

City Council

Regular Meeting Minutes

Monday, January 5, 2015
7:00 p.m., Council Chambers



1. **Call to Order by Mayor 7:00 p.m.**
2. **Invocation by Reverend Travis Wilson, Peach Lutheran Church**
3. **Roll Call**

Present: Arnold, Fitzgibbon, Gruber, Klavins, Patterson, Burr
Absent: Kozlik Wall

Moved by Fitzgibbon to excuse Councilmember Kozlik Wall for personal reasons. Seconded by Patterson.

4. **Approval of Agenda**

Moved by Fitzgibbon to approve the amended agenda to include 6b. Council will be asked to consider the approval of Liberty Hyde Bailey Museum lease agreement. Seconded by Patterson.

Voted Yes: All. Motion carried.

5. **Consent Agenda: Items A thru F (Roll Call Vote Required)**

Moved by Patterson, seconded by Fitzgibbon to approve the Consent Agenda as follows:

- A. Council will be requested to approve the City Council Minutes of December 15, 2014.
- B. Bills totaling \$1,586,178.53 for the period ending January 6, 2015 be approved and forwarded to the Clerk and Treasurer for payment.
- C. Council will be asked to receive an annual report from the Planning Commission.
- D. Council will be asked to approve the 2015 employment agreement with the City Manager, Brian Dissette.
- E. Council will be asked to consider the following contracts for the Core City Secondary Electrical Upgrade Project – Phase 2:
 - 1) Extend the contract with Kent Power, Inc., of Kent City, Michigan for construction services. Labor and materials to be provided are defined in the contract documents prepared by GRP Engineering.
 - 2) Award the contract for professional services for community outreach and communication to Abonmarche Engineering, in the amount of \$33,500.
 - 3) Award the contract for pre-construction videotaping services to Structures, Inc., in the not-to-exceed amount of \$18,923.

F. Council will be asked to receive the following administrative reports and approved minutes to be placed on file:

- 1) 11-17-2014 ZBA Minutes
- 2) 11-24-2014 BPU Minutes

A Roll Call Vote was taken:

Yeas: Arnold, Fitzgibbon, Gruber, Klavins, Patterson, Burr

Nays: None

Motion carried.

UNFINISHED BUSINESS

6a. Council will be asked to approve a code amendment to repeal Chapter 58, Article II, Division 3 of the City's Code of Ordinances.

Background Information: The City Council will be asked to consider final action on a code amendment that, if approved, will repeal Chapter 58, Article II, Division 3 of the city's Code of Ordinances. If the amendment is approved, the Liberty Hyde Bailey Museum (LHBM) can consolidate the governance of the museum. Over the past year, the city's staff and attorney have actively worked with representatives from LHBM. During that time, it has been noted that LHBM has two governing bodies. The LHBM is a public board which is created by ordinance that consists of up to seven members appointed by the City Council. The LHBM also has a Memorial Fund, which is a private non-profit corporation. The non-profit was created for the purpose of promoting and improving the museum. Many of the LHBM board members are active in the non-profit, and the functions of the two bodies overlap. For many months, staff and the attorney have worked with LHBM to determine the most prudent way to address the museum's management structure. Staff recommends this approach, as it allows for continued local control, but provides LHBM with greater flexibility (e.g., this approach allows LHBM to recruit members from the city and from outside of the city and adopt new bylaws which allow for greater fundraising opportunities.) The proposed ordinance amendment will strike Chapter 58, Article II, Division 3 of the city's Code of Ordinances, which is the portion of the code that establishes the LHBM Board. If approved, the ordinance amendment allows the city to establish a new governing structure at the LHBM, through a contract agreement with the LHBM non-profit. If the code amendment is approved, staff recommends the immediate approval of an operating agreement between the City of South Haven and LHBM. In addition to the code changes and contract for service, LHBM will be asked to adopt new bylaws, which reflect the various changes to operations. Please note; the ordinance amendment preserves the LHBM's status as a public park. However, the ordinance amendment makes clear that the LHBM's oversight will be provided by the City Council, instead of the city's Parks Commission.

Moved by Gruber to approve a code amendment to repeal Chapter 58, Article II, Division 3 of the City's Code of Ordinances. Seconded by Patterson.

Voted Yes: All. Motion carried.

NEW BUSINESS

6b. Council will be asked to consider the approval of Liberty Hyde Bailey Museum lease agreement.

Moved by Patterson to approve a lease agreement with Liberty Hyde Bailey Museum. Seconded by Fitzgibbon.

Voted Yes: All. Motion carried.

7. Council will be asked to consider Special Event 2015-01, Harborfest to be held June 18-21, 2015.

Background Information: Harborfest is scheduled for June 18-21, 2015. At this event there will be live music, food vendors, craft vendors, dragon boat races, entertainment on stage by marina, and more. The event application seems to mirror last year's application with one minor change. This year they would like to move the "beer garden" to the grassy area as shown on the map included in the application (pending approval of temporary liquor license).

Hank Bozema – Spoke about event

Moved by Fitzgibbon to approve Special Event 2015-01, Harborfest, to be held June 18-21, 2015. Seconded by Gruber.

Voted Yes: All. Motion carried.

