

**MINUTES OF A REGULAR MEETING
OF THE
LAPEER CITY COMMISSION**

May 21, 2007

A regular meeting of the Lapeer City Commission was held on May 21, 2007 at Lapeer City Hall, 576 Liberty Park, Lapeer, Michigan. The meeting was called to order at 6:30 p.m.

Present: Mayor Sprague
Commissioners Robinet, Marquardt, Farrington and Ogden.
City Attorney Ron Shamblin
City Manager Dale Kerbyson

Absent: Commissioner Turkelson (excused) - personal

Mayor Sprague led the Pledge of Allegiance.

AGENDA AMENDMENT AND APPROVAL

116 2007 05-21

Moved by Robinet. Seconded by Farrington.

To approve the agenda for May 21, 2007 with the addition of Item F.2 MSHDA Grant Public Hearing – Cramton Neighborhood and Update on Rental Registration Program and City-Wide Rental Rehabilitation Grant.

MOTION CARRIED.

MINUTES

117 2007 05-21

Moved by Marquardt. Seconded by Robinet.

To approve the minutes of the Regular meeting held on May 7, 2007 and the Budget Workshop minutes held on May 14, 2007.

MOTION CARRIED.

CONSENT AGENDA

118 2007 05-21

Moved by Robinet. Seconded by Marquardt.

To approve the consent Agenda for May 21, 2007 resulting in the following.

1. Approval of Delinquent 1997, 1998-A, 2000, 2001, 2002, 2003, 2004, and 2006 Special Assessments for 2006 Installments to be added to the 2007 Summer Tax Roll.
2. Approval of the July 4, 2007 Fireworks Permit with Melrose Pyrotechnics, Inc.
3. Approval of the Business Registration Software with CIVIC Systems in an amount not to exceed \$3,500 and authorize the City Clerk to execute the required document.
4. Approval of Pay Request #1 to A.W. Excavating in the amount of \$69,911.33 for the Fair Street Reconstruction Project.
5. Approval of Payment Request #7 to O’Laughlin Construction Company in the amount of \$8,653.39 for Final Payment for the Flow Meter Construction Project.

MOTION CARRIED.

BILL LISTING FOR MAY 21, 2007

119 2007 05-21

Moved by Robinet. Seconded by Ogden.

To approve the Bill Listing for May 21, 2007 in the amount of \$452,107.29.

MOTION CARRIED.

PUBLIC COMMENTS

There were no public comments.

PUBLIC PROCLAMATIONS, RECOGNITIONS AND RESOLUTIONS

None.

PUBLIC HEARINGS

Proposed 2007-2008 Budget

Mayor Sprague opened the public hearing at 6:33 p.m. to hear comments regarding the proposed 2007-2008 City of Lapeer Budget. There being no comments, the public hearing was closed at 6:33 p.m.

120 2007 05-21

Moved by Farrington. Seconded by Ogden.
To approve the Resolution To Adopt The Budget Of The City Of Lapeer For The Fiscal Year July 1, 2007 To June 30, 2008 And To Make Appropriations Therefore with the adjustments as recommended and the 2007-2013 Capital Improvement Program.

GENERAL APPROPRIATIONS ACT

RESOLUTION TO ADOPT THE BUDGET
OF THE CITY OF LAPEER FOR THE FISCAL YEAR
JULY 1, 2007 TO JUNE 30, 2008
AND TO MAKE APPROPRIATIONS THEREFORE

WHEREAS, the City Charter requires: That the City Manager submit a budget proposal with his recommendation to the City Commission; that a public hearing be held on said budget proposal; that the City Commission by resolution adopt a budget for the ensuing fiscal year, making an appropriation of the money needed therefore, and designating the sum to be raised by taxation; and

WHEREAS, the Manager has submitted said budget and recommendations along with the proposed tax millage to be levied and a public hearing has been held thereon:

NOW, THEREFORE, BE IT RESOLVED as provided in the City Charter, and in conformity to Public Act 621 of 1978, the Uniform Budgeting and Accounting Act, that the budgets attached hereto and made a part hereof by reference are hereby considered and adopted, to be administered on activity (department) level, as the budgets of the City of Lapeer to cover the operations and expenditures thereof for the fiscal year July 1, 2007 to June 30, 2008.

BE IT FURTHER RESOLVED that in addition to the levy of a City Income Tax in accordance with the State's Uniform City Income Tax Act, the sum of \$2,598,068 be raised by taxation by the levy of 9.8000 mills for operations on the assessed value of all real and personal property in the City as follows:

General Operation 9.8000 mills \$2,598,068

BE IT FURTHER RESOLVED that the City Manger be authorized to transfer necessary amounts between activities (departments) within a fund and up to \$5,000 between funds.

