

**Regular Meeting of the Howell City Council**  
**Monday, April 23, 2018**  
**Howell City Council Chambers – Lower Level**  
**611 E. Grand River**  
**Howell, Michigan 48843**  
**517-546-3502**

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**1. CALL TO ORDER**

The regular meeting of the Howell City Council was called to order by Mayor Nick Proctor at 7:00 p.m.

Council Members Present: Robert Ellis, Jan Lobur, Steven Manor, Michael Mulvahill, Scott Niblock, Andrew Yost and Mayor Nick Proctor.

Also Present: City Manager Shea Charles and City Clerk Jane Cartwright.

Others in Attendance: Police Chief George Basar, Deputy Police Chief Scott Mannor, DPS Director Erv Suida, Finance Director/Treasurer Catherine Stanislawski, Community Development Director Tim Schmitt, IT Director Mike Pitera, DPW Operations Manager Mike Luce, Assessor Joey Lentine, WWTP Operations Manager Mike Spitler, Project Technician Matt Davis, Cemetery Supervisor Jason McClanahan, DDA Director Cathleen Edgerly, Main Street Outreach Coordinator Kate Litwin, John & Caron Davis, Ethan MacDonald, Howard Ziegel, Warner Frazer, Bruce Solando, Larry Rodwell, Lebreque, Mary Cole, Tim Schnelle, Kyle Tokan, Mike Newman, Marc McKay, Ali McKay, Meaghan OBrien, A. Currie, Joanne Bellmard, Ben Peterson, Shawn Bourne, Jane Thierfeldt, Tammy Palmieri, Dominic Palmieri, Pam Stefanski, Nancy Gosselin, Ron Gosselin, Sandra Park, Michelle Tokan, Thersia Mendolia, Margaret Withorn, Joe Masters, David Dilworth, Bruce Porter, Lizzie Combs, Athena Smith, Sarah Lewis, Phil Lewis, Tami Hammac, Samantha Sprytzer, Mary Bethany Newman, Nancy Brehm, Joseph Perrone, Janet Kosiba, Becky Niblock, Matthew Brunn, Mike & Linda Dinoff, Richard Olrich, Dave Richard, Lois Richard, Nick Zurek, Jamil Czubenko, Laura Samkowiak, Steve Samkowiak, Ann Heins, Nancy Vorhoff, J. Pratt, J. Kraus, J. Kulman, Dorothy Mulvahill, Linda Deniston, Randy Hatfield, Helen Budd, Paul Wylie, Kathy Wylie, Tom Richardson, James Rutherford, Jim Smullen, Tom Austin, Rick St. Onge, J.R. Drick, Kayla Dougheny, Henrietta Olechowski, Nancy Mate, Arnie Rubin, Susan Kaba, Sandra Drown, Geri Arpino, Arlene Gates, Jennifer VanBrunt, John VanBrunt, Carrie DeLuca, Ada Gardiner, Ingrid Tanner, Robert Sprytzer, Bob Hackman, Lloyd Geroux, Elizabeth Garvey, Thomas Keenan.

**2. PLEDGE OF ALLEGIANCE**

**3. APPROVED MINUTES**

MOTION by Ellis, SUPPORT by Yost, “To approve the minutes of the regular meeting of the City Council held April 9, 2018.” MOTION CARRIED (7-0).

MOTION by Ellis, SUPPORT by Lobur, “To approve the minutes of the executive session held April 9, 2018.” MOTION CARRIED (7-0).

MOTION by Ellis, SUPPORT by Lobur, “To approve the minutes of the special meeting held April 16, 2018.” MOTION CARRIED (7-0).

MOTION by Ellis, SUPPORT by Mulvahill, “To approve the minutes of the executive session held April 16, 2018.” MOTION CARRIED (7-0).

MOTION by Ellis, SUPPORT by Mulvahill, “To approve the minutes of the work session held April 16, 2018.” MOTION CARRIED (7-0).

**4. CITIZENS' COMMENTS**

- Margaret Withorn, 509 E. Clinton, expressed concern about the condition of the water tower north of Grand River. City Manager Charles indicated it was a private tower however staff will take another look at it.
- Rick St. Onge, 116 S. Chestnut, stated Executive Session is not recognized by the Open Meetings Act.
- Linda Dinoff, 1167 Lakeside, questioned if there was going to be staff at the boat launch this summer. Mayor Proctor indicated approval of the Management Agreement for Howell City Park was scheduled on the agenda (refer to item 13).
- Rob Hackman, 121 Madison, questioned the timeframe to make improvements on homes that need work. City Manager Charles requested the addresses of the subject properties and will have staff investigate; they may already be in process.
- Jeff Kraus, 628 North, questioned if the City’s website was up to date on property assessments noting the rental next to him (622 North) shows taxes in arrears going back 3 years. City Manager Charles noted taxes could have been paid at the County level; staff will take a look at it.

