

THE CORUNNA CITY COUNCIL  
MINUTES OF REGULAR MEETING  
June 2, 2014

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

Absent: None.

Guests: Joe Sawyer, City Manager; Merilee Lawson, City Planner/Assessor; Tim Crawford, Superintendent of Public Works; Scott Johnson, Corunna/Caledonia Fire Chief; Kevin Feuka, C2AE; Todd Follen, Bob Morehouse; Diane Johnson; Frank Rodriguez; Theresa Bush; Bill Lulham; Karen Trigg; Rex Menzer; William and Linda Wessel; Kent Platner; Jess Robson, Argus Press.

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: Johnson moved, Bennett seconded, to approve the minutes of the 05-19-2014 regular council meeting.

Roll Call Vote:

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

No: None.

Motion CARRIED.

AGENDA APPROVAL: Rodriguez moved, Bennett seconded, to approve the agenda as presented.

Roll Call Vote:

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

No: None.

Motion CARRIED.

APPROVAL OF VENDOR DISBURSEMENTS: Johnson moved, Rodriguez seconded, to approve vendor disbursements from 05-09-2014 through 05-22-2014, as presented.

Roll Call Vote:

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

No: None.

Motion CARRIED.

CALL TO THE AUDIENCE: Theresa Bush, 322 W. Mack, stated that there is a car cruise planned for Friday, June 20<sup>th</sup>, during the Locomotive, Wings & Wheels event in Owosso. It starts at 5 p.m. and will come through Corunna about 5:30 p.m. from M-71. There is a \$15 entry fee. Bill Lulham, 305 S. Norton, stated that the streets were not cleaned for Memorial Day for the first time in years. He thought a city survey should be done with the committee made up of previous mayors. Lulham stated that he gave Sawyer a survey a few years ago, but nothing was done. Sliwa stated that they have looked at options for funding a survey and the cost. Lulham asked if Sawyer still had the survey he gave him and Sawyer stated yes, but council rejected it. Lulham again asked about the street cleaning, stating that there was a lot of debris that went into the catch basins. He said the city needed more street cleaning and maintenance. Karen Trigg, 536 N. Shiawassee, which is next to Heritage Park by the dam. She stated that the debris in the river, the buoys and stuff, are still catching junk at the dam. There are dead animals in there and the smell is terrible. She spoke to the DEQ, the Shiawassee Co. Commissioners, Friends of the River, Keith Johnson and the city and asked for help. She read a letter she sent to the DEQ and they responded that it is the city's dam and their problem. Bennett stated that the city had a clean-up day last year and cleaned it up. However, the city did not put the buoys in there. The DEQ did it. Bennett stated that if the city goes down and cleans it up, that could be a problem. Sawyer stated that the city was against the removal of the stop logs because the city told DEQ it would cause a pile up. However, the state's engineers stated that if they put buoys in the river that would stop any accumulation. It didn't.

