

CITY OF BRIGHTON
CITY COUNCIL MEETING
CITY HALL
August 15, 2013

Regular Blue Sky: 7:00 p.m.: Review of Agenda Items for this evening's meeting

REGULAR SESSION - 7:30 P.M.

1. Call to order
2. Pledge of Allegiance
3. Roll Call
4. Consider approval of the Agenda
5. Approval of [minutes: Regular Meeting & Closed Session of August 1, 2013](#)
6. Mayor's Reading of Citizen Inquiries received since the last City Council Meeting
7. Call to the Public

Consent Agenda

8. Consider approval of Mayor's recommended appointment to fill the City resident-at-large vacancy on the SELCRA Board
9. Consider approval of Mayor's recommended appointment to fill the DDA District Resident vacancy on the DDA Board
10. Consider approval of the [Quarterly Investment report](#) from the Finance Director

Policy Development & Customer Communications' action item

11. Consider action as may be recommended by the City Attorney regarding pending code violations
12. Receive, discuss, and give further direction to the City Manager on a staff report regarding [proposed projects for the infrastructure, public facilities/public parks, and public safety equipment/law enforcement technology related Headlee Millage Lid Override election ballot proposals](#)
13. Establish dates for the 2013 annual City Council Goal-Setting Retreat

Other Business

14. Information for City Customers
15. Receive updates from Council Member Liaisons to other Boards and Commissions
16. Call to the Public
17. Consider closed session as may be requested by the City Attorney
18. Adjournment

MINUTES OF THE MEETING OF THE CITY COUNCIL OF BRIGHTON
HELD ON AUGUST 1, 2013 AT THE BRIGHTON CITY HALL
200 N. 1ST STREET, BRIGHTON, MICHIGAN

BLUE SKY SESSION

The Council conducted a Blue Sky Session at 7:00 p.m. Present were Mayor Muzzin, Councilmembers Bohn, Bandkau, Schillinger, Roblee and Pipoly. The Council reviewed the evening's agenda.

REGULAR SESSION

Mayor Muzzin called the regular meeting to order at 7:30 p.m. Following the Pledge of Allegiance, the roll was called, there being present were Mayor Muzzin, Councilmembers Bandkau, Pipoly, Schillinger, Roblee and Bohn. Also in attendance were Attorney Paul Burns, Staff members Dana Foster, Dave Blackmar, Denise Meier, Diana Lowe, Jennifer Burke, Amy Cyphert, Matt Modrack and Tom Wightman and an audience of 2. Press and Media included Jim Totten of Livingston County Press & Argus and Tom Tolen of WHMI.

It was moved by Councilmember Bandkau, seconded by Roblee to excuse Mayor Pro-Tem Cooper from the evening's meeting. Motion passed.6-0-1.

AGENDA APPROVAL

It was moved by Councilmember Pipoly, seconded by Roblee to approve the agenda as amended. Add to item #14, Regarding Pending Litigation. Add item #14a, Pending Litigation Closed Session Action. Motion passed 6-0-1.

MINUTES APPROVAL

It was moved by Councilmember Roblee, seconded by Bohn to approve the Regular Meeting minutes of July 18, 2013 as corrected. Page 5, City Customer Information, eighth paragraph, second sentence, should read: "Councilmember Bohn", not "himself". Motion passed 5-0-1-1, with Councilmember Schillinger abstaining.

It was moved by Councilmember Bohn, seconded by Bandkau to approve the Closed Session minutes of July 18, 2013 as presented. Motion passed 5-0-1-1, with Councilmember Schillinger abstaining.

CITIZEN INQUIRIES

None.

CALL TO THE PUBLIC

Mayor Muzzin opened the Call to the Public at 7:34 p.m. The following comments were heard:

Pat Cole, Brighton City, inquired as to the purpose of the Blue Sky Session and objected to Council's discussion regarding possible Headlee Millage Lid Override Ballot proposal.

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City Manager, Dana Foster stated the Blue Sky Session is on the agenda to review and discuss the agenda items.

Hearing no further comment the Call to the Public was closed at 7:37 p.m.

