

City of Corunna
Regular Council Meeting
Monday, March 20, 2000

Present: Billis, Bayless, Bendall, Dumond, Hornus, Ockerman, Runyan.

Absent: None.

Guests: Lisa Hitchcock, City Manager; Tim Crawford, Superintendent of Public Works; Dick & Pat Sanderson; Gene & Shirley Sanderson; Clark Long; Marlene Fick; Doug Albrant; Jackie Leone, The Argus Press; Judy Horton; Officer Kevin Clark, Police Department; Arnold Dunchock; Fred & Betty Bates; Stephanie Wuttke, The Independent; and other concerned citizens.

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

MINUTES OF THE PREVIOUS REGULAR MEETING: Hornus moved, Dumond seconded to approve the minutes of the previous regular meeting as presented.

Roll call vote:

Yes: Ockerman, Dumond, Hornus, Runyan, Bayless, Bendall.

No: None.

Motion CARRIED

AGENDA APPROVAL: Hornus moved, Ockerman seconded to approve the agenda as presented with the addition of Item No. 10) Discussion of Vendor Disbursements.

Roll call vote:

Yes: Bayless, Runyan, Bendall, Ockerman, Dumond, Hornus.

No: None.

Motion CARRIED

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

Roll call vote:

Yes: Runyan, Ockerman, Bayless, Hornus, Bendall, Dumond.

No: None.

Motion CARRIED

CALL TO AUDIENCE: Pat Sanderson asked where the low-income housing would be built.

Ms. Hitchcock advised a housing complex is being proposed east of Walnut Acres. Mayor Billis advised 50 percent of the housing would be utilized for the elderly who are on a fixed income and the state income levels would regulate the remaining 50 percent.

Dick Sanderson advised a little bit of action was done regarding the alley by his house. Ms. Hitchcock advised she has a meeting with the garbage company on Wednesday. Mr. Sanderson asked when the stuff would be removed from the drain. Mr. Crawford advised it would be taken care of shortly. Councilperson Ockerman stated he saw the alley today. The city fixes it and the garbage company destroys it. Gene Sanderson stated he took a ride around the city and

all of the alleys have the same problem. He asked when gravel would be placed in the big holes. He suggested having the city contact the people who live on the alley and ask them to change to a company that uses smaller trucks. This will eliminate the problem. Ms. Hitchcock advised this might cause a problem if the city asks a resident to change their garbage company. She further advised council could put weight restrictions on the alleys or go to a curbside pickup one-day a week. Marlene Fick advised she puts her garbage out front and does not know why the other people could not put their garbage out front. Mayor Billis asked why the city does not have curbside pickup. Ms. Hitchcock advised the residents do not want garbage sitting out in the street. Ms. Fick stated if there is a rate increase, an ordinance amendment should be looked at allowing curbside pickup. Ms. Hitchcock advised curbside pickup is cheaper. Ms. Fick suggested having the residents vote on the issue. Councilperson Ockerman stated the last quarterly newsletter asked residents if they wanted curbside or back door pickup. He asked what the response was. Ms. Hitchcock advised approximately 50 responses were received and 39 of the responses want the garbage pickup left as it is. Councilperson Bendall stated curbside pickup was discussed at the time the burning ordinance was being looked at and a large majority of the city residents, who were present at the meeting, wanted back door pickup. Gene Sanderson advised the truck that picks up his garbage is only one-third the size of the one that goes down the alley. Councilperson Runyan stated there are four or five different companies that service the city and there would be garbage out everyday. Ms. Hitchcock advised the ordinance could be changed to specify which day of the week the city wants garbage picked up. She further advised every garbage company she contacted told her they would not have a problem with picking up garbage on a specific day. Gene Sanderson asked Ms. Hitchcock why she did not write down what he said about the small truck and what she would do if the garbage service representative does not mention the small truck. Ms. Hitchcock advised she has talked to the representative about that two weeks ago.

Gene Sanderson advised there is speeding on S. Shiawassee Street again. There are two school kids who are either going to get a flashlight or rake thrown at their car if they do not slow down. He further advised he would try to get a license plate number and turn it in to the police department. Someone will get killed by those cars. Mayor Billis advised throwing a rake at the car was not recommended.

