

**CITY OF NILES  
REGULAR CITY COUNCIL MEETING MINIUTES  
MONDAY, June 13, 2016**

The meeting was called to order by Mayor McCauslin in the City Council Chambers, 1345 East Main Street, Niles, Michigan at 6:00 p.m., June 13, 2016. The Pledge of Allegiance was led by Mayor McCauslin.

**PRESENT:** Gretchen Bertschy, Georgia Boggs, John DiCostanzo, Robert Durm, David Mann, Tim Skalla, Daniel VandenHeede, William Weimer, Mayor McCauslin

**ABSENT:** None

**STAFF:** Casperson, Dunlap, Huff, Lamb, Millin, Ray, Wise

**CITIZEN PARTICIPATION:** None

**PRESENTATION: *Re-installment of the Richard Hunt Sculpture*  
Niles Public Arts Commission**

Jeanne Watson, Chairman of the Niles Public Arts Commission, presented to the council a proposal to re-install the Richard Hunt Sculpture. The Commission is requesting to the council to consider placing the sculpture at the base of the Main Street Bridge. The estimated cost is \$16,000.

**CONSENT AGENDA:**

1. Consideration of approving the City Council Minutes of May 23, 2016.
2. Consideration of approving the Bills dated June 7, 2016.
3. Consideration of approving the scheduling of a Public Hearing on June 27, 2016 at 5:55 pm to receive input from citizens on the proposed FY 2016/2017 Annual Budget for the Southwestern Michigan Community Ambulance Service.
4. Consideration of approving the use of a portion of the Jerry Tyler Memorial Airport property to hold the 30<sup>th</sup> Annual Fly/In and Drive/In Pancake Breakfast beginning at 7:00 a.m. on Sunday, June 26, 2016.
5. Consideration of approving a contribution of \$2,500.00 to assist with sponsoring this year's Fort St. Joseph Archaeology Open House to be held on August 6<sup>th</sup> & 7<sup>th</sup>, 2016 in Riverfront Park.
6. Consideration of approving the payment of the City's annual membership dues to the Michigan Municipal League in the amount of \$6,070.00.
7. Consideration of accepting the quote of \$3,878.06 per year for the purchase of electronic security services for the City of Niles and consideration of authorizing the city administrator to sign any required documentation.
8. Consideration of approving the purchase of a 2016 Beaver M15RX Brush Chipper from Morbark of Winn, MI through our membership with the National Joint Power Alliance at a reduced cost of \$42,510.43 for use by the Public Works Department's Street Division.

**Council Member Weimer** moved, **Council Member Bertschy** supported, **MOTION CARRIED**, to approve Item 1-8 as submitted.

**ROLL CALL:** **AYES:** Bertschy, Boggs, DiCostanzo, Durm, Skalla, VandenHeede, Weimer  
**NAY:** Mann **ABSENT:** None **ABSTAIN:** None

**ADMINISTRATOR'S REPORT:**  
**Introduction of Items for Discussion**  
**Items for Council Action**

9. Consideration of adopting resolutions to establish the City millage rates and administrative fee to be levied on the 2016 tax rolls as follows:
- A. Establish the City millage rate for the 2016 tax year;
  - B. Establish the City millage rates for the 2016 tax year as prescribed by Act 5, Public Acts of Michigan 1982, and;
  - C. Establish the 1% administrative fee for the 2016 tax year.

Council Member Mann offered the following resolution and moved for its adoption, supported by Council Member Weimer.

A. **Establish the City Millage Rate for the 2016/17 Tax Year**

WHEREAS, the City of Niles has previously imposed various property taxes on properties in the City; and

WHEREAS, the voters of the City of Niles approved a property tax not to exceed one-half of a mill to support the Dial-A-Ride bus system; and

WHEREAS, the City incurs various costs in assessing property values, collecting property taxes and performing the review and appeal processes for non-City taxing entities.

NOW, THEREFORE, BE IT RESOLVED that the City of Niles does hereby establish the following property tax millage rates for the 2016/17 tax year:

|                            |              |
|----------------------------|--------------|
| General Operating Fund     | 14.1334      |
| Dial-A-Ride Operating Fund | <u>.5000</u> |
| TOTAL MILLAGE RATE         | 14.6334      |

BE IT FURTHER RESOLVED that the City Treasurer is authorized to impose and collect a one percent (1%) property tax administration fee on all taxes collected; and

BE IT FURTHER RESOLVED that the City Treasurer is authorized to impose and collect a four percent (4%) late payment fee upon those taxes not paid by the due date.

