

## City Council

### Regular Meeting Minutes

Monday, August 5, 2013  
7:00 p.m., Council Chambers



#### 1. Call to Order by Mayor Burr at 7:00 p.m.

#### 2. Invocation

- Associate Pastor John Schneider – First Assembly Of God

#### 3. Roll Call

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

Absent: None

#### 4. Approval of Agenda

Moved by Gruber to approve the agenda with the removal of item #6. Seconded by Fitzgibbon.

Voted Yes: All. Motion Carried.

#### 5. Consent Agenda: Items A thru D (Roll Call Vote Required)

Moved by Kozlik Wall seconded by Patterson to approve the Consent Agenda as follows:

- A. Council will be requested to approve the City Council Minutes of July 15, 2013.
- B. Bills totaling \$1,804,649.03 for the period ending August 6, 2013 be approved and forwarded to the Clerk and Treasurer for payment.
- C. Council will be asked to authorize the City Manager to enter into a contract with FTC&H to provide professional services for the Water Distribution System Reliability Study.
- D. Council will be asked to receive the following administrative reports and approved minutes to be placed on file:
  - 1) 03-19-2013 SHARA Minutes
  - 2) 05-14-2013 SHARA Minutes
  - 3) 07-16-2013 SHARA Minutes
  - 4) 06-11-2013 South Haven Memorial Library Minutes
  - 5) 07-16-2013 Liberty Hyde Baily Museum Minutes

A Roll Call Vote was taken:

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

Nays: None

BOARD & COMMISSION APPOINTMENTS

- 6. City Council will be asked to consider the appointment of Rebecca Linstrom to fill a 4-year term on the Liberty Hyde Baily Museum Board expiring in 2017.**

REMOVED FROM AGENDA

- 7. City Council will be asked to consider the appointment of Terri Webb to fill a 3-year term on the Planning Commission expiring in 2016.**

Moved by Kozlik Wall, seconded by Fitzgibbon to approve the appointment of Terri Webb to fill a 3-year term on the Planning Commission expiring in 2016.

Voted Yes: All. Motion Carried.

- 8. City Council will be asked to consider the appointment of Mark Wheeler to fill a 3-year term on the Zoning Board of Appeals expiring in 2016.**

Moved by Fitzgibbon, seconded by Gruber to approve the appointment of Mark Wheeler to fill a 3-year term on the Zoning Board of Appeals expiring in 2016.

Voted Yes: All. Motion Carried.

NEW BUSINESS

- 9. City Council will be asked to consider Resolution 2013-45 a resolution to set a public hearing date for consideration of an application for an IFT exemption certificate requested by Elbe & Sohn.**

*Background Information:* The City Council will be asked to schedule a public hearing regarding an Industrial Facilities Tax Exemption Certificate for Elbe & Sohn, located at 1875 Dewey Lane.

The tax request, which totals \$513,763, is for personal property acquired by the company, and is part of the company's solar panel project. The solar panels are intended to provide electricity to the company's Dewey Lane facility. The applicant notes that the company anticipates retaining twenty seven (27) existing jobs at their facility as a result of the project.

Elbe & Sohn has been located in the City of South Haven since 2001. The company, which is based in Europe, created a presence in the United States in the mid 1980's. The company focuses on the assembly of propeller shafts for various applications. The company also produces double joints for powered steering axles, ball and socket joints, and input and output yokes.

The estimated total value of the Industrial Facilities Tax Exemption Certificate for Elbe & Sohn is \$26,412 over the 12 year life of the agreement. The tax exemption does include a "claw-back" provision, which allows the City of South Haven to seek the abated tax amount if the terms of the abatement are not met by the business.

Moved by Patterson, to approve Resolution 2013-45 to set a public hearing date for consideration of an application for an IFT exemption certificate requested by Elbe & Sohn. Seconded by Fitzgibbon.

Voted Yes: All. Motion carried.

**10. City Council will be asked to consider Resolution 2013-46 a resolution affirming the City of South Haven is a welcoming community in support of “Welcoming Week”, September 15-22, 2013.**

*Background Information:* The City Council will be asked to consider a resolution of support for the Welcoming Michigan Organization’s “Welcoming Week.”

The Welcoming Michigan Organization consists of four community organizations affiliated with Welcoming Michigan. Van Buren County is one of the four community organizations participating in the effort. The organization is not a political or policy committee advocating for or against immigration reform or any political viewpoints.

Welcoming Michigan Organization expresses that U.S. born and foreign born immigrants and migrants have been valuable to the country, the State of Michigan, and Van Buren County. The 2013 National “Welcoming Week” is a nationwide event that promotes meaningful connections and a spirit of unity between U.S. and foreign-born Americans by providing opportunities to learn about each other and work together for the greater good.

Prior to “Welcoming Week”, local units of government are being requested to consider resolutions of support, affirming that the community supports Welcoming Week.

Moved by Fitzgibbon to approve Resolution 2013-46 affirming the City of South Haven is a welcoming community in support of “Welcoming Week”, September 15-22, 2013. Seconded by Klavins.