CONSIDER APPOINTMENT OF FRANCES SPANIOLA (DOWNTOWN DEVELOPMENT AUTHORITY REPRESENTATIVE-ALTERNATE) TO THE PARKS AND RECREATION COMMISSION, TERM TO EXPIRE DECEMBER 31, 2001:

Hornus moved, Bendall seconded to appoint Frances Spaniola (Downtown Development Authority Representative-Alternate) to the Parks and Recreation Commission, term to expire December 31, 2001.

Roll call vote:

Yes: Hornus, Bendall, Dumond, Bayless, Ockerman, Runyan.

No: None.

Motion CARRIED

CONSIDER APPOINTMENT OF JANEENE CENKUSH TO BOARD OF APPEALS, TERM TO EXPIRE DECEMBER 31, 2002: Dumond moved, Bayless seconded to appoint Janeene Cenkush to Board of Appeals, term to expire December 31, 2002.

Roll call vote:

Yes: Bendall, Bayless, Runyan, Dumond, Hornus, Ockerman.

No: None.

Motion CARRIED

CONSIDER REQUEST FROM SHIAWASSEE COUNTY TO WAIVE BUILDING PERMIT

FEE: Dumond moved, Hornus seconded to approve the request from Shiawassee County to waive the building permit fee.

Roll call vote:

Yes: Dumond, Hornus, Ockerman, Bendall, Runyan, Bayless.

No: None.

Motion CARRIED

CONSIDER RESOLUTION TO APPROVE THE ISSUANCE OF A DOWNTOWN

DEVELOPMENT AUTHORITY REVENUE REFUNDING NOTE AND TO FILE WITH THE MICHIGAN DEPARTMENT OF TREASURY: Dumond moved, Hornus seconded to approve the following resolution:

**CITY COUNCIL
CITY OF CORUNNA**

(Shiawassee County, Michigan)

**RESOLUTION TO APPROVE THE ISSUANCE OF A DOWNTOWN
DEVELOPMENT AUTHORITY REVENUE REFUNDING NOTE AND TO
FILE WITH THE MICHIGAN DEPARTMENT OF TREASURY**

WHEREAS, pursuant to the provisions of Act 197, Public Acts of Michigan, 1975, as amended (“Act 197”) the City Council of the City of Corunna, County of Shiawassee, Michigan (the “City”) has previously established the Downtown Development Authority of the City of Corunna (the “Authority”); and

WHEREAS, the Authority has previously adopted its Tax Increment Finance and Development Plan for the Downtown Development Area which Plan was approved after public hearing by the City Council of the City pursuant to Ordinance No. 06/90 enacted 06-18-90, and amended after public hearing by the City Council on 07-06-92 by Ordinance No. 07-92; and

WHEREAS, on August 20, 1992, the Authority issued a revenue note to Old Kent Bank-Central, Republic Bank and Key State Bank in the original amount of \$420,000, pursuant to Section 13a(1) of Act 197 (the “Note”), in order to finance the construction of a community building (the “Facility”); and

WHEREAS, the Note provided for a balloon payment which is now due; and

WHEREAS, the outstanding principal balance of the Note is \$354,999; and

WHEREAS, the Authority desires to issue a refunding note to finance the balloon payment and continue the financing of the Facility; and

WHEREAS, Old Kent Bank-Central (the “Bank”) has submitted a proposal to purchase the refunding note.

WHEREAS, prior to the issuance of the refunding note the Authority must receive prior approval from the City Council.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby approves the issuance of the refunding note by the Authority pursuant to Section 13a of Act 197 in an amount of not to exceed \$355,000 (the “Refunding Note”), upon such terms as shall be approved pursuant to a resolution of the Board of the Authority.

2. Without limiting the authority granted in Section 1 above, the City Council specifically approves issuance of the Refunding Note to Old Kent Bank-Central in substantially the form as set forth on Exhibit A attached hereto.

3. The City Council approves securing the Refunding Note by granting a mortgage to the note holder pledging the Facility as security for payment of principal and interest due under the Refunding Note.

4. The City Clerk is hereby authorized and directed to file any necessary documentation with the Michigan Department of Treasury in order for the Authority to obtain an order providing prior state approval for issuance of the Refunding Note.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

Councilperson Runyan asked if the resolution was mandatory. Ms. Hitchcock advised she felt it was mandatory. The state treasury must approve any loan a municipality makes.

