

November 8, 2017

**IMLAY CITY COMMISSION
150 N. Main Street
IMLAY CITY, MI 48444
REGULAR MEETING
November 8, 2017**

1. CALL TO ORDER

Mayor Pro-Tem Kempf called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

Mayor Pro-Tem Kempf led the Pledge of Allegiance.

3. ROLL CALL

Present: Mayor Pro-Tem Joi Kempf
Commissioner Frank Demske
Commissioner Mike Romine

Commissioner Amy Planck
Commissioner Robert Tanis

Absent: Mayor Walt Barga and Commissioner Al Ramirez

Also Present: City Manager Tom Youatt; City Attorney David Churchill; DPW Superintendent Ed Priehs; Chamber of Commerce Event Coordinator Shannon Hamel; four members of the community; and one member of the media.

4. APPROVAL OF AGENDA

Moved by Romine, seconded by Demske, to approve the agenda with the following addition: 8.G. Sanitary Sewer Construction Proposal.

MOTION CARRIED UNANIMOUSLY

5. APPROVAL OF CONSENT AGENDA ITEMS

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

A. Approval of Minutes - Regular Meeting – October 17, 2017

B. Other Minutes - DDA Meeting – October 9, 2017

C. Payment of Bills - Payroll totaling \$88,803.93
Accounts Payable and Trust & Agency totaling \$480,636.69

ROLL CALL VOTE

Ayes: Romine, Demske, Tanis, Planck, Kempf

Nays: None

MOTION CARRIED 5 - YEAS; 0 – NAYS

6. CITIZENS FROM THE FLOOR

Alan Rosenbalm, Imlay City, addressed the Commission with a concern regarding the financing of a new fire hall. Mr. Rosenbalm expressed his pleasure with the land purchase for a new fire hall but cautioned that the Commission should not be exclusively reliant upon millage funding for construction, given the recent failure of the school millage proposal.

City Manager Tom Youatt responded that there has been no determination of the method of financing for the new fire hall project. Youatt stressed that the Imlay City Community Schools millage was supported by Imlay City voters, and the fire millage proposal in Imlay Township was successful. Youatt reiterated that the City will be looking at all options for financing.

7. OLD BUSINESS

A. Capac Road – Change Order #2

City Manager Tom Youatt presented a letter of recommendation from ROWE Professional Services Company for Commission approval of Change Order #2 for the North Fairgrounds and Capac Roads Scrap Tire Grant Project increasing the contract amount with James P Contracting, Inc. by \$1,075.00. Youatt explained that the increase was due to the extension of the project 300 feet west, and the resulting contract price is now \$285,648.85. Youatt noted this is approximately \$9,000.00 under budget.

Motion by Romine, seconded by Planck, to approve Change Order No. 2 to the North Fairgrounds and Capac Roads Scrap Tire Grant Project resulting in a net increase of the contract price with James P Contracting, Inc. in the amount of \$1,075.00, with a new contract price of \$285,648.85.

ROLL CALL VOTE

Ayes: Romine, Demske, Tanis, Planck, Kempf,

Nays: None

MOTION CARRIED 5 - YEAS; 0 – NAYS

B. Capac Road – Pay #2 Final

City Manager Tom Youatt presented a Contractor's Application for Payment No. 2/Final Payment request prepared by ROWE Professional Services Company for construction services by James P Contracting, Inc. in the amount of \$37,511.19 for the North Fairgrounds and Capac Roads Scrap Tire Grant Project. Youatt noted the City will be reimbursed 50% of the costs through the DEQ Scrap Tire Grant, and he will submit the required documentation for reimbursement.

Motion by Romine, seconded by Demske, to approve the final payment request from James P Contracting, Inc. for construction services for the North Fairgrounds and Capac Roads Scrap Tire Grant Project in the amount of \$37,511.19, as presented.

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ROLL CALL VOTE

Ayes: Demske, Tanis, Planck, Romine, Kempf

Nays: None

MOTION CARRIED 5 - YEAS; 0 – NAYS

8. NEW BUSINESS

A. Chamber Request – Holiday Parade

City Manager Tom Youatt presented the Imlay City Chamber of Commerce request to hold the annual holiday parade in downtown on December 1, 2017 at 6:00 p.m.