CONSENT AGENDA

It was moved by Councilmember Bohn, seconded by Pipoly to approve the Consent Agenda as presented. Motion passed 6-0-1.

The following items were approved:

1. Approved a site plan extension for the Veterans Memorial, last dated 4-3-2012, as drawn by Lindhout Associates, job #1229, subject to the following conditions:
 1. That irrigation is provided for the new planting beds.
 2. That right of way permits are obtained from the Department of Public Services, if applicable.
 3. That any damages done to the existing public sidewalk be repaired to current condition.
 4. That an engineering review be conducted during the building permit process, if applicable.

MEDC GRANT PUBLIC HEARING

Mayor Muzzin opened the Public Hearing to review completed projects funded with MEDC grants at 7:41p.m. The following comments were heard:

DDA/Community Development Director, Matt Modrack gave a slide presentation regarding the MSC 209195- CDI grant for infrastructure and façade for the Main-West Crosswalk, West Street Parking Lot, North Street Crosswalk and improvements, West Street improvements, North Street Parking Lot and Champ's Pub Façade. He gave a slide presentation regarding the MSC 211004- CDF grant for the Mayday Building façade improvements.

City Manager, Dana Foster stated the DDA was not a party or signatory on any loans for the projects.

It was moved by Councilmember Roblee, seconded by Pipoly to direct City Staff to submit formal grant closeout documentation to MSHDA for grants MSC 209195-CDI and MSC 211004- CDF. A roll call vote was taken. Yes: Schillinger, Bohn, Bandkau, Muzzin, Roblee, Pipoly. No: none. Absent: Cooper. Motion passed 6-0-1.

POSSIBLE HEADLEE MILLAGE LID OVERRIDE BALLOT PROPOSAL

City Manager, Dana Foster explained Capital Improvement funding history. He presented language drafted by the City Attorney for a possible Headlee Millage Lid Override Ballot proposal for the November, 2013 election.

There was Council discussion regarding borrowing funds, debt coming off the books in future years, pay-as-you-go, the period for the levy of the mills going from 15 to 10 years, prioritizing streets to be improved, and investment to the City, a spending plan for the funds generated, a list of projects we have not had funding for in the past few years.

Mayor Muzzin read the draft Millage Election Language for each of the four proposals. It was moved by Councilmember Pipoly, seconded by Bandkau to approve the following ballot proposal language for the November 5, 2013 General Election:

Shall the City of Brighton, for the purpose of improvement, repair and maintenance of public streets, public sidewalks and public storm drainage facilities, levy up to 1.2500 mills (\$1.2500 per thousand dollars of taxable value on all real and personal property) for a period of ten (10) years, 2014-2023, inclusive? If this new millage is approved and levied in December 2013, the estimated amount of revenue that would be collected in the first year would be approximately \$487,061.21.

Shall the City of Brighton, for the purpose of purchasing and maintaining public safety equipment, which may include patrol vehicles, body armor, weapons and law enforcement-related technology, levy up to 0.3800 mills (\$0.3800 per thousand dollars of taxable value on all real and personal property) for a period of ten (10) years, 2014-2023, inclusive? If this new millage is approved and levied in December 2013, the estimated amount of revenue that would be collected in the first year would be approximately \$148,066.61.

Shall the City of Brighton, for the purpose of improvement, repair and maintenance of public buildings and public parks, levy up to 0.3700 mills (\$0.3700 per thousand dollars of taxable value on all real and personal property) for a period of ten (10) years, 2014-2023, inclusive? If this new millage is approved and levied in December 2013, the estimated amount of revenue that would be collected in the first year would be approximately \$144,170.12.

Shall the City of Brighton, for the purpose of replacing the existing residential rubbish collection fee, levy up to 1.1580 mills (\$1.1580 per thousand dollars of taxable value on all real and personal property) for a period of ten (10) years, 2014-2028, inclusive? If this new millage is approved and levied in December 2013, the estimated amount of revenue that would be collected in the first year would be approximately \$451,213.51.

A roll call vote was taken. Yes: Schillinger, Bohn, Muzzin, Bandkau, Roblee, Pipoly. No: none. Absent: Cooper. Motion passed 6-0-1.

