

**CITY OF SWARTZ CREEK
SWARTZ CREEK, MICHIGAN
MINUTES OF THE COUNCIL MEETING
DATE 03/08/2010**

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

Invocation and Pledge of Allegiance to the Flag.

Councilmembers Present: Binder, Hicks, Hurt, Krueger, Porath, Shumaker.

Councilmembers Absent: Abrams.

Staff Present: City Manager Paul Bueche, Deputy City Clerk Mary Jo Clark, Assistant City Manager Adam Zettel, DPS Director Tom Svrcek, Rowe Engineer Mike Royalty.

Others Present: Tommy Butler, Sharon Klein, Ron Schultz, Melissa Calvert, Brad Harnick, Jackie Harnick.

Resolution No. 100308-01

(Carried)

Motion by Councilmember Shumaker
Second by Councilmember Hicks

I Move the Swartz Creek City Council excuse the absence of Mayor Abrams due to vacation.

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

APPROVAL OF MINUTES

Resolution No. 100308-02

(Carried)

Motion by Councilmember Hicks
Second by Councilmember Hurt

I Move the Swartz Creek City Council hereby approve the Minutes, as presented, for the Regular Council Meeting, held February 22, 2010, to be circulated and placed on file.

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

APPROVAL OF AGENDA

Resolution No. 100308-03

(Carried)

Motion by Councilmember Binder
Second by Councilmember Hurt

I Move the Swartz Creek City Council approve the Agenda, as printed, for the Regular Council Meeting of March 8, 2010 to be circulated and placed on file.

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

REPORTS AND COMMUNICATIONS:

City Manager's Report

Resolution No. 100308-04

(Carried)

Motion by Councilmember Hurt
Second by Councilmember Shumaker

I Move the Swartz Creek City Council approve the City Manager's Report of March 8, 2010, to be circulated and placed on file.

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

All other reports and communications were accepted and placed on file.

MEETING OPENED TO THE PUBLIC:

Brad Harnick, representing the Friends of the Library, updated the Council on their status as a group and stated that they are looking at more youth oriented programs.

David Jansen, 3327 Elms, spoke about a vehicle accident that occurred in front of his house in February. Mr. Jansen stated that the telephone pole that was damaged in the accident has yet to be repaired despite Assistant City Manager Zettel and DPS Director Tom Svrcek making calls to Verizon. Mr. Jansen stated that the pole is a hazard to the public and wants the City to have it taken care of immediately. City Manager Bueche stated that the City is having difficulty tracking down who to contact for the repairs to the pole. City Manager Bueche stated that he will look into it further.

Tommy Butler, 40 Somerset, spoke about Verizon trucks always being parked at the various restaurants. He stated that is why they can never fix anything.

COUNCIL BUSINESS:

Energy Efficiency & Conservation Block Grant Agreement

Resolution No. 100308-05

(Carried)

Motion by Councilmember Shumaker
Second by Councilmember Hurt

WHEREAS, the City of Swartz Creek is committed to emphasizing the benefits of energy efficiency and conservation in government; and

WHEREAS, the City seeks to find methods of service, delivery and operations that conserve energy and resources, saving taxpayer dollars and protecting and preserving the environment; and

WHEREAS, the City is a part of the Green Communities Challenge which stresses the aforementioned qualities; and

WHEREAS, the City completed an energy audit in partnership with the Michigan Department of Energy, Labor, and Economic Growth which recommended many changes, among them is the replacement and upgrading of the heating, ventilation, and air conditioning system at the public safety building; and

WHEREAS, the City subsequently used that information to apply for an EECBG grant in the amount of \$50,861.00 to fund replacement and of the HVAC system in the public safety building; and

WHEREAS, the State of Michigan awarded the grant for the amount requested and requires the City to enter into the attached agreement in order to commence with work and payment towards the project.

NOW, THEREFORE, BE IT RESOLVED THAT, the City of Swartz Creek hereby approves the agreement and grant, as attached, with the Michigan Department of Energy, Labor, and Economic Growth – Bureau of Energy Systems, and further, direct the City Staff to execute all necessary documents and agreements.

BE IT FURTHER RESOLVED THAT, the City shall create a project account to collect and distribute funds for this work in the amount of \$56,000 plus a 10% contingency - these funds to be used as illustrated on page 25 of the agreement to complete the project as estimated (\$53,000), oversee engineering (\$3,000), and cover in-kind staff wages (not included).

Discussion Ensued.

