

The regular meeting of the Clare City Commission was called to order at 6:00 p.m. in the Commission Chambers by Mayor Pat Humphrey who led the Pledge of Allegiance. Present were: Commissioners Bob Bonham, Pat Humphrey, Carolyn (Gus) Murphy, and Jean McConnell. Absent: None. Also present were Ken Hibl, City Manager; Steven Kingsbury, Treasurer and Finance Director; Jim Chapman, Fire Chief; and Diane Lyon, City Clerk.

2. CONSENT AGENDA:

Moved by Commissioner McConnell second by Commissioner Murphy to approve the items listed with an asterisk (*) (Agenda, Minutes, Communications, and Bills) that are considered to be routine by the City Commission. Ayes: All. Nays: None. Absent: None. *Motion Carried.*

3. *APPROVAL OF MINUTES:

Approved By Consent Agenda.

4. *APPROVAL OF AGENDA:

Approved By Consent Agenda.

5. PUBLIC COMMENT: Leonard Strouse informed the Commission that he, as a member of the Clare County Board of Commissioners along with fellow Commissioners Jim Gelios and Karen Lipovsky, had voted in favor of renewing an agreement with the Middle Michigan Development Corporation but the motion was voted down 4-3.

6. UNFINISHED BUSINESS: None.

7. NEW BUSINESS:

A. SALE OF 1990 AERIAL FIREFIGHTING VEHICLE

After a very lengthy and thorough evaluation process in 2015 the City Commission authorized the purchase of a new 2015 E-One 78' Aerial firefighting vehicle. Included within the financial analysis of the purchase of this new vehicle was the sale of the City's 1990 Grumman 102' Aerial Firefighting Vehicle. During a subsequent meeting the City Commission authorized the use of a third party broker to assist the City in the sale of the City's old 1990 Grumman as our efforts were not yielding success.

After several months of minimal interest in the Grumman we have secured an offer of \$31,000 from Kurtz Brothers of Groveport Ohio. Kurtz Brothers is a mulch processing facility and as such they are not interested in the Federal Q Siren or any of the ground ladders that are installed on the Grumman so this purchase price does not include any of those items. If the City Commission approves this sale the siren will be installed on the Engine 1842. Additionally, if the Commission approves the ground ladders will be sold to the highest bidder or at auction through a separate sale.

Additionally, within the brokerage contracts for the sale of the Grumman we agreed to pay a commission to the company that facilitated the sale based upon the selling price. Based upon the \$31,000 selling price the brokerage fee is ten percent or \$3,100. This fee will be paid separately and not netted from the proceeds of the sale of the vehicle.

Motion by Commissioner McConnell second by Commissioner Murphy to approve the sale of the firefighting apparatus by adoption of Resolution 2016-116. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Carolyn (Gus) Murphy, Jean McConnell and Karla Swanson. Nays: None. Absent: None. *Motion Carried.*

B. BUDGET AMENDMENTS FOR FY2016/17

With the elimination of the full-time administrative support position within the City's Police Department and also the City's Building Official (a contracted position) there are a number of budget amendments needed to realign the FY2016/17 budget to the currently anticipated/projected expense amounts that will be incurred during the fiscal year. Primarily this will include the reduction of several personnel and contractual related expense line items but it will also include a few revenue accounts as the services previously provided through these two positions will no longer be realized.

Furthermore, there have been within the first three months of the City's fiscal budget year a few instances where the actual cost of planned expenditures has exceeded the

original budgetary estimates. These individual expenditures and the impact upon the budget have been carefully considered by the City Commission and were found to be prudent and in the best interest of the City. To insure accurate financial analysis throughout the remainder of the fiscal year these adjustments need to be formally incorporated into the City's budget by approval of the City Commission.

Motion by Commissioner Swanson second by Commissioner Murphy to approve FY 16/17 Budget Amendments as presented by adoption of Resolution 2016-117. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Carolyn (Gus) Murphy, Jean McConnell and Karla Swanson. Nays: None. Absent: None. *Motion Carried.*

C. ADDITION OF THREE (3) STREETLIGHTS TOT THE CONSUMERS ENERGY LIGHTING CONTRACT

By virtue of the transfer of 8/10's of a mile of East Colonville Road into the jurisdictional control of the City of Clare there are three streetlights that also need to be transferred from Grant Township to the City within the standard street lighting contract with Consumers Energy. One of the three streetlights is located at the intersection of E. Colonville Road and North Clare Avenue; the second is located just north of this intersection; and the third is located near where the Northbound US127 exit ramp empties onto E. Colonville Road.