CITY CUSTOMER INFORMATION

City Manager, Dana Foster gave a Third Street sewer repair update and stated Wastewater Treatment Plant incline pump removal has occurred.

Mayor Muzzin thanked Dana Foster, DPS, Police, Fonson Construction and the residents for working together on the 3rd Street sewer repair.

City Manager, Dana Foster stated a resident offered electrical service to Fonson Construction to help with the repair.

Councilmember Bandkau gave a Veteran's Memorial Improvement update.

Councilmember Roblee stated this weekend is the Fine Art and Acoustical Music Festival. 88 artists will be coming to the City of Brighton. The 27 pieces of Plein Air art will be voted on by the public this weekend and Sunday the winners will be announced.

Councilmember Pipoly urged everyone to read the newspaper article in The Currant regarding Chief Wightman.

CALL TO THE PUBLIC

Mayor Muzzin gave a Call to the Public at 8:45 p.m. The following comment was heard:

Pat Cole, Brighton City, accused the Council of making decisions in Blue Sky Session.

Hearing no further comment, the Call to the Public was closed at 9:50 p.m.

Mayor Muzzin read the from Webster's dictionary the definition of "decision". He stated City Council did not come to any resolution in the Blue Sky Session.

City Attorney, Paul Burns stated that Blue Sky is an open public meeting. Years ago the Council decided it would not take votes at the Blue Sky Session because it was, in nature, a worksession to get ready for the Regular Council meeting. Council may take action at the Blue Sky Session, it is not illegal. The main meeting is televised, but there is no legal obligation to televise the meeting.

PENDING LITIGATION CLOSED SESSION

It was moved by Councilmember Pipoly, seconded by Roblee to go into Closed Session to discuss Michigan Tax Tribunal pending litigation pursuant to MCL 15.268(e). A roll call vote was taken. Yes: Bohn, Schillinger, Muzzin, Bandkau, Roblee, Pipoly. No: none. Absent: Cooper. Motion passed 6-0-1.

The Council convened into Closed Session at 8:52 p.m.

The Council reconvened the Regular Session at 8:55 p.m.

PENDING LITIGATION CLOSED SESSION ACTION

It was moved by Councilmember Bandkau, seconded by Pipoly to authorize the proposed settlement for the North Street Partners Michigan Tax Tribunal litigation for 2012 and 2013. Motion passed 6-0-1.

It was moved by Councilmember Pipoly, seconded by Roblee to authorize the City Attorney to dismiss the City of Brighton vs. Buon Gusto litigation as they have come into compliance with our Ordinance regarding the mirrored windows. Motion passed 6-0-1.

ADJOURNMENT

It was moved by Councilmember Roblee, seconded by Bohn to adjourn the meeting at 8:57 p.m. Motion passed 6-0-1.

MEMORANDUM

To: Dana Foster, City Manager

From: Kelly Hanna, Finance Director



Date: August 6, 2013

Subject: The City's Quarterly Investment Report as of June 30, 2013

Attached you will find the City's Quarterly Investment Report as of June 30, 2013.

In comparison to the quarter ended March 31, 2013, the City's total investment/bank balance has decreased by \$983,247 or 19% to \$4,065,831, which is generally indicative of the fact that the majority of the City's tax revenue levied is collected in the first quarter of the fiscal year, while expenditures are relatively more constant throughout the year. In comparison to the same quarter a year ago, i.e., the quarter ended June 30, 2012, the City's total investment/bank balance has increased by \$351,936 or 9%. This is reflective of projected higher ending fund balances.

In comparison to the quarter ended March 31, 2013, the City's average rate of return on investments decreased from 0.43% to 0.24%. The decrease is reflective of less certificate of deposit investments, which were earning a higher rate than the money market accounts. The City continues to earn more than the benchmark 3-month Treasury Bill Rate and Fed Funds Rate.

Since March 31, 2013, the City's investment in FDIC insured CD's decreased by \$1,763,867. The City's collateralized deposits/investments with JP Morgan Chase Bank totaled approximately \$1,540,745 or approximately 38% of the City's overall portfolio.

Attached you will find a quarterly investment report prepared by the City Treasurer, per the Adopted Investment Policy. We continue to work within the primary objectives of the City's Investment Policy, which, in priority order, are; safety, liquidity and return on investment.

Let me know if you have any questions.

MEMO

To: City Council
From: Fern Jackson, Treasurer 
Subject: 2nd Quarter investment report
Date: July 23, 2013

The City of Brighton currently has 6 certificates of deposits with various Michigan banks within an 18 month maturity or less. There were 2 CD maturities purchased this quarter in the utilities fund and one in the utilities replacement fund as we wage the cost of keeping our funds liquid vs. low rate of return rate from pooled money market accounts.

The interest rates of these outstanding certificates range from .40% to a maximum of .65% and will vary in amounts from \$150,000 to \$250,000. Laddering the investments out provides an on going steady interest income, which is an additional revenue to the City budget. This also protects the interest revenue from market declines in the money market accounts. The general fund currently holds CD's in the amount of \$651,737.24 which is from the tax revenue received from the tax bills due August 15 of each year. The Utilities fund currently holds 2 CD's in the amount of \$350,087.61.

Our current financial institutions which we hold money market accounts with are providing .20% to .25% interest rates on 23.92% of our total investments. These funds are completely liquid in nature and are available to use on demand. Certificates of Deposit require a penalty in interest; normally one month is forfeited, if they are needed prior to their maturity. Municipalities are allowed to only use Michigan banks for investment purposes.

Consumer prices rose .5% in June with a 6.3% increase in gas prices for roughly two thirds of the increase. The Bureau of Labor Statistics said that put the consumer inflation rate for the last 12 months at 1.8%. Industrial production accelerated in June and the Federal Reserve said the nation's factory output rose .3%, which was far better than May's flat reading. Up 2% from a year ago, the industrial output has risen. Housing starts tapered off in June, based on the reports from Commerce Department. Building permits also fell 7.5% for the month; however, both housing starts and building permits remained solidly higher than the previous June. The job market has also shows some signs of recovery. Non-farm payrolls have expanded on average by around 200,000 jobs per month from January through June. The proportion of unemployed workers who have been without a job for 6 months or more has fallen to less than 37% from about 40% when Bernanke launched the third round of quantitative easing in September. Retail sales climbed .4% last month, about half of what economists forecast, and the figures showed households are replacing outdated vehicles and furnishing new homes while cutting back on electronics and meals outside the home.

The Fed's bond purchases will remain divided between \$40 billion a month of mortgage-backed securities and \$45 billion a month of Treasury securities. The central bank will also continue reinvesting securities as they mature. It repeated that it's prepared to increase or reduce the pace of purchases depending on the outlook for the job market and inflation. The Fed also left unchanged its statement that it plans to hold its target interest rate near 0 as long as unemployment remains above 6.5% and the outlook for inflation doesn't exceed 2.5%.

Investor concern that the Fed may soon start to start to reduce the pace of asset purchases this month pushed 10 year Treasury yields to a 14 month high, rising from 2.19 to 2.26%. Stocks extended losses after the statement.