BE IT FURTHER RESOLVED that a copy of this budget resolution be furnished to the City Assessor, who together with the City Treasurer, shall then proceed to assess and collect the taxes in accordance with the City Charter and State Statutes.

AYES: Commissioner Farrington, Ogden and Marquardt.
NAYS: Commissioner Robinet.

ABSENT: Commissioner Turkelson.
ABSTAIN: None.
MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

MSHDA Grant – Cramton Neighborhood

Denise Soldenski, Housing Grant Administrator, provided a presentation on the Cramton Neighborhood Target Housing Grant which will provide funding for Homebuyer Purchase Rehabilitation and Homeowner Rehabilitation. Ms. Soldenski also provided an update on the Housing Assessment Study, the Rental Registration Program, the City-Wide Rental Rehabilitation Program and the potential Downtown Rental Rehabilitation Program project for the Phase 2 improvements to the upper level of 286 W. Nepessing Street.

Mayor Sprague opened the public hearing at 6:53 p.m. to receive comments on the MSHDA Cramton Neighborhood Grant. There being no comments, the public hearing was closed at 6:53 p.m.

ADMINISTRATIVE REPORTS

Chapter 7 Amendments – Zoning Ordinance

121 2007 05-21

Moved by Robinet. Seconded by Farrington.

To adopt the proposed amendment to Chapter 7 (Zoning Ordinance), Article 7.19, of the General Ordinances of the City of Lapeer.

THE CITY OF LAPEER ORDAINS:

ARTICLE 7.19 – BOARD OF APPEALS

A. CREATION AND MEMBERSHIP:

There is hereby established a Board of Zoning Appeals which shall perform its duties and exercise its powers as provided in Article VI of Act 110 of 2006, as amended, and in such a way that the objectives of this Ordinance shall be observed, public safety secured, and substantial justice done. The Board shall consist of six (6) members appointed by the City Commission. Appointments shall be as follows: Two (2) members appointed for a period of one (1) year; two (2) members appointed for a period of two (2) years; and two (2) members appointed for a period of three (3) years, respectively; thereafter each member to hold office for a full three (3) year term. In addition, the City Commission may appoint two (2) alternate members who may be called upon to serve in the absence of a regular member, or for the purpose of reaching a decision on a case in which a regular member has abstained for reasons of conflict of interest. Any vacancies in the Board shall be filled by appointment by the City Commission for the remainder of the unexpired term. The Zoning Board of Appeals shall annually elect its own Chairman, Vice Chairman and Secretary. The compensation of the appointed members of the Board of Zoning Appeals may be fixed by the City Commission.

- B. unchanged
- C. unchanged
- D. unchanged
- E. unchanged
- F. unchanged

G. unchanged

H. MISCELLANEOUS:

1. No order of the Board of Appeals permitting the erection of a building shall be valid for a period longer than twelve (12) months, unless a building permit for such erection or alteration is obtained within such period and such erection or alteration is started and proceeds to completion in accordance with the terms of such permit.
2. No order of the Board of Appeals permitting the use of a building or premises shall be valid for a period longer than twelve (12) months unless such use is established within such period; provided, however, that where such use permitted is dependent upon the erection or alteration of a building, such order shall continue in force and effect if a building permit for said erection or alteration is obtained within such period and such erection or alteration is started and proceeds to completion in accordance with the terms of such permit.
3. If a variance which is granted is not utilized within twelve (12) months of its granting, the variance shall be considered null and void and an application must be refilled if it is desired at a future date. A variance which is legally utilized and maintained runs with the property and any subsequent owners who legally continue the variance under its original or amended terms.
4. If a variance is denied, the Board of Appeals shall not reconsider the same request, or a similar request that could have been granted during the original consideration, within a period of thirty-six (36) months.
5. The reasons(s) utilized as a basis for making any decision shall be stated in the minutes of the Board of Appeals.
6. The Board of Appeals may require such conditions and the posting of necessary bonds or other financial guarantees acceptable to the City Commission to control compliance with specified conditions.
7. Copies of the decisions of the Board of Appeals shall be furnished to the City Commission and Planning Commission.”

ON A ROLL CALL VOTE:

AYES: Commissioner Marquardt, Robinet and Ogden.

NAYS: Commissioner Farrington.

ABSENT: Commissioner Turkelson.

ABSTAIN: None.

MOTION CARRIED. AMENDMENTS TO CHAPTER 7 ADOPTED.

Liquor Control Commission Resolution – Outdoor Service at 350 N. Court St.

122 2007 05-21

Moved by Robinet. Seconded by Ogden.

To approve the Michigan Liquor Control Commission Resolution for new Outdoor Service (1 Area) located at 350 N. Court Street.

