Minutes
Fraser City Council
June 8th, 2017 @ 7:00pm

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 Nichols and Council Members Blanke, Foster, Hemelberg, Lesich and Schornak
Absent: Member Carnagie
Also Present: D. Wayne O'Neal, Manager
Kelly Dolland, City Clerk
Jack Dolan, City Attorney

1. Call Meeting to Order - Mayor Nichols called the regular meeting to order at 7:03pm

2. Pledge of Allegiance

3. Approval of Agenda

Mayor NICHOLS moved, seconded by Member FOSTER, TO EXCUSE MEMBER CARNAGIE FROM THE JUNE 8TH, 2017 REGULAR COUNCIL MEETING.

Motion carried 6-0

Member LESICH moved, seconded by Member FOSTER, TO APPROVE AGENDA AS PRESENTED.

Motion carried 6-0

4. Citizen Participation:

Resident Lisa Gattler spoke on topic
Resident Loretta Thielend spoke on topic
Resident Eric Oliver spoke on topic

5. Presentations:

a. Presentation to the Zuccarro Family.

Mayor NICHOLS moved, seconded by Member SCHORNAK, TO TABLE THE PROCLAMATION PRESENTATION TO THE ZUCCARRO FAMILY.

Motion carried 6-0

b. Plante Moran Water Rate a Study Presentation

Plante Moran representation Brian Camiller presented the Water and Sewer Fund Financial Forecast (cash needs Basic) for the years ending June 30th, 2018 to 2022. Highlighted finds of the study are as follows:

- A five-year plan.
- A target model: 60 days of operational expenses, next year of debt service payments, 2 percent of the net book value of the system's capital assets in the event of an emergency capital replacement.
- All capital outlay: repairs to the water system reservoir, annual sewer rehabilitation or televising, annual projects related to city water mains or line replacement, replacement of water meters in 2022.
- Debt service payment.
- A readiness to service charge or RTS.
- Water purchased from Detroit Water and Sewerage Department / Great Lakes Water Authority / increased per unit cost of water.
- Other capital needs
- Proposed Water and Sewer rates – Why such a large increase in Year 1.

Member Schornak spoke on topic.
City Manager O'Neal spoke of fixed rates of the Great Lake Water Authority.
Member Lesich stated the Reservoir Project would change the projected cost; the cost would be less if taken out. Also, suggested there are alternative ways to fund, ex. Bonds. Mr. Camiller agreed.

6. Public Hearings:

a. Public Hearing on the Estimates of Costs and Expenses of the Police/Fire Department and to Establish a Special Assessment District pursuant to PA 33 of 1951.

Public Hearing open 7:59pm

Resident Tony Shereda spoke on topic
Resident Mary Vodak spoke on topic

Resident Al Ackerman spoke on topic
Resident Michael Wettstein spoke on topic
Resident Dawn Terry spoke on topic
Resident Janet Calabrese spoke on topic
Resident Kent Stonebreaker spoke on topic
Business owner Ken Immler spoke on topic
Resident Frank Farina spoke on topic
Resident Christine Henri spoke on topic
Public Safety Director George Rouhib spoke on topic
Resident Terry Pacholski spoke on topic
Business Owner of 34195 Riviera spoke on topic
Business owner of 33631 Riviera spoke on topic
Resident Tim Schultheis spoke on topic
Attorney Jack Dolan spoke of the MED as cost associated to the sinkhole
Resident Janice Hercula spoke on topic
Resident Karen Small spoke on topic
Resident David Small spoke on topic
Resident Beverly Arnold spoke on topic
Resident David Winowiecki spoke on topic
Resident Nancy Berube spoke on topic
Clawson resident Wendy Brewster spoke on topic
Resident Dennis Wegner spoke on topic
Resident Anna Cameron spoke on topic
Business Owner of 33842 J.J. Pompo spoke on topic
Resident Carl Haus spoke on topic
Attorney Jack Dolan spoke of legacy cost and OPEB-retirement healthcare liabilities spoke on topic
Resident Terry Finlaw spoke on topic
Resident Sue Berlin, (SP) summer land east spoke on topic
Public Safety Director George Rouhib – to vote no would result in; eight PSO, one dispatch, and one clerk layoffs. The removal of Fraser Public School liaison, (which is partially funded by the schools) and elementary school office would be removed. Director Rouhib stated over the past 20 years, the Department has generated 10-11 million dollars in revenues, covering Public Safety capital improvements.
Resident Vania Apps spoke on topic
Resident Gary Laine spoke on topic
Resident Robert Brannon spoke on topic
Resident Sue Wheeland spoke on topic

Mayor Nichols addressed audience seating in the lobby of City Hall offering the opportunity to speak on topic.

Public Hearing closed 9:44pm

b. Public Hearing on the Distribution of the Special Assessment Levy pursuant to PA 33 of 1951.

Attorney Dolan spoke of the Tax Tribunal procedure.

Public Hearing open 9:47pm.

