

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE COUNCIL MEETING
DATE 10/28/2013**

The meeting was called to order at 7:00 p.m. by Mayor Krueger in the Swartz Creek City Council Chambers, 8083 Civic Drive.

Invocation and Pledge of Allegiance to the Flag.

Councilmembers Present: Abrams, Gilbert, Hicks, Hurt, Krueger, Porath, Shumaker.

Councilmembers Absent: None

Staff Present: Director Public Service Tom Svrcek, City Clerk Juanita Aguilar, Police Chief Rick Clolinger, City Attorney Mike Gildner.

Others Present: Boots Abrams, Tommy Butler, Bob Plumb, Jim Florence, Ron Schultz, Sharon Shumaker, Lou Fleury, Robert Green, Sandy Raffaelli, Jim O'Brien, Linda Alexander, Timothy Webb, Mitchell Braz, Amy McMillen, Candice Woodfield, Kevin Fritsch.

APPROVAL OF MINUTES

Resolution No. 131028-01

(Carried)

Motion Councilmember Porath
Second by Councilmember Hurt

I Move the Swartz Creek City Council hereby approve the Minutes of the Regular Council Meeting, held Monday, October 14, 2013 to be circulated and placed on file.

YES: Gilbert, Hicks, Hurt, Krueger, Porath, Shumaker, Abrams.
NO: None. Motion Declared Carried.

APPROVAL OF AGENDA

Resolution No. 131028-02

(Carried)

Motion by Mayor Pro-Tem Abrams
Second by Councilmember Hurt

I Move the Swartz Creek City Council approves the Agenda, as amended, for the Regular Council Meeting of October 28, 2013, to be circulated and placed on file.

YES: Hicks, Hurt, Krueger, Porath, Shumaker, Abrams, Gilbert.
NO: None. Motion Declared Carried.

Resolution No. 131028-03

(Carried)

Motion by Councilmember Hurt
Second by Councilmember Hicks

I Move the Swartz Creek City Council excuse the absence of Councilmember Shumaker from the October 14, 2013 Council Meeting.

YES: Hurt, Krueger, Porath, Shumaker, Abrams, Gilbert, Hicks.
NO: None. Motion Declared Carried.

REPORTS AND COMMUNICATIONS:

City Manager's Report

Resolution No. 131028-04

(Carried)

Motion by Councilmember Shumaker
Second by Councilmember Hurt

I Move the Swartz Creek City Council approve the City Manager's Report of October 28, 2013, to be circulated and placed on file.

YES: Krueger, Porath, Shumaker, Abrams, Gilbert, Hicks, Hurt.
NO: None. Motion Declared Carried.

Discussion Ensued.

MEETING OPENED TO THE PUBLIC

Robert Green, 5223 Helmsley, wanted to discuss different possibilities to a tax increase. Mr. Green also spoke about the blight problems with rentals in the City.

COUNCIL BUSINESS

DEQ Scrap Tire Parking Lot Grant, Concept Presentation

Lou Fleury from ROWE Professional Services made a presentation on the scrap tire grant.

Long Term Basic Public Safety Police – Fire Services Financing, Set Public Hearing for Special Assessment

Motion by Councilmember Hicks
Second by Councilmember Hurt

WHEREAS, Michigan, and more locally, Genesee County, have experienced frequent and sometimes continuous recessions for four decades along with a sudden and plummeting crash in property values beginning in 2009, that have decreased the city's revenues significantly; and

WHEREAS, the cumulative reductions in Revenue Sharing has exceeded 20%, interest bearing balances have dropped to a near zero return, and with the exception of Meijer, new start building revenues have all but stopped; and

WHEREAS, the city continues to experience relentless reductions in commercial and industrial taxable values due to State Tax Tribunal rulings and forced negotiations; and

WHEREAS, up and until 2009, the City reasonably abated such recessions by scaling back expenses while maintaining noticeable basic services; and

WHEREAS, the city has, by charter limitation, a general operating maximum levy of 5.0 mills, currently reduced by Headlee rollbacks to 4.8289, the levy of which for the City of Swartz Creek being among the bottom 3% of the 279 cities in the state of Michigan; and

WHEREAS, the average operating levy of all cities in the state is approximately 17 mills; and

WHEREAS, the city is no longer able to maintain basic and quality of life services, and will have to further reduce services for public safety, among a variety of other funded services, Police and Fire being the most important; and

WHEREAS, PA 33 of 1951 (MCL 41.801 et seq, as amended) allows for the creation of a special assessment district city wide for public safety; and

WHEREAS, the City council desires to establish a city wide special assessment district;

NOW, THEREFORE, BE IT RESOLVED the Swartz Creek City Council hereby refers this project to the City Manager and directs the City Manager to prepare a report to be brought before the Council for review and determination at the Regular City Council Meeting, to be held in the City Council Chambers on Monday, November 11, 2013 at 7:00 PM, of which the report shall include:

- a. a description of the assessment district, parcels and boundaries; and
- b. an estimated cost of public safety Police & Fire Services, including operating costs, lost revenues and anticipated operating expense increases for coming years; and
- c. recommended levy amount along with projected revenue collections

BE IT FURTHER RESOLVED, that the City Staff is hereby directed to schedule a public hearing to be held at the Regular Council Meeting of Monday, November 11, 2013 at 7:00 PM, or as soon thereafter as the public can be heard, in the manner prescribed by law.

