

**LAPEER CITY COMMISSION
MINUTES OF A WORKSHOP MEETING
JULY 25, 2017**

A workshop meeting of the Lapeer City Commission was held July 25, 2017 at Lapeer City Hall, 576 Liberty Park, Lapeer, Michigan. The meeting was called to order at 5:30 p.m.

ROLL CALL

Present: Mayor Sprague (arrived at 5:36 p.m.)
Commissioners Atwood, Bennett, Bostick-Tullius, Gates, Marquardt.
Absent: None.

City Manager: Dale Kerbyson, present.
City Attorney: Michael Nolan (arrived at 6:14 p.m.)

Mayor Pro-Tem Marquardt led the Pledge of Allegiance; requested to adjust the agenda to allow public comment to start the meeting, there being no objection, the floor was open for public comment, indicated that additional public comment will be allowed at the end of the meeting.

PUBLIC COMMENTS

None.

Building/Code Enforcement

City Manager Dale Kerbyson commented on recent analysis that indicates people do not know where to start, not a one-stop shop for our residents and contractors; to have a committee review process and provide direction on solving issues; history of department, used to be under Construction Code Authority (CCA), department issues with CCA, opening of City's building department ten years ago, to continue to improve and keep moving forward.

Mayor Sprague arrived at 5:36 p.m.

Mr. Kerbyson provided a presentation on: necessity of a Right-of-Way Permits, examples of how damage is done to infrastructure/streets/sidewalks; dumpster requirements, discussion was held regarding location of a dumpster, permit is not required, dumpster cannot be in a right-of-way and in place for a maximum of 10 days, if exceed 10 days than notice is sent to property owner, should property owner require additional time they communicate with city and continue with status updates; blight issues with example of discarded concrete on a piece of property and refrigerator without door removed as required by state law, discussion on blight notice and clean up time, 10 days to clean up then a ticket would be issued; noxious weeds, height limit of 8 inches, about 15 notifications sent this year; code infractions on roof and examples of improper installation.

Mayor Sprague commented on the reasons for establishing the building department was for 1) CCA was not completing items in a timely fashion; 2) It wasn't to be a for-profit on any fees charged to residents, it was to be cheaper than what CCA charged, time and time again asked to verify that our fees were cheaper than CCA and not to charge fees that CCA was not, explained that he had his roof shingles replaced which did not change the structure, he nor his contractor did not pull a building permit, called the State and CCA and was told he did not need a permit for just replacing shingles, permit was \$356, contractor advised it was more than double in any of the places he works in, wants to know what happened, owe people an apology and a refund, feels he was lied to about fees, contractors have repeatedly come in to tell us about permits and fees. Commissioner Bostick-Tullius questioned if City building code mirrors issuing permits based upon what the State requires and was told yes, not doing anything above and beyond, if State does not require replacing shingles why are we.

Discussion was held on Main Street survey indicated Lapeer is difficult to do business in, sole purpose of building department to make Lapeer a better place to do business, fees are not represented in a positive light, Mayor indicated if he were a voting member he would vote to go back to CCA and disband the City's building department, what is

