

Minutes
Fraser City Council - Regular Meeting
Thursday, January 14th, 2016 - 7:00pm

A Regular Meeting of the Fraser City Council was conducted on the above date at the City Municipal Building, located at 33000 Garfield Road, Fraser, County of Macomb, Michigan.

Present: Mayor Nichols and Council Members Blanke, Carnagie, Foster, Hemelberg, Lesich and Schornak

Absent: None

Also Present: Richard Haberman, City Manager
Kelly Dolland, City Clerk
Jack Dolan, City Attorney

1. **Call Meeting to Order** - Mayor Nichols called the regular meeting to order at **7:00** p.m.

OPENING PRAYER: Rev. Bradley A. Smith St. John Lutheran Church-Fraser, MI

2. **Pledge of Allegiance**

3. **Approval of Agenda**

Member Lesich moved, seconded by Member Schornak, TO APPROVE AGENDA AS PRESENTED.

Mayor asked for a roll call vote:

Blanke - yes	Lesich - yes
Carnagie - yes	Nichols - yes
Foster – yes	Schornak - yes
Hemelberg – yes	

The motion carried unanimously

Member Blanke moved, seconded by Member Lesich, TO AMEND THE AGENDA TO add under 8f. Add Council rule 4.01, an agenda will be created by the City Manager and approved by the Mayor, three Council members in writing, e-mail, communication or telephone conversation with the City Manager may add or delete any reasonable item within the prepared and approved agenda. Change to be made before posted on Friday prior to the council meeting.

Mayor asked for a roll call vote:

Blanke - yes	Lesich - yes
Carnagie - yes	Nichols - yes
Foster – yes	Schornak - yes
Hemelberg – yes	

The motion carried unanimously

4. **Citizen Participation on Agenda Item - None**

5. **Presentations -**

Plante Moran – Fraser Finances

Members of Plante Moran; Brian Camiller, Laura Knapp and Dave Harrington stated they were hired in April 2015 to deal with the City of Fraser accounting related matters. They provided a PowerPoint presentation of their eight month assignment with the City of Fraser as well as 2015 yearend audit report.

Acting Mayor Hemelberg made a motion to have Plante Moran review the budget, prepare a budget for 2016, prepare a five year plan, and receive a monthly report from the City Manager. Request Plante Moran prepare a quarterly report to confirm the City is on the right track.

Mr. Haberman stated he and the Finance Director now have good numbers and are currently doing this what Acting Mayor Hemelberg' motion.

Member Schornak stated she works for a financial institution and believes the financial outcome from the audit is more like a C- than an A. Believes City of Fraser risk level is high. Questioned the Finance Director and the City Managers ability to allow this to happen.

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Mr. Haberman stated the previous Finance Director gave no indication of a problem.
Member Blanke questioned the unfunded legacy cost and defined benefit pension 2015 audit.
Councilmember Lesich questioned the bank reconciliations, net cash.
Councilmember Foster thanked Mary Jaganjac, asked what the 2016/2017 budget would look like, and questioned the purchasing policies.
Mayor Pro-tem Carnegie questioned who is accountable to oversee payroll, ~ Finance Department.
Mayor Pro-tem Carnegie asked Plante Moran if the City of Fraser has the right people for the job. Plante Moran stated previously no, but currently yes to the Finance Director.
Mr. Camiller stated Plante Moran's goal is to make the city self-sufficient.
Mayor Nichols asked if the City of Fraser's situation is considered financial urgent in nature. ~ Mr. Camiller stated yes, because the City is trending in a direction that you don't want to be trending in.
Councilmember Schornak asked is the cost of Plante Moran's services. Plante Moran and the auditor's last month cost exceeded \$20,000. ~ Plante Moran stated there is an hourly contract signed with the city.
Gary Laine, 16924 Anita commented on the topic.
Ken Immler, Hawk Industries commented on the topic.

Acting Mayor Hemelberg moved, second by Member Foster, TO HAVE PLANTE MORAN REVIEW AND CREATE A BUDGET FOR THE NEXT FISCAL YEAR, HAVE THE CITY MANAGER PROVIDE A MONTHLY UPDATE, HAVE PLANTE MORAN DO QUARTERLY CHECKS TO CONFIRM THE CITY IS FOLLOWING THE BUDGET AND MEETING OUR PROJECTIONS.