CITY OF BRIGHTON
 QUARTERLY INVESTMENT REPORT
 AS OF JUN. 30, 2013*

<u>Investment Account</u>	<u>Account Balance</u>	<u>Maturity Date</u>	<u>Current % Interest Rate</u>	<u>Average R.O.R.</u>	
JP Morgan Chase & Co. - A/P	551,652.42	Immediate	0.00%	0.00%	4,065,830.80
JP Morgan Chase & Co. - Payroll	728,674.27	Immediate	0.00%	0.00%	4,065,830.80
JP Morgan Chase & Co. - Employee FSA	10,380.44	Immediate	0.00%	0.00%	4,065,830.80
JP Morgan Chase & Co. - Escrow	100,229.69	Immediate	0.20%	0.00%	4,065,830.80
JP Morgan Chase & Co. - Payroll MM	70,056.70	Immediate	0.20%	0.00%	4,065,830.80
JP Morgan Chase & Co. - Money Market	<u>79,751.32</u>	Immediate	0.20%	0.00%	4,065,830.80
Total Chase Bank	1,540,744.84				
Michigan Commerce - Police Forfeiture	18,813.61	Immediate	0.15%	0.00%	4,065,830.80
Michigan Commerce - Juvenile	231.21	Immediate	0.00%	0.00%	4,065,830.80
Michigan Commerce - Tax account	<u>17.31</u>	Immediate	0.00%	0.00%	4,065,830.80
Total Michigan Commerce Bank	19,062.13				
First National Bank-tax account	<u>199,670.25</u>	Immediate	0.25%	0.01%	4,065,830.80
Total 1st Natl Bank	199,670.25				
Level 1-Money Market	722,492.07	Immediate	0.25%	0.04%	4,065,830.80
Level 1-U/B checking	<u>2,441.56</u>	Immediate	0.00%	0.00%	4,065,830.80
Total Level 1	724,933.63				
LOTUS BANK	<u>202,369.97</u>	Immediate	0.40%	0.02%	4,065,830.80
Total Lotus Bank	202,369.97				
FIRST NATIONAL BANK OF AMERICA		Immediate	0.50%	0.00%	4,065,830.80
Total First National Bank of America	<u>202,209.69</u>				
	202,209.69				
CD-CRESTMARK BANK	175,015.44	12/26/2013	0.40%	0.02%	4,065,830.80
CD-THE PRIVATE BANK	150,005.42	12/29/2014	0.65%	0.02%	4,065,830.80
CD-FLAGSTAR	150,206.67	9/17/2013	0.40%	0.01%	4,065,830.80
CD-UNITED BANK	250,133.56	7/25/2013	0.65%	0.04%	4,065,830.80
CD-UNITED BANK	200,082.19	11/27/2013	0.50%	0.02%	4,065,830.80
CD-HURON VALLEY	<u>251,397.01</u>	8/29/2013	0.55%	0.03%	4,065,830.80
Total Certificate of Deposits	1,176,840.29				
TOTAL	<u>4,065,830.80</u>		5.30%	<u>0.2442%</u>	4,065,830.80
Avg. three Month Treasury Bill Rate				0.0516%	
Average three Month Fed Funds Rate				0.1170%	
City's Avg. R.O.R. over/(under) the 3-month T-Bill Rate				0.19%	
City's Avg. R.O.R. over/(under) the Avg. Fed Funds Rate				0.13%	

* From the website below

<http://bonds.yahoo.com/>

** From the website below

<http://app.ny.frb.org/markets/omo/dmm/fedfundsdata.cfm>

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*Amounts match the bank statement balance and there may be reconciling items between the General Ledger and the bank.

PROPOSAL 13-01

Shall the City of Brighton, for the purpose of improvement, repair and maintenance of public streets, public sidewalks and public storm drainage facilities, levy up to 1.2500 mills (\$1.2500 per thousand dollars of taxable value on all real and personal property) for a period of ten (10) years, 2014-2023, inclusive? If this new millage is approved and levied in December 2013, the estimated amount of revenue that would be collected in the first year would be approximately \$487,061.21.

PROPOSAL 13-02

Shall the City of Brighton, for the purpose of purchasing and maintaining public safety equipment, which may include patrol vehicles, body armor, weapons and law enforcement-related technology, levy up to 0.3800 mills (\$0.3800 per thousand dollars of taxable value on all real and personal property) for a period of ten (10) years, 2014-2023, inclusive? If this new millage is approved and levied in December 2013, the estimated amount of revenue that would be collected in the first year would be approximately \$148,066.61.

PROPOSAL 13-03

Shall the City of Brighton, for the purpose of improvement, repair and maintenance of public buildings and public parks, levy up to 0.3700 mills (\$0.3700 per thousand dollars of taxable value on all real and personal property) for a period of ten (10) years, 2014-2023, inclusive? If this new millage is approved and levied in December 2013, the estimated amount of revenue that would be collected in the first year would be approximately \$144,170.12.

PROPOSAL 13-04

Shall the City of Brighton, for the purpose of replacing the existing residential rubbish collection fee, levy up to 1.1580 mills (\$1.1580 per thousand dollars of taxable value on all real and personal property) for a period of ten (10) years, 2014-2023, inclusive? If this new millage is approved and levied in December 2013, the estimated amount of revenue that would be collected in the first year would be approximately \$451,213.51.