**9. APPROVED – CIVIC EVENT APPLICATIONS: (taken out of order)**

A. Farmers Market, May - October, 2018. MOTION by Lobur, SUPPORT by Yost, “To approve the Civic Event application submitted by the Howell Area Chamber of Commerce for Farmers Market scheduled every Sunday May 6 – October 28, 2018.” MOTION CARRIED (7-0).

B. Michigan Challenge Media Night & Balloon Festival. MOTION by Yost, SUPPORT by Mulvahill, “To approve the Civic Event application submitted by the Howell Area Chamber of Commerce for Michigan Challenge Media Night at Howell City Park scheduled for June 13, 2018.” MOTION CARRIED (7-0).  
MOTION by Ellis, SUPPORT by Mulvahill, “To approve the Civic Event

application submitted by the Howell Area Chamber of Commerce for Balloon Festival scheduled for June 22-24, 2018.” MOTION CARRIED (7-0). MOTION by Ellis, SUPPORT by Lobur, “To approve the permit for fireworks display as presented by the Howell Area Chamber of Commerce.” MOTION CARRIED (7-0).

**5. PUBLIC HEARING – CONSUMERS ENERGY 30 YEAR FRANCHISE AGREEMENT**

Mayor Proctor opened the public hearing at 7:11 p.m.

City Manager Charles indicated Consumers Energy was the natural gas provider in the City of Howell and State law requires a franchise agreement. The proposed agreement mirrors the current 30 year franchise.

Mayor Proctor opened the floor for public comment. There was no response. Mayor Proctor closed the public hearing at 7:12 p.m.

**10. APPROVED – ORDINANCE NO. 914, CONSUMERS ENERGY 30 YEAR FRANCHISE AGREEMENT** (taken out of order)

MOTION by Manor, SUPPORT by Yost, “To adopt Ordinance No. 914, Consumers Energy 30 Year Franchise.” MOTION CARRIED (7-0).

**6. PUBLIC HEARING – PUBLIC SAFETY SPECIAL ASSESSMENT DISTRICT**

City Manager Charles thanked everyone for attending the meeting and provided an overview on the proposed public safety assessment. Public Act 33 enables communities to establish a special assessment district to fund police services and the assessments are based on a property’s taxable value. The process has two steps and the public hearing tonight is on consideration of the district; not the actual levy. Each year as part of the budget process, Mayor & City Council will determine the amount of the special assessment levy. The proposed assessment for the 2018/2019 year is equivalent to three mills, an average of \$202 per property owner.

City Manager Charles further described the four factors contributing to the fiscal stress experienced by the City of Howell and other Michigan communities, including lost State Revenue Sharing, 2008 Recession, Proposal A caps & Headlee Millage Rollbacks, and unfunded liabilities. Michigan is ranked last in general revenue growth from 2002 – 2012 and Michigan communities have lost \$8.1 billion in State Revenue Sharing since 2002. Under Proposal A, the City lost 16 years of value and will never catch up. When the community starts to see growth again, the Headlee Amendment rolls the millage rate back down. The City’s pension system has been underfunded for years and the Municipal Employees’ Retirement System (MERS) changed their actuarial assumptions and funding model in 2015 requiring all plans to be 100% funded by 2039. Even

though the City has always paid their annual required contributions, accelerated payments are now being required. Also reviewed were cost-cutting measures implemented since 2008 including reduction in staff, seven year wage freeze, negotiated health insurance benefits and cost sharing, elimination of retiree health care and lower tier retirement benefits for new hires, and additional employee contributions to the retirement system. The City has also collaborated with local communities on Shared Services and deferred infrastructure projects. The additional revenue will restore funding to maintain and rehabilitate existing infrastructure. The City did raise taxes in 2008 to fund road repairs and were able to utilize the 40% debt forgiveness under the Drinking Water Revolving Fund. Additional road rehabilitation that will be needed over the next ten years is estimated at \$18 million.

