

May 23, 2016

Mayor Jenkins opened the regular meeting of the Gaylord City Council with prayer by Council Member Sharrard at 7:00pm on Monday, May 23, 2016, in the City Council Chambers, located in the Gaylord City Hall, 305 East Main Street, Gaylord, Michigan. The Pledge of Allegiance followed the invocation.

Members Present: Jenkins, Hartz, Mankowski, Wishart, Duczkowski, Johnson and Sharrard.

Members Absent: None.

Motion by Duczkowski, supported by Hartz, to dispense with the reading of the minutes from the May 9th meeting and May 10th Budget Work Session and accept them as presented.

Ayes: Unanimous. Motion carried.

Mayor Jenkins opened the public hearing for consideration of the 2016.17 Annual Budget and Millage Levies at 7:04 p.m. City Manager Joe Duff gave a verbal summary of both the budget and proposed millage levies. Public Comment was solicited. Ms. Tammy LaBouef, 333 Felshaw, asked if Council was proceeding with an unbalanced budget. Mr. James Flint, 217 E Sheldon, asked about the increase in Contractual Services for Cemetery Operations and the increase in Contractual Services for the Parks and Recreation. Mayor Jenkins closed the public hearing at 7:18 p.m.

Motion by Mankowski, supported by Wishart to prohibit fowl within the city limits.

Ayes: Mankowski, Sharrard, Jenkins, Johnson, Wishart and Duczkowski; Nays: Hartz. Motion carried.

Mr. Rodney Wekkin was present representing Menard, Inc. asking for a parking lot variance, fence height variance, off premise sign variance, and retention pond variance.

Motion by Mankowski, supported by Wishart to allow the following variances:

1. Parking variance of 414 parking stalls instead of the required 1000+.
2. 14' fence to enclose the lumber yard on the back of the property.
3. Sign, within ordinance regulations, on the North East corner of adjacent parcel owned by Meijer, Inc.
4. Retention pond, over two feet deep, will be in the front of the building and not fenced in.

Ayes: Unanimous. Motion carried.

Mr. Ron Hacker of RH Enterprises asked City Council for an outer wall siding variance on a proposed storage unit to be located at 1599 South Otsego Avenue, C-2, Central Commercial District. Mr. Hacker asked to put vinyl siding on the side facing South Otsego Avenue and metal siding on the other three sides.

Motion by Duczkowski, supported by Sharrard to allow the variance.

Ayes: Duczkowski, Mankowski, Sharrard, Jenkins, Johnson and Wishart. Hartz Abstained. Motion carried.

Mr. Jason Ashton, 414 East First Street, R-2, Multiple Residence District, was present asking for a variance for a detached garage built on the aforementioned property. Mr. David Drews, Northern Michigan Engineering, Inc. was also present representing adjacent property owners with their complaint against the garage.

Motion by Johnson, supported by Sharrard to deny the variance.

Ayes: Johnson, Sharrard, Duczkowski, Hartz, Wishart, and Jenkins; Nays: Mankowski. Motion carried.

Motion by Johnson, supported by Mankowski to accept the bid by C.E. Gleeson Constructors, Inc. of Troy Michigan for the Shoppes on Main Public Roadway Improvements in the corrected total amount of \$554,300.00.

Ayes: Unanimous. Motion carried.

Motion by Johnson, supported by Duczkowski to approve a request by Mary's Tavern for an outdoor tent in the parking lot behind 330 W Main during the 2016 Alpenfest Celebration.

Ayes: Unanimous. Motion carried.

Motion by Johnson, supported by Sharrard to approve an increase in the rates for sanitary sewer and water effective July 1, 2016 as follows:

An increase of \$1.00 per month in the monthly base rate for sanitary sewer and an increase of \$1.00 per month in the monthly base rate for water; for all classifications.

An increase of \$0.04 per 100 cubic feet of usage for sanitary sewer and an increase of \$0.04 per 100 cubic feet of usage for water in the consumption charge.

Ms. Tammy LaBouef, 333 Felshaw, asked if the bond refinancing savings was enough to offset bond payment increases.

Mr. James Flint, 217 E Sheldon questioned council on the granting of waivers to developers for future rate increases.

Ayes: Unanimous. Motion carried.

Motion by Duczkowski, supported by Wishart to adopt the 2016/17 Budget and Millage Levy as follows:

REVENUES

101	General Fund	\$2,781,188
202	Major Street Fund	405,385
203	Local Street Fund	190,663
204	Municipal Street Fund	1,840,417
302	Industrial Park Debt Retire Fund	65,980
305	WWT Debt Retirement #1 Fund	218,180
310	WWT Debt Retirement #2 Fund	537,294

315	City Hall/DPW Debt Retire Fund	257,300
394	Edelweiss Special Assessment Debt Retirement Fund	53,750
494	Downtown Development TIF Fund	748,426
590	WWT Operations Fund	932,000
591	Water Operations Fund	541,250
592	SAW Grant Fund	640,000
661	Equipment Fund	379,500
711	Perpetual Care Fund	0
730	Sick Leave Fund	<u>0</u>
	TOTAL REVENUES	\$9,591,333

EXPENSES

101	General Fund	\$2,767,478
202	Major Street Fund	404,605
203	Local Street Fund	188,949
204	Municipal Street Fund	1,998,508
302	Industrial Park Debt Retirement Fund	65,980
305	WWT Debt Retirement #1 Fund	182,145
310	WWT Debt Retirement #2 Fund	536,200
315	City Hall/DPW Debt Retirement Fund	203,275
394	Edelweiss Special Assessment Debt Retirement Fund	53,750
494	Downtown Development TIF Fund	744,359
590	WWT Operations Fund	1,001,650
591	Water Operations Fund	615,542
592	SAW Grant Fund	640,000
661	Equipment Fund	<u>456,002</u>
	TOTAL EXPENSES	\$9,858,443

And to approve a levy of 11.5869 mills for general operating purposes, .6000 mills for composting and curbside recycling purposes, 4.1513 mills for street/infrastructure improvements, 2.6500 mills for WWT Debt Retirement purposes, 1.6000 for City Hall/DPW Capital Improvement Debt Retirement purposes, and 1.8582 in the Downtown Development District; and, Furthermore, the Gaylord City Council, for the fiscal year 2016-2017 and subject to affirmance or modification following the public hearing required by MCL 41.801, does hereby set the amount of the special assessment heretofore imposed upon all properties within the special assessment district pursuant to MCL 41.801 in the amount of 1.2500 mills of the taxable value of each parcel within the special assessment district as heretofore created. The purpose of the special assessment is to defray some or all of the cost of police or fire motor vehicles, apparatus, equipment and housing and the maintenance and operation of the city police and fire departments.

Ayes: Unanimous. Motion carried.

Motion by Sharrard, supported by Mankowski, **BE IT RESOLVED**, that expenditures for the fiscal year beginning July 1, 2015, and ending June 30, 2016, are hereby appropriated as follows:

GENERAL FUND, 101

Fringe Benefits/General Expenditures	\$	14,800
City Council		27,850
City Manager		64,890
Elections		20,500
Accounting & Auditing		21,500
Assessor		50,000
City Attorney/Legal Fees		40,000
City Clerk		44,142
Board of Review		2,380
Administrative Supplies		34,000
City Treasurer		36,910
City Hall and Grounds		38,125
Rental/Other City Property		110,946
Cemetery Operations		91,792
City Police Department		1,149,316
Fire Services		62,783
Planning Commission		9,105
Department of Public Works		225,524
Sidewalk Fund		25,036
D.D.A. District		70,421
Curbside Recycling		101,719
Contributions to Other Funds, Streets and Debt Retirement		115,980
Street Lighting		94,624
Parking System		80,968
Parks and Recreation		63,172
Insurance and Bonds		16,000
General Administration		47,674
Health Insurance Premiums		29,400
Promotional		77,921
GENERAL FUND TOTAL, 101	\$	2,767,478
MAJOR STREET FUND, 202	\$	404,605
LOCAL STREET FUND, 203	\$	188,949
MUNICIPAL STREET FUND, 204	\$	1,998,508
INDUSTRIAL PARK DEBT RETIREMENT FUND, 302	\$	65,980
WWT DEBT #1 DEBT RETIREMENT FUND, 305	\$	182,145
WWT DEBT #2 DEBT RETIREMENT FUND, 310	\$	536,200
CITY HALL/DPW DEBT RETIREMENT FUND, 315	\$	203,275
EDELWEISS SPECIAL ASSESS DEBT RETIRE FUND, 394	\$	53,750
DOWNTOWN DEVELOPMENT TIF FUND, 494	\$	744,359
WWT OPERATIONS FUND, 590	\$	1,001,650
WATER OPERATIONS FUND, 591	\$	615,542
SAW GRANT FUND, 592	\$	640,000

EQUIPMENT FUND, 661

\$ 456,002

BE IT FURTHER RESOLVED that the revenues for the 2016/17 fiscal year are estimated as follows:

GENERAL FUND, 101

Property Taxes – 11.5869 Mills	\$ 1,925,013
Property Taxes – 0.6 Mills for Composting/Curbside Recycling	98,366
Special Assessment Levy – 1.25-Mill, Police and Fire Services	176,900
State Revenues	400,715
Licenses & Permits	3,200
Interest	1,200
Other Revenue	15,000
Franchise Fees	60,000
Transfers f/Other Funds	37,833
Royalties	2,000
Cemetery Operations	14,000
City Police Department	9,500
DDA District	35,211
Parking System	2,250
Estimated Surplus Over Expenditures	<u>(13,710)</u>

TOTAL

\$ 2,767,478

MAJOR STREET, 202

Revenues	\$ 405,385
Contributions From Other Sources	0
Estimated Surplus Over Expenditures	<u>(780)</u>

TOTAL

\$ 404,605

LOCAL STREET, 203

Revenues	\$ 110,663
Contributions From Other Sources	80,000
Estimated Surplus Over Expenditures	<u>(1,714)</u>

TOTAL

\$ 188,949

MUNICIPAL STREET FUND, 204

Property Taxes – 4.1513 Mills	\$ 675,577
Road Commission Millage – 1.0000 Mills	165,000
Federal Revenue	691,242
Contributions From Other Sources	308,598
Accumulated Surplus From Prior Years	158,091

TOTAL

\$ 1,998,508

INDUSTRIAL PARK DEBT RETIREMENT FUND, 302

Revenues	\$ 0
Contributions From Other Funds	65,980
Estimated Surplus Over Expenditures	<u>0</u>

