

**PROCEEDINGS
OF
CITY COUNCIL
OF THE
CITY OF LOWELL**

For the Regular Meeting of **MONDAY, May 16, 2005**

The Meeting was called to order at 7:30 p.m. by Mayor Shores and City Clerk Betty Morlock called Roll.

Present: Councilmembers Hodges, Mathews, Pfaller, Mayor Pro Tem Myers and Mayor Shores.

Absent: None.

Also Present: City Manager David Pasquale, City Clerk Betty Morlock, City Treasurer Suzanne Olin, DPW Director Dan DesJarden, Chief of Police Jim Valentine and Lowell Light and Power and Cable TV General Manager Tom Richards.

IT WAS MOVED BY PFALLER and seconded by HODGES to approve the minutes of the May 2, 2005 regular meeting as submitted.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

IT WAS MOVED BY MYERS and seconded by PFALLER that the bills and accounts payable be allowed and the warrants issued.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

BILLS AND ACCOUNTS PAYABLE (05/16/05)

GENERAL FUND	\$ 86,672.01
MAJOR STREET FUND	\$895.43
LOCAL STREET FUND	\$6,082.08
DDA FUND	\$518.10
BUILDING & SITE	\$17,827.63
AIRPORT FUND	\$9,327.44
WASTEWATER FUND	\$26,743.47
WATER FUND	\$14,627.50
DATA PROCESSING FUND	\$2,709.20
EQUIPMENT FUND	\$132.26
CURRENT TAX FUND	\$426.59
LOWELL AREA TRAILWAY	\$82.68

Item #1. **PERMISSION FOR THE INDEPENDENCE DAY FIREWORKS DISPLAY.** The Lowell Area Chamber of Commerce Executive Director Liz Baker requested permission to have a fireworks display on Saturday, July 9th at Stoney Lakeside Park. Baker said this would be part of the annual Riverwalk Festival and the fireworks will again be sponsored by Laurels of Kent.

Mayor Pro Tem Myers noted the liability insurance and credentials for Melrose Pyrotechnics, Inc. were included with the permit request.

IT WAS MOVED BY PFALLER and seconded by MATHEWS to approve the fireworks display permit at Stoney Lakeside Park on Saturday, July 9, 2005 as requested by the Lowell Area Chamber of Commerce.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #2. **CONSIDERATION OF RESIDENTIAL SIGN ORDINANCE – RECOMMENDATION FROM THE PLANNING COMMISSION – PUBLIC HEARING.** City Manager Pasquale stated the Planning Commission, after several months of review and consideration, has proposed amendments to the residential sign ordinance. Specifically, exempted signs will be allowed to increase up to three square feet from two. Also, ground signs for residential uses are provided, allowing one per lot up to three square feet in size. At its April 25, 2005 meeting, the Planning Commission held a public hearing on the proposed ordinance and unanimously recommended the amendments

Planning Commission Chairman Clark Jahnke was present for any comments from the public or Council.

Mayor Shores opened the public hearing. With no comments, the public hearing was closed.

Councilmember Pfaller noted this is a much more palatable amendment than the one which was sent back to them. He thanked Chairman Jahnke and the Planning Commissioners for their hard work on this item.

IT WAS MOVED BY PFALLER and seconded by HODGES to adopt the residential sign ordinance amendments as proposed by the Lowell Planning Commission.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #3. **PROGRESS REPORT ON THE LOWELL AREA ARTS COUNCIL FACILITY STUDY – FURTHER REVIEW.** Jim White, representing the Lowell Area Arts Council Facility Committee and Lorain Smalligan, Executive Director of the Arts Council, gave an update on the Riverwalk Plaza building. In working with the Arts Council, Chamber of Commerce, Department of Public Works, Lowell Cable TV and the Downtown Development Authority, a plan was developed. The proposed plan shows space for Lowell Cable TV, DPW sign shop, public restrooms financed through the Downtown Development Authority, Arts Council gallery and office space and Chamber of Commerce meeting room and offices. Also, joint working/storage space for the Chamber and Arts Council was designated. The Arts Council will move its gallery and offices to the Riverwalk location and use the King Milling building at 149 S. Hudson for educational purposes, rehearsal space for the theater group and primary storage. There would also be modification to this site such as parking and inside renovations. It was also noted space for utilities was

not shown on the plan, which will be addressed.

