

Fraser City Council - Regular Meeting
Thursday – June 12, 2014 - 7:00 P.M.
Municipal Building

A Regular Meeting of the Fraser City Council was conducted on the above date at the City Municipal Building, located at 33000 Garfield Road, Fraser, County of Macomb, Michigan.

Present: Mayor Hagerty and Council Members Accavitti, Carnagie, Cilluffo, Hemelberg, Jennings and Morelli
Absent: None
Also Present: Richard Haberman, City Manager
Kathy Kacanowski, City Clerk
Jack Dolan, City Attorney

1. **Call Meeting to Order** - Mayor Hagerty called the regular meeting to order at 7:00 p.m.

2. **Pledge of Allegiance**

3. **Approval of Agenda**

Member Cilluffo moved, seconded by Member Carnagie, TO APPROVE THE AGENDA AS PRESENTED.

The motion carried unanimously.

4. **Citizen Participation on Agenda Items** - none

5. **Presentations** - none

6. **Public Hearings** - none

7. **Consent Agenda**

Member Accavitti moved, seconded by Member Cilluffo, to APPROVE THE CONSENT AGENDA ITEMS AS PRESENTED.

- a. Approval of Minutes of the Regular Council Meeting of 5/8/14.
- b. Approval of Minutes of the Special Council Meeting of 5/14/14.
- c. Approval of Bills for the Month of May 2014 in the amount of \$735,495.86
- d. Receive and file Minutes of the 5/5/14 Historical Commission meeting.
- e. Receive and file amended Minutes of the 3/10/14 Library Board meeting.
- f. Receive and file Minutes of the 4/2/14 Planning Commission meeting.
- g. Receive and file Minutes of the 4/1/14 Parks and Recreation Commission meeting.
- h. Receive and file Minutes of the 5/6/14 Parks and Recreation Commission meeting.
- i. Receive and file Minutes of the 1/15/14 Zoning Board of Appeals meeting.
- j. Adopt annual Performance Resolution For Governmental Agencies as required by MDOT.

The motion carried unanimously.

8. **Requests For Council Action**

- a. **Request Council deny the new Class C license requests for business located at 33050 Utica Road and the Tavern license for business located at 18050 15 Mile Road, Fraser.**

Member Cilluffo moved, seconded by Member Jennings, to DENY THE NEW CLASS C LICENSE REQUEST FOR PAPA'S PIZZA BAR & GRILL INC. LOCATED AT 33050 UTICA ROAD. COUNCIL PREFERS TO RESERVE LICENSE FOR A LARGER SCALE ECONOMIC DEVELOPMENT.

The motion carried unanimously.

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Member Cilluffo moved, seconded by Member Morelli, to DENY THE TAVERN LICENSE REQUEST FOR INDOOR GOLF CLUBS OF AMERICA LLC LOCATED AT 18050 15 MILE ROAD. COUNCIL PREFERS TO RESERVE LICENSE FOR A LARGER SCALE ECONOMIC DEVELOPMENT.

The motion carried unanimously.

- b. Request Council set a public hearing for July 10, 2014 on the request from P.T. Tech Stamping, Inc. for an Industrial Facilities Tax Exemption in the amount of \$1,170,536.**

Member Jennings moved, seconded by Member Cilluffo, to SET A PUBLIC HEARING FOR JULY 10, 2014 ON THE REQUEST FROM P.T. TECH STAMPING, INC. FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION IN THE AMOUNT OF \$1,170,536.

The motion carried unanimously.

- c. Request Council set a public hearing for July 10, 2014 on the request from Product and Tooling Technologies, Inc. for an Industrial Facilities Tax Exemption in the amount of \$2,536,226.**

Member Jennings moved, seconded by Member Morelli, to SET A PUBLIC HEARING FOR JULY 10, 2014 ON THE REQUEST FROM PRODUCT AND TOOLING TECHNOLOGIES, INC. FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION IN THE AMOUNT OF \$2,536,226.

The motion carried unanimously.

- d. Request Council set a public hearing for July 10, 2014 on the request from PCS Company for an Industrial Facilities Tax Exemption in the amount of \$3,332,192.**

Member Jennings moved, seconded by Member Hemelberg, to SET A PUBLIC HEARING FOR JULY 10, 2014 ON THE REQUEST FROM PCS COMPANY FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION IN THE AMOUNT OF \$3,332,192.

The motion carried unanimously.

- e. Request Council authorize the awarding of -- for McKinley Park improvements to facilitate the placement of a boundless park.**

Vania Apps explained \$411,000 was budgeted for Phase I of the project, which includes a comfort station, pavilion and walking path at the north end of the parking lot.

The following residents spoke on this item:
Anna Cameron, 34273 Garfield Circle,
Greg Fecteau, 31507 Grove
Kent Stonebreaker, 32309 Oxford Ct
Michael Lesich, 15201 Fairview

Member Carnegie moved, seconded by Member Cilluffo, to AUTHORIZE THE AWARDING OF \$411,000 FOR MCKINLEY PARK IMPROVEMENTS TO FACILITATE THE PLACEMENT OF A BOUNDLESS PARK.

The motion carried unanimously.

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f. Request Council approve budget adjustments as presented.

Finance Director McCulloch provided explanations for the necessary adjustments and answered various questions presented by Council members.