The buoys just make it worse. Sawyer stated that if we remove the buoys, the mess will still be there at the spill way. The only way to stop it would be to put the stop logs back in and that cannot be done. Right now, the river is too hazardous to even get into. Lawson said that the state said that the city owns the dam because we managed it in the past. The state recently called the city and asked us to clean the mess up saying that they would give us a letter stating that we were not managing the dam by cleaning it up. Lawson stated that we do not trust the state to do that. So, if the city cleans up the dam, the state would say we were managing the dam again. Trigg stated that she will keep hounding DEQ until they do something. If they would remove the buoys she felt some of the mess would break loose. William Wessel, 710 E. Grand River, owner of the lot at 319 N. Comstock, stated that he started mowing the lot, although he never saw a vegetation warning, but his mower broke down. He came back the next day and the lot was mowed. Linda Wessel stated that they got a bill for \$326 for mowing it. The back yard was not even mowed. She did not feel they should be charged. Kerridge asked what day did they start to mow it. She stated on the 21<sup>st</sup>, they bought a new mower belt on the 22<sup>nd</sup> and went back on the 22<sup>nd</sup>. Crawford stated that it was tagged on the 19<sup>th</sup> and mowed on the 22<sup>nd</sup>. Sawyer asked if it was half mowed when it was tagged and Crawford stated he did not know because he did not tag that property, Sawyer and Kerridge did. Wessel asked where the tag was put. Kerridge stated that they put the tag on the evergreen tree in the middle of the lot. Mrs. Wessel stated that they usually put it on a stick in the front. Sawyer stated that it was not half mowed when they tagged it. Mr. Wessel stated he started it that night. Sawyer stated the tag is a courtesy and people will be tagged for only mowing half of the property. The DPW would not have known that it had been started after being tagged. Crawford stated that he was told by his worker that it was only half mowed and Crawford told him to finish it. Sawyer stated that he will review this case internally. The Wessels were told by Crawford, Horton and Bennett that they should have called the city and told them that they had started mowing, but the mower broke down. Sawyer stated again that he would look into it. Lulham again asked when the streets would be cleaned. Johnson stated that she has seen them cleaning the streets in the morning so she did not know what he was talking about. Lawson stated that this spring was a nightmare for the city clean up. Horton stated that today was the first day the DPW mowed all the way through the park. Crawford stated that they usually hold off street sweeping until after the trees shed in the spring. That was a month late this year. Lulham asked if they had thought about going back to seasonal help. Crawford stated that if the city uses seasonal help, and they work a certain amount of hours, the city ends up paying unemployment for years. The last seasonal person we had mowing the cemetery got unemployment for three years. Lulham wanted to know why they did not hire a contract worker. Bennett stated they have no insurance. If they get hurt, the city would have to pay for it. Lulham stated that was their problem. Council, as a whole, stated no, it is the city's problem.

MANAGER'S REPORT: Nothing to report.

PUBLIC HEARING AT 7:30 P.M. REGARDING AMUBLANCE ASSESSMENT: Johnson moved, Rodriguez seconded, to leave regular council session and enter into the public hearing regarding the ambulance assessment.

Roll Call Vote:

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

No: None.

Motion CARRIED. Time was 7:32 p.m.

The ambulance board has requested an assessment increase from \$25, which started in 2002, to \$45. There was a public hearing on this in 2013, but no action was taken. Since it has been over a year, Sawyer felt that they should hold another public hearing on it. Johnson asked if Caledonia Township was going to raise their assessments and are they going to keep to the proper way of calculating the correct rate since they owe the ambulance department around \$110,000. Sawyer stated that there was some question about how Caledonia Township was doing the calculations and the city figured that they were short each year by about \$10,000. They did agreed to go to the \$45 per year, but they said they would continue to pay the \$25 out of their general fund, and levy a \$20 assessment to the residents. Because of those amounts now coming in, it can be shown that Caledonia Township did indeed short their payments by \$10,000 a year. Sawyer stated they will be tracking that from now on. The ambulance should see a \$50,000 increase. Kerridge stated that last month, the ambulance board did not have enough to pay their