Motion by Romine, seconded by Planck, to approve the parade route and Chamber of Commerce request to hold the annual holiday parade in downtown on December 1, 2017 at 6:00 p.m.

MOTION CARRIED UNANIMOUSLY

B. Approval of Meeting Dates and Times for 2018

City Manager Tom Youatt presented the suggested meeting dates and times for 2018 for the various City Commissions and Boards, noting the continuation of the current schedule except for known conflicts due to holidays, elections, etc.

Motion by Planck, seconded by Romine, to approve the 2018 meeting dates and times as presented.

MOTION CARRIED UNANIMOUSLY

C. Bond Counsel Proposal – Miller Canfield

City Manager Tom Youatt presented a proposal from Miller Canfield to serve as bond counsel in the issuance of bonds for the new fire hall project. Youatt explained that bond counsel would take care of all legal issues relating to the issuance of the proposed \$1,750,000.00 bond issue at a cost of \$15,000.00. Youatt noted that the \$1,750,000.00 bond is estimated to cover land acquisition, environmental due diligence, demolition of existing DNR facility, and construction of a new fire hall.

Motion by Romine, seconded by Tanis, to approve the bond counsel proposal from Miller Canfield in the amount of \$15,000.00, in conjunction with the bond issuance in the approximate principal amount of \$1,750,000.00.

ROLL CALL VOTE

Ayes: Planck, Romine, Demske, Tanis, Kempf

Nays: None

MOTION CARRIED 5 - YEAS; 0 – NAYS

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D. Resolution 2017-15 – Reimbursement Resolution for Fire Hall Project

City Manager Tom Youatt presented Resolution 2017-15 which would allow the reimbursement to the City's General Fund of land acquisition costs for the new fire hall project. Youatt reiterated that the City had previously approved the land transaction agreement with the DNR which will go before the Natural Resources Commission at their December 14, 2017 meeting for approval. Youatt noted that he expects to close on the property by the end of the year and having this resolution in place will allow for General Fund reimbursement of the acquisition costs from forthcoming bond proceeds for the project.

Commissioner Planck inquired as to whether the City is proposing to issue bonds for the fire hall project and whether there exists a timeframe within which to accomplish that. City Manager Tom Youatt stated that, while the preferred option to pay off such a bond issue is undetermined, the City will need to issue bonds for the project, and there is no timeframe within which to do so.

Motion by Romine, seconded by Planck, to adopt Resolution 2017-15 to allow for reimbursement to the General Fund from bond proceeds for the new fire hall project.

ROLL CALL VOTE

Ayes: Romine, Demske, Tanis, Planck, Kempf

Nays: None

MOTION CARRIED 5 - YEAS; 0 – NAYS

E. Proclamation – Imlay City Lions

Bob Muir, Secretary for the Imlay City Lions Club, addressed the Commission to request its support of "Imlay City Goodfellow Days" on December 1st and 2nd, 2017 and its approval to sell the Goodfellows newspaper, as organized by the Imlay City Lions Club.

Motion by Tanis, seconded by Romine, to ratify the proclamation for "Imlay City Goodfellow Days".

MOTION CARRIED UNANIMOUSLY

F. Work Truck – Bid Tab

City Manager Tom Youatt informed the Commission that two bids had been received for the DPW Work Truck: Imlay City Ford at \$25,830.92 and Milnes Chevrolet, Inc. at \$26,653.00. Youatt noted the preferred options of adding the snow plow prep package at \$47.00 and skid plates at \$148.00 to the Imlay City Ford bid, arriving at a final cost of \$26,025.92. Youatt noted that the approved vendor through the State of Michigan bid process would save the City approximately \$800.00, but reiterated the importance of supporting local business. Youatt noted that the new truck would replace a 2001 Chevy Silverado. DPW Superintendent Ed Priehs noted that the plow and hitch from the old truck would be installed on the WWTP truck, allowing WWTP staff to plow on-site.

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Commissioner Demske inquired as to the intended purpose of the new truck. DPW Superintendent Ed Priehs responded that it will serve as an everyday work truck for the DPW. Commissioner Romine inquired as to whether the truck would have an aluminum bed. Priehs responded that it would, and the price includes a spray-in bed liner. Commissioner Tanis urged Priehs to consider undercoating the truck to increase its longevity.

Motion by Romine, seconded by Tanis, to accept the bid for a 2018 Ford F150 work truck from Imlay City Ford at a cost of \$26,025.92.

