

City of Corunna
Regular Council Meeting
Monday, November 2, 1998

Present: Weaver, Bendall, Dumond, Ockerman, Reid.

Absent: Greiger, Williams.

Guests: Lisa Hitchcock, City Manager; Chief Mark Hetfield, Police Department; Ron Smith, Treasurer/Assessor; Tom Reinbold, First Priority Microsystems; Judy Horton; Larry Runyan; Fred Davenport, Newcor, Inc.; Jackie Leone, The Argus Press; Lu Hilden, The Independent; Al Fowler; Kevin Clark; Karl Bashi; Jackie Deppen; Amy Miros; Steve Miros; Douglas Lyon; Joanne Burt; and other concerned citizens.

The meeting was called to order in the City Council Chambers by Mayor Weaver at 7:00 p.m.

MINUTES OF THE PREVIOUS REGULAR MEETING: Reid moved, Dumond seconded to approve the October 26, 1998 Regular Council Minutes as printed.

Roll call vote:

Yes: Reid, Bendall, Ockerman, Dumond.

No: None.

Motion CARRIED

AGENDA APPROVAL: Dumond moved, Bendall seconded to approve the agenda as amended with the addition of Item No. 8) Consider Revised Bids on 1977 Ford Truck; Item No. 9) Consider Extension of 10-Day Notice; and Item No. 10) Closed Session - Union Negotiations.

Roll call vote:

Yes: Bendall, Dumond, Ockerman, Reid.

No: None.

Motion CARRIED

APPROVAL OF VENDOR DISBURSEMENTS: Bendall moved, Dumond seconded to approve the vendor disbursements as presented.

Roll call vote:

Yes: Ockerman, Dumond, Reid, Bendall.

No: None.

Motion CARRIED

CALL TO AUDIENCE: Al Fowler stated that last summer he made a suggestion on how the police department could save money like Chesaning did. He further stated he read in the paper that the city gave the police chief an \$8,000 raise, the city manager got a \$6,000 raise, and the city clerk got a \$6,000 raise. Ms. Hitchcock advised that the newspaper article was incorrect

in stating that the police chief got an \$8,000 raise. Mr. Fowler stated these people knew what the jobs paid when they took them. He asked how much longer the City of Corunna could afford them. Mr. Fowler stated the kids vandalized the lights in the park near the gazebo a couple of years ago and asked what was done with the insurance money. Ms. Hitchcock advised the city did not file an insurance claim on the lights. Mr. Fowler asked why not. Ms. Hitchcock stated the lights were damaged one by one and the city has a \$1,000 deductible and each light cost under \$1,000.

CONSIDER TRANSFER OF INDUSTRIAL FACILITY EXEMPTION: Ron Smith advised Newcor, Inc. needed a resolution from the city council approving the transfer of the Industrial Facility Tax Exemption Certificate that was issued to Machine Tool and Gear in 1997. He further advised Newcor, Inc. has purchased Machine Tool and Gear. He also advised the State of Michigan offer exemption certificates to companies, which allows the assessment to be frozen for twelve years. Mr. Smith introduced Fred Davenport from Newcor, Inc. Mr. Davenport gave council a brief overview of Newcor, Inc. He advised the company has been in business since 1938 and has eight businesses in Michigan and three out of state. Councilperson Ockerman asked if the Industrial Facility Tax Exemption Certificate was a tax abatement for a certain number of years and further asked how many years have gone by. Mr. Smith advised yes, the Industrial Facility Tax Exemption Certificate was a tax abatement for twelve years. Eleven years remain on the abatement. Dumond moved, Bendall seconded to approve the transfer of the Industrial Facility Tax Exemption Certificate from Machine Tool and Gear to Newcor, Inc.

Roll call vote:

Yes: Dumond, Ockerman, Bendall, Reid.

No: None.