employees. Caledonia Twp. gave them a partial payment of \$61,000 so they could pay them. He stated, if we do not increase to \$45, the ambulance will continue to go in the hole. Lulham asked why isn't the money there. Kerridge stated that the money comes in at different times during the year. Sometimes they have a lot, sometimes not. There is also a problem with collecting from insurance agencies. Johnson stated that she is tired of Caledonia Twp. trying to be a hero by giving the ambulance \$61,000. Sawyer stated that they should have given them \$110,000 so they shorted the ambulance \$50,000. Johnson stated ambulance base is bad. It floods and there is mold. She stated she was tired of Caledonia Twp. holding that money over their heads. They need to give the ambulance everything that is owed to them. Bennett stated that he does not know what the answer is. Getting payments takes years sometimes, this has gone on for years. Todd Follen, 540, N. Brady, stated that he worked for the ambulance department some years ago and he said that he wanted to know what Venice Twp. was paying per household, stated that Caledonia Twp is not keeping up with their payments, and he read that the board gave out Christmas bonuses. Now, the board says they have no money. They bought a new ambulance and another used ambulance, they bought new heart monitors, bought the house next door to them, and they have one of the most expensive stretchers that can be purchased. Bennett stated if he was saying that they have too much equipment. Follen stated no, he wanted to know why they could not use what everyone else uses. Bennett stated that it was lack of collections. Follen stated that he works for the City of Owosso and their collections are at about 80% and he understands that Corunna's is at about 50%. He stated they should look into another collection agency. He asked if Venice Twp. was going to pay the \$25 per household. Kerridge stated that everyone has signed the new contract except New Haven, but they are paying \$45 now. Johnson stated that she did agree with Follen about the expensive equipment. She asked if they paid cash for the ambulance. Kerridge stated that they wrecked the one ambulance and they got the insurance money. They then paid for part of the new one with that and got a loan for the rest. Then the red ambulance was offered, which was purchased at a discount and that got replaced. Kerridge stated that they did buy new equipment and ambulances, but they had too. Johnson stated that they could have paid less. Follen stated that he purchases equipment for the Owosso and understands that a new ambulance was needed, but that was all done on \$25 per household. The department has picked up Lennon since then and is working on getting Caledonia's back payments. He had no problem with the service and knew many of the people who worked there. He felt that they were doing ok. Bennett asked how the employees are paid. Kerridge stated it was hourly at minimum wage. Bennett stated that those wages are going up too. Rodriguez stated that they needed to live within their means. She stated, when you raise the per household rate, what about the elderly on a fixed income. Rodriguez stated that the ambulance manager was at a meeting last week and he stated that this was a done deal and the paperwork was already signed. Johnson stated that nothing has been signed yet. Bennett stated that he felt that rates should have been raised from \$25 to \$35 a while ago and then to \$45. Kent Platner, 1920 E. King, stated that he too worked for the ambulance department for a number of years and he would rather see this group here than MMR. He felt that the back payments from Caledonia Twp. should be paid first before raising the rates to \$45. Bennett stated that the ambulance board meetings are open to the public and people need to get involved. Platner stated that AccuMed is a much better collection agency. Horton stated that getting a new collection agency has been discussed by the board. Johnson stated that her biggest complaint is Caledonia Township's underpayments. Sawyer stated that an ambulance fund for the assessments will be set up and it will be tracked to make sure the department does not go further in the hole and to make sure Caledonia Twp. pays their fair share. Lawson stated that the city would control paying out the money to the service. Sawyer stated that the ambulance board needs to realize that when a payment comes in, the money has to last months before the next payment comes in. Kerridge stated that they need a new biller. Bob Morehouse, Converse St., stated it sounded like council is not aware of where the money is going in the ambulance department. They need to get their house in order first before raising the assessment. Johnson moved, Horton seconded, to leave the public hearing and go back to regular council session.

Roll Call Vote:

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

No: None.

Motion CARRIED. Time was 8:09

Sliwas asked Sawyer if she was correct, that if they increase the assessment to \$45, that money would go into a fund that is earmarked for the ambulance department and the city will make sure that everyone is

paying their fair share before any money is released, and if there is a stockpile of money, that would be release to the taxpayers. Sawyer stated either that or they would just not do an assessment that year. Rodriguez stated that she also understood that if the ambulance gets in a money crunch, those funds would be released to the ambulance to pay their employees even if Caledonia Twp. was not paying their portion. Sawyer stated that it would come to council for a decision. Bennett asked if the formula Caledonia Twp. is using is flawed. Lawson stated that the contract reads you charge \$25 per household and \$25 per employee starting at 10 employees. In Caledonia Twp., they only estimated their numbers and did not check exact employee counts. This year was the first that they got an accurate count of employees at the businesses in the county. Johnson stated that she would like to see the ambulance get a handle on spending first and get Caledonia's back payments. Bennett stated that he would like to see a smaller increase than \$45. Sawyer stated that council had already approved the ambulance contract at \$45. If council only approves \$35-40, then he will have to come up with \$20-30,000 out of the general fund to make the full payment. Rodriguez asked Sawyer what he meant when we said the contract was signed. Sawyer stated that this hearing was for the assessment. He stated they could do like the township does and pay for the assessment out of the general fund. Rodriguez asked then this hearing was to put the assessment on the taxes rather than take it from the general fund. Sawyer agreed. Sliwa moved, Horton seconded, to increase the current ambulance assessment from \$25 per household to \$45 per household.

