

CITY OF BRIGHTON  
CITY COUNCIL MEETING  
CITY HALL  
August 16, 2012

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 of August 2, 2012](#) and Closed Session of August 2, 2012
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 a [proposed Interfund Transfer & Cost Allocation Study proposal](#) as recommended by staff (pursuant to the City Manager's Budget related recommendation for same in his Proposed Budget Transmittal Message of this past Spring)
9. Consider approval of a change the Police Patrol and Police Command Collective Bargaining Units' health insurance to the HSA plan which the non-union admin & dps employees are currently under. This will be effective January 1, 2013 per the recommendation of the City Labor Attorney

**Policy Development & Customer Communications' action item**

10. Consider approval of Informational Letter #1 to all registered voters for the proposed Community Improvement and Infrastructure Bond Issue related election of November 6, 2012 & to invite voters to two upcoming information meetings
11. Consider authorizing litigation for code enforcement regarding industrial related outdoor storage violations
12. Status report from the City Manager and City Attorney regarding the Driveway closing near the CSX railroad crossing
13. Updated Goals Progress Report from the City Manager \_\_\_\_\_

**Other Business**

14. Information for City Customers
15. Receive updates from Council Member Liaisons to other Boards and Commissions
16. Conduct closed session to receive an Attorney-Client privilege opinion
17. Call to the Public
18. Adjournment

**MINUTES OF THE MEETING OF THE CITY COUNCIL OF BRIGHTON**  
**HELD ON AUGUST 2, 2012 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, Mayor Pro-Tem Cooper Councilmembers Bohn, Schillinger, Pipoly, Bandkau and Roblee. The Council reviewed the agenda items.

**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, Mayor Pro-Tem Cooper, Councilmembers Pipoly, Roblee, Bandkau, Schillinger and Bohn. Also in attendance were Attorney Paul Burns and Staff members Dana Foster, Jennifer Burke, Diana Lowe, Kelly Hanna, Amy Cyphert, Matt Schindewolf and Tom Wightman an audience of 1. Press and Media included Nicole Krawcke from Patch and Tom Tolen from WHMI.

**AGENDA APPROVAL**

It was moved by Councilmember Bandkau, seconded by Cooper to approve the Agenda as amended. Move from Consent Agenda to Action Agenda item #8, Audit Services Contract. Motion passed 7-0.

**MINUTES APPROVAL**

It was moved by Councilmember Roblee, seconded by Bandkau to approve the Regular Meeting minutes of July 19, 2012 as presented. Motion passed 7-0.

**CITIZEN INQUIRIES**

None.

**CALL TO THE PUBLIC**

Mayor Muzzin opened the Call to the Public at 7:32 p.m. Hearing none, the Call to the Public was closed.

**AUDIT SERVICES CONTRACT RENEWAL WITH PLANTE MORAN**

It was moved by Mayor Pro-Tem Cooper seconded by Bohn to approve the audit services contract renewal extension with Plante-Moran. Motion passed 7-0.

**UPDATED AMINISTRATIVE NON-UNION PAY RANGES**

Heather Van Poucher, Michigan Municipal League Consultant, discussed the MML conducted Administrative Non-Union Pay/Classification Study, highlighting the pay ranges, comparables and benefits. She recommended looking at the system annually for adjustments.

It was moved by Councilmember Roblee, seconded by Pipoly to approve the updated administrative non-union pay ranges by the Michigan Municipal League consultants. Motion passed 7-0.

### **CSX FUNDED ELECTRONIC LIGHTED CROSSING GATE AT HYNE STREET**

Department of Public Services Director, Matt Schindewolf briefed the Council on the participation agreement between the City and CSX for a future new CSX-funded electronic lighted crossing gate at Hyne Street for \$70 per year. He explained the proposed upgrade is for safety reasons.

It was moved by Mayor Pro-Tem Cooper, seconded by Pipoly to approve a service maintenance participation agreement between the City and CSX for a future new CSX-funded electronic lighted crossing gates at the Hyne Street railroad crossing subject to final review by the City Attorney, not to exceed \$100 per year in cost. Motion passed 7-0.

### **COMMUNITY IMPROVEMENT AND INFRASTRUCTURE BOND ISSUE INFORMATION PROCESS**

City Manager, Dana Foster discussed the preliminary Bond Issue Election Informational Process Plan, including an explanatory/informational letter to be mailed to all registered voters, put on Facebook, the City's E News Letter system and website; City Manager interview on WHMI, two Public Information meetings at the Library and a seconded Explanatory Letter addressing questions brought up at the Public Information meetings.

It was the consensus of the Council to approve the public informational process plan for the proposed Community Improvement and Infrastructure Bond Issue related election of November 6, 2012, including the proposed draft informational Letter #1 to voters, with the addition of Press Releases.

### **2012 GOAL-SETTING RETREAT REPORT**

City Manager, Dana Foster gave a report on the 2012 Goal-Setting Retreat preparation process, stating he would like to conduct internal focus group meetings prior to composing the agenda.

### **CITY CUSTOMER INFORMATION**

City Manager, Dana Foster stated he conducted a meeting with the Mayor, DDA Chair, DDA Director and State Representative Rogers regarding the Personal Property Tax cut. He also stated the Imagination Station Volunteer group recently installed 20-25 yards of fibar chips.

Councilmember Bandkau gave a Brighton Veteran's Memorial Improvement update.

Councilmember Roblee invited everyone downtown the Art and Acoustic Music Festival this weekend.

Mayor Muzzin stated Representative Rogers was receptive to their suggestions regarding the Personal Property Tax. Tomorrow MC Sports will have a Stuff the Shuttle event to collect backpacks and school supplies to benefit LESA.