The following residents spoke on this item:
Janet Calabrese, 17926 Breezeway
Dave Stouder, Linden St.

Mayor Hagerty moved, seconded by Member Morelli, to APPROVE THE BUDGET ADJUSTMENTS AS PRESENTED.

The motion carried unanimously.

g. Request Council approve amendments to the fee schedule as presented.

There was some discussion regarding comparing fees to other communities and the absence of fees for business licenses.

Member Jennings moved, seconded by Member Carnagie, to APPROVE THE AMENDMENTS TO THE FEE SCHEDULE AS PRESENTED.

The motion carried unanimously.

h. Request Council authorize the Administration to enter into a one-year IT Services Agreement with INACOMP.

Mayor Hagerty noted Council did not receive the other three bids to review so Finance Director McCulloch provided the information.

Member Accavitti moved, seconded by Member Cilluffo, to AUTHORIZE THE ADMINISTRATION TO ENTER INTO A ONE-YEAR IT SERVICES AGREEMENT WITH INACOMP.

The motion carried unanimously.

At this time, 8:46 pm, Mayor Hagerty requested a short break. The meeting resumed at 8:57 pm.

i. Request Council discuss and develop consensus on changes to the city water billing and rate system.

Manager Haberman provided a presentation on simplified water rate change options. He noted the fee in the pure meter system can be modified if Council chooses and costs will shift to additional lines to meet the same total. He noted weakness of a meter system is fairness as it is based on the size of meter, not usage, and most communities use a blended system instead of pure meter.

Mayor Hagerty asked Council members to provide their thoughts.

Member Cilluffo would like to modify the current system to add ready to serve and meter charges to irrigation meters.

Member Hemelberg passed at this time.

Member Carnagie noted it is difficult to make a decision at this time since he is waiting to see what happens in Detroit.

Manager Haberman stated the increase in the new water and sewer rates is approximately 20%. Revenue bonds were discussed.

Member Jennings is in favor of a fee for fire suppression and irrigation meters but suggests \$1.50.

Member Morelli prefers a blended system of fire suppression and second meter charges.

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Member Accavitti is also in favor of a blended system for more predictability. Mayor Hagerty stated the pure meter system is incorrectly labeled. He favors using fixed cost, plus markup of water and sewer fees. He stated fire suppression testing should not be penalized but is open to a second meter charge. Member Hemelberg stated he agreed with Mayor Hagerty and Members Accavitti and Morelli on a blended system.

Mayor Hagerty moved TO USE A BLENDED (PURE METER) SYSTEM, USE THE WHOLESALE COST OF WATER AND SEWER WITH A MARKUP MARGIN, ADD A \$25 FEE ANNUALLY FOR THE SECOND METER, AND NO FIRE SUPPRESSION FEES AT THIS TIME.

With no support the motion fails.

Member Jennings moved, seconded by Member Cilluffo, TO ADD READY TO SERVE AND METER FEES TO THE IRRIGATION (SECOND) METERS, WHICH WILL BE \$1.50 PER METER AND \$1 PER UNIT FIXED CHARGE.

Mike Lesich spoke briefly on this motion.

Motion carried 6-1
with a no vote by Mayor Hagerty

Member Jennings moved, seconded by Member Cilluffo, TO IMPLEMENT THE NEW REVENUE STREAM OF ADDING A READY TO SERVE FEE TO FIRE SUPPRESSION SYSTEMS WITH NO METER AS PROPOSED BY THE ADMINISTRATION.

The following citizens spoke on this topic:
Ken Immler, Deluxe Development/Hawk Industrial
Kent Stonebreaker, 32309 Oxford Ct
Dave Stouder, Linden St.

Motion carried 5-2
with no votes by Hagerty and Carnagie

Member Jennings moved TO POSTPONE ANY FURTHER CHANGES TO THE WATER AND SEWER RATE SYSTEM AND REQUESTED ADMINISTRATION PROVIDE A BLENDED SYSTEM WITH ADDITIONAL OPTIONS.

With no support the motion fails.

Member Cilluffo asked Manager Haberman to restate the two motions that passed. Member Hemelberg stated he voted incorrectly on the last motion and wanted it noted for the record he was not in favor of the fee for fire suppression systems.

j. Request Council discuss and adopt CIP plan as presented by the Administration and/or give direction to the Administration on the plan.

Mayor Hagerty moved, seconded by Member Cilluffo, to POSTPONE THIS ITEM TO THE JULY MEETING.

The motion carried unanimously.

9. Report of City Administration/Pending Items

Manager Haberman advised he will provide Council with tickets to the upcoming city picnic. He also noted some Council members had received complaints regarding concerns at the Steffens Park basketball courts and read a letter from Public Safety Director suggesting if any residents have a concern, they should contact the Public Safety Department.

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10. Report of Mayor and City Council/New Business

Mayor and Council discussed various topics.

11. Citizen Participation - none

12. Adjournment

Member Carnegie moved, seconded by Member Hemelbergi, to ADJOURN THE REGULAR COUNCIL MEETING OF THURSDAY, JUNE 12, 2014 AT 11:18 P.M.

The motion carried unanimously.

Respectfully submitted,

Kathy Kacanowski, City Clerk

Doug Hagerty, Mayor

/kk