

THE CORUNNA CITY COUNCIL
MINUTES OF REGULAR MEETING
April 21, 2014

Present: Horton, Rodriguez, Sliwa, Bennett, Hess.

Absent: Johnson.

Guests: Joe Sawyer, City Manager; Merilee Lawson, City Planner/Assessor; Tim Crawford, Superintendent of Public Works; Rex Menzer; Bob Morehouse; Diane Johnson, John and Pat Sinnott.

The meeting was called to order in council chambers in the lower level of the Community Center by Mayor Kerridge at 7:00 p.m.

MINUTES OF THE PREVIOUS MEETING: Bennett moved, Rodriguez seconded, to approve the minutes of the 04-07-2014 regular council meeting.

Roll Call Vote:

Yes: Rodriguez, Sliwa, Bennett, Hess, Horton.

No: None.

Motion CARRIED.

AGENDA APPROVAL: Bennett moved, Horton seconded, to approve the agenda as presented with the following addition: Excuse Councilperson Johnson from the 04-21-2014 regular council meeting due to work conflict.

Roll Call Vote:

Yes: Bennett, Hess, Horton, Rodriguez, Sliwa.

No: None.

Motion CARRIED.

APPROVAL OF VENDOR DISBURSEMENTS: Rodriguez moved, Hess seconded, to approve vendor disbursements from 03-28-2014 through 04-10-2014 as presented.

Roll Call Vote:

Yes: Bennett, Hess, Horton, Rodriguez, Sliwa.

No: None.

Motion CARRIED.

CALL TO THE AUDIENCE: John Sinnott of 443 E. Oliver St. stated that he went to city hall that afternoon to ask about his water credit. He ran his water, the size of a pencil lead, at the request of the city, to help keep water lines from freezing. He was told that he did not get a credit because his average use came to 12-13,000 for the period and his water use was only 11, 000. He stated that, of course, the water use would be down in the winter and there was no one home all day. He was told that the city could add 2,000 gallons to the bill and then discount it. He wanted to know where his adjustment was and why he was told that 2,000 gallons would be added to his bill and then discount it. Rodriguez stated that they did not have the information to have an answer for him. Sinnott stated that he was conserving water. He did what he was asked to do and was told that 2,000 gallons would be added to the bill then credited. Pat Sinnott spoke up saying that they were disappointed in the response. She said that she went back into city hall and asked to make an appointment with the city manager and was told that they do not make appointments for him. They just took my name and number, but she did not get a response back. Bennett stated that the bill was based on usage. Mrs. Sinnott stated that was what they wanted to know; how the adjustment was made. Granted, she stated, they did not run the water 24/7, but did run it at night. Sawyer stated it was based on history and this is how every city does this. He stated that Cowdrey went through over 1200 accounts to check for abnormal usage. If there was abnormal use, there was a credit given. Sawyer stated that he had Sinnott's history for the past six years. Mrs. Sinnott interrupted and stated that so Sawyer did know about the message and did not call her back. Sawyer stated that he was busy doing