The next public hearing will be to review the proposed assessment roll and the amount of the levy; the notice of that meeting scheduled for May 7, 2018 will include the notice of appeal process. Mayor & City Council did consider a Headlee Override however feel that the Public Service Assessment is the appropriate solution.

Mayor Proctor presented some background from the City Council perspective. This problem has been discussed at budget work sessions every year since he was elected to Council in 2013. One of the ideas looked at was eliminating the police department and contracting with the Sheriff's Department which was not a popular solution. Council also discussed the option for a Headlee Override however got the sense that it would not be approved and then implementing the public safety assessment would not be an option. Council feels that this is the best way forward for the City. The special assessment would have to be renewed annually to stabilize the General Fund. The Charter requires the City to provide public safety which is the core of governance. Doing nothing is not an option; taxes are necessary to provide safety to the community.

Mayor Proctor opened the public hearing at 7:55 p.m.

- Ann Heins 212 Prospect. Read a prepared statement indicating that the special assessment process being proposed by the City to balance the budget and continue an existing service is illegal, and the process does not follow state law. Mayor Proctor responded stating the City was complying with State Law.
- Sandra Park, 1133 Curzon, questioned why this issue was not put to a vote and why 7 people get to decide to raise taxes. She also stated her taxes have increased.
- Jeff Kraus, 628 North Street, stated the City has mismanaged their budget, they need to come to the residents and ask when they need money, and he expects the City to be a lot more fiscally responsible. New employees should not be enrolled in a defined benefit program and the City should not be granting tax abatements.

Member Manor addressed the benefits of tax abatements and the importance of maintaining infrastructure. Mayor Proctor added the Council is in a tough spot

trying to do what's best for our community, and also noted the City has an award winning finance department.

- Nancy Brehm, 311 State Street, requested the process for receiving public comment be moved along with more patience and listening from the Council's constituency. She referenced decisions made in the past on the road project and questioned if the allotment toward the road project at that time could have gone to essential services. The citizens do have concerns and are all about the support for their essential services.
- Janice Geroux, stated she owns multiple properties in the City of Howell, lives in Brighton Township; they don't have a police department and do just fine. She was an Assessor when Proposal A was passed and it was a great way to keep taxes affordable; she is afraid the millage rate will go too high.
- Ada Gardiner, 724 Cardinal Court, stated she was retired and this represents a 7% increase in taxes. She indicated the special assessment is a Headlee go-around; a reasonable increase might get a yes vote from the residents.
- Wes Nakagiri of the Gadsden Center proposed contracting out police services with the Livingston County Sheriff's Department noting he has communicated with Sheriff Murphy and he believes there would be significant savings. The City should reexamine how police services are delivered. He also stated per the Open Meetings Act people are not required to give your name and address to speak.

Mayor Proctor indicated the City looked into that option in 2017. With the City department, there is operational control and accountability. The Howell Police Department uses a community policing model; the Sheriff's Department will not provide the same level of service.

- John Davis, 907 Meadowlark, stated he was very proud of the City of Howell and loves the community based police force. He is a pretty regular attendee at the Council meetings. If people want to give their opinion, they should be involved in the process.
- Rick St. Onge, 116 S. Chestnut, questioned why his coworkers (non-residents) don't pay to drive on City roads suggesting a road usage tax. He also questioned how much the event sponsor pays for police and DPW services to facilitate Balloon Festival indicating the City should not support the Chamber of Commerce.

Council indicated this has been discussed and the City will be considering a policy revision to charge back for a percentage of event services.

- Sue Kaba, 174 W. Caledonia, indicated she was born in Howell and the Melon Festival used to be about bringing the community together; now it is more about bringing people in from outside areas. Her street was redone not too long ago and it has more water now than prior to reconstruction.
- Tim Schnelle, 121 Victoria Park, stated he works in property tax assessment and he can verify the problems municipalities are having. The State of Michigan is not going to be coming up with more money. The proposed method of funding is too

easy and there is nothing to prevent a future Council from raising the assessment to 10 mills.

- Pam Stefanski, 116 N. Barnard, stated she rents her home and had a theft a couple years ago, and never received a final report on the case. Police cars drive around and around her neighborhood.
- Margaret Withorn, 509 E. Clinton, stated she has called the Police Department many times and they are very good. She expressed concern with the speeding on Clinton Street; the police park a car in front of her house however do not seem to issue tickets.
- Jill on Thurber, questioned if anything could be done to bring this issue to a vote of the people.
- Ron Gosselin, owns properties in Howell, indicated the special assessment would represent \$3,000 in additional taxes. He already pays the non-homestead rate and he will have to pass the increase on to his renters.