Voted Yes: All. Motion carried.

**11. City Council will be asked to consider Resolution 2013-47 a resolution to amend the Utility Policy, regarding hydrant water sales.**

*Background Information:* The City of South Haven Water Utility provides bulk water sales to various customers throughout the year. Bulk water sales are provided to commercial water haulers, for construction sites, and for agricultural uses. Typically, we receive between 10-20 requests per year to provide bulk water sales. Bulk water sales are provided by attachment of a metering assembly to a fire hydrant. The assembly consists of a large size meter, typically 3-inch, a backflow preventer, and various valves, fittings and pipe supports. A typical assembly has a replacement value of \$3000-4000. Bulk water sales are provided at the Department of Public Works Building. In addition, a customer may request a meter be installed at a hydrant near the point of service.

Staff has reviewed bulk water sales policies in various communities throughout Michigan. The fees charged vary widely. Of the ten communities surveyed, 8 of the communities billed water usage at their standard commodity charge. Nine of the communities charge a daily standby rate for bulk water sales. Six of the communities charge a deposit fee for the metering assembly, ranging from \$75 to \$600.

Council adopted the City of South Haven Public Utilities Rules, Regulations and Policies by passing Resolution 07-04 on January 15, 2007. Appendix #1, page A55 includes information regarding Hydrant Water Sales. The fee schedule included in Resolution 07-04 is based on water usage rates established by Council in 2006. In addition, the current policy does not cover the actual cost of installing the remote hydrant meter for customer use.

Staff recommends a formal change to the Bulk Water Sales Policy and rates to provide defined procedures, cover the cost for installation and removal of hydrant meters, and establish a fair rate for the water used by including a standby fee.

Under the proposed policy, customers seeking to purchase water in bulk from the City of South Haven will be subject to the following charges:

- A deposit fee in the amount of \$500.00 for installation of a hydrant meter and backflow preventer assembly at a location remote from the DPW building. The deposit fee will be refunded if the assembly is returned in an undamaged condition. If the assembly is returned in a damaged condition, the deposit will be used to cover the cost of repairs.
- A setup fee in the amount of \$200.00 to adequately cover the cost of City staff time to install and remove the hydrant meter at the location requested.
- Daily standby fees for a 3" meter. The daily standby fees will be calculated by dividing the monthly standby fee by the average number of days in a month (30.42). The monthly standby fee is part of the City's standard rate structure and is subject to adjustment by Council, typically on an annual basis.
- Water usage rate based on the amount metered, with a 2,500 cubic feet minimum. The water usage rate is part of the City's standard rate structure and is subject to adjustment by Council, typically on an annual basis.

Adjusting the policy will enable bulk water sales to be billed at the same rate structure as all permanent water customers.

The Board of Public Utilities reviewed the proposed policy at their June 24, 2013 and July 29, 2013 regular meetings. At the July 29 meeting, they recommended that Council consider a resolution amending the Utility Policy to incorporate the new Bulk Water Sales Policy.

Moved by Fitzgibbon to approve Resolution 2013-47 to amend the Utility Policy, regarding hydrant water sales. Seconded by Klavins.

Voted Yes: All. Motion carried.

**12. City Council will be asked to consider approval of a temporary sign request from Liberty Hyde Bailey Museum, for the "Brown Bag Botany and Brunch at the Baileys'."**

*Background Information:* The Liberty Hyde Bailey Museum Memorial Foundation is asking to place two (2) temporary signs on public property to promote summer special events. The signs are proposed for the city hall front lawn (Phoenix Street) and at Dyckman Park. Graphics of the proposed signs are attached to this report. Each location is proposed to have both signs installed.

Moved by Gruber to approve a temporary sign request from Liberty Hyde Bailey Museum, for the "Brown Bag Botany and Brunch at the Baileys'." Seconded by Fitzgibbon.

Voted Yes: All. Motion carried.

### **13. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda**

Michael Fidelman – Voiced concern about the delay in the approval of his license agreement.

Mike Henry – Updated City Council on the recent activities of the County Board of Commissioners.

### **14. City Manager's Comments**

### **15. Mayor and Councilperson's Comments**

Klavins – No Comment

Arnold – No Comment

Patterson – Thanks to everyone who helped with Gus Macker event.

Fitzgibbon – Stated for the record that she has never ridden or delivered a jet ski.

Gruber – Asked if there was a way to look at fines or assessments for those people who disregard the beach flag warnings and have to be rescued?

Kozlik Wall – Agrees with Gruber's question and asked about including people on the pier during red flags.

Burr – Asked if we have or should write a letter to our State Representative about standardizing flags.

### **16. Adjourn**

Moved by Fitzgibbon to adjourn. Seconded by Patterson.

Voted Yes: All. Motion carried. Meeting adjourned at 7:29 p.m.

RESPECTFULLY SUBMITTED,



Michelle Coffey  
Deputy City Clerk

Approved by City Council: