

DOWAGIAC CITY COUNCIL MEETING

Monday, April 13, 2015

A regular meeting of the Dowagiac City Council was called to order by Mayor Lyons at 7:07 p.m.

Mayor Lyons led the Pledge of Allegiance to the flag.

PRESENT: Mayor Donald D. Lyons; Councilmembers James B. Dodd, Lori A. Hunt, Danielle E. Lucas and Bob B. Schuur.

ABSENT: Mayor Pro-Tem Leon D. Laylin; Councilmember Charles K. Burling.

STAFF: Kevin P. Anderson, City Manager; Rozanne H. Scherr, Assistant City Manager.

Councilmember Hunt moved and Councilmember Lucas seconded that the minutes of the March 23, 2015 regular meeting be approved.

Approved unanimously.

PROCLAMATIONS

1. Dowagiac Dogwood Fine Arts Festival – Mayor Lyons read the following proclamation:

WHEREAS, the Dowagiac Dogwood Fine Arts Festival began with a small group of local citizens with one big idea; and

WHEREAS, that one big idea has blossomed and grown from a single author visiting the City of Dowagiac to a major multi-day cultural event that includes a diverse experience in arts and culture; and

WHEREAS, world-wide renowned authors, speakers, performers and celebrities have visited and performed in our community to expand our own appreciation of the arts; and

WHEREAS, the Dowagiac Dogwood Fine Arts Committees continue to use the Festival to assure that our children and our community are given ample opportunity to experience and embrace the power of artistic expression by being personally engaged with internationally renowned authors and artists; and

WHEREAS, the Dogwood Fine Arts Festival presents the very best in the fine arts in Southwest Michigan each year; and

WHEREAS, the 2015 Dogwood Fine Arts Festival marks its 24th anniversary season.

NOW, THEREFORE BE IT PROCLAIMED; that I, Donald D. Lyons, Mayor of the City of Dowagiac, tender this Proclamation to the Dogwood Fine Arts Festival and urge all citizens to join me in this sincere expression of our appreciation and our best wishes for a very exciting festival the week of May 8 through May 17, 2015.

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The proclamation was presented to Jim Benedix, President of the Dogwood Fine Arts Festival.

2. Arbor Day – Proclamation moved to April 27, 2015 City Council Meeting.
3. Green Michiana.

COMMUNICATIONS

1. Borgess Lee Memorial Flower Sale.
2. Farm and Artisan Market.
3. City Wide Garage Sale Weekend.
4. White Cane Week.

Mayor Lyons thanked the sponsoring organizations for their dedication to these worthy causes and events. All Communications approved in one motion: Councilmember Schuur moved and Councilmember Dodd seconded approval for the events.

RESOLUTIONS

1. Resolution to authorize the first amendment to the Installment Purchase Agreement for the Front & Main Building Condominium Project.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Hunt.

WHEREAS, the Bond Counsel is recommending that the City Council correct a clerical error in a resolution from December 2013 regarding the length of the financing of bonds for the James E. Snow Professional Building, and;

WHEREAS, the correction will clarify the original intent to finance the building for 10 years.

NOW, THEREFORE BE IT RESOLVED that the Mayor and City Clerk be and hereby are authorized to execute any and all documents necessary and appropriate to effectuate said agreement.

APPROVED unanimously.

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AMENDMENT TO INSTALLMENT PURCHASE AGREEMENT

This AMENDMENT TO INSTALLMENT PURCHASE AGREEMENT (the “Amendment”) is entered into as of March 9, 2015, by and among the City of Dowagiac, Michigan, organized and existing under the Constitution and laws of the State of Michigan (the “City”), Van Buren Cass Community Health Properties, a Michigan nonprofit corporation (the “Seller”), and PNC Bank National Association, Kalamazoo, Michigan, as assignee of the Seller (the “Financial Institution”), for the purpose of making corrections to the schedule of principal payments set forth in Exhibit C to the Installment Purchase Agreement, Series 2013 (Front & Main Building Condominium Project), dated December 19, 2013 (the “Agreement”) as originally executed by said parties, which on its face contains certain payment dates and amounts that are in error and inconsistent with the original intent and authorizations of said parties.

