

CITY OF WYOMING, MICHIGAN
Minutes of City Council Work Session
Monday, March 12, 2018

PRESENT: Councilmembers Bolt, Burrill, Postema, Postler, Vanderwood and Mayor Poll

ABSENT: None

STAFF: Carmody, Dooley, Holt, Lark, Koster, Ooms, Oostindie, Rupert, Sall, VandenBerg and VanGessel

1. Call to Order

Mayor Pro Tem Bolt called the meeting to order at 7:00 p.m. in the Council Chambers.

2. Student Recognition

None.

3. Public Comment on Agenda Items

Holt noted there is an addition to the agenda. Handouts have been provided including a resolution and attachments pertaining to the City's requirements related to Public Act 202.

4. AirBnB Ordinance

Holt noted complaints about a short term rental property were brought to Council recently and there has been some discussion on the topic. Attorney Sluiter has drafted an ordinance to address this. The ordinance as proposed would prohibit short term rentals of properties that are not owner-occupied. This would still allow the rental of a room or portion of the house if the owner is on site during the term of use. This ordinance is based on ordinances in place in other communities. The legislature is also considering this topic, but movement on this item is questionable. Depending on the action of the legislature, a local ordinance could become meaningless.

Holt noted at various times, we have been able to identify between six and 12 AirBnB type rentals in the city. We have received two complaints on one property. The complaints received on this property are consistent with other typical neighborhood complaints. Holt also noted this ordinance could be difficult to enforce.

Vanderwood asked if this ordinance would address the complaints that were presented to Council. Holt indicated this particular property does not have the owner on site, so yes, it would address this particular property.

There was brief discussion about this type of rental and the number located in Wyoming. Larger communities and destination-type locations likely have a broader appeal and often have a higher number of short-term rentals.

Bolt asked about timing and whether a Wyoming ordinance would continue to have effect if a state law was put in place. Holt noted it would no longer have effect.

Burrill asked for clarification on the ordinance, specifically if a homeowner wished to rent a room or portion of his or her home that the ordinance would still allow them to do that. Holt confirmed that was the case. Burrill noted the continued development of Metro Hospital may create more circumstances where these arrangements are desired.

Postler asked if rental rights could be eliminated based on violations. There was some discussion about whether Council wanted to do that. Postema inquired about licensing as a business and revoking the license if there were a certain number of violations. VanGessel thought the City of Grand Rapids had attempted something similar. Holt noted the difficulty in enforcement still comes in determining whether an owner is present or not.

There was brief discussion about enforcement and deciphering unique circumstances in rental arrangements, but also the value of having an ordinance in place for blatant violations.

Council supports moving this item forward to the next regular city council meeting.

5. Budget Review

a. Public Works and Utilities

Dooley provided handouts and began with a presentation of the street lighting budget, which is part of the general fund. This budget covers the amount paid to Consumers Energy for the ownership, operation and maintenance of street lights. Costs have varied recently due to the LED upgrade of city-owned lights. There is a sharper decline in expenses in 2019. This decline reflects the first phase of LED replacement of Consumers Energy-owned lights. This has been very economical for us, already resulting in a savings of \$110,000.

Dooley moved on to present the sidewalk and solid waste budget, noting these funds are millage-supported. There has been periodic shifting in these funds in recent years to address adjustments in operations, with small increases and decreases as needed. These shifts resulted in no increase to property owners. It is now recommended that these two millage rates be returned to the 2013 collection amounts. Dooley explained these funds, noting relative consistency in the sidewalk fund and variations in the solid waste fund due to contractual changes and significant storm clean-up in 2016. The average storm clean-up over the last three significant storms is \$150,000. These funds total \$1.3 million.

Dooley next presented the street funds, which include the local street fund and the major street fund and the capital improvement program, which goes to streets, for a combined total of \$15.3 million. Dooley explained the revenue sources of the street funds and the increase in those revenues in recent years. The motor fuel tax revenue is approximately \$1 million more than last year. These increases are being invested in our streets. This is

the first extended period of time when we are able to meet our goal of investing \$5.5 million per year in our streets. With the ability to invest in street resurfacing, we are able to reduce more costly street maintenance activities such as pothole patching.

Dooley showed the variations in the street fund balances over the years. These variations indicate our efforts to save for projects due to questions about state infrastructure funding. With recent increases in infrastructure revenues, street conditions are improving, which then reduces maintenance costs.

Dooley explained the water and sewer funds are enterprise funds and total \$40 million combined. These funds are generated primarily from user fees. We use guiding parameters including maintaining a working capital of 120 days, a minimum bond reserve, modest annual rate increases, and infrastructure maintenance and expansion to manage these funds.

Within the water fund, planned capital projects include a \$5 million renovation of the Burlingame pumping station and tanks in 2020. In 2022, there is a planned investment of \$40 million to begin the first phase of the third pipeline. In 2024, \$15 million is budgeted for another intake line to Lake Michigan.

Dooley explained the sewer fund is more consistent, but sizable capital projects are planned for that fund as well. In 2021, \$5 million is budgeted for the replacement of blowers in the aeration facility and replacement of the chlorine gas disinfection with a UV system.

Dooley reviewed the water and sewer commodity rates between Wyoming and other Michigan communities. Wyoming is among the lowest. Dooley noted some of the unique services Wyoming provides and the impact lead service replacements could have on other communities.

Dooley explained a new MDEQ requirement necessitating the illustration of expenses, especially capital improvements over a 20-year window. Over the next 20 years, it is estimated we will invest \$200 million in the water fund and \$76 million in the sewer fund. Dooley explained the process of video inspection and slip-lining of sewer mains. This is an economical way to extend the life of sewer lines and offers the benefit of minimal disruption to customers.