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

Appropriation, Piper Realty—Apple Creek Over-billing Refund

Resolution No. 100308-06

(Carried)

Motion by Councilmember Krueger
Second by Councilmember Hurt

WHEREAS, a software error in the City’s utility billing system resulted in an overpayment of water supplied to a single building at Apple Creek Station Apartments; and

WHEREAS, on September 14, 2009, the City appropriated \$89,762.70, the overpayment for water supplied to #4242-G9 Roundhouse Drive, for the period of August 1, 2006 through July 31, 2009, resolution as follows:

Water Account Overpayment Refund, Apple Creek Apartments

Resolution No. 090914-06

(Carried)

Motion by Councilmember Hurt
Second by Councilmember Binder

WHEREAS, a software error in the City’s utility billing system has resulted in an overpayment of water supplied to a single building at Apple Creek Station Apartments; and

WHEREAS, an audit of the account from August 1, 2006 through July 31, 2009 indicates an overpayment of \$89,762.70.

NOW, THEREFORE, I Move the City of Swartz Creek appropriate an amount not to exceed \$89,762.70, to Apple Creek Apartments – Piper Realty Inc., overpayment for water supplied to building #4242-G9 Roundhouse Drive, for the period of August 1, 2006 through July 31, 2009, account reconciliation as follows:

| Apple Creek Station 4242 Roundhouse #G9 | | | | |
|--|--------------|-------------------------|---------------------|--------------------|
| Billing Cycle | Usage | SIH Billed-Water | Billed-Water | Difference |
| 8/1/2006 | 13,000 | \$486.20 | \$7,476.80 | \$6,990.60 |
| 11/1/2006 | 13,000 | \$486.20 | \$7,476.80 | \$6,990.60 |
| 2/1/2007 | 17,000 | \$561.80 | \$7,476.80 | \$6,915.00 |
| 5/1/2007 | 16,000 | \$542.90 | \$7,476.80 | \$6,933.90 |
| 8/1/2007 | 13,000 | \$486.20 | \$7,476.80 | \$6,990.60 |
| 11/1/2007 | 12,000 | \$467.30 | \$7,476.80 | \$7,009.50 |
| 2/1/2008 | 23,000 | \$675.20 | \$7,476.80 | \$6,801.60 |
| 5/1/2008 | 20,000 | \$618.50 | \$7,476.80 | \$6,858.30 |
| 8/1/2008 | 18,000 | \$580.70 | \$7,476.80 | \$6,896.10 |
| 11/1/2008 | 16,000 | \$542.90 | \$7,476.80 | \$6,933.90 |
| 2/1/2009 | 17,000 | \$561.80 | \$7,476.80 | \$6,915.00 |
| 5/1/2009 | 16,000 | \$542.90 | \$7,476.80 | \$6,933.90 |
| 8/1/2009 | 18,000 | \$580.70 | \$7,476.80 | \$6,896.10 |
| | | | | \$90,065.10 |

| Apple Creek Station 4389 Depot #T3 | | | | |
|---|--------------|-------------------------|---------------------|-------------------|
| Billing Cycle | Usage | SIH Billed-Water | Billed-Water | Difference |
| 11/1/2006 | 13,000 | \$486.20 | \$467.30 | -\$18.90 |
| 2/1/2007 | 14,000 | \$505.10 | \$467.30 | -\$37.80 |
| 11/1/2007 | 13,000 | \$486.20 | \$467.30 | -\$18.90 |
| 2/1/2008 | 16,000 | \$542.90 | \$467.30 | -\$75.60 |
| 4/30/2008 | 16,000 | \$542.90 | \$467.30 | -\$75.60 |
| 7/31/2008 | 16,000 | \$542.90 | \$467.30 | -\$75.60 |
| | | | | -\$302.40 |

Net Total Overbilled

\$89,762.70

WHEREAS, Piper Realty disputes the amount advising their records indicate overpayment extending from November 1, 2005 through August 1, 2009, and requests the reconciliation from the period of November 1, 2005 through August 1, 2006; and

WHEREAS, the City's accounting staff has determined that the full audit of the account is as follows:

Account Reconciliation, 11-1-2005 Thru 8-1-2009

Apple Creek Station 4242 Roundhouse #G9

| Billing Cycle | Usage | SIH Billed-Water | Billed-Water | Difference |
|---------------|--------|------------------|--------------|---------------------|
| 11/1/2005 | 13,000 | \$496.18 | \$7,476.80 | \$6,980.62 |
| 2/1/2006 | 14,000 | \$505.08 | \$7,476.80 | \$6,971.72 |
| 5/1/2006 | 11,000 | \$467.30 | \$7,476.80 | \$7,009.50 |
| 8/1/2006 | 13,000 | \$486.18 | \$7,476.80 | \$6,990.62 |
| 11/1/2006 | 13,000 | \$486.18 | \$7,476.80 | \$6,990.62 |
| 2/1/2007 | 17,000 | \$561.78 | \$7,476.80 | \$6,915.02 |
| 5/1/2007 | 16,000 | \$542.88 | \$7,476.80 | \$6,933.92 |
| 8/1/2007 | 13,000 | \$486.18 | \$7,476.80 | \$6,990.62 |
| 11/1/2007 | 12,000 | \$467.30 | \$7,476.80 | \$7,009.50 |
| 2/1/2008 | 23,000 | \$675.18 | \$7,476.80 | \$6,801.62 |
| 5/1/2008 | 20,000 | \$618.50 | \$7,476.80 | \$6,858.30 |
| 8/1/2008 | 18,000 | \$580.70 | \$7,476.80 | \$6,896.10 |
| 11/1/2008 | 16,000 | \$542.90 | \$7,476.80 | \$6,933.90 |
| 2/1/2009 | 17,000 | \$561.80 | \$7,476.80 | \$6,915.00 |
| 5/1/2009 | 16,000 | \$542.90 | \$7,476.80 | \$6,933.90 |
| 8/1/2009 | 18,000 | \$580.70 | \$7,476.80 | \$6,896.10 |
| | | | | \$111,027.06 |

Apple Creek Station 4389 Depot #T3

| Billing Cycle | Usage | SIH Billed-Water | Billed-Water | Difference |
|---------------|--------|------------------|--------------|------------------|
| 8/2/2005 | 15,000 | \$524.00 | \$467.36 | -\$56.64 |
| 1/30/2006 | 13,000 | \$486.20 | \$467.30 | -\$18.90 |
| 11/1/2006 | 13,000 | \$486.20 | \$467.30 | -\$18.90 |
| 2/1/2007 | 14,000 | \$505.10 | \$467.30 | -\$37.80 |
| 11/1/2007 | 13,000 | \$486.20 | \$467.30 | -\$18.90 |
| 2/1/2008 | 16,000 | \$542.90 | \$467.30 | -\$75.60 |
| 4/30/2008 | 16,000 | \$542.90 | \$467.30 | -\$75.60 |
| 7/31/2008 | 16,000 | \$542.90 | \$467.30 | -\$75.60 |
| | | | | -\$377.94 |

Apple Creek Station 7509 Apple Creek

| Billing Cycle | Usage | SIH Billed-Water | Billed-Water | Difference |
|---------------|--------|------------------|--------------|-------------------|
| 8/2/2005 | 18,000 | \$580.70 | \$3,738.40 | \$3,157.70 |

| | | | | |
|--|-------------|--|--|--|
| 111,027.06+ | | | | |
| 3,157.70+ | | | | |
| 577.94- | set | | | |
| Grand Total Overbilled \$113,806.82 | | | | |
| 001 | 113,806.82# | | | |
| | 113,806.82+ | | | |
| | 89,762.70- | | | |
| 000 | 24,044.12* | | | |

WHEREAS, the City's accounting staff has determined the total overpayment by Piper Realty to be \$113,806.82, \$89,762.70 having been paid on September 14, 2009, leaving a balance due of \$24,044.12.

NOW, THEREFORE I Move that the City of Swartz Creek appropriate an amount not to exceed \$24,044.12 from Water Fund 590, to Piper Realty, full reconciliation for overpayment of water billings for Apple Creek, and further, direct staff to prepare a release from all further claims prior to payment.

Discussion Ensued.

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

Appropriation, ID Printer, Youth Services Programs

Resolution No. 100308-07

(Carried)

Motion by Councilmember Krueger
Second by Councilmember Hurt

I Move the City of Swartz Creek approve the purchase of one Fargo Personal Photo ID System, cost not to exceed \$1,344 plus 10% contingency, funds to be appropriated from Youth Services 701 Trust & Agency Account.

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

MEETING OPENED TO THE PUBLIC

None.

REMARKS BY COUNCILMEMBERS:

None.

ADJOURNMENT:

There being no objection, Mayor Pro-Tem Porath declared the meeting adjourned at 8:16 p.m.

Curt Porath, Mayor Pro-Tem

Mary Jo Clark, Deputy City Clerk