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

1. The principal and interest payment schedule set forth in Exhibit C to the Agreement is hereby amended by replacing said schedule in its entirety with the following schedule:

Amortization Schedule

		June 1, 2019	\$10,333.33
December 1, 2014	\$10,333.33	December 1, 2019	\$10,333.33
June 1, 2015	\$10,333.33	June 1, 2020	\$10,333.33
December 1, 2015	\$10,333.33	December 1, 2020	\$10,333.33
June 1, 2016	\$10,333.33	June 1, 2021	\$10,333.33
December 1, 2016	\$10,333.33	December 1, 2021	\$10,333.33
June 1, 2017	\$10,333.33	June 1, 2022	\$10,333.33
December 1, 2017	\$10,333.33	December 1, 2022	\$10,333.33
June 1, 2018	\$10,333.33	June 1, 2023	\$10,333.33
December 1, 2018	\$10,333.33	December 1, 2023	\$124,000.06

2. The definition of “Payment Date” set forth in the Agreement is hereby amended to replace the reference to “December 1, 2022” (as the final payment date) with “December 1, 2023”.

3. The terms of this Amendment shall be deemed effective as of December 19, 2013, being the original date of execution of the Agreement. All other provisions contained in the Agreement, and all other documents and instruments executed in connection with the Agreement, except as specifically amended hereby, shall remain in full force and effect.

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The parties hereto may execute separate copies of this Amendment, which shall become binding upon execution of the Amendment by all of the parties.

IN WITNESS WHEREOF, the City, the Seller and the Financial Institution have caused these presents to be signed all as of the day and year first above written.

CITY OF DOWAGIAC

“City”

By: _____

Donald D. Lyons
Mayor

By: _____

Jane P. Wilson
City Clerk

VAN BUREN CASS COMMUNITY HEALTH

PROPERTIES

“Seller”

By: _____

John Bruning, President

PNC BANK NATIONAL ASSOCIATION

“Financial Institution”

By: _____

Raymond R. Sebastian, Senior Vice President

2. Resolution to authorize an agreement with Yeo & Yeo for auditing services for 2015, 2016 and 2017.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Lucas.

WHEREAS, an annual independent audit of the City of Dowagiac’s financial system is an important evaluation tool for City Council and an important transparency document for the public, and;

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WHEREAS, the City Council desires to enter into an Agreement for Auditing Services for fiscal years ending September 30, 2015, 2016, and 2017 with Yeo and Yeo CPAs & Business Consultants.

NOW, THEREFORE BE IT RESOLVED that the Mayor be and hereby is authorized to execute any and all documents necessary and appropriate to effectuate said agreement.

ADOPTED unanimously.



March 17, 2015

Kevin Anderson, City Manager
City of Dowagiac
PO Box 430
Dowagiac, MI 49047-0430

Dear Kevin:

We are pleased to submit our proposal for the years ending September 30, 2015, 2016, and 2017. Our audit will be conducted in accordance with accounting standards generally accepted in the United States of America and, accordingly, will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

The following are the maximum fees to complete the financial audit in accordance with generally accepted auditing standards:

Year ended September 30, 2015 \$ 19,300
Year ended September 30, 2016 \$ 19,600
Year ended September 30, 2017 \$ 19,900

If an A-133 Single Audit is required due to increased federal funding, the annual fee is \$2,500.

We have enjoyed working with you and your staff and feel we have been able to provide a quality audit team. Kristi Watson will continue to be the manager in-charge of your audit engagement. I have lead the audit each of the past two years and will continue to have an active role. We have a deep understanding of how the City operates, which helps us identify key areas during our audit to identify weaknesses, offer opportunities to strengthen controls, and make suggestions to increase operating efficiencies.

We value being your trusted advisor and we look forward to continuing our mutually beneficial relationship. Again, thank you for this opportunity and should you have any questions, feel free to contact me at your convenience.

Sincerely,

Yeo & Yeo, P.C.
CPAs and Business Consultants

Jamie L. Rivette, CPA
Principal

Acknowledged:

City of Dowagiac

Kevin Anderson
City Manager

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3. Resolution to accept the bid from MTL Mowing Trimming and Landscaping to mow properties not maintained by owners and several properties owned by the city.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Hunt.

WHEREAS, bids have been received for the 2015 lawn mowing contract,

NOW, THEREFORE BE IT RESOLVED that the bid be awarded to MTL Mowing Trimming and Landscaping and that the City Manager be and hereby is authorized to execute any and all documents necessary and appropriate to effectuate said award.

