed Session- AFSCME Union Negotiations:

Motion by **Hanna**, second by **O'Connell**, to enter into closed session to discuss the AFSCME union negotiations. Yes: Hanna, Zichi, Hyne, O'Connell, Davis, Monroe, VanAllsburg. No: None. **Motion passed.**

Closed Session started at 9:51 p.m.

Motion by **Hanna**, second by **O'Connell**, to return to open session. **Motion passed by voice vote.**

Closed session ended at 10:15 p.m.

Action taken on Closed Session:

No action was taken on closed session.

Meeting Adjourned at 10:15 p.m.

Respectfully Submitted by: _____
Holly M. Thompson, Deputy Clerk

Date Approved: _____