B. **Establish the City Millage Rates for the 2016/17 Tax Year as Prescribed by Act 5, Public Acts of Michigan 1982.**

WHEREAS, Act 5, Public Acts of Michigan, 1982, provides that with the levy of ad valorem property taxes for operating purposes for the ensuing fiscal year which yields an amount more than the sum of the taxes levied at the base tax rate on additions within the City for the ensuing fiscal year plus an amount equal to the taxes levied for operating purposes for the concluding fiscal year on existing property; and

WHEREAS, said Act 5 provides that the City of Niles may approve the levy of additional millage rates, within its present authorized of proposed millage rates, only after providing certain notice to the public and holding a public hearing for the purpose of receiving testimony and discussing the levy of additional millage rates for the ensuing fiscal year; and

WHEREAS, the City of Niles has been advised by the County Equalization director that the state taxable valuation for the 2016/17 tax year of property located within the City of Niles is \$188,009,707 in Berrien County, and \$365,357 in Cass County; and

WHEREAS, Act 5, based upon the state taxable valuation of the City of Niles would limit the district's operating tax levies to General, 14.1334; and

WHEREAS, the City of Niles, after careful examination of its estimated operating expenses for the 2016/17 fiscal

year and estimated revenues based on the state taxable valuation, has determined that the best interest of the City requires the levy of the additional millage rates of: General .0000 mills and Dial-A-Ride, .0000 mills

**NOW, THEREFORE, BE IT RESOLVED** that:

1. The City of Niles, pursuant to said Act 5, proposed a tentative levy of not to exceed 14.1334 mills for operating purposes which includes an additional millage rate of .0000 mills and .5000 mills for Dial-A-Ride which includes an additional millage rate of .0000.
2. A public hearing shall be scheduled for the purpose of receiving testimony and discussing the levy of an additional millage rate for 2016/17 fiscal year.

**C. Establish the 1% Administrative Fee for the 2016/17 Tax Year**

**WHEREAS**, the City of Niles incurs various costs in performing assessing property values, collection of property tax levies, operations of the review and appeal processes; and

**WHEREAS**, the City is allowed by State law to levy the administration fee; and

**WHEREAS**, the revenue from the levy of the administration fee will be deposited into the General Fund.

**NOW, THEREFORE BE IT RESOLVED** that the City of Niles does hereby establish the one percent (1%) Administration Fee to be levied on the tax roll on all taxes collected in 2016/17 tax year.

**ROLL CALL: AYES:** Bertschy, Boggs, DiCostanzo, Durm, Mann, Skalla, VandenHeede, Weimer  
**NAY:** None **ABSENT:** None **ABSTAIN:** None

**RESOLUTION 2016-06/1987 DECLARED ADOPTED.**

- 10.** Consideration of entering into a newly revised Michigan Mutual Aid Box Alarm System Agreement and consideration of authorizing the city administrator to sign the agreement.  
**Council Member Weimer** moved, **Council Member Mann** supported, **MOTION CARRIED**, to approve entering into a newly revised Michigan Mutual Aid Box Alarm System Agreement and consideration of authorizing the city administrator to sign the agreement.

**ROLL CALL: AYES:** Bertschy, Boggs, DiCostanzo, Durm, Mann, Skalla, VandenHeede, Weimer  
**NAY:** None **ABSENT:** None **ABSTAIN:** None

- 11.** Consideration of confirming and approving entering into the Michigan Humanities Council Grant Agreement 16HG-008 to facilitate the award of \$24,915.00 to the Niles History Center for the project "Profiles and Portraits: African-Americans in Niles' Past, Present and Future".  
**Council Member Durm** moved, **Council Member Bertschy** supported, **MOTION CARRIED**, of confirming and approving entering into the Michigan Humanities Council Grant Agreement 16HG-008 to facilitate the award of \$24,915.00 to the Niles History Center for the project "Profiles and Portraits: African-Americans in Niles' Past, Present and Future".

**ROLL CALL: AYES:** Bertschy, Boggs, DiCostanzo, Durm, Mann, Skalla, VandenHeede, Weimer  
**NAY:** None **ABSENT:** None **ABSTAIN:** None

- 12.** Consideration of entering into a three-year agreement with Nationwide Mutual Insurance Company of Columbus, OH for the use of a vehicle for a nominal cost to include vehicle title and insurance costs.  
**Council Member Mann** moved, **Council Member Weimer** supported, **MOTION CARRIED**, to approve entering into a three-year agreement with Nationwide Mutual Insurance Company of Columbus, OH for the use of a vehicle for a nominal cost to include vehicle title and insurance costs.

**ROLL CALL:**       **AYES:** Bertschy, Boggs, DiCostanzo, Durm, Mann, Skalla, VandenHeede, Weimer  
**NAY:** None **ABSENT:** None       **ABSTAIN:** None

13. Consideration of approving a request from the Niles Historic District Commission to bestow final approval and adoption of the Citizens' Guide to Historic Preservation.

**Council Member Skalla** moved, **Council Member Weimer** supported, **MOTION CARRIED**, to approve a request from the Niles Historic District Commission to bestow final approval and adoption of the Citizens' Guide to Historic Preservation.

**ROLL CALL:**       **AYES:** Bertschy, Boggs, DiCostanzo, Durm, Mann, Skalla, VandenHeede, Weimer  
**NAY:** None **ABSENT:** None       **ABSTAIN:** None

**APPOINTMENT TO BOARDS:**

14. Consideration of appointing Derek Gordon to the Southeast Berrien County Landfill Authority Board, effective July 1, 2016 and automatically renewed annually until the City Council appoints a replacement.

