

City of Corunna
Regular Council Meeting
Monday, June 20, 2005

Present: Corey, Johnson, Runyan, Sanderson, Spring, Wagner.

Absent: Mehigh (excused).

Guests: Judy Horton; Janet Washburn, Parks & Recreation Director; Merilee Lawson, Assessor/Planner; Wanda & Dick Ordway; Shirley Sanderson; Helen Granger, The Independent; Bob Buschman; Jerry Ordway; Joan Durling; Cheryll Warren, The Argus Press; Jennifer Eashoo; and other concerned citizens.

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

MINUTES OF THE PREVIOUS REGULAR MEETING: Johnson moved, Wagner seconded to approve the previous regular meeting minutes dated June 6, 2005 as presented.

Roll call vote:

Yes: Wagner, Johnson, Sanderson, Runyan, Spring.

No: None.

Motion CARRIED

AGENDA APPROVAL: Runyan moved, Johnson seconded to approve the agenda as presented.

Roll call vote:

Yes: Spring, Runyan, Wagner, Johnson, Sanderson.

No: None.

Motion CARRIED

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

Roll call vote:

Yes: Runyan, Wagner, Spring, Sanderson, Johnson.

No: None.

Motion CARRIED

CALL TO AUDIENCE: Joan Durling, Shiawassee County Community Mental Health, brought council up-to-date on what they do. She advised they are responsible for taking care of the mental health needs for the people in Shiawassee County and educating the community.

Jerry Ordway, Ordway's Body Shop, updated council on their plans, remodeling progress and setbacks. He showed council pictures of what has been done to the building. He advised a new roof was put on the building and new windows have been ordered. A new door has been ordered but cannot be put in until new concrete is poured and new siding will be put on all sides of the building. He further advised the big holdup has been the state's lousy economy and body shops are hurting very bad. Some of the body shops in this area have had to layoff people and cut back their hours but Ordway's Body Shop has

not had to do that. He also advised he will not be borrowing any money to finish the building but the economy is going to determine how fast the building will be finished. Mr. Ordway stated he could not give council a timeframe because no one knows what the economy will do but he has tried to be good neighbors in Corunna. If there is something that can be done that he is not doing, he wants someone from the city council or whoever is in charge to come and talk to him. Mayor Corey thanked Mr. Ordway for updating the council about his plans for his property.

DISCUSSION ON SATA PROPOSAL: Councilperson Spring stated this has been a difficult task from the beginning and he has approached the problem three different ways: as a citizen, this is something that is needed and there is a place for it; as a SATA board member, his goal is to make SATA survive and to do whatever it takes to get it to survive; and as a councilmember, he has tried to look at what is the best interest for the city. He further stated the problem he has is with the agreement and apologized for missing the meeting that the agreement was put through. He asked Mr. Alpert if anyone had ever prioritized anything in the budget to see if there was any place to cut back and the answer was no. Councilperson Spring also stated the council has questioned expenses and were told everything is fine and is operating where it should be. Councilperson Spring advised it looked like SATA would be short about \$138,000 next year but some trimming was done to the utilities, miscellaneous travel and expenses and one hour was cut off of each shift. He further advised SATA is looking at becoming an authority and this is the best possible thing that could happen because it needs this funding source to survive and it needs to be done by September, but there are several issues that need to be discussed before any action is taken. He also advised the board members were asked at the last SATA meeting to unanimously urge their councils to support this change but he cannot do that because the City of Owosso will hold three seats on the board, Caledonia Township will hold two seats and the City of Corunna will hold one seat and it has nothing to do with ridership because the City of Corunna has the second highest ridership. Councilperson Spring explained if everyone in the City of Corunna votes down a millage and everyone in the City of Owosso votes for a millage increase, the City of Corunna would get a millage increase and there is no way to get around this. As a SATA member, the agreement is needed to survive but the agreement, as it stands now, would hurt the city so he cannot recommend this agreement. He further explained provision number one of the agreement states the city can request the committee to reconvene, but by requesting this, SATA will miss the timeframe and letters will have to be sent out to each agency asking for more money, so one way or the other, this issue will have to come back to the city. Bob Buschman stated SATA is a needed service but the direction they are going in is moving a little too fast. He further stated he does not like how the agreement is written because the seating is being dictated by property value and not by ridership. Everything in the past has been based on ridership and it makes no sense to him. Councilperson Sanderson asked what the new millage increase would be. Mr. Buschman advised .5 mills (capped). Councilperson Sanderson asked what the city just voted in. Merilee Lawson advised .2211 mills. Councilperson Sanderson stated the city would have to ask the people to vote again for additional millage. Mayor Corey stated the maximum that can be set by an authority is .5 mills but the city's millage is only for a year so if the council wants to go forward, this will have to back to the voters in November for another quarter mill. Councilperson Sanderson stated he agreed

