

City of Portland

Portland, Michigan

Minutes of the City Council Meeting

Held on Monday, January 6, 2014

In Council Chambers at City Hall

Present: Mayor Barnes, Mayor Pro-Tem VanSlambrouck, Council Members Krause, Fitzsimmons and Sunstrum; City Manager Dempsey; City Clerk Miller; Police Chief Knobelsdorf

Guests: Kathy Parsons; Craig Patterson of The WODA Group; Tom Thelen of the Review & Observer

The meeting was called to order at 7:00 P.M. by Mayor Barnes with the Pledge of Allegiance.

Mayor Barnes suggested moving Item A, under New Business to Item H as Mr. Patterson had not arrived yet due to road conditions.

Motion by VanSlambrouck, supported by Sunstrum, to approve the amended Agenda.

Yeas: VanSlambrouck, Sunstrum, Krause, Fitzsimmons, Barnes

Nays: None

Adopted

Under the City Manager Report, City Manager Dempsey presented information on the action items for consideration on the Agenda and noted that Portland District Librarian Cory Grimminck was unable to attend the meeting tonight and will attend the February 3rd City Council meeting.

Mr. Patterson arrived at 7:29 P.M.

City Manager Dempsey reported that Portland residents were fortunate to have not lost power during the ice storm on December 21st and 22nd due to the fact that the majority of the City's electric lines are underground. There were a handful of customers in the country who lost power short-term because of branches down on lines. WZZM 13 out of Grand Rapids did a story comparing the Cities of Portland and Lake Odessa and the number of power outages. Due to the foresight of previous members of the Board of Light and Power and City Councils electric lines have been put underground when roads have been improved.

To date, the DPW has picked up 35 loads of brush and limbs already as a result of the ice storm. They will continue this effort as quickly as possible, and will likely continue into the Spring.

City Manager Dempsey noted that he has been speaking with Jason Eppler, City Manager of Ionia, on the joint rental of a large chipper to chip brush that has been collected.

Mayor Pro-Tem VanSlambrouck asked if hanging "dangerous" branches in many of the trees will be addressed.

City Manager Dempsey stated that the DPW has identified those hanging branches that appear to be the most dangerous. They were planning to address them this week; but with the recent large snowfall those efforts have been delayed.

City Manager Dempsey reminded residents that the City only addresses trees that are located in the curb lawn area. Property owners are responsible for trees on their property.

City Manager Dempsey noted that letters were sent out last week in regard to sidewalk snow removal that were intended as reminders that snow must be removed from sidewalks within 10 hours of the cessation of the weather event. It seems that some areas had been shoveled but ice remained. There were new employees assessing the quality of snow removal. For the most part, the City only asks that property owners do the best they can with snow removal. The City has suspended the snow removal rule until the weather warms up and it is safe for individuals to be outdoors.

Granger delayed trash pickup by one day due to the snow; trash will be picked up on Tuesday, January 7th.

Under New Business, the Council considered Resolution 14-01 to approve a grant agreement in the amount of \$3,000 provided by MDEQ to update the City's Wellhead Protection Program Plan that includes delineation for wells PW-4, PW-5, PW-6 and PW-7 that is now more than 5 years old. The MDEQ Grant Agreement requires the City provide an equal amount of local match so the City is required to spend \$3,000 for a local match. The City Council also approved having Fleis and VandenBrink review MDEQ files regarding the plans for the Christensen Oil and Gas Well and provide a summary of the findings and the potential impact on the City's well field in a letter, that will be paid for by the City outside the scope of the wellhead protection grant work.

Motion by VanSlambrouck, supported by Krause, to approve Resolution 14-01 approving, authorizing, and directing the Mayor and Clerk to sign a Grant Agreement to update the City's Wellhead Protection Program Plan.