Mayor Nichols addressed audience seating in the lobby of City Hall offering the opportunity to speak on topic.

Public hearing closed 9:48pm.

Mayor Nichols called for a five-minute recess.

Meeting resumed 9:55pm.

7. Consent Agenda

a. Approval of Minutes of the Special Council Meeting of May 9th, 2017.
b. Approval of Minutes of the Regular Council Meeting of May 11th, 2017.
c. Approval of Minutes of the Special Council Meeting of May 13th, 2017.
d. Approval of Bills for the month of May 2017 in the amount of $1,565,962.31.
e. Receive and file the minutes of the 03-13-2017 Library Board Meeting.
f. Receive and file the minutes of the 04-19-2017 Library Board Meeting.

g. Receive and file the draft minutes of the 5-31-2017 Local Officers Compensation Commission meeting.
h. Receive and file the Fraser Public Library Proposed Resolution for Proposed Budget for Fiscal Year 2017-18.
I. Receive and file Resignation Letter of Finance Director Mary Jaganjac.

Member LESICH moved, seconded by Member FOSTER, TO APPROVE CONSENT AGENDA AS PRESENTED.

Motion carried 6-0

8. Requests for Council Action:

a. Request Council approve the appointment of Curtis Rice as member to the Historical Commission Term to expire 06-30-2021.

Member SCHORNAK moved, seconded by Member LESICH, TO APPROVE REQUEST OF COUNCIL TO APPOINT MR. CURTIS RICE AS MEMBER OF THE HISTORICAL COMMISSION TERM TO EXPIRE 06-30-2021.

Motion carried 6-0

b. Request Council approve the Modification and Relining of Department of Public Works Gas Tanks.

DPW Director BJ VanFleteren stated the gas tanks were installed 1992/1993, the tanks leak inside. The DPW has an option to reline the tanks at a cost of $29,267. Wow Gas Station will accommodate the city gas needs while the tanks are repaired. The Director requested the purchase of a new tank monitor replacement for $11,671.02, and a fuel management system with a cost of $16,913.63. This system will track every vehicle that fill with gas and records necessary record for the State of Michigan. The relining would come out of the 2016-2017 budget. The monitor and fuel management system would come out of the 2017-2018 budget.

Mayor NICHOLS moved, seconded by Member FOSTER, TO AMEND AGENDA TO INCLUDE THE APPROVAL OF THE PURCHASE OF A FUEL MANAGEMENT SYSTEM.
Roll call vote:

Blanke	yes
Foster	no
Hemelberg	no
Lesich	yes
Nichols	no
Schornak	yes

Motion fails 3-3

Member BLANKE moved, seconded by Member LESICH, TO APPROVE THE REQUEST OF COUNCIL TO AWARD OSCAR W. LARSON THE RELINING OF DPW GAS TANKS AT A COST OF $29,267.00.

Motion carried 6-0

c. Request Council approve the 2017-2018 Fee Schedule as presented.

Member Lesich spoke of the DPW deletion. DPW Director confirmed corrections were made to the 2017-2018 DPW portion of the Fee Schedule.

Mayor NICHOLS moved, seconded by Member FOSTER, TO AMEND AGENDA TO APPROVE THE REQUEST OF COUNCIL TO APPROVE THE 2017-2018 FEE SCHEDULE AS AMENDED.

Motion carried 6-0

Mayor NICHOLS moved, seconded by Member SCHORNAK, TO APPROVE THE REQUEST OF COUNCIL TO APPROVE THE 2017-2018 FEE SCHEDULE AS AMENDED.

Motion carried 6-0

d. Request Council Approve Adjustment Request.

1. BA #21 transfer $11,113.00 from General Fund Balance to Recreation Salaries & Wages. (appropriation)

Member FOSTER moved, seconded by Member SCHORNAK, TO APPROVE BA #21 TRANSFER $11,113.00 FROM GENERAL FUND BALANCE TO RECREATION SALARIES AND WAGES.

Roll Call Vote:

Blanke	yes
Foster	yes
Hemelberg	no
Lesich	yes
Nichols	no
Schornak	yes

Motion carried 4-2
Mayor Nichols, Member Hemelberg no

1. Member FOSTER moved, seconded by Mayor NICHOLS, TO APPROVE BA #21 TRANSFER $11,113.00 FROM GENERAL FUND BALANCE TO RECREATION SALARIES AND WAGES.

Motion carried 5-1
Member Hemelberg no

2. BA #22 Transfer $13,940.00 from General Fund Balance to Finance Professional Services Line Item. (appropriation)
Member FOSTER moved, second by HEMELBERG, TO TRANSFER $13,940.00 FROM GENERAL FUND BALANCE TO FINANCE PROFESSIONAL SERVICES LINE ITEM.

Motion carried 6-0

3. BA #23 Transfer $112,790.03 from General Fund Balance to Various Pension Accounts. (appropriation)
Member FOSTER moved, second by HEMELBERG, TO TRANSFER $112,790.03 FROM GENERAL FUND BALANCE TO VARIOUS PENSION ACCOUNTS.