the budget that afternoon and did not have the time to call. Sawyer continued stating that the winter utility history, which Mr. Sinnott suggested they compare, was much higher. Mrs. Sinnott stated that it was unfair to compare a quarterly bill when they only ran the water for a month. She stated that Facebook stated that all customers needed to do this and you will get a credit. Sawyer stated that it said credit would be given accordingly. If you used more water, you would get the credit. He asked the Sinnotts how many thousands of gallons they thought they were owed. Mr. Sinnott raised his voice and stated that was not the point. Sawyer stated, yes, it was the point. Mr. Sinnott complained that he was not being listened to and Sawyer asked the mayor if Sinnott had gone over his three minutes. Mr. Sinnott shouted that he was not looking for a discount. He wanted to know why he was treated that way in the office and told that they would add 2,000 gallons then discount it. He then stated that they were being held hostage because they are customers. Mrs. Sinnott stated that they were business owners and did not need to be treated that way. They then left the meeting. Rodriguez asked who was in the office today. Sawyer stated that sometimes people come in to the office and misrepresent themselves. Council can see what the front office goes through. Bennett stated that he was confused that Sinnott's argument was changed from getting a credit to how he was treated. Horton stated that they used 3,000 gallons less than the quarter before. Even from the previous winter quarter, it was less. Rodriguez stated that he made an accusation that he was treated rudely. Bob Morehouse, Converse St. stated that he had the same problem. He used 5,000 gallons the previous quarter and this quarter he used 6,000 gallons and he did run his water. Sawyer stated that he got a 2,000 credit. Morehouse stated that he should not have been billed more than 5,000. Sawyer stated that he used 8,000 gallons and was given a credit for 2,000. Cowdrey did not credit the first 1,000 extra because that could have been a normal flip of the meter. Morehouse stated that he probably only used 5,000 gallons. Bennett asked what the cost of 1,000 gallons would be and Sawyer stated about \$5.50. Rodriguez wanted to know who he talked to in the office and made him feel that he was treated rudely. She stated that the Sinnotts did come in with legitimate concerns and said that there was one person out of the house during the day so they would have less usage. Those things should be taken into consideration and it should not be cut and dried. They did what they thought was right in good faith. Sawyer stated he explained to the Sinnotts how the city did this and asked what he thought his credit should be and he could not answer that. Sawyer stated that Mr. Morehouse said he thought he should have another 1,000 credit and he understood that. Rodriguez stated that by the time they got to the meeting they were frustrated. Lawson asked if Bayless was present during the discussion and Bayless stated yes. Lawson asked if a statement was made about adding 2,000 gallons to the bill and Bayless stated that she did not hear that. Bennett asked who talked to the Sinnotts and Bayless answered Nichole Cowdrey. Bennett stated that he did not want to get into a "he said, she said". But, he stated, that he was trying to get Mr. Sinnott to get to the point and he went off on something else. Sawyer stated that the city could have given everyone in town a 1,000 gallon credit, but then they would have had to charge an additional 1,000 gallons on everyone's bill the next time to pay the bill. Rodriguez stated that if someone did what the city asked them to do and then did not get a reduction in the bill that requires it to be looked into. Sawyer agreed, and stated it was looked into and that half a day was spent on it. Bennett stated it is not like it was a \$500 or \$50 credit, it was \$5. Sawyer stated that sometimes we deal with difficult people and council needs to understand that. Sawyer stated that he felt that there was an insinuation that the office did not try to work with them. Rodriguez stated that they did understand that. Bayless stated that they did try. They came in angry. Crawford stated that what they did was not what people were told to do. Turning the water on and off and only running it the size of a pencil lead was not what was ordered. Rodriguez stated that it was too hostile and could have been handled differently. She stated that we accommodate a lot of people in this town when they get upset and we don't need to lose another business owner over \$5.00. Sawyer stated that the city operates on rules and procedures. We cannot start giving credit because someone owns a business and not to someone else. The one thing we try to do is be consistent. That is the most important thing the city can do.

MANAGER'S REPORT: Nothing to report.

CONSIDER EXCUSAL OF COUNCILPERSON JOHNSON FROM THE APRIL 21, 2014 REGULAR COUNCIL MEETING DUE TO WORK CONFLICT: Bennett moved, Horton seconded, to excuse Councilperson Johnson from the April 21, 2014 regular council meeting due to a work conflict.

Roll Call Vote:

Yes: Sliwa, Hess, Horton, Bennett, Rodriguez.

No: None.

Motion CARRIED.

CONSIDER RESOLUTION #04212014-01, APPROVAL OF THE SMALL URBAN PROGRAM

GRANT LOCAL MATCH: Sawyer stated that this is a grant funding program through MDOT. This is for federal aid eligible street projects. Local projects were discussed and agreed to at the last Owosso-Corunna Small Urban Grant Program Meeting held on April 15, 2014. Sawyer stated that he asked the group to approve repairs to N. Shiawassee St. from the Shiawassee St. bridge north to M-21, excluding the section between St. Mary and Walnut St., and it was listed as the number one priority on their project list. The project would be in 2014/2015, if we get the money this year, or 2015/2016 if it is held up a year. The matching funds needed are a part of the 2014/2015 budget. This resolution supports the approximately \$255,000 local match toward the project and the matching funds would be fully funded through the city improvement fund, the major street fund, and the N. Shiawassee St. construction fund. Bennett moved, Hess seconded, to approve Resolution #04212014-01, Small Urban Program Grant with an approximate local match of \$255,000.