Yeas: VanSlambrouck, Krause, Fitzsimmons, Sunstrum, Barnes

Nays: None

Adopted

The Council considered Resolution 14-02 to approve a Water System Maintenance Agreement with Parkview Estates Mobile Home Park. The MDEQ has informed the City that to comply with the MDEQ's cross connection requirements where the City's provision of potable water to a mobile home park like Parkview Estates that has two or more connections to the City public water system, one of three things must occur. Double check valves must be installed at each connection with the City water system, the City must receive easements for the multiple connection of Property Owners' water mains and undertake responsibility to operate, maintain, and repair those water mains, or the City and the Property Owners must enter into a suitable agreement pertaining to certain aspects of the operation, maintenance, repair, and extension of the multiple connections of the Property Owners' water mains. The City advised the owners of Park View Estates of the cross connection rules and the options available. The owners desire to enter an agreement pertaining to certain aspects of the operation, maintenance, repair, and extension of the multiple connections of the Property Owners' water mains to the City system.

Motion by Krause, supported by Sunstrum, to approve Resolution 14-02 approving, authorizing, and directing the Mayor and Clerk to sign a Water System Maintenance Agreement with Parkview Estates Mobile Home Park.

Yeas: Krause, Sunstrum, VanSlambrouck, Fitzsimmons, Barnes

Nays: None

Adopted

The Council considered Resolution 14-03 to approve AECOM's proposal for annual water level, downstream fish passage and nuisance plant monitoring and reporting for 2014 and 2015 and water quality monitoring required in 2015 for the Portland Municipal Dam as required as part of the City's Federal Energy Regulatory Commission (FERC) licensing. The City has previously employed AECOM in consulting matters pertaining to its FERC license. AECOM has submitted a proposal to continue to perform these services at an increased cost attributable to new health and safety guidelines that require two AECOM technicians be in the boat for the bi-weekly dissolved oxygen and water temperature profile monitoring that is done in the deepest part of the impoundment. The Electric Superintendent and City Manager recommend the City Council approve AECOM's proposal for a not to exceed price of \$42,500.

Motion by Krause, supported by VanSlambrouck, to approve Resolution 14-03 approving AECOM's proposal for annual water level, downstream fish passage and nuisance plant monitoring and reporting for 2014 and 2015 and water quality monitoring required in 2015 for the Portland Municipal Dam.

Yeas: Krause, VanSlambrouck, Fitzsimmons, Sunstrum, Barnes

Nays: None

Adopted

The Council considered Resolution 14-04 to confirm the Mayor's appointment of Dennis Cunningham to the Parks & Recreation Board to fill a term expiring on June 30, 2014.

Motion by Krause, supported by VanSlambrouck, to approve Resolution 14-04 confirming the Mayor's appointment to City Boards and Commissions.

Yeas: Krause, VanSlambrouck, Fitzsimmons, Sunstrum, Barnes

Nays: None

Adopted

The Council considered Resolution 14-05 to approve a Debt Collection Service Agreement for ambulance services. The City Ambulance Department contracts with MHR Billing Services, LLC for ambulance billing services, but they are not a collection agency and return uncollected accounts back to the City. Staff is recommending approval of an agreement with Mid-Michigan Collection Bureau (MMCB) to collect on delinquent ambulance accounts.

Motion by VanSlambrouck, supported by Fitzsimmons, to approve Resolution 14-05 approving, authorizing, and directing the Mayor and Clerk to sign a Debt Collection Service Agreement for ambulance services.

Yeas: VanSlambrouck, Fitzsimmons, Krause, Sunstrum, Barnes

Nays: None

Adopted

The Council considered Resolution 14-06 to approve an amended budget for Fiscal Year 2014-2015 for the Portland Area Fire Authority. The Portland Area Fire and Emergency Services Board met on December 3, 2013 and approved a budget for Fiscal Year 2014-2015 that is \$47,463 higher than the current budget. The proposed increase will fund a 2.5% wage increase for all personnel, a \$6,900 increase to replace turnout gear, a \$13,000 increase in the capital outlay budget to replace air tanks, and a \$25,000 increase in the vehicle replacement fund. The proposed budget will increase the City's contribution to the Authority by \$18,140.36 to \$101,767.62.