the City's recovery plan to make this right, to do what needs to be done to make it cheaper, better and faster, fees should be cheaper than CCA; Commissioner Gates asked if something is not required by the State, how does the City correlate a price? Mr. Kerbyson indicated the City adopted fees the State uses as a base, why City requires a roof permit, CCA used to charge when the City first left, City reviewed CCA pricing in 2014 as well as window permits, Construction Board of Appeals voted and agreed that permits are required for window replacement, State code says everything needs a permit and list of exemptions in which roofs and windows are not on the list. Mayor Sprague felt this was flawed logic, that this is a way to expand and charge more fees, feels the City cannot recover at this point. Discussion continued on need or lack of need for window permits and safety issues, review of understanding that for replacement of 3 windows or less would not require a permit, Construction Board of Appeals vote/agreement that yes a permit is required; why State does not require a permit to re-shingle a roof; is the discussion here on permits or just the fees; to get a list of what the State requires and what the City requires; reviewing the pictures presented gives reason why the City requires them inspected, permit is based on value of job; to see a justification of why building department is needed, trouble with inspections by CCA. Commissioner Marquardt commented on reviewing fee schedule including violations, difficulty of finding information online for CCA or State, how does Commission know if fees are in compliance; Mr. Kerbyson indicated receipt of CCA list of fees and passed copy around. Commissioner Gates indicated it would have been nice to have CCA pricing delivered prior to the workshop, Mr. Kerbyson indicated difficulty in project comparison as each project has different variables, goal is to improve health and safety of our citizens, discussion of windows in 2014, State building code does not say roof permits are not required. Discussion on difference in replacing a roof is not same as re-shingling. Mayor Sprague commented on Manager's credibility, trust between Commission and staff, when told one thing and find out it is not true his credibility and reputation is at stake, wants to see a recovery plan to continue building department, repair of damage that has been done. Commissioner Bennett commented if we gave refunds to every mistake made by the City, the City would be broke. Mr. Kerbyson indicated goal of the building department is to protect the health and safety of our citizens, service to citizens and less expensive than CCA. Mayor Sprague reiterated the reasons for the building department was 1) better, faster service to residents 2) cheaper than CCA 3) State code rules/regulations should give us what safety requirements are there, gave an example of if there is an issue between him and contractor it is his problem not the City's, Commissioner Gates agreed. Mayor Sprague indicated that part of the workshop is to have people here to present issues, reminded everyone that this is not to be a personal attack on any individual, if there is a broken process it needs to be fixed, if it cannot be fixed that go back to old system.

Mayor Sprague opened the floor for public comments at 7:18 p.m.

PUBLIC COMMENTS

Hilda Novak (Fick), Plum Creek Road, commented on worked in Lapeer for 20 years, nails and tanning, Lapeer makes it hard on you to do business, smells and strong odor, told air quality in building needs special venting by building department, what does City require her to have in her salon, State has no ordinance over her salon, will do nails somewhere else.

Karen Ream, All About Nails, commented that she is a business owner, City asking her to install exhaust pipes to improve air quality and air purifiers, has done everything possible, what the City is asking her to do cannot be done, estimate of \$6-10K on what City is requiring for a 400 square foot building, wants to stay in Lapeer but it's almost impossible to do so, employs five others.

Alex Lengemann, Local Contractor, commented he brought this to Construction Board on roofing, has done re-shingling in other areas and did not need a permit within County, called State and told it was an ordinary repair, re-shingling should not require a permit, has also done siding which should also be an ordinary repair, building official comes in for an inspection on windows and then told needed a handrail on stairs, should only be there for the item that is to be inspected, not have free access to everything in the house to write violations for, now works underground on repairs and does not pull permits, City is difficult to work with, Mr. Oliver acts like he is the king and

that you should have to kiss the ring, was fixing up homes to rent and the City has loss income on rented homes as he will now fix them up and sell them.

Ms. Ream commented that she still does not have an occupancy permit because the clean air has not improved, incense place moved in next to her, what is the difference in smell.

Mr. Lengemann commented on handrail he was told was needed and where in the code does it say that, he brought an issue to Construction Board of Appeals and lost, cost him \$400, feels he is still right, these are ordinary repairs, no permits should be required.

Dave Filipiak, Sky Electric, commented on financials, told to file FOIA request, wants to see the financials for building department, should be online for public to see, thinks department is making money due to cost of permits, unqualified personnel doing electrical and mechanical inspections, fees paid, pulls a \$1,000 permit and it only covers two inspections. Mayor Sprague questioned what he would pay and receive for the same service at CCA. Mr. Filipiak indicated this is not unusual, couldn't put a price on it off the top of his head, is fees paid to inspectors per inspection or by the hour, should pay by the hour, have financials made public.