Dooley provided a detailed projection of water and sewer rates. Holt noted discussions continue on the possibility of a payment in lieu of taxes and there should be an update on that when we discuss the General Fund.

Dooley briefly reviewed the Motor Pool Fund, outlining both the motor pool facility expenses and vehicle and equipment replacement.

Vanderwood asked about rate increases and inquired about the average increase per year. Dooley noted average increases have been slightly less than 3% per year and these are approved by City Council each year. Vanderwood further inquired if rates are a reflection of true cost increases, Dooley confirmed that was the case.

Mayor Poll asked about lining sewer lines, the cost difference between replacing lines or adding a liner and how long lined sewers last. Dooley indicated product and process have become more affordable and we can expect to achieve 30-50 years of extended life in good conditions. Unfortunately, lining cannot be used in all cases. Dooley explained there are fewer cases of line replacement as a vast majority of corrections are now lined.

b. Public Safety

Director Carmody introduced the Public Safety budget and noted the budget is done in a 5 year cycle. Carmody reviewed general police service trends over the past 10 years, noting minimal overall increases. Technology is an especially challenging area within the operational budget given the continual need to replace obsolete technology.

Carmody provided a review of the police service budget and the calls for service impacting this budget. The public safety annual report will provide an in-depth review of calls for service but for budget review purposes, Carmody reported on several crime categories.

Carmody noted units on the street have been studied to determine capacity. The study reviewed patrol information from February 2016 and July 2016 and showed peaks and valleys over the course of a shift, as well as any need for mutual assistance. This is valuable in helping us discover preventative opportunities to allow us to impact the causes behind calls for service. Schools and businesses play an important role in this as well. We will continue our efforts in identifying prevention opportunities.

Captain Koster explained a significant portion of the budget is committed to staff and she reviewed current staffing levels. Koster shared information and opportunities in expansion of the cadet program. Overtime reduction is a focus in the coming budget year; this can be increasingly challenging with unpredictable circumstances such as injuries or major incidents.

Equipment is a major component of the police services budget. Due to participation in an area-wide narcotics team, Wyoming received \$150,000 in drug forfeiture funds that can be used for equipment purchases such as tasers, vests, shields, helmets, building security systems and a forensic evidence drying cabinet. These drug forfeiture funds are not guaranteed, so continued funding remains in question.

Training is another important budgetary consideration. A total of \$80,000 is budgeted for training focused on tactics, leadership and officer wellness.

Other funding sources such as grants and collaboration are also considerations in budget preparation. These sources are unpredictable and can come with stipulations that can be difficult to fulfill. Koster reviewed the various multi-jurisdictional teams that the public safety department is involved in and the benefit those collaborations bring to our community.

Vanderwood asked for clarification on staffing, especially the school liaison officers. Captain Koster explained the relationships with the school districts who host liaison

officers and the combined contribution by the City and school districts to provide those officers and the role of the officers in the schools. Vanderwood also inquired about forensics. Koster explained the expansion of lab testing capabilities. This expansion provides a huge benefit to our department.

Chief Lark reported on the fire services budget, noting the budget process mirrors that of police services. There have been many recent contributions to improved equipment for fire services that were both needed and appreciated. Lark reviewed calls for service, noting an increase in calls. The recent opening of Gezon Station has helped tremendously.

Lark reviewed staffing levels. Recent transitions have been easier as we have had the opportunity to move part-time firefighters to full-time positions. Turnover has been an issue but the part time program has been a great resource to filling those openings. Dual-trained employees and paid-on-call firefighters continue to be a valuable asset to the department as well.

Equipment replacement has been a significant effort in recent years and will continue to be a major focus. This year brought the purchases of two pieces of equipment and new turnout gear. The longevity of the quick response vehicles (QRVs) is of concern and they are being monitored to determine if replacement will be necessary sooner than anticipated. A new records management system is also in process and could be coming later in this fiscal year. The equipment is in great shape.

Proficiency training has been a major accomplishment in recent years, among all firefighting ranks. Professional development of command staff will be a focus in the coming year and we will continue to work with Metro Hospital on collaborative training efforts.

The fire department began a mentorship with the Grand Rapids Fire Department as we explore the opportunity for fire accreditation. We will begin seeking accreditation in the coming year.

Facilities are aging and are we are determining future needs for facility improvements.

Burrill inquired about the QRVs. Lark noted the oldest unit is 4-years old and has 60,000 miles. These vehicles are heavily used and are very heavy vehicles.

6. Public Act 202 – Application for Waiver and Plan

Ooms explained requirements of PA 202 and the City's obligations. The application of waiver and plan is a report that will be submitted to the Department of Treasury to explain the underfunding of our retiree health care plan and efforts to correct the underfunding. Our waiver is due by April 16 and requires approval of the City Council and City Manager.

Ooms reviewed the materials and information that will be submitted as part of the waiver request. Ooms noted based on current financial information and the changes and savings made in recent months, the retiree health care plan would not fall in the state's definition of

underfunded status. However, because these changes took place after completion of the audit these changes cannot be considered in this reporting period. It is unlikely that the City will need to apply for a waiver in the future.

Vanderwood asked if the waiver is guaranteed. Ooms indicated the waiver is not guaranteed. Holt reminded Council that this is a new requirement and may be subject to change. There was brief discussion about the City's ability to receive a waiver and current funding status.

Council supports moving this item forward to the next regular City Council meeting.

7. Any Other Matters

None.

8. Acknowledgement of Visitors/Public Comment

None.

The meeting adjourned at 8:45 p.m.

Kelli A. VandenBerg, City Clerk