Mayor Pro-Tem VanSlambrouck stated that equipment replacement needs were discussed at the last meeting. The Board is trying to be frugal in its purchases as it is saving for the purchase a pumper truck.

Motion by VanSlambrouck, supported by Fitzsimmons, to approve Resolution 14-06 approving an amended budget for Fiscal Year 2014-2015 for the Portland Area Fire Authority.

Yeas: VanSlambrouck, Fitzsimmons, Krause, Sunstrum, Barnes

Nays: None

Adopted

The Council considered Resolution 14-07, a resolution of support for the redevelopment of Old School Manor. City Manager Dempsey has been working with The WODA Group and the Ionia County Land Bank on the redevelopment of the Old School Manor Property at 306 Brush Street for affordable senior housing. The WODA Group and the Ionia County Land Bank have approved a Letter of Intent to purchase the Old School Manor property for \$15,000 with the City receiving all proceeds after the Land Bank's costs to secure and maintain the property have been repaid, estimated to be approximately \$9,500. The WODA Group commissioned a market study that concluded that there is not enough demand to support 29 senior housing units in the City of Portland and surrounding region. The WODA Group is still interested in pursuing assistance from the Michigan State Housing Development Authority (MSHDA) for the redevelopment of the property for affordable family housing. MSHDA's scoring criteria allow 10 points for municipal support for the project if the project is located where a community revitalization plan is in place. To receive points the Resolution of Community Support must state and identify local government financing commitments for the referenced project and/or for the projects/investments in the planned area and evidence of major investment demonstrating local support and the projects contribution to a concerted local revitalization strategy. The City's Planning Commission, Downtown Development Authority, and Economic Development Corporation have all recommended the City Council designate the Old School Manor Property as a zone within the City that is targeted for revitalization.

Council Member Krause asked Mr. Patterson what will happen if MSHDA chooses not to fund the redevelopment project.

Mr. Patterson stated there would be a chance to dispute the scoring and for MSHDA to reconsider if the funding is not granted. There would also be an opportunity to apply again in August. The WODA Group could also choose not to go any further with the project. By March 1st the competition for funding will be known and they will be able to somewhat "self-score". By May 1st they should know something more.

Council Member Krause asked if The WODA Group would have any success with SHPO funding.

Mr. Patterson stated that the Old School Manor property has been inspected by SHPO and found that it may qualify, but there are no grants available, only credits. The challenge with the property is with the previous redevelopment from the school into apartments. The proposed redevelopment requires the inside to be gutted and rebuilt in order to bring it up to the current codes.

Motion by VanSlambrouck, supported by Fitzsimmons, to approve Resolution 14-07 a Resolution of Support for the redevelopment of Old School Manor.

Yeas: VanSlambrouck, Fitzsimmons, Krause, Sunstrum, Barnes

Nays: None

Adopted

The Council held the Second Reading and consideration of Tax Exemption Ordinance 195B to provide for a service charge in lieu of taxes for the proposed multiple family dwelling project for persons of low income to be financed or assisted pursuant to the provisions of the State Housing Development Authority Act of 1966, as amended. This type of ordinance is often referred to as a PILOT (Payment in Lieu of Taxes). This ordinance is being considered to provide an inducement for the redevelopment of the property at 306 Brush St, commonly referred to as Old School Manor. The developer, Portland School Limited Dividend Housing Association Limited Partnership, is making an application to the Michigan State Housing Development Authority (MSHDA) requesting allocation of low income tax credits to rehabilitate, own and operate a housing development known as Portland School Apartments (Old School Manor) to serve persons of low income. The developer is offering payment of an annual service charge in lieu of all taxes equal to 8% of the annual shelter rents, which are the total of actual rent or occupancy charges paid over an annual period less charges for gas, electricity, heat, or other utilities furnished to the occupants.