REQ ID #389601

STATE OF MICHIGAN
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
LIQUOR CONTROL COMMISSION

RESOLUTION

Moved by Commissioner Robinet and supported by Commissioner Ogden that the request new OUTDOOR SERVICE (1 AREA) to be located on city sidewalk to be held

in conjunction with 2007 Class C licensed business, issued under MCL 436.1521(1) with Entertainment Permit, located at 350 N. Court, Lapeer, MI 48446, Lapeer County. Be considered for approval.

| | APPROVAL | | DISAPPROVAL |
|---------|---|---------|-------------|
| Ayes: | Commissioner Robinet, Ogden, Marquardt, and Farrington. | Ayes: | None. |
| Nays: | None. | Nays: | None. |
| Absent: | Commissioner Turkelson | Absent: | None. |

It is the consensus of this legislative body that the application be recommended for issuance.

MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

CITY MANAGER'S REPORT

GLCUA Resolution – City of Detroit Public Water Supply System

123 2007 05-21

Moved by Robinet. Seconded by Ogden.

To approve the Resolution regarding the City of Detroit owned and operated public water supply system.

RESOLUTION

WHEREAS, the City of Detroit owns and operates a public water supply system supplying water to numerous communities throughout southeastern Michigan; and

WHEREAS, the City of Lapeer contracts with the City of Detroit to supply potable water to its residents; and

WHEREAS, in anticipation of the expiration of water service contracts with numerous governmental entities in southeastern Michigan, over the last three years, the City of Detroit has developed a Model Water Contract and is seeking the City of Lapeer approval of the terms of this Model Water Contract; and

WHEREAS, the cooperative efforts to date between the City of Detroit and Technical Advisory Contract Group in the drafting of the Model Water Contract have been admirable but there remain issues and concerns to be addressed; and

WHEREAS, it is in the public interest that the proposed Model Water Contract provide all customers a long-term supply of potable water that meets or exceeds Michigan and federal regulatory requirements for drinking water quality, without discrimination and at the lowest reasonable rates; and

WHEREAS, the City of Detroit and Technical Advisory Contract Group have requested the City of Lapeer to provide input within the next sixty (60) days; and

NOW, THEREFORE, BE IT RESOLVED that the Lapeer City Commission requests that the terms of the Model Water Contract with the City of Detroit define and include a process to address the following:

- a. The Contract should provide a process for meaningful customer participation, a “greater voice” to provide input concerning major capital or maintenance projects or other factors impacting the rates developed by the Detroit Board of Water Commissioners.

- b. The Contract should define and provide full and timely disclosure of information, and in a format that will allow the City of Lapeer to assist in the rate-making process and its long-term planning.
- c. The City of Detroit or the Detroit Water and Sewerage Department (DWSD) should provide a reasonable policy for early withdrawal or termination prior to the expiration of the contract term along with actual costs associated with such withdrawal or termination.

BE IT FURTHER RESOLVED that the City Clerk is authorized and directed to forward this Resolution on behalf of the City Commission of the City of Lapeer to the City of Detroit.

MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

Industrial Development Revenue Bond – JMA Development, Inc./H & H Tool Inc.

124 2007 05-21

Moved by Ogden. Seconded by Farrington.

To approve a Resolution Approving Project Area And Project District Area And Confirming Appointment of Additional EDC Directors (JMA Development, Inc. / H & H Tool, Inc. Project).

CITY COMMISSION
OF THE CITY OF LAPEER

MOTION #124 2007 05-21

RESOLUTION APPROVING PROJECT AREA AND
PROJECT DISTRICT AREA AND CONFIRMING
APPOINTMENT OF ADDITIONAL EDC DIRECTORS
(JMA DEVELOPMENT, INC./H & H TOOL, INC. PROJECT)

WHEREAS, there exists in the City of Lapeer the need for projects to alleviate and prevent conditions of unemployment, to assist and retain local industrial and commercial enterprises in order to strengthen and revitalize the City's economy and to encourage the location and expansion of such enterprises to provide needed services and facilities to the City and its residents; and

WHEREAS, the Economic Development Corporations Act, Act No. 338 of the Michigan Public Acts of 1974, as amended (the "Act") provides a means for the encouragement of such projects in this City through the City's Economic Development Corporation (the "EDC"); and

WHEREAS, the EDC has commenced proceedings under the Act for the benefit of such a project (JMA Development, Inc./H & H Tool, Inc. Project) and has designated to this City Commission a Project Area and Project District Area for its approval; and

WHEREAS, in order for the EDC to proceed with the proposed project, it is also necessary for this City Commission to confirm the appointment by the Mayor of the City of two additional directors to the Board of said EDC in connection with said project, in accordance with Section 4(2) of the Act;