Motion by Commissioner Bonham second by Commissioner Swanson to approve the streetlighting contract by adoption of Resolution 2016-118. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Carolyn (Gus) Murphy, Jean McConnell and Karla Swanson. Nays: None. Absent: None. *Motion Carried.*

D. CRAWFORD CONTRACTING CHANGE ORDER REQUEST

By adoption of Resolution 2016-105 the City Commission approved the bids received for the necessary site work described below at the City's new South Multi-Purpose Recreational and Youth Sports Complex and awarded the contract to Crawford Contracting. The scope of the work to be completed within this contract includes mobilization; Clearing, Grubbing, Tree Removal and Stripping/Stockpiling of Topsoil along the southern edge of the property and portions of the eastern and western edges; Grading of the trail around the perimeter of the complex; Installation of a Six-Foot Wide Afton Stone Pathway.

The above work was originally planned to be completed by September 30th in anticipation of seeding the complex yet this fall. However, intermittent and fairly significant amounts of rain were experienced during September which delayed the start of the earth work. This delay does not harm or delay the overall project as a determination was made subsequent the awarding of the above work to delay the seeding of the complex until next spring so the September 30th deadline was no longer needed.

With the weather delays Crawford Contracting has submitted a change order request to extend the work completion date to October 31st from September 30th.

Motion by Commissioner Murphy second by Commissioner Swanson to approve the contract change order by adoption of Resolution 2016-119. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Carolyn (Gus) Murphy, and Jean McConnell. Nays: None. Absent: None. *Motion Carried.*

E. MICHIGAN MUNICIPAL LEAGUE (MML) LIABILITY & PROPERTY POOL BOARD OF DIRECTORS ELECTION

We have received notice of the upcoming annual MML Liability & Property Board of Directors election. The City Commission is asked to approve the proposed slate provided by the MML Nominating Committee or direct that a write-in candidate(s) be designated.

Motion by Commissioner Bonham second by Commissioner Swanson to authorize the City Clerk to submit the ballot proposal in accordance with the Commission's selections by adoption of Resolution 2016-120. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Carolyn (Gus) Murphy, Jean McConnell and Karla Swanson. Nays: None. Absent: None. *Motion Carried.*

F. CONTRACT WITH VOLUNTEER ENERGY FOR NATURAL GAS SERVICES

For the past few years the City of Clare has purchased our natural gas through Volunteer Energy with delivery and billing being provided by DTE Energy. The relationship has for the most part been a beneficial one for the City of Clare saving the City considerable expense, particularly in the early years. There was a timeframe in early 2014 where consumption exceeded the contract and as a result we had to pay market rates which was quite expensive. In 2015 and 2016 the relationship has not been as beneficial for the City which historically has been the case with natural gas provider relationships when the price is falling as it has been over the past couple of years.

Enclosed for the Commission's reference is a historical comparison of the price that we have paid Volunteer Energy and the market rates of DTE Energy. The primary question is what will happen with natural gas consumption and pricing in the future which is impacted by the weather and other factors outside of everyone's control. Also enclosed is a ten-year history of natural gas prices.

The City's contractual agreement with Volunteer Energy for the purchase of natural gas is expiring today, September 30th. We have received two proposed contracts from Volunteer Energy to continue purchasing our natural gas from them. The first is based upon the New York Mercantile Exchange (NYMEX) index and the second is a variable month-to-month rate that is guaranteed to be 3% lower than the price from DTE Energy. Volunteer Energy has provided us a one-year historical proforma of the NYMEX rate compared to the DTE Energy rate for the period of September 2015 through September 2016 which reflects a fairly consistent and significant savings.

Motion by Commissioner McConnell second by Commissioner Murphy to approve a fixed rate contractual agreement with Volunteer Energy by adoption of Resolution 2016-121. Roll call vote: Yeas: Commissioners Bob Bonham, Pat Humphrey, Carolyn (Gus) Murphy, Jean McConnell and Karla Swanson. Nays: None. Absent: None. *Motion Carried.*

8. TREASURER'S REPORT

The Treasurer presented his report.

9. CITY MANAGER'S REPORT

MEDC ICE Grant Mr. James Espinoza from the Michigan Economic Development Corporation (MEDC) presented the \$509,039 Infrastructure Capacity Enhancement Grant to the City of Clare on September 28th, 2016. State Senator Judy Emmons, Mayor Pat Humphrey, Mayor Pro Tem Jean McConnell and Commissioner Karla Swanson took part in the presentation along with Brandon Fewins from Senator Stabenow's office, Al Jessup representing the City's Department of Public Works, and Sarah Brooks from Representative Moolenaar's office who presented a Certificate of Special Congressional Recognition to the City for its efforts in improving the water distribution system.

Railroad Depot Restoration. At the beginning of this week we received confirmation of receipt of a \$25,000 donation from the Rollin M. Gerstacker Foundation to assist the City in our restoration efforts of the Historic Clare Railroad Depot. These funds will go a long way in helping the City complete this wonderful project.