8. Council will be asked to consider Resolution 2015-01, a resolution updating state required poverty income standards for property tax poverty exemption guidelines for tax year 2015.

Background Information: The City Council will be asked to consider the 2015 guidelines for property tax poverty exemptions and the special assessment poverty exemptions for approval and adoption. The poverty exemption guidelines are used by the Assessing Department when considering tax relief requests at the annual Board of Review meeting(s). Several years ago, at a meeting of the City Council, there was debate over the proposed Federal Poverty Guidelines and whether or not they should be adopted. Ultimately the City Council opted not to adopt the guidelines, stating that the proposed levels were set too low, and should be adjusted to a more acceptable level. In an effort to create a more acceptable local level for the poverty guidelines, staff modified the asset standards to reflect the asset eligibility limitation to not exceed \$5,000 (as opposed to the original \$2,000). Further, the guidelines were modified to reflect that an individual's primary motor vehicle would not be included in the asset calculation. The final adjustment that staff made to the proposed guidelines was to increase the poverty threshold maximum income level by \$5,000 per unit of family. Ultimately the adjustments made by staff were accepted by the City Council and the guidelines were approved and adopted. These modified guidelines have been used since 2009.

As part of the Kalamazoo Street reconstruction project, phase two, the City Council received concerns, voiced by members of the public, about the use of special assessments, which were used to partially fund the water and sanitary sewer utilities. As a result of the public concerns, the City Council agreed to create a special assessment district poverty exemption program. The program mirrors the guidelines set forth by the property tax poverty exemption program.

Moved by Patterson to approve Resolution 2015-01: A Resolution updating state required poverty income standards for property tax poverty exemption guidelines for tax year 2015. Seconded by Klavins.

Voted Yes: All. Motion carried.

9. Council will be asked to consider Resolution 2015-02, a resolution adopting poverty level income standards for the special assessment poverty exemption guidelines for tax year 2015.

Background Information: The City Council will be asked to consider the 2015 guidelines for property tax poverty exemptions and the special assessment poverty exemptions for approval and adoption. The poverty exemption guidelines are used by the Assessing Department when considering tax relief requests at the annual Board of Review meeting(s). Several years ago, at a meeting of the City Council, there was debate over the proposed Federal Poverty Guidelines and whether or not they should be adopted. Ultimately the City Council opted not to adopt the guidelines, stating that the proposed levels were set too low, and should be adjusted to a more acceptable level. In an effort to create a more acceptable local level for the poverty guidelines, staff modified the asset standards to reflect the asset eligibility limitation to not exceed \$5,000 (as opposed to the original \$2,000). Further, the guidelines were modified to reflect that an individual's primary motor vehicle would not be included in the asset calculation. The final adjustment that staff made to the proposed guidelines was to increase the poverty threshold maximum income level by \$5,000 per unit of family. Ultimately the adjustments made by staff were accepted by the City Council and the guidelines were approved and adopted. These modified guidelines have been used since 2009. As part of the Kalamazoo Street reconstruction project, phase two, the City Council received concerns, voiced by members of the public, about the use of special assessments, which were used to partially fund the water and sanitary sewer utilities. As a result of the public concerns, the City Council agreed to create a special assessment district poverty exemption program. The program mirrors the guidelines set forth by the property tax poverty exemption program.

Moved by Fitzgibbon to approve Resolution 2015-02, a resolution adopting poverty level income standards for the special assessment poverty exemption guidelines for tax year 2015. Seconded by Patterson.

Voted Yes: All. Motion carried.

10. Council will be asked to consider Resolution 2015-03, a resolution authorizing the City Manager to enter into a lease for the former State Police Post storage building and parking area.

Background Information: The City Council will be asked to approve a resolution which would amend the lease agreement between the city and the State of Michigan for the Michigan State Police Post (Post,) located on Le Grange Street. In December, 2014, the City Council approved a lease agreement with the State of Michigan for the use of the Post. In reviewing the lease of the Post's storage building, it was discovered that there was an additional parcel owned by the State of Michigan which was formerly part of the Post's grounds (see the triangle parcel on the attached map.) The City Council is requested to consider including the triangle parcel, to the north of the Post, in the lease agreement.

Moved by Fitzgibbon to approve Resolution 2015-03, a resolution authorizing the City Manager to enter into a lease for the former State Police Post storage building and parking area. Seconded by Patterson.

Voted Yes: All. Motion carried.

11. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

Mike Henry, Van Buren County Commissioner – Gave updates on Van Buren County.

12. City Manager's Comments

13. Mayor and Councilperson's Comments

Klavins: No Comment

Arnold: Happy New Year

Patterson: Happy New Year. Thanked everyone for coming out tonight.

Fitzgibbon: Thanked everyone for coming out tonight. Be careful driving home.

Gruber: Spoke about LHBM.

Burr: Bridge project is on schedule.

14. Adjourn

Moved by Patterson to adjourn. Seconded by Arnold.

Voted Yes: All. Motion carried. Meeting adjourned at 7:32 p.m.

RESPECTFULLY SUBMITTED,



Michelle Coffey
Deputy City Clerk

Approved by City Council: **January 19, 2015**