The motion carried unanimously

6. Public Hearing -

A. Healthmark Industries Application for creation of Plant Rehabilitation Agreement.
Camille Silda and John Dondanville represented Healthmark Industries stated the Plant Rehab District is only used in cases of rehabilitation of a building that is obsolete and due to the age of the utility system in the building, Gary Blash, the previous Assessor wrote a letter stating such.
Mr. Dondanville spoke of the growth of the company, Phase I which is completed, Phase II is renovation of an old warehouse, with new loading shipping and receiving, Phase III is in the works.
Councilmember Lesich spoke on the topic.
Councilmember Blanke spoke on the topic.
Public Hearing opened at: 10:40pm
Anna Cameron, 34273 Garfield Circle spoke on the topic.
Public Hearing Closed at: 10:42pm
Councilmember Schornak spoke on the topic.
Councilmember Blanke spoke on the topic.
Conversation ensued
Ken Immler, Hawk Industries spoke on the topic.
Gary Placido, 15338 Rambling Dr. spoke on the topic.
Resident 17107 Grettel spoke on the topic.

Mayor Pro-tem Carnegie moved, second by Mayor Nichols FOR THE ESTABLISHMENT OF THE PLANT REHAB DISTRICT.

The motion carried unanimously

Acting Mayor Hemelberg moved, second by Mayor Nichols FOR THE APPROVAL OF THE APPLICATION FOR THE INCENTIVE.

The motion carried unanimously

7. Consent Agenda

Acting Mayor Hemelberg moved, seconded by Member Schornak, TO APPROVE THE CONSENT AGENDA ITEMS AS PRESENTED.

The motion carried unanimously

8. Requests For Council Action

a) Request Council consider an Ordinance Amending and Revising in the Code Of Ordinances Chapter 32 Zoning adding under Section 32-134(1) Subparagraph J Permitting the Indoor Storage and Indoor Sale of Classic Automobiles, Providing for Definition, Regulations, Repealer, Severability, Penalties and Effective Date.

Dave Coulier, Show Down Motors and Dan Doldan were present.

Mr. Haberman stated he and the Building Official does not see a down side as far as impact on adjacent property owners and traffic patterns. Their recommendation to Council is to overrule the Planning Commission's rejection and approve the request.

Mr. Dolan spoke of the ordinance.

Mayor Pro-tem Carnegie spoke on the topic.

Councilmember Lesich spoke on the topic.

Councilmember Blanke spoke on the topic.

Councilmember Foster spoke on the topic.

Paul Cilluffo, 31640 Cyril spoke on the topic.

Acting Mayor Hemelberg moved, seconded by Member Foster, to REQUEST COUNCIL CONSIDER AN ORDINANCE AMENDING AND REVISING IN THE CODE OF ORDINANCES CHAPTER 32 ZONING ADDING UNDER SECTION 32-134 (1) SUBPARAGRAPH J PERMITTING THE INDOOR STORAGE AND SALE OF CLASSIC AUTOMOBILES, PROVING FOR DEFINITION, REGULATIONS, REPEALER, SEVERABILITY, PENALTIES AND EFFECTIVE DATE.

The motion carried unanimously

b) Request the Council approve a budget amendment from Fund Balance to Account Number 101-101-757-000 in the amount of \$5,500 for the purchase of iPad devices for City Business.

Councilmember Schornak stated she will not use the iPad.

Councilmember Blanke stated she will not use the iPad.

Mr. Haberman spoke of benefits of the iPads.

Councilmember Lesich currently uses his iPad for the meetings.

Councilmember Schornak stated she will pick up the meeting packet from the City Manager's Office. She never asked to have the packet delivered to her address.

Councilmember Blanke stated she will pick up the meeting packet from the City Manager's Office.

Nancy Berube, 31425 Kelly Rd. spoke on this topic.

Janet Calabrese, 17926 Breezeway spoke on this topic.

Councilmember Lesich moved, seconded by Mayor Nichols, to Request the Council approve a budget amendment from Fund Balance to Account Number 101-101-757-000 in the amount of no more than \$5,500 for the purchase of iPad devices for City Business.

The motion carried unanimously

c) Request Council adopt addition to the Council Rules and Procedures addressing the process for appointment of an individual to fill a vacant seat on the City Council under Section 5.4 of the City Charter.

Member Lesich moved, seconded by Acting Mayor Hemelberg, to POSTONE ACTION TO NEXT SCHEDULED MEETING. Councilmember Lesich withdrew his motion.