ROLL CALL VOTE

Ayes: Demske, Tanis, Planck, Romine, Kempf

Nays: None

MOTION CARRIED 5 - YEAS; 0 – NAYS

G. Sanitary Sewer Construction Proposal

City Manager Tom Youatt presented the Commission a revised cost proposal from Spicer Group for a South Almont Avenue Sanitary Sewer Extension Project involving the extension of a 12 inch sanitary sewer line 680 feet to the south. Youatt explained that the sewer extension would be necessary to provide services to a proposed forty unit assisted living facility on South Almont Avenue. Youatt explained that a developer with serious intentions has approached the City to determine how it might support the estimated \$3,000,000.00 investment that would produce twenty full-time and twenty part-time jobs. Youatt noted the estimated cost of \$130,000.00 for the sewer main extension and proposed the City split the cost 50/50 with the developer. Youatt further noted that the project would result in \$15,000.00 of tap-in fee revenue for the City, and the resulting facility would represent a significant new utility customer for the City. Youatt stated that the undeveloped property on the west side of Almont Avenue could also benefit from the sewer extension.

Commissioner Romine inquired as to whether any tax incentives exist for this type of development. City Manager Tom Youatt responded that he had contacted the Lapeer Development Corporation in that regard and was notified that tax incentives for this type of development are highly unlikely. Commissioner Demske inquired as to whether Youatt believed the developer would be receptive to paying half the costs of the extension. Youatt responded that he had experience with the developer, Gary DeShano of DeShano Companies, Inc., in other communities and believed he would be receptive to the proposal. Commissioner Planck inquired as to whether the project would be similar to the Blacks Corners Road extension. Youatt responded that it would be different.

Motion by Romine, seconded by Planck, to approve paying 50% of the cost of the South Almont Avenue Sanitary Sewer Extension Project, contingent upon DeShano Companies, Inc. agreeing to and paying 50% of the cost.

ROLL CALL VOTE

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Ayes: Tanis, Planck, Romine, Demske, Kempf

Nays: None

MOTION CARRIED 5 - YEAS; 0 – NAYS

9. MANAGER’S REPORT

Additional information was attached to the packet.

City Manager Tom Youatt reported that the City held a Special Election on Tuesday, November 7, 2017, and successfully implemented new election equipment. Youatt commended City Clerk/Treasurer Nicole Frost and the Imlay City election inspectors for the successful administration of the election. Youatt presented the county-wide election results. Youatt reported that Gateway Assembly volunteers will paint the bridges on the Polly Ann Trail within Imlay City beginning November 9, 2017. Youatt noted that Police Chief Scott Pike had organized the event which will serve to cover the existing graffiti. Youatt reported that the Polly Ann Trail Lighting Project is also scheduled to be completed over the weekend. Youatt reported that he, along with DPW Superintendent Ed Priehs, had met with GLWA to review data on water usage and determine a fair rate in the contract going forward. Youatt informed the Commission that the City is meeting the maximum per day volumes, but not the peak hour, and this has serious rate implications. Youatt reported that the newly installed SCADA equipment greatly enhances the City’s ability to manage the water coming into the City, and DPW Superintendent Ed Priehs has been manipulating the system to determine the City’s ability to satisfy the maximum peak hour volumes. Youatt noted that he and Priehs also met with Vlasic to share this information, as it is Vlasic’s water consumption that places the water usage outside of the contracted amounts. Youatt noted he will continue to work with GLWA and Vlasic to manage the situation, which must be addressed by January 12, 2018. Youatt reported that Cheney Street paving will begin next week. Youatt reported that the contract between the City and Imlay Township for fire service will expire at the end of 2017, and he is proposing a one year extension at an increased rate to allow time to negotiate a more long-term contract.

10. OTHER BUSINESS

Commissioner Planck inquired as to the length of the allowable term that the City is able to sell bonds for. City Manager Tom Youatt noted that if USDARD programs are utilized, the term can go for forty years, although thirty years is more typical. Youatt noted that a fire hall is a long term asset and most assuredly will require the issuance of bonds.

11. ADJOURNMENT

Motion by Romine, seconded by Tanis, to adjourn the meeting at 7:37 p.m.

MOTION CARRIED UNANIMOUSLY

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

Approved: November 21, 2017