**CALL TO THE PUBLIC**

Mayor Muzzin gave a Call to the Public at 8:26 p.m. Hearing no comment, the Call to the Public was closed.

**ATTORNEY-CLIENT PRIVILEGE OPINION CLOSED SESSION**

It was moved by Mayor Pro-Tem Cooper, seconded by Pipoly to go into Closed Session to receive written Attorney-Client privilege information, pursuant to MCL 15.268(e). A roll call vote was taken. Yes: Schillinger, Bohn, Cooper, Muzzin, Bandkau, Roblee, Pipoly. No: none. Motion passed 7-0.

The Council convened into Closed Session at 8:29 p.m.

The Council reconvened the Regular Session at 8:52 p.m.

It was moved by Councilmember Bandkau, seconded by Bohn to authorize Staff and the City Attorney to take the necessary steps to close the curb cut on Main Street near the CSX Railroad and meet with the Buon Gusto and Lions Club property owners to inform them of the closure. Motion passed 6-1 with Mayor Muzzin voting "no".

**ADJOURNMENT**

It was moved by Councilmember Bandkau, seconded by Roblee to adjourn the meeting at 8:55 p.m. Motion passed 7-0.

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Diana Lowe, City Clerk

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Jim Muzzin, Mayor



Finally (for now):

- I am seriously contemplating a recommendation as part of the Proposed Budget that the City Council consider authorizing me to solicit a formal proposal from Plante-Moran's consulting division to conduct a study and analysis that I am unable to place a cost estimate on at this time (for such a study). The objectives of the study would be as follows:
  - To review and advise us regarding the possible Stormwater Utility User fee idea
  - To review and update our Utility Rate Formula and Methodology that would include both the Commodity (user/consumption) fees and our Connection Fees
  - - To review and develop a logical Overhead and Service Support Cost identification & related recommended Interfund apportionment formula i.e. to establish a logical and analytical basis for Possible future Transfers from the Utilities Fund, the DDA Fund, the Major Street Fund, the Local Street Fund, and the LDFA Fund **to make sure that we are adequately covering the costs of resources that currently are predominantly funded by the General Fund and which are used to support the services and or missions of those respective Funds .** ←
  - - **My thought process here is: that perhaps such a comprehensive study and related recommendations/analysis could enable us to establish a more systematic means and process each year going forward for determining what those appropriations/Interfund transfers should be --- as opposed to deciding it on an as-needed/as-we-go basis/ or situational basis.** ←
  - - Such a study & its outcomes might then lead to some future City Council policy actions which might help the Revenue side of the General Fund's ledger in future years. ←
  - Such a study might also help us with respect to future possible intergovernmental utility service extension & sales opportunities.
  - It is my thought at this time that the cost of such a study be paid by the combination of the General Fund and the Utilities Fund.
- Department Directors and I are also currently engaged in a review of all of the Maximus User Fee recommendations of a few years ago to in turn determine if some Non-Utility related User Fee recommendations are in order that might provide some additional help on the revenue side of the ledger. I do not anticipate major changes on those parts of our revenue numbers even with such possible adjustments.



## Memorandum

**To:** Kelly Hanna  
**From:** Chris Jones and Tim St. Andrew  
**Date:** July 2012  
**Re:** Inter-Fund Reimbursement and Utility Rate Studies

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As requested, I have summarized the studies and fees we discussed related to inter-fund reimbursement and utility rates.

### Inter-Fund Reimbursements

In these challenging times, it's important to review all of your costs and to make sure they are being allocated appropriately between various funds and component units. Often times there are costs budgeted in the General fund that provide a benefit to other funds or component units. To the extent those funds or component units are self-supporting and do not require General fund subsidies, charging them for their fair share of costs can help the General fund to offset expenditures and improve the overall General fund fund balance.

Plante & Moran can assist the City with the detailed calculations to determine the appropriate amounts to charge or allocate to other funds or component units. There are two options to consider regarding Plante & Moran's involvement.

Option 1: Plante & Moran will develop a template to include all of the calculations necessary to determine the appropriate inter-fund reimbursements to the General fund. The template will be a working tool that should be updated periodically to ensure the calculations and allocations are up-to-date. Kelly will assist us with the calculations by gathering information for the various inputs. Plante & Moran will consult with Kelly throughout the process to ensure that all costs are being considered and that the costs are being allocated appropriately. Our fee for this option is a not to exceed amount of \$2,500.

Option 2: Plante & Moran will develop the same template as described in Option 1. We will gather all the information necessary to determine the inputs for the template and Kelly's assistance throughout the process will be minimal. Our fee for this option is a not to exceed amount of \$5,000.

## **Utility Rates**

As we discussed, the City is seeking to develop a long-term financial plan for the City's Utility Fund. The plan will be used as a tool to establish a fee structure that will provide revenue to meet current and future operations and maintenance, capital requirements, and debt service commitments.

We strongly believe as a financial advisor to governmental entities that the integration of a long-term financial plan (LTFP) into the strategic plan of an entity is crucial. Such integration allows for decision makers to identify and address financial concerns before they become limiting factors to the goals of the entity.

Furthermore, we believe the value of a LTFP is that it should not be a static projection developed at one point in time, but rather a working document that can be readily changed and tailored over time as circumstances and situations both within and outside of the organization change subsequent to the initial formulation.

In addition, we focus on a working capital approach to ensure that adequate funds are on hand for operations, acquisitions, debt service, and appropriate reserves.

The success of the model we are proposing to develop will depend on leveraging the knowledge of the decision makers of the fund. It will be imperative in our role to foster an understanding of their concerns, goals, and long-term needs related to the continued use of the model.

An estimate of the total fee for the above plan would range from \$12,000 to a not to exceed fee of \$15,000. This is dependent on the City's desired level of detailed analysis and the desired complexity of the model.