Consumers Energy Tree Grant. On September 29th we were notified by Consumers Energy that the City of Clare's grant application for the replacement/planting of trees was approved in the amount of \$2,500. The City's Tree Advocacy Board has been notified and will continue their work along with the DPW over the next few weeks to finalize the purchase of the allowed 25 trees (\$100 per tree). Ten of the trees will be planted within local streets right of ways, ten will be planted within City Parks and the remaining five will be planted in the Cherry Grove Cemetery.

Dead Tree Removals. As the Commission is aware our state has experienced the loss of thousands of ash trees to the emerald ash borer and that the City of Clare has experienced this same problem to a fairly significant extent. The City's DPW has this week been working with Davey's Tree Service, who is contracted by Consumers Energy to trim and remove trees from electrical power lines, to remove seventeen dead trees throughout the City. These removals follow the fourteen that were removed with Davey's assistance last

year and the 37 trees that our DPW removed without assistance during the past two years. At this point we have addressed the most pressing tree removals that needed to be done and have prioritized the approximately two dozen trees that still at this time need to be removed.

Bridge Inspections. Historically the City of Clare has contracted every other year with licensed engineers to conduct inspections of the six bridges that are owned and operated by the City within our public road system. With the increased awareness throughout the country of the critical nature of bridges and the potential of bridge failures an increased focus has been placed on all bridges throughout the state by the Michigan Department of Transportation. Because the bridges in Clare are older and there are some signs of age MDOT increased the frequency of inspection for our bridges to annually. During this year's inspections which are currently in process the Woodlawn Bridge was found to have some deterioration that resulted in a lowering of the structural condition rating and placing a load restriction on the bridge. There is no threat to public safety with the lowered rating however it does pose some challenges to everyday in that particular neighborhood as heavy trucks will not be allowed to cross the bridge. We are currently working with structural engineers from Gourdie-Fraser to implement both an interim solution as well as cost efficient repairs to the bridge.

Addendum.

Back to the Bricks Clare has been selected by the organizers of the renowned car show "Back to the Bricks" as an overnight stop for their 2017 event. These high dollar vehicles will be pulling into Clare on Friday, June 9, 2017.

10. *COMMUNICATIONS

Approved By Consent Agenda.

Charter Channel Line-up Change. Charter Communications has announced another change to their channel line-up.

House Bill 4209. We have received notice of a State of Michigan Legislative change, PA 281, related to marihuana licensing and regulation.

FEMA Notification of Approval. We have received notice from the Department of Homeland Security FEMA office that the Clare County Hazard Mitigation Plan met the criteria for multi-jurisdiction. The plan is now approved for the City of Clare and Freeman Township.

11. EXTENDED PUBLIC COMMENT: Fire Chief Jim Chapman announced that Fire Prevention week begins the week of October 9. The Fire Department will hold their Fire Council meeting on Monday at 5:00 pm at the Public Safety Building and their annual steak fry will begin at 6:00 pm at the VFW. Chief Chapman displayed a set of new turnout gear.

12. COMMISSION DISCUSSION TOPICS: Discussion took place regarding the status of lawsuits against the State by several municipalities related to the State's redistribution of municipal Revenue Sharing funds to support Charter Schools and school education funds. The State of Michigan ranks number 50 out of all 50 states in respect to the State returning funds to and investing in local municipalities.

The Commission discussed the current tax rate and the road millage proposal which is on the November 8th ballot. The City Treasurer placed the current tax rate in the middle of the road (depending on which tax base it is being compared to). Many people don't realize that a portion of their tax bill is apportioned to the schools and does not come to the city. About 50% of the City's tax base comes from commercial and industrial properties and the majority of those business owners do not live within the City; this means that one half of the funds generated by the road millage proposal on the ballot this November would come from those properties. We have six bridges in the City that need to be maintained and/or repaired and with Complete Streets requirements we also must invest in our sidewalks and non-motorized transportation routes. To demonstrate the cost for road repairs, we recently received an ICE Grant in the amount of \$509,000 from the Michigan Economic Development to replace three (3) blocks of water main and roadway; the total project cost will be \$610,000 with the City picking up the remaining \$101K. We expect to receive only one half of what the State has promised to us for roadways. The

last time the millage rate changed it was reduced to seventeen and one half mils. If the millage does not pass, the City will be very limited on what street repairs can be completed.

13. *APPROVAL OF BILLS

Approved By Consent Agenda.

14. ADJOURNMENT

Motion by Commissioner McConnell second by Commissioner Murphy to adjourn the meeting. Ayes: All. Nays: None. Absent: None. *Motion Carried.* Meeting adjourned at 6:38 p.m.

Pat Humphrey, Mayor

Diane Lyon, City Clerk