Greg Snoblin, commented that he used to be largest rental landlord, is licensed and does a lot of business in town, does not have any faults with building department, quotes for permits with application fee, line items and inspections, City cheaper in areas, when put permits together as a whole is where you pay more in City, feels this is mostly about the fee structure, roofs are up to the municipalities to permit and fee amount, plumbing and hot water system repair where code says \$600 and under can be done without permit, State code is a guideline and up to the City to enforce and what to inspect, rentals and inspections and registering property with the City, new energy codes, water tanks are a safety issue and need to be inspected, has nothing against building department, has always been able to sit and talk with Mr. Oliver if needed, thinks that fees are the issue here, putting fee schedule together was the City Manager's job.

Michelle Filipiak, commented that she is a licensed architect, schooling required for those to go through the process and receive a license or certification, those that complete process is to ensure that projects they put together is a safe environment and structurally sound, not to see if contractor properly installs windows, persons doing inspections and looking at job as a whole what are their credentials, should do job and nothing else, many people in the room, contractors, business owners should not have to hire someone to check their air quality, City should not have to be proving but defending what they do and are qualified.

Bruce Johnson, Johnson Plumbing, commented on fee structure, residential versus commercial job could pay 5x more, should be based on number of inspections not on fixtures, water heater issues with building department that was resolved, commercial water heater liability is with manufacturer and contractor, fee structure should be structured accordingly. Mayor Sprague questioned tap in fees and requested an explanation on how this worked when an addition is put on an existing building. Mr. Johnson indicated that fee structure is based on amount of project, contributes to maintenance of sewer, tap fee based on square foot of building, Director of Public Works Pam Reid commented on costs of maintenance/infrastructure completed by study to come up with fees charged, water based on meter size, sewer fees based on square footing of building. Mr. Johnson commented that the City is providing a service, inspectors for plumbing and mechanical there only one day a week and should be there more, greatly appreciate if open at 7:00 am instead of 8:00 am.

Steve McCorkle, Dryden, commented on owning 3 businesses in town, curious as to whether CCA or any other municipality added a fee on permits based on value of project, CCA has a minimum fee for permits based on value of projects, City looks over plans, plus pay for permits and fees, fee structure has a lot of extras and ends up paying 5% of what the project costs. Mr. Johnson commented he would like to see the total cost of a project before the start of the project. Mr. Snoblin commented that other municipalities do by cost or by line item, one or the other, that's why City more

expensive. Mr. McCorkle would like to see all fees up front, will rental inspections continue, understands only one man doing all the work and needs to be spread out or responsibility needs to be split out, had a permit that took from June 11th to July 25th to be signed off.

Mayor Sprague commented appreciates the frankness to fix the system, intent of workshop was to fix problems, don't go away thinking this has any part of rental inspections, indicated that not only is the roofing issues making him mad, but dogged landlords who do not maintain their property, asked where do we go from here.

Commissioner Bostick-Tullius commented she is disappointed and was expecting a list of what State requires and compare to what the City needs to do, workshop to go over each item that is in our fee schedule and review the code that goes with the fee and is it necessary in the City; surprised to hear from Mr. Snoblin that the State gives guidance and up to City to do permits and whether or not we want to; disappointed in not receiving CCA schedule ahead of time, clear CCA does one lump sum not line items, looks like more until you add up the fees, feels need another meeting to review, should know exactly every single item City charges for and what the fees are, cannot accomplish this at tonight's meeting, sounds like everything is up to the commission to determine what needs permits and what doesn't.

Commissioner Marquardt agreed with Bostick-Tullius, wants to review the items and determine what they are for, have a problem and to sit down and go through, wants a list of all the various comments brought to the meeting, we have a great City, need to make it convenient for the business owners, need to do something and move forward.

Commissioner Gates agrees with Bostick-Tullius and Marquardt, shoddy work is between home owner and contractor not the City, should not take advantage of fees, should only complete the inspection that the permit is for, have to work together, what direction to go from here.

Commissioner Bostick-Tullius commented on having a check list of what a contractor or owner can look at for what is expected for a project, total fees for the complete project up front, should be some way to do.