ADOPTED unanimously.

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3/30/15 Mowing Bid Opening
 Time Opened: 3:00 p.m.
 Attended by: Jim Bradford, Latoi Wilson, Sue Watson
 Time Closed: 3:25p.m.

**CITY OF DOWAGIAC
 MOWING BID TABULATION - March 30, 2015**

Business	Substations, Residential Mowing Min. Per Lot Rate	Commercial Center & Industrial Park Min. Per Acre Rate	Brush Hog WWTP	Right of Ways (Rudy, Commercial, Industrial)	Fuel Surcharge	Available Min. 2 Days Per Wk (Y/N)	List of Powered Equipment Provided (Y/N)	Proof of Insurance Provided (Y/N)	Other Notes
Real Pro Solutions LLC M/M Tim & Michelle Schuur 13508 Marcellus Hwy Marcellus, MI 49067 269.757.1056	\$40.62/subs, \$29/lot	\$25/acre	\$25.00	\$40/acre	3% if over \$4.00/gal	Yes	Yes	Yes	Can provided before & after photos
Mowing Trimming Landscaping M/M Mike & Leslie Main 55235 Garrett Rd Dowagiac MI 49047 269-782-3090	\$29.00	\$19.50/acre	Will quote	\$24.50/ acre	3% if over \$3.65/gal	Yes	Will provide if awarded	Will provide if awarded	Can provided before & after photos
Steele & Sons Diversified Services M/M Craig & Kathy Steele 106 Adams St. Dowagiac, MI 49047 269.782.8916	\$30/subs, \$24/lot	\$24/acre		\$24/acre	3% if over \$4.00/gal	Yes	Will provide if awarded	Will provide if awarded	Can provided before & after photos
Scott Saylor Scott's Custom Lawn Care 95535 62nd St Dowagiac, MI 49047	\$38.75/subs, \$45/lot	\$47.50/acre	\$650.00		None		Yes	Yes	

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4. Resolution of intent to participate with the Cass County Library for the development of the Building Code/Essentials Standards Library.

Councilmember Dodd offered and moved the adoption of the following resolution; seconded by Councilmember Schuur.

WHEREAS, the State of Michigan requires that all municipalities that provide building inspection services have or have access to a print version of all appropriate code books; and

WHEREAS, the cost of developing a library necessary to accommodate all the required books would likely exceed \$30,000; and

WHEREAS, a consortium of communities in Cass, Van Buren and Berrien Counties are working together to share a library so that cost to each community can be greatly reduced,

NOW, THEREFORE, BE IT RESOLVED that the Dowagiac City Council hereby express its intent to participate in a shared Building Code/Essential Standards Library at the Cass Central Library.

ADOPTED unanimously.

5. Resolution to accept the bid from J. Allen & Company, Inc. for the 2015 Local Street Paving Projects.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Dodd.

WHEREAS, bids have been received for the 2015 Local Street Paving Bid Award, and;

WHEREAS, staff has reviewed the bids and recommends that J. Allen & Co., Inc., of Galesburg, MI be awarded said bid,

NOW, THEREFORE BE IT RESOLVED that the bid be awarded to J. Allen & Co., Inc., of Galesburg, MI and that the Mayor and Clerk be and hereby are authorized to execute any and all documents necessary and appropriate to effectuate said award.

APPROVED unanimously.

BID OPENING

Sealed bids for the 2015 Local Street Paving Projects were received at the office of the City Clerk at City Hall, 241 South Front Street, Dowagiac, Michigan, until 2:00 p.m., Thursday, March 26, 2015, at which time bids were opened and read publicly.

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Those present were:

Jane Phillipson Wilson, City Clerk
James D. Bradford, DPS Director
Susan L. Watson, DPS Administrative Assistant

BIDDER	TOTAL BID AMOUNT
J. Allen & Co., Inc. Galesburg, MI	\$92,011.20
Rieth-Riley Construction Co., Inc. Kalamazoo, MI	\$92,822.55
Michigan Paving & Materials, Inc. Paw Paw, MI	\$95,235.60

No further bids were received, the opening concluded at 2:03 p.m.