Roll Call Vote:

Yes: Bennett, Horton, Rodriguez, Sliwa, Hess

No: None.

Motion CARRIED.

CONSIDER APPROVAL OF THE TIGER IV GRANT APPLICATION FOR PHASE ONE ON

PARMENTER RD.: Sawyer stated that these grants were not easy to get, but it was worth a try. This money would be used to make Parmenter Rd. an all-weather road along the first section of the industrial park, pull sewer into the area and set up retention areas which is Phase I of this project. This will make the first part of the industrial park more marketable. The work in the park is almost \$300,000 and the road work is about \$570,000. The Industrial Development Fund will cover the city's 20% match cost of \$200,000, if we get the grant. Sliwa moved, Rodriguez seconded, to approve the Tiger IV Grant application for Phase I on Parmenter Rd. with a 20% match.

Roll Call Vote:

Yes: Rodriguez, Horton, Sliwa, Hess, Bennett.

No: None.

Motion CARRIED.

CONSIDER DECISION ON THE RIVERWALK APARTMENT'S 1995 AGREEMENT

OVERCHARGES: Lawson went over where she is in the argument with the Owosso Township-Caledonia Township Utility Authority. The city did get a refund for the past six years from the Authority for overcharges on pump station #7 and on 5/3 Bank. She and the mayor recently met with John Bloomfield and Rick Holzheuer from the Authority on the Riverwalk Apt. overcharges amounting to \$102,444, by Lawson's figures. Bloomfield and Holzheuer say that there are no overcharges due the city because they did not know about this issue until 2012 and that the 1979 contract did not mention anything about multi-housing. Both of these reasons are not true, according to Lawson. She gave them proof that they were informed about the overcharge issue back in 2003 and the 1979 contract has no bearing on this. It is the 1995 agreement that covers Riverwalk Apt. Then, the Authority changed the argument to they did know about the issue in 2003, but they dropped the issue because the city did not show up to meetings. Lawson needed direction from council as to what they want the city to do. Sawyer stated that the city would like council to move that an invoice for the full amount owed to the city, plus applicable interest, be sent to the Authority. If the bill is ignored, then the city can credit the amount against what they charge us for our part in their sewer project. If they don't like it, then they can take the city to court. This will allow the city to move on to the next dispute regarding what the authority is currently trying to overcharge us on rates. Bennett moved, Hess seconded, to send an invoice to the Owosso Township-Caledonia Township Utility Authority in the full amount of the overcharges on the 1995 agreement, plus applicable interest.

Roll Call Vote:

Yes: Hess, Horton, Rodriguez, Bennett, Sliwa.

No: None.

Motion CARRIED.

PRESENTATION OF THE 2014/2015 BUDGET RECOMMENDATIONS: Sawyer went over the highlights of the 2014/2015 budget recommendations and explained the charts that are used in the process. Budget workshops start Monday, April 28, at 6:30 p.m. in the lower level of the Community Center. No action taken.

Bennett left at 8:15 p.m. due to a prior commitment.

CALL TO THE AUDIENCE: Diane Johnson, Hastings St., asked if, after going over the budget, was there any money available to stop the eroding of the riverbank at Heritage Park. The rocks that were put at the edge of the river are now in the river and the bank is eroding toward the sidewalk. Lawson and Crawford both agreed that one of the reasons for the erosion was the dam sluice gate being opened by the state. Sawyer stated that there is money to put toward this problem and there was discussion about a volunteer day to move the rocks back to the shore.

ROUNDTABLE:

Councilperson Rodriguez: Nothing to report.

Councilperson Sliwa: Nothing to report

Councilperson Horton: She had the final total from the bridal show. They made \$603.82. They had 63 people come to it, but the food cost total \$140.71 and it only made \$158.00.

Councilperson Hess: Nothing to report.

Mayor Kerridge: The Breakfast with the Bunny and Easter Egg Hunt went very well and had a lot of kids. Lawson stated it was very busy. Kerridge stated that two people volunteered to be on the Parks and Recreation Commission.

ADJOURN: Sliwa moved, Horton seconded, to adjourn.

Roll Call Vote:

Yes: Sliwa, Hess, Horton, Rodriguez.

No: None.

Motion CARRIED. Time was 9:11 p.m.

Charles Kerridge, Mayor

Shauna Bayless, Deputy City Clerk