### **RESOLUTION 060214-01**

#### **A RESOLUTION TO INCREASE THE CURRENT AMBULANCE ASSESSMENTS FROM \$25.00 PER UNIT AND OR HOUSEHOLD TO \$45.00 PER UNIT AND/OR HOUSEHOLD**

WHEREAS, the City of Coruna, Shiawassee County, Michigan recognizes the need to increase the current ambulance assessment of \$25.00 per unit and/or household to \$45.00 per unit and or household to properly fund the cost of ambulance service to the City of Corunna.

WHEREAS, said proposal was presented at a Public Hearing held on June 2, 2014 and all public comments have been considered and addressed;

WHEREAS, a motion was made by Councilperson Sliwa and supported by Councilperson Horton to increase the ambulance assessment from \$25.00 per unit and/or household to \$45.00 per unit or household.

NOW THEREFORE BE IT RESOLVED, that the City of Corunna formally adopts said resolution.

Roll Call Vote:

Yes: Horton, Sliwa, Hess.

No: Johnson, Rodriguez, Bennett.

Motion FAILED.

CONSIDER CRIMINAL BACKGROUND CHECK POLICY: Sawyer stated that three or four years ago we started doing background checks for the volunteers working with children's programs through iChat. However we have never had a policy as to when we approve and when we do not approve. She came up with an outline to give people so they know what the criteria are to volunteer with kids in the city. This will allow the police secretary to make easy yes/no decisions, give any questions to the police chief and, if there is still a question, given to Sawyer for a final decision. Rodriguez asked about an appeal process. Cowdrey stated that there is a letter that would be sent to explain why they were rejected and that they should speak to the chief of police. Sawyer stated that this check would not include the adult leagues, only children-oriented groups. Rodriguez moved, Bennett seconded, to approve the Volunteer and Contractual Criminal Background Check Policy.

Roll Call Vote:

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

No: None.

Motion CARRIED.

CONSIDER BS&A RECEIVABLES MODULE: Sawyer stated that this is a module that the city does not currently have need by July 1, 2014. This would be used for rent notices, payment due notices, snow removal bills, grass cutting bills, etc. Sawyer felt that the fire department billing would also be coming back to the city and this program would be used for that. This would be paid for by an amendment from the contingency fund or from internal services. Bennett moved, Rodriguez seconded, to adopt the BS&A receivables module as presented for \$3,770 for set up, plus \$380 annual fee, to pay in 2014/2015.

Roll Call Vote:

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

No: None.

Motion CARRIED.

CONSIDER BS&A SPECIAL ASSESSMENT MODULE: Sawyer stated this is the .Net version of our current special assessment program. This would be used for special assessment billing and would make assessments available on line. Bennett moved, Hess seconded, to adopt the BS&A special assessment module as presented for \$1,195.

Roll Call Vote:

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

No: None.

Motion CARRIED. Time was 8:46 p.m.

CONSIDER USER CHARGE SYSTEM: Kevin Feuka from C2AE introduced himself and went over the review process for the changes to the Residential Equivalent Unit structure. Feuka stated that he looked over the changes to the charges and felt that it was more equitable than what was in place previously, which was counting fixtures. Sawyer went over the new REU formulation. Residential Dwelling and Multifamily Dwelling will stay at 1 REU per unit. Non-Residential Dwellings will follow a formula of their Base REU plus Square Footage REU's plus Usage (if applicable). Sawyer stated that different models were tried and he found that each model still showed the same overall results in changes to businesses. Some REU's will go down, some will go up. Sliwa asked about the deer processing plant and Sawyer stated that they would go from 1 REU to 3.60. Bennett asked about the school system and why they went down in their REU's. Feuka stated the theory there is that they were only in the building a few hours a day and not every month of the year. Sawyer stated that there were school buildings that went up in their charges. Rodriguez stated that she did not understand that a hair salon was more than a barber shop or a commercial washer. Sawyer stated that rate was comparable to other communities. This will start on the July-September bill which will come out in October of this year. Letters will be going out to business to explain the new system. Bennett moved, Sliwa seconded, to adopt the REU system, as presented.