Motion CARRIED

CONSIDER COMPUTER HARDWARE BID: Ms. Hitchcock advised the city went out for bids in the spring for computer networking equipment. At that time, each individual bidder had an opportunity to tour city hall and to make a recommendation on what the city would need. She further advised the city received five bids and they were so far apart that they were not comparable. She also advised she asked one of the bidders (First Priority Microsystems) to analyze the equipment the city had and to make a recommendation on what the city would need. At that point, all of the other bidders were contacted except for one who had a telephone number change. The city then faxed the updated proposal, which only listed the items the city was dealing with, to the other bidders and no one got back with the city except for First Priority Microsystems. Councilperson Ockerman asked what the total amount of the package was. Ms. Hitchcock advised \$15,090, which included a two-percent discount if paid right away otherwise the price would be \$15,400. She further advised the proposal did not include a printer, which was \$633. Councilperson Reid asked if the proposal was only for Phase I. Ms. Hitchcock advised yes. Councilperson Dumond asked if the printer cost of \$633 was in addition to the proposal. Ms. Hitchcock advised yes. Ockerman moved, Bendall seconded to accept the computer hardware bid from First Priority Microsystems in the amount of \$15,090 and to approve the printer purchase in the amount of \$633 for a total amount not to exceed \$15,723.

Roll call vote:

Yes: Reid, Ockerman, Bendall, Dumond.

No: None.

Motion CARRIED

CONSIDER ACCEPTANCE OF “BILL OF SALE” FOR PLAYSCAPE: Ms. Hitchcock advised the “Bill of Sale” from the Zonta Club would clear the Zonta Club from any liability. Dumond moved, Bendall seconded to accept the “Bill of Sale” for the playscape from the Zonta Club.

Roll call vote:

Yes: Bendall, Reid, Dumond, Ockerman.

No: None.

Motion CARRIED

CONSIDER TRANSFER OF FIREWORKS FUND: Reid moved, Bendall seconded to approve the transfer of \$1,054 from the General Fund to the Fireworks Fund.

Roll call vote:

Yes: Reid, Bendall, Ockerman, Dumond.

No: None.

Motion CARRIED

CONSIDER RESOLUTION FORGIVING THE DOWNTOWN DEVELOPMENT AUTHORITY LOAN: Dumond moved, Bendall seconded to approve the following resolution:

RESOLUTION FORGIVING
DOWNTOWN DEVELOPMENT AUTHORITY LOAN

WHEREAS, on September 23, 1991, the Corunna City Council entered into a loan agreement with the Downtown Development Authority in the amount of \$250,000 to build the Corunna City Centre; and

WHEREAS, on March 2, 1992, the Corunna City Council agreed to subordinate the loan and that the city would be paid back only after the banks were paid in full; and

WHEREAS, the acknowledgement of this loan has caused a deficit in the Downtown Development Authority’s financial statements; and

WHEREAS, it is the desire of the Corunna City Council to have all funds in an acceptable financial condition;

THEREFORE, as of this date, the Corunna City Council is forgiving the loan to the Downtown Development Authority, which will permit any money received by the sale of the Corunna City Centre to go back into the downtown area when and if the Corunna City Centre is sold.

Roll call vote:

Yes: Bendall, Dumond, Ockerman, Reid.

No: None.

Motion CARRIED

CONSIDER BUDGET AMENDMENTS: Ockerman moved, Dumond seconded to accept the following budget amendments as presented:

	<u>Original Budget</u>	<u>Amended Budget</u>
General Fund Revenues	\$1,383,119	\$1,423,019
General Fund Expenses	\$1,377,782	\$1,419,067
City Improvements Fund Revenues	\$202,500	\$204,500
City Improvements Fund Expenses	\$202,500	\$204,500
98 MTF Bonds Payable Revenues	\$-0-	\$18,893
98 MTF Bonds Payable Expenses	\$-0-	\$18,893
Economic Development Fund Revenues	\$45,590	\$99,438
1997 Construction Account Revenues	\$-0-	\$355,000
1997 Construction Account Expenses	\$-0-	\$355,000
Motor Vehicle Pool Revenues	\$133,100	\$153,315
4 th of July Fireworks Fund	\$-0-	\$1,054

Roll call vote:

Yes: Ockerman, Dumond, Reid, Bendall.