with Councilperson Spring and Mr. Buschman that one representative from Corunna is not enough. The ridership should play a more important part than property value should. Councilperson Sanderson further stated maybe new leadership is needed at SATA. Councilperson Runyan stated he has read the proposal and it does not even represent a contract of any sort for an authority. He further stated if there is going to be an authority there should be an equal voice for every unit in the authority. Mayor Corey stated the city is not on equal footing now and each entity has two seats on the board with the exception of Caledonia Township. If someone wants to be on equal footing then there should be an equal voice. He further stated it seems like the city will be entering into an agreement where the city agrees to give SATA its money and they can basically do whatever they want to do. He felt there should be two representatives from each entity and one of the other things that upset him was on page four of the agreement under number 11 that states any party may withdraw from the authority subject to eight conditions and one of the conditions asks the governing body of the party withdrawing to furnish the authority with a plan for continuing services after the party no longer receives services from the authority. If the residents of Corunna decide that SATA is not really important to the community right now, it looks like Corunna will have to furnish the authority with a plan to continue the transportation service in some other method. Mayor Corey advised he does not think it is in the best interest of the city's residents to sign this agreement and he would hope that SATA would look at contracting with people the Memorial Healthcare Center and Pleasant View. He further advised he did not think SATA was going too fast because it would be better to get something done quickly but it needs to get done right. He also advised this council asked Mr. Alpert questions and one of the questions asked was how the budget could be cut if it had to be cut and his answer was the budget could not be cut but since other people have asked this same question, they found a way to cut it. Mayor Corey explained if an authority was the only method to keep SATA then the city should do it but he does not feel this is a very fair contract. Councilperson Spring stated he would have like to have seen more input from each of the people who participate in this. The board members are suppose to bring this agreement to our councils and urge them to push it through but it would be better to bring the agreement to each independent councils and discuss it and if the City of Owosso or Caledonia Township has some questions then it should go back to the reorganization committee with those questions and review them. Councilperson Spring advised he hates the fact that the agreement has to be questioned because Corunna will be perceived as the thorn in the side of all of this. Councilperson Johnson agreed with Councilperson Spring and Mr. Buschman and advised they have done an outstanding job but without Corunna being a thorn in SATA's side, this agreement would have been passed a long time ago. Corunna has opened a lot of people's eyes about this agency and Corunna has had to be a thorn because there were a lot of unanswered questions and there are still a lot of unanswered questions that still have not been answered. She further advised the authority is a wonderful idea but not this agreement. Mayor Corey stated it is his understanding that Perry and Durand have dropped out of this agreement in favor of a contract. Councilperson Spring advised that was correct. Mayor Corey advised the city does not know what that contracted price is and it might be less expensive for the city to go that route but he does not know how an intelligent decision could be made without having those numbers. Councilperson Spring stated he believes the City of Perry is looking at contracting with SATA to provide service from this time to this