Roll Call Vote:

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

No: None.

Motion CARRIED.

## **RESIDENTIAL EQUIVALENT UNIT FORMULATIONS**

**Single Family Residential Dwellings 1 REU per Dwelling Unit**

**Multifamily residential Dwellings 1 REU per Dwelling Unit**

**Non-Residential Dwellings Base REU(s) + Square Footage REU's + Usage (If Applicable)**

**Base REU's-1 REU per Building/Structure/Pavilion w/ Service**

1 REU per Principal Use over 1

½ REU per Building Level over 1 (Excludes Crawl/MI Bsmt/Balcony)

1 REU per Commercial Kitchen/Food Service

1 REU per Locker/Shower/Sports Therapy Facility

1 REU per 50k gal Pool capacity over 50k  
1 REU per Vehicle Wash Bay  
½ REU per Ext Lawn Sprinkler  
½ REU per Int Sprinkler  
1 REU per Stadium/Bleacher Capacity of 1k 500 over 500  
1 REU per Restaurant Drive Through  
½ REU per Bank/ATM Drive Through  
1 REU per Med Facility/Hair Salon  
½ REU per Barber  
½ REU Upper Level Undeveloped Square Footage Alternative  
½ REU per Commercial Washer  
¼ REU per Fuel Pump

**Square Footage / Usage REU's-1 REU per Square Footage (\*) / Usage Factor**

Governmental Base REU(s) + 1 REU per 2k sqft bldg  
School Base REU(s) + 1 REU per 2k sqft bldg  
Office/Retail/Auto Base REU(s) + 1 REU per 2k sqft bldg  
Food Service Base REU(s) + 1 REU per 20k gal/mth avg > 20k + 1 REU per 1k sqft bldg  
Fraternal Base REU(s) + 1 REU per 4k sqft bldg  
Special Housing Base REU(s) + 1 REU per 6k gal/mth avg > 6k + 1 REU per 4k sqft bldg  
Manufacturing Base REU(s) + 1 REU per 30k gal/mth avg > 30k + 1 REU per 5k sqft bldg  
Warehousing Base REU(s) + 1 REU per 10k sqft bldg  
Metered Sprinkler Base REU(s) + 1 REU per 10k gal/mth avg > 10k  
(\* Includes Lower Levels & Balconies, Excludes Open Air Pavilion)

CONSIDER ADMINISTRATIVE MANUAL SECTION 6.3 HEALTH CHARGES: These are the revisions required by the Affordable Care Act. There was a 50% increase in costs to the employer and the employees. There are other changes that come under the umbrella of the act. The changes are that the deductible went to \$250 per individual/ \$500 per family, 20% co-pay up to \$1,000 per individual/ \$2,000 per family, a \$15 generic prescription drug co-pay, and a \$40 office visit. The office visits and drug coverage now count toward the employee's deductible. There is no out of network service anymore. Johnson moved, Rodriguez seconded, to approve the administrative manual section 6.3 health charges as presented.

Roll Call Vote:

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

No: None.

Motion CARRIED

CALL TO THE AUDIENCE: Nothing.

ROUNDTABLE:

Councilperson Bennett: Nothing to report.

Councilperson Rodriguez: Nothing to report.

Councilperson Sliwa: Nothing to report.

Councilperson Johnson: Nothing to report.

Councilperson Horton: Nothing to report.

Councilperson Hess: Nothing to report

Mayor Kerridge: Still has three Meijers cards for sale and they will be sending their \$2500 check for the fireworks. D-Day commemoration is this weekend. The Curwood Festival is this weekend and the Fourth of July has their float in the parade again,.

ADJOURN: Sliwa moved, Johnson seconded, to adjourn.

Roll Call Vote:

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

No: None.

Motion CARRIED. Time was 9:36 p.m.

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Charles Kerridge, Mayor

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Nichole Cowdrey, Clerk