Councilperson Dumond stated this has been a problem each year with the audit and this should eliminate the problem. Mayor Billis stated it was his understanding their monthly payment would be going up approximately \$600. He asked if the Downtown Development Authority or the city has the right to negotiate with anybody besides who the note is being written with to see if a better rate can be obtained. Ms. Hitchcock advised she believes they could. Mayor Billis stated the Downtown Development Authority is good at paying their bills, so any lender might look at that and give them a better rate. Councilperson Dumond asked if the Downtown Development

Authority could use T.I.F.A. revenues for repaying the loan. Ms. Hitchcock advised yes.

Councilperson Ockerman asked if the loan would be tied to the prime rate. Mayor Billis advised yes. Councilperson Ockerman asked if there was a time limit on the loan. Ms.

Hitchcock advised the loan is negotiable every five years. Councilperson Ockerman stated the Downtown Development Authority should have asked these questions. Ms. Hitchcock advised they are the ones who negotiated the note. Councilperson Hornus stated the Downtown Development Authority must feel comfortable with this. Mayor Billis asked if there is a time factor. Ms. Hitchcock advised the Downtown Development Authority needs to adopt their

resolution and then it goes to the state treasury. Mayor Billis stated if council is agreeable to the terms that are established now and the Downtown Development Authority is agreeable once the information is presented to them, the process would go forward. If they are not agreeable, it will be brought back to council. He asked if council was agreeable with this. Council advised yes.

Roll call vote:

Yes: Ockerman, Dumond, Hornus, Runyan, Bayless, Bendall.

No: None.

Motion CARRIED

CONSIDER BUDGET AMENDMENTS: Dumond moved, Bendall seconded to approve the budget amendments as presented with a zero net adjustment and to change the amount listed in department 517-King/Kingsley/McArthur Construction Fund from \$2,170,000 to \$1,800,000.

Roll call vote:

Yes: Bayless, Runyan, Bendall, Ockerman, Dumond, Hornus.

No: None.

Motion CARRIED

CONSIDER SEWER TELEVISIONING AND REPAIRS: Ockerman moved, Hornus seconded to approve the sewer televising and repairs from A-1 Drain Cleaning and Plumbing in the amount of \$3,912.50. Tim Crawford explained what was found during the sewer televising. He further explained several homes in the area had their sewer lines dyed and three of the homes were connected to the sewer line in question.

Roll call vote:

Yes: Runyan, Ockerman, Bayless, Hornus, Bendall, Dumond.

No: None.

Motion CARRIED

CONSIDER ON-STREET PARKING DURING STREETSCAPE CONSTRUCTION:

Councilperson Ockerman stated Councilperson Runyan, Mayor Billis and he met with the merchants in order to find a way to help them during the streetscape project. Several items were discussed at the meeting, which included allowing on-street parking. He further stated there are three blocks running east and west of Shiawassee Street that is being requested where no one would be ticketed for parking on the street this summer. Councilperson Dumond asked if the no parking between 2:00 a.m. and 6:00 a.m. was discussed. Ms. Hitchcock advised this was discussed and she recommended leaving the no parking between 2:00 a.m. and 6:00 a.m. in place. Councilperson Dumond asked if on street parking would be allowed during the day. Ms. Hitchcock advised people would be allowed to park on the streets until 2:00 a.m. Dumond moved, Hornus seconded to approve on street parking three blocks east and west of Shiawassee Street south of the river and north of McNeil Street during the streetscape construction.

Roll call vote:

Yes: Hornus, Bendall, Dumond, Bayless, Ockerman, Runyan.

No: None.

Motion CARRIED

CONSIDER SIGN ALLOWANCES DURING STREETScape CONSTRUCTION:

Councilperson Ockerman explained the city has an ordinance, which states sandwich signs can only be placed outside on a limited basis. The merchants are asking for some help during this summer. He further explained the sandwich signs would be placed out back all summer during the construction without a time limit. Bendall moved, Hornus seconded to allow sandwich signs during the streetscape construction. Mayor Billis stated there are plans to place welcome signs and still open for business signs in the key areas of the city where the traffic flow is heaviest to tell people that Corunna is still open for business.

