

CITY OF WYOMING, MICHIGAN
Minutes of City Council Work Session
Monday, May 14, 2018

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

ABSENT: None

STAFF: Balfoort, Bosker, Dooley, Holt, Ooms, Rupert, Rynbrandt, Sall, Sluiter and VandenBerg

1. Call to Order

Mayor Pro Tem Bolt called the meeting to order at 7:00 p.m. in the West Conference Room.

2. Student Recognition

None.

3. Public Comment on Agenda Items

City Manager Holt noted a few changes for tonight's agenda, including a resolution authorizing a letter of agreement with the City of East Grand Rapids, a corrected resolution for item 5 has been provided and an item called Council Budget Action Outline has also been provided.

Mayor Pro Tem Bolt noted the item authorizing the letter of understanding with East Grand Rapids will be added at the end of the agenda.

4. Resolution Accepting the City Attorney's Resignation and Approving and Authorizing Signing an Amendment to the Legal Services Contract with Sluiter, Van Gessel, & Carlson, PC

Mayor Pro Tem Bolt read the resolution.

Resolution No. 26060

Councilmember Postler moved, seconded by Councilmember Burrill, that the above Resolution be adopted. Motion carried: 7 Yeas 0 Nays

5. Resolution Appointing Scott G. Smith as City Attorney and Approving and Authorizing the Mayor and City Clerk to Sign an Employment Agreement with Scott G. Smith

Mayor Pro Tem Bolt read the resolution.

Resolution No. 26061

Councilmember Vanderwood moved, seconded by Councilmember DeKryger, that the above Resolution be adopted. Motion carried: 7 Yeas 0 Nays

6. 2019-2027 Street and Utility Capital Improvement Program

Dooley reviewed the program, the internal and public processes related to developing the capital improvement program and noted Council approves the capital improvement program as part of the annual budget approval. Dooley explained these water, sewer and street projects were discussed previously during budget discussions.

7. Component Budgets

- **Grand Valley Regional Biosolids Authority (GVRBA) Budget for FY 2019**
Dooley explained the GVRBA, the evolution of the organization since its inception in the early 2000's and an overview of the current operations. The GVRBA board approved a budget in March and is recommending approval by both Wyoming and Grand Rapids. Council will see a separate resolution at the next regular City Council meeting to consider approval of this budget.
- **Downtown Development Authority (DDA) Budget for FY 2019**
Sall noted the DDA budget requires Council approval and described how the DDA budget is used to fund the various investments along the DDA corridor, and events such as Wyoming Gives Back and participation at Metro Cruise. The DDA approved this budget in April. Sall explained staff learned today of changes in DDA revenue related to an increase in tax capture within the DDA corridor. Because of this increase in capture, the DDA will realize a decrease in revenue from a small tax payer's loss program from the State of Michigan. This results in an overall decrease in revenue over last year. The DDA's total revenue is estimated at approximately \$61,000 and expenditures are approximately \$100,000. The DDA has a fund balance that can be used to address this deficit. Due to the timing of the receipt of this information, Sall noted any changes to the DDA budget will be addressed in a budget amendment at a later date. Sall provided a summary of DDA expenditures.
- **Economic Development Corporation (EDC) Budget for FY 2019**
Sall explained the EDC and Brownfield Redevelopment Authority members serve on both boards. Sall noted the EDC budget is used to report contributions and other revenue sources which are restricted for economic development activities. The EDC has no current revenues or anticipated expenditures. This entity budget continues to exist should certain economic incentives or grants become available. There was brief discussion about tax abatement application fees being part of the EDC revenue in the past. Those fees are now going to the General Fund as that is where the majority of work and expense is being paid from for tax abatement activity.
- **Brownfield Redevelopment Authority (BRA) Budget for FY 2019**
Sall noted the purpose of the BRA, explaining most of the expenses in this fund are related to property maintenance at Site 36 or reimbursement of certain eligible activities at brownfield sites. Sall reviewed expenditures, noting this fund may see a small deficit this year related to Site 36. Funds will be returned to the BRA with the sale and redevelopment of Site 36.