City Manager Charles indicated the additional taxes paid on non-principal resident properties go to the school district.

- Lloyd Geroux, stated he owns 5 homes in the City of Howell and the police force does a fantastic job. The City did not hide the use of the proposed funds and a Headlee Override vote would not be reversible. He would like to see some sort of limit on the number of mills levied with a specific time period. He also stated the City does a lot of good, he can absorb the increase, and he appreciates the hard job that the City Council does.
- Brent Bender, 343 Bush, stated his biggest concern was that the assessment process was a Headlee walk around; the City should be asking the voters first however he understands the problems. Commercial vehicles from Oceola Township also use the roads.
- An unidentified citizen questioned why calendars are being mailed; the City needs to tighten their belts.
- Warren Frazer, 1375 Lakeside, questioned how many residents are senior citizens on fixed income. His 2018 taxable value went up \$3,540, they received an increase from Livingston County to maintain the lake, and they have a higher assessment for being on the lake. The Headlee Amendment is in the resident's favor, a good thing especially for senior citizens. The Council should either decide what needs to be cut or turn it over to the voters.
- Mike Dinoff, 1167 Lakeside, stated he retired from the City of Allen Park and referenced some of the cuts they had to make. If the residents are willing to take less service they need to let the Council know.
- Jim Rutherford, 311 Victoria Park, questioned the number of homeowners in the City that are 100% tax exempt. City Manager Charles indicated approximately 10 homeowners either through the Veteran's or poverty exemption. He stated he has the Veteran's Exemption, 100% service connected, and asked if the city was going to attempt to assess him. He wishes he could pay taxes; other residents should not have to pick up his portion.

- J.R. Drick, 505 W. Caledonia, was happy when he read the calendar saying a millage would be considered however he is now unhappy and objecting to the process. He has reviewed the City Budget for the last 2 years showing new revenue and a fund balance of \$1.9 million.
- Phil Lewis, 310 E. Washington, thanked the City Council for their service and the tough jobs that they do, keeping the city a wonderful place to raise a family. The improvements make a lot of sense. He does not necessarily disagree with the tax increase, he has an issue with transparency and not being given an option. He wants to agree with the Council and likes the Police Department, however the process matters in this case.
- Richard Orich, 209 N. Tompkins, expressed concern with the parking lot improvements behind Heart of Howell and the purchase of the house on N. Center to increase parking indicating there have been some unnecessary expenditures. He stated if Council goes to the voters for an increase and the voters say no, that is their problem.

Mayor Proctor stated Council is not taking the decision lightly; they hear and understand the concerns. They didn't want to go down this path, however they also didn't want to make the large cuts that would change the community. In answer to a question regarding the status of vacant property owned by the City, City Manager Charles indicated there have been three different purchase offers on the property; it is currently under contract and the purchaser is in the due diligence process.

- Arlene Gates, 1073 Heather Heath, stated she loves living in the City (37 years) and loves the Police Department, however questioned if the increase had to be 3 mills or could it be less.
- Ron Gosselin, stated he thinks the people would support a one time 2 mill assessment.
- Larry Rodwell, 110 Riddle, stated that the equivalent of 1 mill each year for 3 years would be a lot easier.

Mayor Proctor thanked the residents in attendance for their comments and closed the public hearing at 9:48 p.m.

## **7. REPORTS – COUNCIL MEMBERS SERVING ON COMMISSIONS**

- Member Ellis reported on the Recreation Authority meeting held April 17, 2018. Approved budget amendments, reviewed quarterly financial reports, and the number of participants registered for programs. The Director is setting up four committees as a result of the strategic planning retreat.
- Member Lobur reported on the Planning Commission meeting held April 18, 2018. Approved a Special Land Use for 1039 N. Michigan, and a slight site plan modification for 160 Catrell.
- Mayor Proctor reported on the Howell Area Fire Authority meeting held April 18, 2018. Approved the 2018/2019 budget, received a \$22,000 grant from Firehouse Subs to purchase a CPR machine, and are moving forward with the expansion of the main station.