time on certain days of the week. Mayor Corey stated he did not believe the timeframe would be missed if everyone gets down to business and is willing to take suggestions and meet more than once a month. Councilperson Runyan asked if the City of Owosso still does the payroll as an in-kind service. Mr. Buschman advised yes. Councilperson Runyan asked if the City of Owosso was being paid. Mayor Corey advised no, but since this is part of local participation, SATA can get higher grants. Councilperson Runyan stated if SATA is going to be an authority, he feels SATA should be able to run their own business. SATA has a manager that can do interviews and hiring and he should be able to put together a budget and if SATA has someone that cannot do this, then it might be time to replace personnel. Mr. Buschman advised he was only one vote. Councilperson Sanderson asked if SATA has ever gone back to the group that Clark Harder moderated to get any suggestions because those people talked like they could get an authority in place. Councilperson Spring advised no. Councilperson Wagner stated it is quite clear that SATA does not want input from the city and have not wanted it from day one. If they cannot get what they want one way, they will come around the back door and get it another way. He further stated one way or the other they are coming after the city's money and they will get it however they have to. Councilperson Spring advised Corunna is perceived as the one that pushed this issue from the beginning and is now holding it up. Mayor Corey stated the city pushed for reorganization because of the way SATA was going and the city is happy about it but the city is trying to generate discussion and is trying to come up with an alternative funding mechanism, which is better than what SATA has and it does not appear that this is the outcome here. He further stated the memorandum that came with the agreement came from Don Trap and it is suppose to generate ideas but the only changes made to the draft was to lower the millage cap to .5 mills. He also stated it is clear that more discussion is needed and council wants to see SATA move forward but the city council is obviously not happy with the agreement. He asked Councilperson Spring if he wanted a motion to take back to SATA. Councilperson Spring advised he would take the information back to the committee. Councilperson Sanderson stated he thought it was important for Councilperson Spring and Mr. Buschman to emphasize the point that the City of Corunna will stick to its guns until the agreement is done properly especially on membership. Councilperson Spring asked if a letter should be drafted to SATA asking them to reconvene the reorganization committee. Councilperson Johnson stated she thought a motion should be made so SATA knows that the whole council is unanimous about the committee reconvening. Mayor Corey stated he thought it would be good to have a motion that the city council is requesting Chuck Spring to bring the issue of reconvening back to the committee. Johnson moved, Wagner seconded to request Councilperson Spring to bring the issue of reconvening back to the SATA Reorganization Committee for further discussion and review of the contract.

Roll call vote:

Yes: Sanderson, Johnson, Spring, Wagner, Runyan.

No: None.

Motion CARRIED

CONSIDER RESIGNATION OF CANDEE HUTCHINSON FROM PARKS & RECREATION

COMMISSION: Johnson moved, Runyan seconded to accept the resignation of Candee Hutchinson from the Parks & Recreation Commission effective immediately with regret.

Roll call vote:

Yes: Spring, Runyan, Johnson, Sanderson, Wagner.
No: None.

Motion CARRIED

CONSIDER 2005/2006 SIDEWALK RESOLUTION: Wagner moved, Runyan seconded to approve the following 2005/2006 Sidewalk Resolution as presented with a change to the third whereas so it reads “Whereas, the City Council does hereby set an interest rate for installment payments available in the amount of 6.0%”:

**CITY OF CORUNNA
COUNTY OF SHIAWASSEE
STATE OF MICHIGAN**

RESOLUTION

WHEREAS, The City of Corunna hereby finds that it is necessary under Section 70.82 (Resolution of necessity) to reconstruct or repair sidewalks within the City of Corunna.

WHEREAS, the City Council does elect to construct or repair sidewalks within the City of Corunna according to the locations listed below and specifications attached.

WHEREAS, the City Council does hereby set an interest rate for installment payments available in the amount of 6.00%.

PARCEL ID #	NAME	ADDRESS	AREA
26-10-008-001	Barbara Linabury & R. Leavitt	315 N. Mizner St.	in front
26-10-008-010	Margaret Brown	402 W. Corunna Ave.	at the side
26-10-009-007	Jane Storrer	302 N. Mizner St.	in front
26-10-035-001	Pasqualina Hurrell	220 S. Mizner St.	in front
26-10-035-002	George & Lorraine Krcmarik	224 S. Mizner St.	in front
26-10-035-010	Jeffrey & Lynn Parsons	230 S. Mizner St.	in front
26-10-032-000	Paul Doubledee	203 W. State St.	in front
26-10-032-001	Scott Johnson	205 W. State St.	in front
26-10-032-002	Kelly Weidmayer	207 W. State St.	in front
26-10-032-003	Edward & Kay Elkins	219 W. State St.	in front
26-10-031-000	Corunna Public Schools	124 N. Shiawassee St.	on the north side
26-10-037-000	Robert & Rebecca Beebe	201 W. Oliver St.	in front
26-10-037-001	Duane Zuckschwerdt	205 W. Oliver St.	in front
26-10-037-002	Jason Zsigo	213 W. Oliver St.	in front
26-10-037-003	James & Tamara Fehrenbach	215 W. Oliver St.	in front
26-10-037-004	Keith Current	217 W. Oliver St.	in front
26-10-037-005	Keith Beamish	219 W. Oliver St.	in front
26-12-011-000	Daniel & Keri Story	585 Cary St.	at the side
26-12-011-001	Elizabeth Cramner	203 Ferry St.	in front

26-12-011-002	Gary & Cary Sleseman	205 Ferry St.	in front
26-12-001-000	Robert & Michelle Johnson	209 Ferry St.	in front
26-12-009-000	John & Lisa Gewirtz	316 Ferry St.	in front

THIS RESOLUTION WAS DULY ADOPTED BY THE CORUNNA CITY COUNCIL DURING ITS REGULAR MEETING HELD ON JUNE 20TH, 2005.