Mayor Sprague commented on perception, the first impression is lasting, should not be difficult to work in the City; should be giving better service, be cheaper than CCA, be innovative and maybe not charge any fees, look at renaissance zone.

Commissioner Bostick-Tullius commented on issue with one inspector 1 day a week, have available 2 to 3 days per week, may be this is a budget issue.

Commissioner Gates indicated she is a customer of All About Nails, Karen is heartbroken over issues, she encourages her to call Mr. Oliver, doesn't smell anything there but can smell the incense from the place next door, Karen is doing everything she can and wants to keep her business in town, hope her and Mr. Oliver can work it out.

Commissioner Atwood asked if doing department this way for 10 years how come this has gone unchecked, are people afraid to go through proper channels or are they just not listening; have to address issues as they happen and not let them build up until they are out of control with no solution; walked downtown and polled businesses spoke with architects, contractors and brought concerns to City Manager and have gotten them resolved as they were happening, City Manager wants to help, meetings held with contractors to discuss/talk about issues, people need to step up and talk, not spread rumors about the City and do nothing to get issues resolved; miscommunication; fee schedule and who approves, come up with solution and figure it out, revamp and look at fee structure, not saying go back to square one, but these issues can be resolved if we work as a team.

Commissioner Marquardt commented on growth in City, a lot has changed since 2008/2009, department ran on part-time people, review fee schedule every year based on what we receive, now need to look at and compare.

Mayor Sprague indicated it is a broken system; has asked questions every year, we didn't do test cases to prove everyone is being truthful, are we getting truthful answers, do we need to look at budget.

Commissioner Bennett commented it seems to him that it is not the permits but the fees. Commissioner Bostick-Tullius disagreed, as Mr. Johnson stated as well, not just fees but getting permit and having inspectors available. Discussion continued on whether or not the problem is the fees or the permits themselves or the whole process is a burden. Mr. Kerbyson indicated he has several examples and would like to show them to the Commission, explain the code and why the City requires them.

Commission took a break at 7:21 p.m. and returned to the workshop session at 7:38 p.m.

Mr. Kerbyson continued through his presentation; fire code and inspections and gave examples of access, improper repairs, obstructed exits and electrical panels and storage issues. Discussion on fee for fire inspections, no fee for annual and first inspection, 2nd, 3rd, 4th, or 5th have fees if inspection is needed, sent to the City attorney to handle; if disagreement or question on inspection it is handled by Fire Marshall Ron Best or the Fire Chief; asked how many complaints does the Fire department receive with response by Fire Chief Terry Kluge of zero. Fire Chief Terry Kluge indicated that the building and fire department work together on a daily basis and handling of different projects. Mr. Kerbyson continued presentation on code acts, differences in operation of building departments, Skilled Trades Act which is a State law that work done at rental property from now on has to be done by a licensed contractor, Michigan Residential Code intent, State Building Code and permits required; building of decks and examples of issues; Commercial Building Code enforcement, electrical work completed without permit and examples of issues.

Keith Brace, Licensed Plumber, commented that the State requires you to pull permits for anything, there are only 2 items that do not need a permit being drain cleaning or repair of faucets, everything else requires a permit and that is within the code book; plumbers are to know the laws from the State, it is a State requirement to know the updates to the code; call State on plumbing code and told up to local officials to interpret, but if don't agree with local interpretation file with local code board, if don't like code board interpretation can file a complaint with State board.

City Attorney Michael Nolan commented on building inspectors not liable for items contracted for repair, inspections are to protect health/safety of the people.

Mr. Kerbyson continued presentation on water heaters and examples of issues along with comments by Director Keith Lambert Bureau of Construction Codes, State water heater permit; chimney exterior lacking maintenance and carbon monoxide issues; window installation and permits, reviewed by City in 2014 and 2016.