- **Greater Wyoming Community Resources Alliance (GWCRA) Budget for FY 2019**
Balfourt gave a brief overview of the GWCRA budget, noting the GWCRA is a non-profit entity whose budget is used for recording certain grants, contributions and related expenses. The GWCRA board approved this budget in April. The City Council does not approve this budget, but it is provided for informational purposes.
- **Retirement Board Budget for FY 2019**
Balfourt noted the Retirement Board approved this budget in March. This budget covers the Pension Trust and Retiree Health Care Trust and similar to the GWCRA budget, the City Council does not need to approve this budget. The Pension Fund records all of the financial activities of the pension trust. This plan is closed to new participants and the actuary calculates the annual contribution needed to fund the plan. Balfourt noted contractual changes resulted in changes to pension calculations of the General Employees Union. This translates to a reduction in required contributions from 2018 to 2019. Balfourt reviewed other revenues, noting investments in 2018 were much higher than budgeted.

Balfourt next reviewed the OPEB Fund. This fund documents all transactions related to the Retiree Health Care Trust. Revenues consist of contributions from departments based on a calculation of payroll and other revenues which are the fund's investment returns. Other revenues were much higher than originally budgeted. Balfourt explained expenditures, noting changes related to the implementation of the Medicare Advantage Prescription Drug plan.

8. FY 2019 Budget Changes

Balfourt reviewed changes to the budget that have occurred since the budget was originally published. These changes have been made to the budget Council will consider on May 21. In addition, two budget amendments will be on the agenda for consideration. Budget amendment 65 will address a 10% increase in pension contributions and budget amendment 66 will address additional costs for winter operations, maintenance supplies in the sidewalk fund and benefit costs in the Building Inspection Fund.

Holt noted the Council Budget Action Outline which was provided, explaining this is a summary of the items Council will address next week in the order they will appear on the agenda.

9. Addition of Manufactured Homes to the Rental Inspection Program

Rynbrandt noted the conversation about adding manufactured homes to the rental inspection program has been ongoing for several years and recent changes by the State of Michigan are allowing us to bring this forward for Council consideration. Rupert noted the evolution of the rental inspection program, explaining until recently mobile home inspection by a municipality was prohibited by the State of Michigan. Inspection is now allowed, but with stipulations regarding what is inspected and the frequency in which it is inspected. It is our intent to follow the State recommendations for inspection.

Burrill expressed interest in reviewing rental inspection on a broader scale, noting the opportunity of a merit-based system. Rynbrandt suggested allowing the inspection of manufactured homes to begin before exploring other alternatives. Attorney Sluiter clarified this amendment was written as is due to how the overall ordinance is written and to address the

recent changes by the State. Mayor Poll inquired about the number of manufactured homes in the City and how we might determine how many are rental units. Rupert noted conversations with park owners suggest most units are owned by park management and are then rented to tenants. Considering all communities in the City, we would expect to add approximately 300 units.

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

10. Fee Schedule Changes

Holt reminded Council that the Citizen's Task Force recommended a review of fees and the fees presented are being proposed in response to that recommendation. Suggested changes are in bold and focus on water and sewer rates and rates related to engineering activities and services. Holt explained the water and sewer rates include the proposed payment in lieu of taxes (PILOT). The documents provided include information with and without the PILOT data. Holt also provided examples of water and sewer users and how the PILOT will affect those users' water bills.

Council held discussion about the PILOT and the desire to continue to explore alternative revenue opportunities like this. The Mayor noted Council will have to continue to consider whether to seek additional revenue or reduce services.

11. Resolution to Authorize a Letter of Understanding with the City of East Grand Rapids

Oostindie explained this resolution is being presented to Council as part of the contract held by Chief Lark. Due to terms of his contract with the City of Wyoming and his retiree benefits with East Grand Rapids, the City of Wyoming has paid for his insurance benefits through the City of East Grand Rapids with a 20% contribution from Chief Lark. With the announcement that Chief Lark will retire, it is now necessary to address the retiree health insurance benefit to which both cities will contribute. As the plan holder, East Grand Rapids will pay the necessary premiums and bill the City of Wyoming. Through negotiation with East Grand Rapids and review by Wyoming's Human Resources and Finance departments, a dollar amount was identified allowing the City of Wyoming to pay one lump sum payment for its portion of this benefit instead of an annual billing for the term of the retiree health insurance benefits.

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

12. Any Other Matters

None.

13. Acknowledgement of Visitors/Public Comment

None.

14. Closed Session – City Manager's Performance Review

At 8:24 p.m., Mayor Poll moved, seconded by Councilmember Burrill, to hold a closed session of the City Council to discuss the City Manager's performance review.

There was a brief recess. The City Council went into closed session at 8:31 p.m. The City Council reconvened the regular session at 9:25 p.m.

The meeting adjourned at 9:25 p.m.

Kelli A. VandenBerg, City Clerk