Councilmember Blanke moved, Seconded by Acting Mayor Hemelberg, that Council use section 5.4 of the Charter of the City of Fraser states a vacancy on the City Council shall be filled by appointment by the Council, of a person possessing the qualifications for the office. The process for this appointment will be to contact the next highest vote getter from the previous election to see if he/she is interested in filling the vacancy. If not the same process will be followed for the

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next highest vote getter and so on. If all persons are not interested if filling the vacancy the same process will be used for the election of the next previous election and so on until the vacancy is filled. This would be a council rule, not under City Charter. Council must declare a vacancy, and then fill the vacancy 45 days of meeting date as amended.

Mr. Haberman suggested an amendment; Council must declare a vacancy, and then fill the vacancy 45 days of meeting date.

Mayor Pro-tem Carnegie inquired when the person will be sworn in at that meeting.

Councilmember Blanke moved, Seconded by Acting Mayor Hemelberg, to REQUEST COUNCIL TO USE SECTION 5.4 OF THE CHARTER TO AMEND THE COUNCIL RULES OF THE CITY OF FRASER STATING A VACANCY ON THE CITY COUNCIL WILL BE FILLED BY APPOINTMENT BY THE COUNCIL, OF A PERSON POSSESSING THE QUALIFICATIONS FOR THE OFFICE. THE PROCESS FOR THIS APPOINTMENT WILL BE TO CONTACT THE NEXT HIGHEST VOTE GETTER FROM THE PREVIOUS ELECTION TO SEE IF HE/SHE IS INTERESTED IN FILLING THE VACANCY. IF NOT THE SAME PROCESS WILL BE FOLLOWED FOR THE NEXT HIGHEST VOTE GETTER AND SO ON. IF ALL PERSONS ARE NOT INTERESTED IN FILLING THE VACANCY THE SAME PROCESS WILL BE USED FOR THE ELECTION OF THE NEXT PREVIOUS ELECTION AND SO ON UNTIL THE VACANCY IS FILLED.

The motion carried unanimously

d) Request the Council consider rule changes regarding the use of electronic devices during Council meetings as recommended by the Mayor, Mayor Pro Tem and Acting Mayor and adopt the Electronic Equipment and Internet Policy presented by the Administration for Council and Employees.

Member Lesich moved, seconded by Acting Mayor Hemelberg, to TABLE ACTION TO NEXT SCHEDULED MEETING.

The motion carried unanimously

e) Extend City Manager's contract in its current form for an indeterminate period.

Councilmember Lesich asked of the six month severance ~ Mr. Dolan stated if there were a separation; a six month severance pay would go into effect. ~

Indeterminate period means Mr. Haberman will continue to serve until Council advises him not to and the six month severance pay would go into effect. The term month to month, means at the end of the month it's over that's it.

Paul Cilluffo, 31640 Cyril spoke on this topic.

Councilmember Lesich moved, seconded by Mayor Nichols to EXTEND THE CITY MANAGER'S CONTRACT IN IT'S CURRENT FORM FOR AN INDETERMINATE PERIOD AND SET A REVIEW OF THE CITY MANAGER WITHIN 60 DAYS.

The motion carried unanimously

f) Discuss the preparation of Council agenda.

Mayor Nichols moved, seconded by Councilmember Lesich to TABLE DISCUSSION OF THE PREPARATION OF CITY COUNCIL AGENDA TO THE NEXT SCHEDULED MEETING.

The motion carried unanimously

9. Report of City Administration/Pending Items

Mr. Haberman spoke of a successful Public Safety bust.

10. Report of Mayor and City Council/New Business

Councilmember Lesich spoke of the Valentine's Day Dance.

Councilmember Blanke spoke of the Recreation Commission.

Councilmember Foster thanked her fellow Council members.

Member Schornak mentioned the Boundless Park Valentine's Day Dance Fundraiser and Library fundraiser.

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Acting Mayor Hemelberg thanked all.
Mayor Pro-tem Carnegie spoke old Dairy Queen building on Groesbeck.
Mayor Nichols thanks the City of Fraser residents and Council.

11. Citizen Participation

Laura Lesich 15201 Fairview spoke of the Finance Department.
17107 Grettel resident spoke of the meeting.
Dave Winowiecki, spoke of the meeting.
Paul Cilluffo, spoke of various topics.

12. Adjournment

Acting Mayor Hemelberg moved, seconded by Mayor Nichols, to ADJOURN THE REGULAR COUNCIL MEETING OF JANUARY 14th AT 12:19 A.M.

The motion unanimously,

Respectfully submitted,

Kelly Dolland, City Clerk

Joe Nichols, Mayor

/kd