Discussion Took Place.

YES: Porath, Shumaker, Abrams, Hicks, Hurt, Krueger.
 NO: Gilbert. Motion Declared Carried.

Annual Utility Bond Obligation

Resolution No. 131028-06

(Carried)

Motion by Councilmember Gilbert
 Second by Councilmember Hurt

WHEREAS, the City of Swartz Creek has a need to pay to the County of Genesee, the sum of \$58,554.20 to meet the bond and principal requirements on all bond obligations for water and sewer facilities in calendar 2014; and

WHEREAS, the City of Swartz Creek has such an obligation for the retirement of a western trunk sewer extension bond through approximately 2026, and

WHEREAS, there are several means by which the funds can be secured to meet this payment; and

WHEREAS, all various means of securing these funds have been reviewed and considered;

NOW, THEREFORE, BE IT RESOLVED by the City of Swartz Creek that the monies to meet the principal and interest requirements and all bond obligations for water and sewer facilities will be secured from the following funds:

SOURCE OF FUNDS

Funds Already Available	<u>\$58,554.20</u>
Sewer Fund Total	\$58,554.20
Grand Total	\$58,554.20

Discussion Ensued.

YES: Shumaker, Abrams, Gilbert, Hicks, Hurt, Krueger, Porath.
NO: None. Motion Declared Carried.

Sale of Lots in Heritage Village Condominium Subdivision

Resolution No. 131028-07

Motion by Councilmember Hurt
Second by Councilmember Gilbert

Whereas, the City acquired a total of five vacant lots from a street paving special assessment project in the Heritage Village Condominium Association in December 2011, and

Whereas, the City Council in its meeting of October 14, 2013 passed Resolution No. 131014-09, authorizing the sale of those lots to either the Heritage Village Condominium Association or to certain individuals who have expressed to the city an interest in purchasing the lots, and

Whereas, the Heritage Village Condominium Association has not expressed their interest in purchasing the five lots which the city wished to sell, before their commitment deadline expired, and

Whereas, Resolution No. 131014-09 states: "If Heritage Village declines or the commitment deadline expires, sell two lots to Jason & LeAnn Minto and two lots to F. Jack Belzer for \$1,1711.86 each under purchase agreements driving the construction of two new houses within 12 months. Sell the fifth lot to Ted and Ruth Kramer, Bainbridge Drive, resident, for \$1711.86,"

Now Therefore, I move the City of Swartz Creek sell two lots to Jason & LeAnn Minto and two lots to F. Jack Belzer for \$1711.86 each under purchase agreements driving the construction of two new houses within 12 months. Sell the fifth lot to Ted and Ruth Kramer, Bainbridge Drive, resident, for \$1711.86," and

Be it Further Resolved that the final purchase be reviewed and approved by the City Attorney, and further, the City Council directs the Mayor and City Clerk to execute any and all documents pursuant to the terms of these sales.

Discussion Tool Place.

YES: Abrams, Gilbert, Hicks, Hurt, Krueger, Porath, Shumaker.
NO: None. Motion Declared Carried.

MEETING OPEN TO PUBLIC:

Tommy Butler, 40 Somerset, questioned how long the proposed special assessment would be for. Mr. Butler spoke about whether residents in the modular home community pay taxes. Mr. Butler asked if there was somewhere that bicycles could be donated instead of people just throwing them in the trash.

REMARKS BY COUNCILMEMBERS:

Councilmember Porath questioned City Attorney Gilder about a letter in the Council packet that referred to a Shortened Statute of Limitations Period for contracts with vendors.

Councilmember Shumaker spoke about the final report on City finances. Mr. Shumaker spoke about the revenues from the race track.

Councilmember Hicks spoke about the Park Board meeting. Ms. Hicks spoke about upcoming improvements to the parks as well as upcoming holiday events that the Park Board is putting together.

Councilmember Gilbert spoke about garbage and recycling containers being left out well after garbage pickup day.

Mayor Pro-Tem Abrams spoke about the Small Cities and Villages meeting that is coming up.

Mayor Krueger spoke about the importance of keeping crime down. Mr. Krueger mentioned that there will again be a holiday lighting contest, sponsored by the Small Cities and Villages association.

Adjournment

Resolution No. 131028-08

(Carried)

Motion by Mayor Pro-Tem Abrams
Second by Councilmember Shumaker

I Move the City of Swartz Creek adjourn the Regular Session of the City Council meeting at 7:57 p.m.

YES: Unanimous Voice Vote.
NO: None. Motion Declared Carried.

David Krueger, Mayor

Juanita Aguilar, City Clerk