The proposed plan allows for the project to be accomplished in phases. A feasibility study for funding will be started in the fall for phase one. Phase two will be done, when other space for the DPW sign shop is available. It was also noted the public restrooms could be completed separately, if needed.

The consensus of support of the proposed plan for the Riverwalk Plaza building as submitted.

Item #4. **2005-2006 BUDGET – PRELIMINARY REVIEW AND ESTABLISH PUBLIC HEARING DATES (MAY 16 AND JUNE 6)**. City Manager Pasquale read the following into record:

2005-2006 BUDGET SUMMARY

TO: Mayor Jeanne Shores and Members of the City Council

The establishment of an operating budget for the fiscal year 2005-2006 provides a schedule of proposed revenues and expenditures. Priorities are confirmed through this process. This document represents many staff hours of work compiling needed equipment and facility requests. These requests were carefully reviewed in terms of limitations of available funds.

The following narrative provides an outline of key elements comprising the City budget for this year:

GENERAL FUND

- **Revenues:** The 2005-2006 General Fund Budget has proposed the rate of \$16.08 (mills) per \$1000 of Taxable Value. This includes 0.25 mills voted on November, 2002 for operating the Lowell Area Historical Museum. The projected revenues are to increase from 2.335 to 2.413 million dollars or a 3.34% gain.

It was noted that the Taxable Value would increase 5% (from 96.292 to 101.130 million dollars). Also, State Shared Revenues are projected to remain at \$414,000. But, actions by the State could alter this significantly.

The fund balance is planned to be 2.26% of expected expenditures. The unreserved fund balance has been projected at \$53,345.89.

- **Expenditures:** The General Fund has a total of 2.362 million dollars in expenditures. This represents a 2.66% decrease from the FY 2004-2005 estimated budget.

This reflects a tightening of expenses because of lessened revenues. The primary points in reviewing these accounts are:

1. A 1.0 percent cost-of-living increase has been calculated into the budget for employees' salaries. No merit increases are planned.
2. The Police Department budget provides \$13,600 for the second year lease involving two police cruisers, office equipment for copies (\$2,770) and miscellaneous equipment for unforeseen circumstances (\$3,000).
3. Two sets of fire fighter turnout gear, coats, helmets and gloves for the Fire Department.

A new pumper fire truck has been approved for purchase in cooperation with Lowell and Vergennes Townships as well as Kent County.

4. The City will continue its refuse collection program whereby residents pay \$1.00 per bag. Also, the City provides the cost of residential recycling. Yard waste collection is provided with the residents paying \$1.00 per bag.

BUILDING AUTHORITY FUND

The \$1.3 million, 8800 square foot library was opened in February, 1997. Through a gift of \$380,000 the library is named the Harold and Mildred Englehardt Public Library. Individual, corporate and public contributions have amounted to over \$885,000.

A ten-year Building Authority bond provided the remaining financing. The principal and interest payments for this tenth and last year of the bond amount to \$42,850. The revenues will be provided from the General Fund.

PARKS

A total of \$5,000 is being allocated from the Lee Fund for park maintenance. Eight thousand dollars (\$8,000) are provided for future parks projects. The Parks and Recreation Commission has proposed providing three thousand dollars (\$3,000) as seed money for a skateboard park at Stoney Lakeside Park.

EQUIPMENT FUND

No purchases of equipment are planned for this fiscal year.

DATA PROCESSING FUND

The new assessing program has been estimated to cost \$6,000.

AIRPORT FUND

The Airport Fund has a current balance of \$18,622 on the loan from the General Fund, which was utilized to carry out improvements. With assistance from the State, the Airport Board is seeking to upgrade the facility to General Utility status enabling the airport to qualify for State grant funds. A \$70,000 loan from the Michigan Aeronautics Commission will assist in securing air easements enabling tree removals at the ends of the main runway. Through a contract with URS, work has commenced. During this year, easements will be secured and trees cut through a 90% grant from the State of Michigan. In addition, the Board has proposed to grade, gravel and pave the entrance road as a second priority.

The School of Missionary Aviation Technology had signed a ten-year agreement in 1997 to manage the airport. SMAT furnishes maintenance training of aircraft and flight services at the facility.

DOWNTOWN DEVELOPMENT AUTHORITY

The DDA has set aside \$75,000 for downtown projects.

CITY HALL CONSTRUCTION FUND

With the sale of a \$4,725,000 Building Authority Bond in July 2002, the City Hall Renovation-Police Station Construction Project commenced. The project was completed and dedicated on July 12, 2003. A payment of \$282,730 for the fourth year of a 30 year bond will be issued.

STREET FUNDS

No new projects through the Major Street Fund are planned. An application for federal funds has been submitted to reconstruct Gee Drive from the Creekside Park entrance to Alden Nash in 2006.

Through a Michigan Transportation Fund Bond, Grindle Drive has been proposed for reconstruction financed through the Local Street Fund.

WASTEWATER FUND

The following rates will be as follows:

- User rate \$1.80 per 1,000 gallons per month remains the same
- Readiness to serve charge increases from \$12.50 to \$13.50 per residential unit per month

The sewer main upgrading program will be continued allocating \$20,000, assigned to the Department of Public Works. A total of \$50,000 is allocated for sewer maintenance.

Several manholes will be constructed or rebuilt (\$20,000). In addition, meter reading equipment will be upgraded (\$7,500).

WATER FUND

The readiness to serve rate will increase from \$19.75 to \$20.75 per month and consumption charge at \$1.68 per thousand gallons will remain the same.

The following capital improvement projects include (1) wellhead protection program (\$20,000), (2) repainting of block portion of plant and lime silo (\$20,000), (3) resurface plant floors (\$7,000) and (4) Grindle Drive water main (\$50,000).

After two public hearings, the City Council will adopt the budget.

I wish to thank the members of the city staff for their work on the budget. In particular, I also thank City Treasurer Suzanne Olin, who spent numerous hours compiling budget funds data and assisting in evaluation of departmental requests. Betty Morlock provided the typing for this document. The budget is truly a team effort and would not be possible without it.

Respectfully submitted,
David M. Pasquale
City Manager

Mayor Shores opened the public hearing. With no comments received, the Mayor closed the public hearing.

Councilmember Pfaller asked if the readiness to serve charge affects a wholesale customer, such as Lowell Charter Township. City Manager Pasquale responded there is a formula which deals with the Township as a flat wholesale rate.

Mayor Shores asked if monies were still given to the Museum, other than the voted millage. City Treasurer Sue Olin responded the City maintains the building and is budgeting \$9,800 (utilities \$7,000, insurance \$800 and general maintenance \$2,000).

Councilmember Myers questioned if the Downtown Development Authority had indicated how their \$75,000 budget figure would be used. No monies have been allocated for a particular project, but had discussed developing a parking lot for Superior Furniture behind their building on property that had been purchased from the railroad and leasing it back to Superior. This would take place when an expansion is done on their facility, which would take away their current parking area. The DDA also discussed the public restrooms on the Riverwalk.

A second public hearing will be held on Monday, June 6, 2005 at which time the budget will be considered.

Item #5. **REVIEW AND CONSIDERATION OF THE LIGHT AND POWER OPERATING BUDGET FOR 2005-2006.** Tom Richards, General Manager of Lowell Light and Power, presented a summary of the operating budget for 2005-2006 as well as a budget comparison. The LL&P Board approved this budget at their April 29, 2005 meeting. It was noted the Cable TV budget will be delayed pending results of a comprehensive third party cost of service study and rate recommendation which is nearly complete.

Richards noted overall revenues are projected at \$5,493,000, which is approximately 3% increase and \$5,420,000 in expenses, which is also approximately a 3% increase for the coming year. Thus, a net income for the coming year is about equal to what is expected to finish this year of approximately \$73,000.

Councilmember Pfaller asked what capital projects are scheduled and when will the substation at Stoney Lakeside Park be removed. Richards responded it is part of the project to build two new circuits down Bowes Road which should be completed in approximately one year, and then it would be removed.