Roll call vote:

Yes: Johnson, Sanderson, Wagner, Runyan, Spring.

No: None.

Motion CARRIED

CONSIDER 2004/2005 BUDGET AMENDMENTS: Wagner moved, Runyan seconded to accept the following resolution amending the 2004/2005 budget:

**RESOLUTION 062005-01
RESOLUTION AMENDING THE 2004/2005 BUDGET**

WHEREAS, The City Council of the City of Corunna desires to Amend the 2004/2005 Budget to Adjust Departmental Expenditures within the Original General Fund Appropriation;

NOW THEREFORE BE IT RESOLVED, that the budget for the City fiscal year beginning July 1, 2004 after recommendation by the City Manager be amended by the City Council as described as follows:

<u>Fund. #</u>	<u>Fund. Name</u>	<u>FROM:</u>	<u>TO:</u>
101	General Fund	\$1,680,984	\$1,680,984

General Fund Expenditures:

<u>Dept. #</u>	<u>Dept. Name</u>	<u>FROM:</u>	<u>TO:</u>
101	City Council	\$44,906	\$41,775
203	Internal Services	\$71,811	\$73,211
336	Fire Department	\$128,052	\$118,052
751	Parks & Recreation	\$64,392	\$60,392
752	Community Center	\$19,553	\$23,553
806	Activities & Events	\$3,100	\$6,850
861	Retiree's Benefits	\$27,219	\$30,200
967	City Services	\$191,153	\$181,153

BE IT, the same is hereby adopted, and the amount therein provided as recommended; appropriations are hereby appropriated according to the departmental totals.

BE IT FURTHER RESOLVED, to amend the following fund appropriations:

<u>Fund. #</u>	<u>Fund. Name</u>	<u>FROM:</u>	<u>TO:</u>
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206	Fire Capital Fund	\$0	\$30,000
209	Cemetery Fund	\$42,500	\$46,500
244	Economic Development Fund	\$40,235	\$205,000
245	City Improvement	\$312,629	\$317,629
374	'05 Limited Tax Bonds	\$0	\$686,985
417	Sewer Lining Fund	\$0	\$663,700
418	Ferry Street Pump Station	\$0	\$10,000
422	Industrial Development Fund	\$137,153	\$743,693

Roll call vote:

Yes: Wagner, Johnson, Sanderson, Runyan, Spring.

No: None.

Motion CARRIED

CONSIDER SETTING SPECIAL MEETING FOR JULY 1, 2005 TO APPOINT CHIEF OF

POLICE: Johnson moved, Runyan seconded to set a special meeting for July 1, 2005 at 5:00 p.m. at city hall council chambers to appoint Chief of Police.

Roll call vote:

Yes: Spring, Runyan, Wagner, Johnson, Sanderson.

No: None.

Motion CARRIED

DISCUSSION OF AND WRITTEN DEVELOPMENT OF PHASE II PLAN FOR CITIZENS

ADVISORY COMMITTEE: Mayor Corey advised he attended the Citizens Advisory Committee meeting last Tuesday and they want to know what the council's view is about the direction the committee should go and he told them he could give them his view which he felt was close to what the council's view was. He felt council's view of the advisory group was not to have them do the council's job in determining where budget money should be spent and to understand the budget. He further advised phase one was to do a community survey, which was done; attend a presentation by Alex Allie, which was done; and attend presentations by the city manager and staff on financial trends facing the city. The committee would like direction from the council on how to proceed. He also advised he told the committee that the council was unanimous about the purchase of the Wright property that will be used for industrial growth. He asked them to brainstorm to come up with other alternatives for long-term financial plans for the city, which may require taxation but that is not in the direction he would like the committee to go because he was not a real fan of more taxes. Mayor Corey stated formal appointments should be made to this committee and the appointments should be made from the group who are currently on it. Councilperson Sanderson stated the first thing that the council should realize is that the whole thing got off on the wrong foot. There were issues going on in the city that some people wanted fixed and both sides clashed on this and there was a lot of mistrust between the council and the advisory board. He further stated people on that board started resigning because they did not get what they wanted and he was not condemning anybody but the committee has to listen to us. He asked Mr. Sarrazin to be a businessman instead of worrying about what is going on in the police department. With all of the connections Mr. Sarrazin has throughout the state, he might be able to drop an email to somebody who might be interested in coming to Corunna and this is the kind of thing that Corunna needs