No: None.

Motion CARRIED

CONSIDER LETTER OF RESIGNATION: Bendall moved, Ockerman seconded to accept the resignation submitted by Councilperson Greiger.

Roll call vote:

Yes: Dumond, Ockerman, Bendall, Reid.

No: None.

Motion CARRIED

CONSIDER REVISED BID ON 1977 FORD TRUCK: Ms. Hitchcock advised it was recommended that council reject the bid of \$1,025 on the 1977 Ford truck at the last council meeting because Mr. Svrcek felt the city could get \$2,000 for the truck if the tires were removed and the vehicle was parted out. She further advised Plowman Gas recontacted Mr. Svrcek and asked if the city would take \$1,800 for the dump truck. She also advised Mr. Svrcek has recommended that council accept the revised bid. Ockerman moved, Dumond seconded to accept the revised bid on the 1977 Ford Truck in the amount of \$1,800 from Plowman Gas.

Roll call vote:

Yes: Reid, Ockerman, Bendall, Dumond.

No: None.

Motion CARRIED

CONSIDER EXTENSION OF 10-DAY NOTICE: Chief Hetfield advised vehicles are allowed to sit 30 days before a notice is issued. The owners are then given a 10-day notice, which grants them an additional ten days to take care of the vehicle. Officer Kevin Clark advised it was his understanding that the vehicle was being repaired. Officer Clark further advised that he noticed the vehicle had set on the property for over 30 days and issued a 10-day notice. Officer Clark also advised that Mr. Lyon did request more time, but Mr. Lyon was told that

a citation had to be issued and the city would try to work with him. Mr. Lyon stated when he spoke with Officer Clark, he asked if a complaint had been called in about the vehicle. Officer Clark stated no, there was no complaint. He further stated he came down to city hall and received a copy of the ordinance. He also stated it was his understanding that a complaint has to be made before a 10-day notice could be issued. Ms. Hitchcock advised an officer could make a complaint. Councilperson Reid asked Mr. Lyon if he had done anything with the car within the last week. Mr. Lyon advised yes. He further advised the vehicle was not a junk vehicle and was not abandoned. Councilperson Ockerman asked if there was a license on the vehicle. Mr. Lyon advised no, but there would be once the car was put back together. Councilperson Ockerman asked Mr. Lyon if there were any other complaints. Mr. Lyon advised no. Joanne Burt advised she was the property owner and the car was on her property. Councilperson Bendall advised that is the reason the city has an appeal process. Councilperson Ockerman asked how many days Mr. Lyon needed to complete the repairs. Mr. Lyon advised he was asking for 30 days. Councilperson Dumond stated he took offense to Mr. Lyon's letter, which stated Officer Clark disregarded the no trespassing sign and that Officer Clark had no right to come on the property. Mr. Lyon stated he would not proceed with a waiver of court against Officer Clark for trespassing. He just wanted the matter resolved. Ms. Hitchcock suggested that the motion should include a specific date. Reid moved, Ockerman seconded to extend the 10-day notice to December 1, 1998.

Roll call vote:

Yes: Bendall, Reid, Ockerman.

No: Dumond.

Motion CARRIED

CLOSED SESSION - UNION NEGOTIATIONS: Bendall moved, Reid seconded to leave regular session and go into closed session for union negotiations.

Roll call vote:

Yes: Reid, Bendall, Ockerman, Dumond.

No: None.

Motion CARRIED Time was 8:07 p.m.

Bendall moved, Dumond seconded to leave closed session and return to regular session.

Roll call vote:

Yes: Bendall, Dumond, Ockerman, Reid.

No: None.

Motion CARRIED Time was 8:25 p.m.

No action took place during closed session.

ADJOURN: Bendall moved, Reid seconded to adjourn.

Roll call vote:

Yes: Ockerman, Dumond, Reid, Bendall.

No: None.

Motion CARRIED Time was 8:55 p.m.