Commissioner Gates questioned window replacements, Mr. Kerbyson responded that through City discussion permits for window replacement can be up to 3 at no charge, more than 3 with any frame removal/replacement would need a permit; Mr. Nolan commented that City's own Construction Board of Appeals heard a person's issue with window permits and the Board upheld the ruling that a permit was needed, the board didn't buy the claimants non permit interpretation. Discussion was held on window replacement, issues found and corrected, Construction Board of Appeals upheld that window permits are needed; rental homes require more in rental inspections, rentals and hot water heater issues. Mayor Sprague commented that he was not grousing about rental inspections but what the City requires above what the CCA does, that the Commission can decide if inspections are above and beyond what is required, the Commission has the ability to choose.

Commissioner Bostick-Tullius questioned if she wanted to buy a home, can she get a list of what needs to be done; Mr. Kerbyson indicated that projects are different, if redoing carpet do not need a permit but if changing windows than the contractor you call should know a permit is needed. Ms. Bostick-Tullius would like to see a list of what is required, also include the area title companies with their contact information.

City Attorney Michael Nolan commented on knowledge in this area to oversee all the concerns/details the Commission has, to hire a consultant to review what is needed and what is not, what to charge, what needs permit.

Mayor Sprague indicated that this is not an individual or personal criticism, the department is broken and needs to be fixed, asked Fire Chief Kluge about department processes, why can the fire department have no problems doing inspections and the building department has so many problems.

Commissioner Bennett suggested that Building Inspector Darryl Oliver should attend a Dale Carnegie Course or something similar to improve his flow of information and to teach him to be compassionate instead of by-the-book attitude.

Mayor Sprague commented on need for a check list and to have a third party review process, right now people don't trust us and this needs to be fixed.

Commissioner Gates commented on purchase of business downtown, contacted Mr. Oliver and he answered all questions, was thorough and validated reasons, was gracious to work with, ultimately it was their decision to buy.

Building Inspection Darryl Oliver commented that he has been here four years, understands there is room for improvement, code books are reviewed on a daily basis and doesn't know all of the material, asks others, even contractors for opinions as well, works with other departments to get their view, doesn't go into any project willy-nilly or half-hearted.

Mayor Sprague indicated this workshop was not intended to be a personal attack, we all own it, how do we get to the solution?

Commissioner Bostick-Tullius indicated she was glad to hear Mr. Oliver speak up, that is was important to her to see that he was working with others in the community.

Fire Chief Terry Kluge commented that contractors do not like what Mr. Oliver has to say; owners have been told multiple times what to do not just building but fire as well, owners are told but they make it sound as if it is our fault; Mr. Oliver goes out of his way to obtain input from others on projects.

Mayor Sprague commented that he liked that original fire inspections are free, encourage similar style for building department; need to encourage investors to come to the City; maybe no blight charge, Chief of Police Dave Frisch commented that there were 105 blight tickets issued in 2016 and only 2 were in violation after the notice of a blight violation was issued.

Mr. Kerbyson commented that he was happy about the meeting, we need open communication and continue with communication.

Mayor Sprague indicated that there is a severe problem, need to fix right away, check list is a good idea.

Commissioner Atwood commented there are two sides to every story, part of issue is that the city was so lax with the previous building inspector, now that we have someone to enforce the rules, contractors are mad, some people have kept up their buildings, problems are occurring and spreading out, have caring people with the City Manager, department heads and staff.

Mr. Nolan commented on hiring a consultant to review the department,, all liked the idea of a consultant.

City Manager Dale Kerbyson to pursue a third party to examine the building department. Mayor Sprague indicated that it cannot be placed on the back burner, review of goals to remain less expensive and provide better service; Commissioner Bostick-Tullius commented the consultant needs to show all the pros and cons, to look at the entire picture with all of the information; Mayor Sprague commented that the original goals and objectives remain the same to pay less, receive better serve and be safe.

Keith Brace commented on the need for a panel to oversee things because one person is not able to do it all; to uphold State laws, oversee what City is doing is correct.

ADJOURNMENT

By general consensus, the meeting was adjourned at 8:40 p.m.

William J. Sprague, Mayor

Donna L. Cronce, MMC, City Clerk

Tracey S. Russell, Deputy City Clerk