TOTAL

\$ 65,980

WWT DEBT#1 DEBT RETIREMENT FUND, 305			
Revenues	\$	218,180	
Estimated Surplus Over Expenditures		<u>(36,035)</u>	
TOTAL			\$ 182,145
WWT DEBT #2 DEBT RETIREMENT FUND, 310			
Property Taxes – 2.5000 Mills	\$	425,644	
Revenues		111,650	
Estimated Surplus Over Expenditures		<u>(1,094)</u>	
TOTAL			\$ 536,200
CITY HALL/DPW DEBT RETIREMENT FUND, 315			
Property Taxes – 1.6000 Mills	\$	257,300	
Revenues		0	
Estimated Surplus Over Expenditures		<u>(54,025)</u>	
TOTAL			\$ 203,275
EDELWEISS SPECIAL ASSESSMENT DEBT RETIRMENT FUND, 394			
Special Assessment Collections	\$	53,750	
Revenues		0	
TOTAL			\$ 53,750
DOWNTOWN DEVELOPMENT TIF FUND, 494			
Property Taxes, TIF Capture	\$	92,957	
Property Taxes, 1.8582 Mills		31,261	
Private Contributions		297,349	
Federal Revenue		297,349	
Revenues		29,510	
Estimated Surplus Over Expenditures		<u>(4,067)</u>	
TOTAL			\$ 744,359
WWT OPERATIONS FUND, 590			
Revenues	\$	932,000	
Accumulated Surplus From Prior Years		<u>69,650</u>	
TOTAL			\$ 1,001,650
WATER OPERATIONS FUND, 591			
Revenues	\$	541,250	
Accumulated Surplus From Prior Years		<u>74,292</u>	
TOTAL			\$ 615,542
SAW GRANT FUND, 592			
Revenues	\$	640,000	
Accumulated Surplus From Prior Years		<u>0</u>	
TOTAL			\$ 640,000
EQUIPMENT FUND, 661			
Revenues	\$	379,500	
Accumulated Surplus From Prior Years		<u>76,502</u>	
TOTAL			\$ 456,002

AND BE IT FURTHER RESOLVED that 11.5869 mills be levied on the taxable valuation for the purpose of paying the General Fund operating expenses for the 2016/17 fiscal year; and

BE IT FURTHER RESOLVED that 0.6000 mills be levied on the taxable valuation for the purpose of providing funds for composting and curbside recycling within the City of Gaylord; and

BE IT FURTHER RESOLVED that 4.1513 mills be levied on the taxable valuation for the purpose of providing funds for improvements to the streets and related infrastructure within the City of Gaylord; and

BE IT FURTHER RESOLVED that 2.6500 mills be levied on the taxable valuation for the purpose of meeting 1999 General Obligation Debt Fund requirements (Wastewater Treatment Plant Expansion Project) for the fiscal year; and

BE IT FURTHER RESOLVED that 1.6000 mills be levied on the taxable valuation for the purpose of meeting 2006 General Obligation Debt Fund requirements (City Hall/DPW Capital Improvement Construction Project) for the fiscal year; and

BE IT FURTHER RESOLVED that 1.8582 mills be levied on the taxable valuation in the Downtown Development District for the purpose of paying Downtown Development Administration expenses for the fiscal year; and

BE IT FURTHER RESOLVED that, subject to affirmance or modification following the public hearing required by MCL 41.801, that the amount of the special assessment heretofore imposed upon all properties within the special assessment district pursuant to MCL 41.801 for the fiscal year 2016-2017 shall be in the amount of 1.2500 mills of the taxable value of each parcel within the special assessment district as heretofore created.

BE IT FURTHER RESOLVED that the City Treasurer is hereby authorized to collect 11.5869 mills for general operation purposes; .6000 mills for composting and curbside recycling purposes; 4.1513 mills for street and infrastructure improvements; 2.6500 mills and 1.6000 mills for debt retirement purposes, 1.8582 mills be collected on the taxable valuation in the Downtown Development District for administration purposes and a Special Assessment equal to 1.2500 mills of taxable value of each parcel subject to the Special Assessment be levied for the purpose of defraying some or all of the cost of police or fire motor vehicles, apparatus, equipment and housing and the maintenance and operation of the City Police and Fire departments.

BE IT FURTHER RESOLVED that the City Manager and City Clerk are hereby authorized to make budgetary transfers within the appropriations established in this budget, and that all transfers between appropriations may be made only by further action of the Gaylord City Council, pursuant to the provisions of the Michigan Uniform Accounting and Budgeting Act.

Ayes: Unanimous. Motion carried.

Motion by Mankowski, supported by Duczkowski to approve the Resolution to Hold a Public Hearing for Special Assessment for Police and Fire Services.

Ayes: Unanimous. Motion carried.

Motion to adjourn.

Meeting adjourned at 8:21 p.m.

Kimberly Awrey, City Clerk

John Jenkins, Mayor