6. Resolution to authorize the purchase of a dump truck to replace unit #107 in the amount of \$126,262.28.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Lucas.

WHEREAS, the City of Dowagiac Department of Public Services has determined that the replacement of a vehicle is necessary, and;

WHEREAS, the City has funds available in the Motor Pool to fund this replacement,

NOW, THEREFORE, BE IT RESOLVED that the City of Dowagiac, by the affirmative vote of its City Council, does hereby approve the purchase of a Cab/Chassis and Dump Body in the amount of \$126,262.28.

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized and directed to act as signatory for the execution of same.

ADOPTED unanimously.

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7. Resolution to authorize cancellation of the Council meeting for 5/25/15, Memorial Day.

Councilmember Lucas offered and moved the adoption of the following resolution; seconded by Councilmember Hunt.

WHEREAS, the regularly scheduled May 25, 2015 City Council meeting falls during the Memorial Day holiday; and

WHEREAS, the Mayor and City Council desire to cancel the May 25, 2015 City Council meeting; and

WHEREAS, cancellation of the May 25, 2015 City Council meeting will not have an adverse effect on the conduct of City business.

NOW, THEREFORE, BE IT RESOLVED that the Dowagiac City Council hereby cancels the regularly scheduled City Council meeting of Monday, May 25, 2015.

ADOPTED unanimously.

8. Resolution to authorize an update to the Classification & Compensation System.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Dodd.

WHEREAS, Section 7.7 of the Dowagiac City Charter sets forth the duties of the City Manager, and;

WHEREAS, the City Manager shall see that all laws, ordinances, rules and regulations adopted by the City Council and provisions of the Charter are properly enforced, and;

WHEREAS, the City Manager shall recommend to the Council for consideration such measures as he may deem necessary and expedient, and;

WHEREAS, the City Manager recommends to Council the approval of a modification to the Classification and Compensation System as follows: Establishment of a Finance Director position, Grade 10; Elimination of DART Driver position, Grade 1.

NOW, THEREFORE, BE IT RESOLVED that the City of Dowagiac, by the affirmative vote of its City Council, does hereby approve and adopt the modification to the Classification and Compensation System as follows: Establishment of a Finance Director position and elimination of the DART Driver position.

ADOPTED unanimously.

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9. Resolution to approve a Project Authorization Agreement with MDOT relating to the FY 2015 operating grant for the Dial-A-Ride Transit program.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Dodd.

WHEREAS, pursuant to a grant agreement between the Michigan Department of Transportation and the City of Dowagiac it is necessary for the City of Dowagiac to enter into a project authorization agreement for its local transportation program for the fiscal year 2015 in order to receive State and Federal financial assistance under provision of Act 51; and

NOW, THEREFORE, BE IT RESOLVED that the City of Dowagiac, by the affirmative vote of its City Council, does hereby authorize Transportation Coordinator Rozanne Scherr to execute the Project Authorization, FY 2015 Section 5311 Operating, attached hereto and by reference made a part hereof as required to receive financial assistance from the Michigan Department of Transportation, in accordance with Act 51; and

BE IT FURTHER RESOLVED that, for all public transportation matters, the Transportation Coordinator shall provide such information as deemed necessary by the State Transportation Commission or Department for its administration of Act 51 for fiscal year 2015.

ADOPTED unanimously.

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Date: March 4, 2015
Agreement No.: 2012-0076
Authorization No.: P5/R1
Project No.: 125908
Agenda: MA

**REVISED PROJECT AUTHORIZATION
CITY OF DOWAGIAC
FY 2015 SECTION 5311 OPERATING
FORMULA GRANTS FOR
RURAL AREAS PROGRAM**

This information is required by the Michigan Department of Transportation (DEPARTMENT) in order to record agreement of utilization of funds provided by the Federal Transit Administration, United States Department of Transportation and the DEPARTMENT. The funds shall be used by the AGENCY in accordance with the above referenced Master Agreement.

Authorization Effective Date: October 1, 2014
Authorization Expiration Date: September 30, 2015
Fiscal Year Effective Contract Clauses: 2015

The Federal grants associated with the PROJECT AUTHORIZATION are MI-18-X055-04 and MI-18-X055-05.

Award Year: 2015 Federal Item Number: WK0055

The Catalog of Federal Domestic Assistance Number for the Federal Transit Administration Formula Grants for Rural Areas Program is 20.509.