Councilmember Myers asked when the Cable TV budget will be presented. Richards responded the cost of service study has been completed and is being integrated into the proposed budget for Board review and approval at their May 26, 2005 meeting and should be brought to Council at the June 6, 2005 meeting.

IT WAS MOVED BY HODGES and seconded by MYERS to approve the Lowell Light and Power 2005-2006 budget as presented.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #6. **FURTHER REVIEW OF THE OUTDOOR MERCHANDISE DISPLAY ORDINANCE.** As directed by Council, City Manager Pasquale and City Clerk Morlock contacted similar sized communities

in the area regarding outside display of merchandise for the General Business District. The cities of Rockford, Allegan, Belding, Coopersville and Hastings were contacted as well as reviewing the Michigan Municipal League webpage.

The City of Lowell's ordinance allows merchandise to be located no closer than 10 feet from any lot line abutting a public street. When the business is closed, these goods must be moved within 10 feet of the building. Most of their ordinances were mute to this issue and do not spend any time or enforcement either.

The City's enforcement of this ordinance is on a complaint basis.

Councilmember Mathews was more concerned with vehicles and other items for sale in parking lots. Mayor Shores concurred with Mathews and the outdoor merchandise display ordinance is difficult for the merchants. We need to support the merchants.

Councilmember Pfaller questioned how can one portion of a business such as Bernard's Ace Hardware be open air business and the other not.

Planning Commission Chairman Jahnke felt this would be a good recommendation for the Commission to review the outdoor merchandise display ordinance as well as the open air business section.

IT WAS MOVED BY PFALLER and seconded by HODGES for the Planning Commission review and provide recommendations of the Outdoor Merchandise Display Ordinance and Open Air Business Ordinance.

YEA: 5. NAY: 0. ABSENT: 0. MOTION CARRIED.

Item #7. **MONTHLY REPORT.** No comments were received from materials presented.

Item #8. **CITIZEN COMMENTS.** Peggy Covert of 982 North Washington Street asked the City Council help on removal of the Garlic Mustard Plants at the Boy Scout Cabin property. The only way to remove this plant is by pulling it up by the roots. It was discussed to contact public service groups for assistance.

Item #9. **COUNCIL COMMENTS.** Councilmember Mathews appreciated the notice in the Ledger and Buyers Guide regarding signs. He also thanked the Police Department for clearing the old Third Base parking lot of vehicles.

Mayor Shores informed the Council all were invited to walk in the Memorial Day Parade. She also questioned the status of the Third Base lot. City Manager Pasquale stated it has been sold and the tanks have been removed but at this time no development plans have been received.

Shores also questioned the status of the Touch of Country building (96 W. Main). Plans for the roof have been submitted to the Building Inspector.

Mayor Shores also noted the Big Dish Restaurant and Catering (800 W. Main) has opened.

Item #10. **MANAGER'S REPORT.** City Manager Pasquale reported on the following:

1. The following boards and commission meetings minutes were presented:
 - Airport Board meeting of April 5, 2005
 - Chamber of Commerce meeting of April 12, 2005
 - Merchants Committee meeting of May 11, 2005
2. City offices will be closed on Monday, May 30 because of Memorial Day. In observance of this holiday, the annual parade begins at 9:30 a.m.
3. Mayor Exchange Day with the City of Davison will be this Thursday, May 19 here. A trip to Davison is planned for Thursday, May 25.

Item #11. **APPOINTMENTS.** By general consensus, the City Council approved the reappointment of Bill Thompson to the Board of Light and Power and Cable Television with a term expiring June 30, 2008.

By general consensus, the City Council approved the reappointment of Dave Clark to the Board of Review with a term expiring June 30, 2008.

By general consensus, the City Council approved the reappointment of Jim Hall and Jerri Teelander to the Planning Commission with terms expiring June 30, 2008.

By general consensus, the City Council approved the reappointment of Roger LaWarre to the Local Officers Compensation Commission with a term expiring June 30, 2010.

IT WAS MOVED BY MYERS to adjourn at 8:37 p.m.

DATE:

APPROVED:

C. Jeanne Shores, Mayor

Betty R. Morlock, Clerk