Roll call vote:

Yes: Bendall, Bayless, Runyan, Dumond, Hornus, Ockerman.

No: None.

Motion CARRIED

CONSIDER NEWSLETTER PUBLICATION DURING STREETScape CONSTRUCTION:

Councilperson Ockerman stated the merchants plan to offer a ten-percent discount off their prices. They are asking for signs and some type of a promotion to the citizens in town. He further stated the city has a newsletter that is printed quarterly and it makes sense to help the merchants out in this regard. He also stated he would like to see a monthly newsletter during this time. The charge to send out each newsletter is approximately \$500. Councilperson Ockerman advised the merchants would bring their information to city hall and it would be added to the quarterly newsletter for publication. He further advised the merchants are not going to get any type of a break and the city needs to do something to keep the businesses in the city. Councilperson Hornus stated if the message gets out in the first publication that the merchants are offering discounts and specials, people will remember. Councilperson Runyan asked when the next newsletter would go out. Ms. Hitchcock advised April. She stated the merchants will need to get their information into city hall. Councilperson Ockerman stated the merchants have been told that. Councilperson Dumond suggested sending out an extra newsletter six weeks after the regular one is sent out. Ms. Hitchcock suggested asking the Downtown Development Authority to pick up the cost for one of the newsletters. Mayor Billis stated the businesses have not asked the Downtown Development Authority or the city for financial help. Councilperson Bayless advised he was not opposed to adding one extra publication. He suggested postponing a decision until after the Tuesday night meetings. Councilperson Ockerman agreed. Councilperson Dumond stated council needs something from the merchants telling us what they want. Ms. Hitchcock suggested waiting until the second meeting in April after the Downtown Development Authority meets to see if they would cover the cost of one of the publications. Councilperson Ockerman asked how many homes the newsletter is sent to. Ms. Hitchcock advised there are 1,100 homes and businesses. She further advised she did not have a problem with providing copies of the newsletter to the restaurants and businesses.

DISCUSSION OF VENDOR DISBURSEMENTS: Councilperson Runyan stated the vendor disbursements page does not mean a thing except where the money was spent in the past two weeks. He further stated he would like to see the general ledger number on the vendor disbursements page instead of the vendor number. This will allow council to see how much money is being spent on each account compared to what was budgeted. He also stated this change would be another check and balance tool. Ms. Hitchcock advised council would get

five pages instead of one and it would not provide an alphabetical listing. Mayor Billis asked Councilperson Runyan if this would satisfy what he is looking for. Councilperson Runyan advised yes. Councilperson Ockerman asked if this could be done without council getting five pages. Ms. Hitchcock advised no. Mayor Billis asked if this report could be included in the council packets. Ms. Hitchcock advised yes.

CALL TO AUDIENCE: Gene Sanderson stated most of the construction workers are going to want to park close to the work site from dawn to dusk. He asked if they would be asked to park at the schools or somewhere else. Ms. Hitchcock advised generally they have their own staging area where the workers would park their personal vehicles.

Judy Horton stated it was her understanding the newsletter would be sent to the city residents and asked if anything would be sent to middle town, Owosso and the surrounding areas. Councilperson Ockerman advised copies of the newsletter could be run real cheap. It is the postage that is the expense. Mayor Billis advised the businesses have not discussed all of their ideas yet. Ms. Horton asked how she would get out from her house during the construction. Councilperson Ockerman advised someone would be directing traffic and everything would be fine.

Dick Sanderson advised the park looks nice where the trees are being cut down along the river.

Gene Sanderson asked what the city's streetlight program is. He advised there is a streetlight on John Street and asked if a streetlight could be placed at the end of the city limits. Ms. Hitchcock advised Consumers Energy needs to do an evaluation to see what lighting is present and what is needed on S. Shiawassee Street. Councilperson Ockerman stated the light at John Street is very weak. Ms. Hitchcock stated the light might need to be replaced.

ADJOURN: Bendall moved to adjourn.

Roll call vote:

Yes: Bayless, Runyan, Bendall, Ockerman, Dumond, Hornus.

No: None.

Motion CARRIED Time was 9:12 p.m.

DR. JAMES BILLIS, MAYOR

YVONNE F. LONG, CITY CLERK