Motion carried 6-0

4. BA #24 Transfer $52,047.37 from Senior Housing Fund Balance to Various Senior Housing Line Items.
Member FOSTER moved, second by MAYOR NICHOLS, TO TRANSFER $52,047.37 FROM SENIOR HOUSING FUND BALANCE TO VARIOUS SENIOR HOUSING LINE ITEMS.

Motion carried 6-0

5. BA #25 Transfer $48,000 from General Fund Balance to Overtime for Public Safety. (appropriation)
Member FOSTER moved, second by Member LESICH, TO TRANSFER $48,000 FROM GENERAL FUND BALANCE TO OVERTIME FOR PUBLIC SAFETY.

Motion carried 6-0

6. BA #26 Transfer $17,000 from General Fund Balance to Professional Services. (appropriation)
Member FOSTER moved, second by Mayor NICHOLS, TO TRANSFER $17,000 FROM GENERAL FUND BALANCE TO PROFESSIONAL SERVICES

Motion carried 6-0

e. Approve Resolution to Establish a Police Special Assessment District and to Levy an Assessment to Defray the Costs Necessary to Continue Police and Fire Protection, PA 33 of 1951.

Attorney Jack Dolan provided a brief overview of the Police Assessment, Council will vote each year for the Assessment.
Member Blanke inquired if the Assessment would be renewed annually, Mr. Dolan stated yes, there will be a public hearing scheduled accordingly.

Member Blanke moved, seconded by Member Schornak to Approve Resolution to Establish a Police Special Assessment District and to Levy an Assessment to Defray the Costs Necessary to Continue Police and Fire Protection, PA 33 of 1951.
Member Schornak asked Mr. Dolan is the passing of PA33 is a common practice in neighboring communities? Mr. Dolan responded; Clinton Twp. Has a special separate assessment for police and fire, this is found in many townships.
Member Blanke mentioned that at the May 2017 meeting seven members of council approved the budget. Mr. Dolan stated the public hearing was to establish a special district, establish a special district or initiate cuts from the budget for a balanced budget.
Member Foster spoke of the budget process and shared her thoughts with council.
Member Lesich stated he is in support of PA33. Member Lesich shared his observation of the City of Fraser residential property taxes comparison of today verse ten years ago, property taxes were higher ten years ago.
Member Hemelberg spoke of the City of Fraser financial contribution to the city fireworks, and there will be a Lions Club picnic.
Mayor Nichols spoke of the numbers of Fraser foreclosed homes, the failure of the Public Safety proposal in November 2016 and that Fraser Public Safety officers did not promote the proposal.

Member BLANKE moved, second by Member SCHORNAK, TO APPROVE RESOLUTION TO ESTABLISH A POLICE SPECIAL ASSESSMENT DISTRICT AND TO LEVY AN ASSESSMENT TO DEFRAY THE COSTS NECESSARY TO CONTINUE POLICE AND FIRE PROTECTION, PA 33 OF 1951.

Roll call vote:

Blanke	Yes
Foster	No
Hemelberg	No
Lesich	Yes
Nichols	No
Schornak	Yes

Motion fails 3-3

9. PENDING ITEMS OF UNFINISHED BUSINESS/ REPORT OF THE CITY ADMINISTRATION

City Manager O'Neal spoke at length about the ramifications of not passing PA 33. There will be serious budget cuts as well as the continuation of subsidizing Fraser Senior Housing with tax payer dollars. Mr. O'Neal offered council clarity regarding DPW Director VanFleteren' Request Council approve the Modification and Relining of Department of Public Works Gas Tanks.

10. REPORT OF MAYOR AND CITY COUNCIL/NEW BUSINESS

Member Blanke Stated this was a sad night for the City of Fraser, Fraser took a negative hit with the nay vote of PA33.

Member Lesich Quoted his daughter, 'The decorum of council is terrible'. Member Lesich also asked for a report as to what will be cut from the budget.

Member Schornak Thanked the Fraser Historical Commission and congratulated Fraser High School graduates as well as college graduates.

Member Foster Suggested PA33 should be added to the November ballot. – Discussion ensued.

Member Hemelberg Stated he was not disappointed in the outcome of tonight's meeting.

Member Nichols Suggested that we all should watch our P's & Q's.

11. CITIZEN PARTICIPATION

Resident Robert Brannon spoke
Resident Nancy Berube
Resident Robert Muylaert
Resident Amelia Shereda – questioned the availability of the PSO Liaison at Fraser High School
Sgt. Eric Myers
Resident Carl Haus
Resident Sue Wheeland
Resident Vania Apps

11. ADJOURNMENT

Mayor NICHOLS moved, Member HEMELBERG, seconded by, TO ADJOURN THE REGULAR COUNCIL MEETING OF JUNE 8TH, 2017 @ 12:22 AM, JUNE 9TH, 2017.

The motion carried unanimously,

Respectfully submitted,

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Kelly Dolland, City Clerk

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Joe Nichols, Mayor