8. **COUNCIL CORRESPONDENCE**
- None.
11. **APPROVED – RESOLUTION NO. 18-07 ESTABLISHING PUBLIC SAFETY SPECIAL ASSESSMENT DISTRICT & SCHEDULING PUBLIC HEARING ON SPECIAL ASSESSMENT LEVY**  
MOTION by Ellis, SUPPORT by Manor, “To adopt Resolution No. 18-07 establishing a Public Safety Special Assessment District and setting a public hearing for Monday, May 7, 2018 at 7:00 p.m. at Howell City Hall for the consideration of setting the 2018 Special Assessment Levy.” MOTION CARRIED (7-0).
12. **APPROVED – RESOLUTION NO. 18-08 2018 ARBOR DAY**  
MOTION by Niblock, SUPPORT by Ellis, “To adopt Resolution No. 18-08 in observance of Arbor Day.” MOTION CARRIED (7-0).
13. **APPROVED – MANAGEMENT AGREEMENT FOR HOWELL CITY PARK**  
MOTION by Ellis, SUPPORT by Manor, “To approve the Letter of Understanding between the City of Howell & Howell Area Parks & Recreation Authority to operate the City Park Guard Booth, Beach Front & Boat Launch for the summer of 2018 for a management fee of \$45,000.” MOTION CARRIED (7-0).
14. **APPROVED – SEWER INSPECTION AND TELEVISIONING EQUIPMENT**  
MOTION by Ellis, SUPPORT by Manor, “To approve the purchase of a Proteus Mini Camera System from Jack Doheny Companies for a cost not to exceed \$54,216.” DPS Director Suida indicated the cost of the equipment is reimbursable through its use in part under the SAW grant. MOTION CARRIED (7-0).
15. **APPROVED – RESCIND AUTHORIZED PUBLIC AGENCY, PART 91 SOIL EROSION AND SEDIMENTATION CONTROLS**  
MOTION by Manor, SUPPORT by Ellis, “To rescind the City of Howell as an Authorized Public Agency under Part 91 of the Natural Resource and Environmental Protection Act.” MOTION CARRIED (7-0).
16. **AWARDED BID/PURCHASE – 2018 PAVEMENT CRACK SEALING PROGRAM, CARR’S OUTDOOR SERVICES**  
MOTION by Manor, SUPPORT by Ellis, “To award the 2018 Crack Sealing Program to Carr’s Outdoor Services, Inc., of Canton Michigan for the unit price of \$1.12 per pound and in an amount not-to-exceed \$72,891.” MOTION CARRIED (7-0).
17. **APPROVED - PAYMENT OF BILLS**  
MOTION by Yost, SUPPORT by Ellis, “To approve the payment of bills ending April 23, 2018 in the amount of \$404,132.14 and payroll to cover the period ending

April 28, 2018.” Member Yost questioned Carlisle Wortman and Livingston County Information Technology. Mayor Proctor questioned the vandalism at the skate park. MOTION CARRIED (7-0).

**18. BOARD/COMMISSION APPOINTMENTS – OPERA HOUSE HISTORIC DISTRICT COMMISSION, GERALDINE MOEN & JACQUELINE MULLANEY, TERMS ENDING MAY 20, 2021**

MOTION by Ellis, SUPPORT by Yost, “To reappoint Gerladine Moen & Jacqueline Mullaney to the Opera House Historic District Commission, terms ending May 20, 2021.” MOTION CARRIED (7-0).

**19. CITY MANAGER’S REPORT**

- Friday April 27<sup>th</sup> is Arbor Day at West Street Park.
- Sidewalk ramp rehabilitation has started.
- A request to set the budget hearing for May 21, 2018 will be scheduled at the next meeting.
- The paving company that resurfaced W. Clinton and Gregory will be completing some warranty work.

**20. OLD BUSINESS**

- Mayor Proctor questioned if the remaining fire hydrants would be repainted this summer. DPS Director Suida indicated summer staff would be completing that work.

**21. NEW BUSINESS**

- Member Yost congratulated Howell High School Principal Jason Schrock for receiving the MASSP award.
- Member Manor attended the Spark annual meeting and heard a presentation from the head of the Robert Wilson Foundation. He talked about Michigan and its status, liabilities that we have, infrastructure and our educational system. He made the statement that “the greatest liability we have is fear of venturing out and making decisions to invest in your future; make your choices based on your hopes and not your fears”.

**21. ADJOURN**

MOTION by Niblock SUPPORT by Lobur, “To adjourn the regular meeting of the City Council at 10:07 p.m.” MOTION CARRIED (7-0).

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Nick Proctor, Mayor

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Jane Cartwright, City Clerk