**Council Member Durm** moved, **Council Member VandenHeede** supported, **MOTION CARRIED**, to appoint Derek Gordon to the Southeast Berrien County Landfill Authority Board, effective immediately and automatically renewed annually until the City Council appoints a replacement.  
AYES: 9 NAYS: 0

15. Consideration of appointing Richard Huff to the Southwest Michigan Community Ambulance Service Board, effective immediately and automatically renewed annually until the City Council appoints a replacement.

**Council Member Weimer** moved, **Council Member Mann** supported, **MOTION CARRIED**, to appoint Richard Huff to the Southwest Michigan Community Ambulance Service Board, effective immediately and automatically renewed annually until the City Council appoints a replacement.  
AYES: 8 NAYS: 0

**CLOSED SESSION:** Union Negotiations

**Council Member Durm** moved, **Council Member VandenHeede** supported, **MOTION CARRIED**, to go into closed session to discuss union negotiations at 6:25 pm.

**ROLL CALL:**       **AYES:** Bertschy, Boggs, DiCostanzo, Durm, Mann, Skalla, VandenHeede, Weimer  
**NAY:** None **ABSENT:** None       **ABSTAIN:** None

**RECONVENED** at 6:47pm.

**A RESOLUTION ELECTING TO COMPLY WITH THE PROVISIONS OF PUBLIC ACT 152 OF 2011 BY EXERCISING THE CITY'S RIGHT TO EXEMPT ITSELF FROM THE REQUIREMENTS OF THE ACT FOR THE NEXT SUCCEEDING YEAR**

The following Resolution was offered by Council Member **Durm** and supported by Council Member **VandenHeede**.

**RESOLUTION 2016-06/1988**

**WHEREAS**, on September 27, 2011 the Publicly Funded Health Insurance Contribution Act, Act No. 152 of the Public Acts of Michigan of 2011, ("Act 152"), became effective in the State of Michigan; and

**WHEREAS**, Act 152 establishes standards and a process with respect to medical plans offered by public employers; and

**WHEREAS**, the City of Niles has historically recognized, in its role as steward for the public funds entrusted to it, that it must efficiently manage those limited resources; and

**WHEREAS**, the City of Niles constantly engages in a review of expenditures in order to maximize the value it receives for goods and services; and

**WHEREAS**, the City Council of the City of Niles believes that, as the elected representatives of the City and answerable directly to the City's voters, it is best positioned to determine what benefits (including medical benefits) ought to be offered in order to attract and retain the best qualified City employees at the lowest overall costs; and

**WHEREAS**, the City Council of the City of Niles further believes that compensation determinations for the City employees are most properly the responsibility of the City's elected representatives, and not the State of Michigan or its officials; and

**WHEREAS**, to express its support for home rule government and to recognize that it is the City Council's duty to manage City affairs in order to be most responsive to City voters, taxpayers and residents; and

**WHEREAS**, by a 2/3 vote of its governing body each year, a local unit of government may exempt itself from the requirements of this act for the next succeeding year.

**NOW, THEREFORE, IT IS RESOLVED that:**

1. Pursuant to Section 8 of Act 152, the City of Niles hereby exempts itself by at least a two-thirds vote from the requirements of Act 152 for the next succeeding year.
2. All resolutions and parts of resolutions in conflict herewith are, to the extent of such conflict, rescinded.

**ROLL CALL:**           **AYES:** Bertschy, Boggs, DiCostanzo, Durm, Mann, Skalla, VandenHeede, Weimer

**NAY:** None   **ABSENT:** None   **ABSTAIN:** None

**ADOPTED this 13<sup>th</sup> day of June, 2016**

**CITY ATTORNEY'S REPORT:** None

**COUNCIL MEMBER'S REPORT:**

Council Member Weimer questioned if the Public Art Commission has raised any funds to offset the cost to move the Hunt sculpture. Jeanne Watson replied that \$3,000 has been raised; however, some of the funds have been used for publications.

Council Member VandenHeede reported that the Bluegrass Festival was well attended; as well as the Forever Young Car Cruisers.

Council Member DiCostanzo mentioned the tragic incident that happened in Orlando, Florida and asked the people be aware of their surroundings and report any suspicious behavior.

Council Member Durm stated that he took part in the WNIT "Our Town" that featured the Niles and encouraged everyone to try to see it. He also thanked everyone that participated.

Council Member Skalla stated that he enjoyed the Memorial Day parade and the Silverbrook Cemetery ceremony. He also stated that the Public Art Commission was instrumental in getting the Hambouz art collection.

**MAYOR'S REPORT:**

Mayor McCauslin shared Council Member Durm's comment on the WNIT "Our Town" featuring Niles.

He reported that the Fire Department's ISO insurance rating placed the city in top 10 rating with an outstanding rate of 4.

He also commented that the council give the City Administrator some direction in the amount of staff time and resources for the Hunt sculpture project. It was suggested that the City Council not take any action until the budget meetings have been completed to see if funding is available.

**ADJOURNMENT** Council Member Weimer moved to adjourn at 7:02pm.

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Linda Casperson

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Date