to get the city rolling and to keep peace within. Councilperson Sanderson advised the two groups are on different sides of a fence, which has to be taken down. Ms. Lawson stated she felt the committee was on the right track but council needs to state what they are hoping to get from this committee and do something different with the name of the committee. Mayor Corey advised the word “budget” got them focused there. Councilperson Runyan stated the council needs to sit down and do a mission statement of what the council is looking for in the future. Mayor Corey stated he would like the council to come up with something tonight because the committee unanimously feels they have wasted a couple of months of meetings and it is important to give them some direction tonight. He suggested that the committee throw away the manual they were given and start fresh. Councilperson Spring stated he liked the suggested motion that was listed and agreed the committee needs a direction. He further stated the mission statement was somewhat vague, which will give the committee the ability to stretch things out a little more. Councilperson Johnson stated the biggest concern has been the police department and she would like to know what suggestions the committee might have. Mayor Corey stated he did not think the council should ask them that because they will be doing the council’s job. Councilperson Johnson stated the council is asking the committee for their well-educated and ethical financial recommendations so she wants to know their ethical and educated feeling on that issue. Mayor Corey stated council could ask for that if they want to. Councilperson Johnson stated she would because the police department is an issue that the citizens are concerned about. Councilperson Runyan stated the council needs to know how to increase revenues and how it can cut expenditures. Ms. Lawson advised the goal of the committee at the beginning was to focus on long-term financial solutions and not to go item by item. Wagner moved, Runyan seconded that it is the charge of the Corunna City Council that this committee come forward to the Corunna City Council on or before the last Council Meeting in June 2006, with well thought out and researched recommendations, supported with educated and ethical financial documentation, a scope of long term planning which will assist the Council in creating financial independence and solvency for the City of Corunna while maintaining needed services to our community and to change the name of the commission to Long Term Independence Commission and all current members of the commission are hereby formally appointed to the commission as official members until the termination of this commission by council and will serve at the pleasure of the council.

Roll call vote:

Yes: Runyan, Wagner, Spring, Sanderson, Johnson.

No: None.

Motion CARRIED

ROUNDTABLE DISCUSSION: Councilperson Sanderson stated Mr. Buschman made a statement at the last meeting about a former councilperson being no longer on the council and no one knew the reason why. Most everyone knows that Bob Ockerman left the council. Mr. Buschman advised he was not talking about Mr. Ockerman. Councilperson Sanderson stated Mr. Buschman’s comment referred to Mr. Ockerman. Mr. Buschman advised no it did not because he did not mention any names. Councilperson Sanderson advised Mr. Ockerman left the council to take a job at the Corunna Ambulance Service. Councilperson Sanderson further advised at no time during his discussion did he ever use

the word volunteer and he did not think that was fair statement for anyone to say because the city has some of the best volunteers around here. He also advised a good example of a good volunteer would be Judy Horton and her husband plus Joe DeCaire.

Councilperson Wagner advised he had nothing to discuss.

Councilperson Johnson advised she had nothing to discuss.

Councilperson Runyan stated the two boy scouts that were at the meeting about a month and one-half ago are both now Eagle Scouts. He further stated he attended the Finance and Taxation meeting that he is on with the Michigan Municipal League last Friday and there are several things that he has got written down that he will write a synopsis on and will have it ready for the next council meeting.

Councilperson Spring asked if there was an update on the Corunna Industrial Park sign. Ms. Lawson advised the sign is finished and ready to hang.

Mayor Corey asked everyone who could make it to come to the Fourth of July parade. He advised the city's ballgame is scheduled for Friday, July 22, 2005. He thanked Jerry Ordway for coming to the meeting tonight.

ADJOURN: Johnson moved, Wagner seconded to adjourn.

Roll call vote:

Yes: Sanderson, Johnson, Spring, Wagner, Runyan.

No: None.

Motion CARRIED Time was 8:30 p.m.

STEVE COREY, MAYOR

YVONNE F. LONG, CITY CLERK