City Manager Dempsey explained that there are similar income qualifications for the second story housing in the Downtown that was funded with MSHDA funds.

Motion by VanSlambrouck, supported by Fitzsimmons, to approve Tax Exemption Ordinance 195B.

Yeas: VanSlambrouck, Fitzsimmons, Krause, Sunstrum, Barnes

Nays: None

Adopted

Motion by Krause, supported by Sunstrum, to approve the Consent Agenda which includes the Minutes and Synopsis from the Regular City Council meeting held on December 16, 2013, payment of invoices in the amount of \$36,616.10 and payroll in the amount of \$295,257.82 for a total of \$331,873.92. There were no purchase orders over \$5,000.

Yeas: Krause, Sunstrum, VanSlambrouck, Fitzsimmons, Barnes

Nays: None

Adopted

Under Council Comments, Mayor Barnes commented that he has seen snowmobiles on the main roadways in Portland.

Police Chief Knobelsdorf stated that snowmobiles are typically not allowed but given the severe weather there is some discretion if the use of them in the City is not being abused.

Council Member Krause reminded residents to take advantage of the free Smart 911 program available through Ionia County Central Dispatch. This is a very easy, valuable service. www.smart911.com

Mayor Pro-Tem VanSlambrouck added what a great service this is; especially for those with special needs.

Mayor Barnes commended the DPW for the amazing job it does at clearing the City streets of snow and thanked them for their efforts.

Mayor Barnes extended congratulations to the Michigan State Spartans on their Rose Bowl win.

Mayor Barnes stated that City Manager Dempsey's Annual Performance Appraisal has been completed by the former Council; he received very high scores. The appraisal process begins in January each year with the Council Goal Session. It is then the job of the City Manager to attain the goals set by Council and to manage the City's business which ultimately translates into the budget process. Overall, City Manager Dempsey scored 4.83 out of 5. Over the past several years City Manager Dempsey has maintained these excellent scores but they did not result in an increase in wages due to the state of the economy and the City's budget.

Mayor Barnes stated that the City's financial status has now improved. He further stated that it is very easy to take someone who is doing a good job for granted when you hear no complaints. Mayor Barnes proposed a merit increase for City Manager Dempsey as he has consistently performed his job well and it has been over 5 years since he has had a wage increase. Comparisons to others in his field have shown that City Manager Dempsey's wage is \$10,000 below the average.

Mayor Barnes further stated that City Manager Dempsey's professional status as an attorney also provides a benefit to the City in financial savings and that he has over a decade of knowledge and experience as Portland's City Manager. Mayor Barnes also added that there is a complexity in working for the City of Portland unlike other small communities as there is a Downtown Development Authority, a fire authority, and an Economic Development Corporation along with enterprise funds and large township populations.

Mayor Barnes made a motion to raise City Manager Dempsey's compensation to the top of his pay grade.

Mayor Pro-Tem VanSlambrouck supported the motion made by Mayor Barnes and commented that he remembers a time when he was on Council when a pay increase was proposed but did not move forward due to financial considerations. He further stated it would be beneficial for the both the City and City Manager to raise his compensation.

Council Member Krause stated that this motion is also consistent with all City employees as she wants them to know that the Council values and appreciates them. She extended highest compliments to City

Manager Dempsey for his efforts. She further stated that he is always finding ways to save the City money. A raise in compensation is very deserved.

A vote for the motion on the floor was held.

Yeas: Barnes, VanSlambrouck, Krause, Fitzsimmons, Sunstrum

Nays: None

Adopted

Motion by VanSlambrouck, supported by Sunstrum, to adjourn the regular meeting.

Yeas: VanSlambrouck, Sunstrum, Krause, Fitzsimmons, Barnes

Nays: None

Adopted

Meeting adjourned at 8:27 P.M.

Respectfully submitted,

James E. Barnes, Mayor

Monique I. Miller, City Clerk