NOW, THEREFORE, BE IT RESOLVED that, the Project Area as designated by the EDC to this Board is hereby certified as approved; and

BE IT FURTHER RESOLVED that, it having been determined that the territory surrounding said designated Project Area will not be significantly affected by the Project, a Project District Area having the same description as and boundaries coterminous with the Project Area herein certified as approved be hereby established; and

BE IT FURTHER RESOLVED that, since JMA Development, Inc. and H & H Tool, Inc. have represented that the Project Plan for the Project will not include a zoning change and the implementation of the Project Plan will not require the taking of private property, a Project Citizens District Council shall not be formed pursuant to Section 20(e) of the Act; and

BE IT FURTHER RESOLVED that, the appointments of Gary Phillips and Don Dube who are representative of neighborhood residents and business interests likely to be affected by said Project, to the Board of Directors of The Economic Development Corporation of the City of Lapeer are hereby confirmed in accordance with Section 4(2) of the Act, and such additional Directors shall cease to serve when the Project is either abandoned or, if undertaken, is completed in accordance with the Project Plan therefore; and

BE IT FURTHER RESOLVED that, the City Clerk is hereby directed to provide four certified copies of this resolution to the Secretary of the Board of the EDC.
MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

Contract – Peter Whitman/City of Lapeer – Sanitary Sewer Installation – Davison Rd.

City Manager Kerbyson presented and reviewed the proposed Agreement between the City of Lapeer and Peter Whitman for the installation and maintenance of a sanitary sewer line to be located between the Lapeer Lanes property and Mr. Whitman's property at the southeast corner of Davison Road and Lake Nepessing Road stating that the Lapeer County Road Commission has submitted written confirmation approving the use of their right-of-way for the sanitary sewer line.

125 2007 05-21

Moved by Robinet. Seconded by Marquardt.

To approve the Contract between the City of Lapeer and Peter Whitman for the installation and maintenance of a sanitary sewer line to be located between the Lapeer Lanes property and Mr. Whitman's property at the southeast corner of Davison Road and Lake Nepessing Road.

MOTION CARRIED.

City Manager Kerbyson updated the Commission on the Flint River Watershed Clean Up and the status of the Oregon Township Annexation Agreement.

CITY ATTORNEY'S REPORT

City Attorney Shamblin updated the Commission on a letter received from the Lapeer County Prosecutor's Office commending the efforts of the Lapeer City Police Department and particularly Officer Craig Gormely in the recent triple murder criminal investigation.

UNFINISHED BUSINESS

Board Appointments

126 2007 05-21

Mayor Sprague appointed. Moved by Robinet. Seconded by Farrington.

To appoint the following:

| | |
|-------------------|--|
| Deborah Marquardt | County Center Board for a term ending 06-01-08. |
| Don Morey | Lapeer Center for the Arts for a term ending 10-01-10. |
| Carolyn McCarter | Lapeer Center for the Arts for a term ending 10-01-08. |

MOTION CARRIED.

127 2007 05-21

Moved by Marquardt. Seconded by Ogden.

To appoint Mike Robinet to the Lapeer Building Authority for a term ending 06-01-08.

MOTION CARRIED.

DEPARTMENTAL COMMUNICATIONS

The Monthly Operational Reports were received into record.

MAYOR/COMMISSIONER COMMENTS

Commissioner Marquardt praised law enforcement efforts to insure public safety during a recent storm.

Commissioner Robinet commented on recent developments in the City including the grand opening of the new soccer fields, the Community Center Spray Park, the Lapeer Regional Medical Center Emergency Department addition, and the ground breaking for the Energy Steel project. Commissioner Robinet also commented on the need for cooperation from the State of Michigan regarding the access issues for the developments at the intersections of M-24 and I-69.

EXECUTIVE SESSION REQUEST

City Manager Kerbyson requested the Commission to convene to Executive Session to conduct the City Manager's performance review.

128 2007 05-21

Moved by Marquardt. Seconded by Robinet.

To convene to Executive Session regarding the City Manager's performance review.

ON A ROLL CALL VOTE:

AYES: Commissioners Robinet, Marquardt, Farrington and Ogden.

NAYS: None.

ABSENT: Commissioner Turkelson.

ABSTAIN: None.

MOTION CARRIED.

The Lapeer City Commission convened to an Executive Session at 7:14 p.m. regarding the City Manager's performance review and reconvened to a regular meeting at 8:40 p.m.

ADJOURNMENT

129 2007 05-21

Moved by Robinet. Seconded by Ogden.

To adjourn the meeting.

MOTION CARRIED.

The meeting adjourned at 8:40 p.m.

William J. Sprague, Mayor

Donna L. Cronce, CMC, City Clerk

Kimberly A. Hodge, Deputy City Clerk