Funding reflects the amount of funds currently available under the Federal appropriation. If additional funds become available, a grant amendment and PROJECT AUTHORIZATION will be prepared.

Payments to the AGENCY under this PROJECT AUTHORIZATION will be based on 18.5% of the estimated eligible costs. The maximum amount to be paid will not exceed 18.5% of the AGENCY's audited costs. If Section 5311 operating assistance funds are insufficient to reimburse at 18.5% of audited costs, a new reimbursement percentage will be calculated for all participating agencies.

In accordance with Section 7 of the Master Agreement, the dollar amount for third party contracts as identified in COMMISSION policy is \$25,000. All agencies who are not self-certified must submit third party contracts over \$25,000 to the DEPARTMENT for approval. Please refer to Section 7 of the Master Agreement for competitive bidding requirements.

The AGENCY will be financially and legally responsible for the terms and conditions of the Special Section 5333(b) labor warranty as agreed to in your annual application. The Special Section 5333(b) Warranty for Section 5311 can be found at: www.dol.gov/dol/esa/public/regs/compliance/olms/13factsheet.htm.

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City of Dowagiac
Agreement No.: 2012-0076
Authorization No.: P5/R1
Project No.: 125908
Page: 2 of 2

The AGENCY agrees to prepare and submit to the DEPARTMENT quarterly operating assistance reports via the Public Transportation Management System (PTMS). Instructions on preparing the report are available in the "Local Public Transit Revenue and Expense Manual" (October 1, 2014, through September 30, 2015). The manual is available on the web at www.michigan.gov/mdototd by locating the resources box on the home page and opening the item listed "Audit/Accounting Information."

The purpose of Revision 1 is to increase operating assistance funds by \$19,362.

Funding source:
2015/7509 \$37,234 (F)

PRF Nos.: 2014-729
2015-162

CITY OF DOWAGIAC

Signature

Print Name and Title

Signature

Print Name and Title

MICHIGAN DEPARTMENT OF TRANSPORTATION

Title: Department Director

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10. Resolution to authorize additional tree harvesting on city owned land by L&M Lumber in the amount of \$41,250.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Dodd.

RESOLVED that the City of Dowagiac accept the L&M Lumber proposal to harvest timber in 2 additional areas of the City property in the amount of \$41,250.

APPROVED unanimously.

STANDING TIMBER PROPOSAL:

FOR CITY OF DOWAGIAC.

2/13/15 L&M LUMBER LLC.

1ST LOCATION Sec. 2 PARAGON TWP. 6 S. RANGE 16 W.

543 TREES AS FOLLOWS: SOFT MAPLE 328, PIN OAK 44, ASH 42,
CHERRY 23, BURR OAK 19, SYCAMORE 19, HICKORY 16, WHITE OAK 15, RED OAK 11,
TULIP 10, ELM 8, COTTONWOOD 4, BEACH 3, WALNUT 1 = TOTAL 543 TREES

\$ 32,750.00
EAGLES TRACE

2ND LOCATION Sec. 11 PARAGON TWP. 6 S RANGE 16. W

150 TREES AS FOLLOWS: 130 PIN OAK
10 SOFT MAPLE
5 CHERRY
4 COTTONWOOD
1 BURR OAK

Industrial Park
W. EXT.
\$ 8,500.00

150 TOTAL TREES { \$41,250.00 }
TOTAL

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11. Resolution to authorize and direct the City Treasurer to pay the following bills and payroll due:

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Dodd.

WHEREAS, the following information has been reviewed by the City Manager and City Treasurer and is being presented to City Council with a recommendation to approve invoices and payroll #14 for the period ending 03/29/15:

Invoices	\$333,845.69
Payroll	<u>\$126,943.44</u>
Total	\$460,789.13

BE IT RESOLVED that the City Manager and City Treasurer are hereby authorized and directed to pay the following bills and payroll due:

<u>BILLS</u>	<u>PAYROLL</u>	<u>TOTAL</u>
\$333,845.69	\$126,943.44	\$460,789.13

ADOPTED on a roll call vote.

Ayes: Four (4) Dodd, Hunt, Schuur, Lucas

Nays: None (0)

Absent: Two (2) Burling, Laylin

Abstain: None (0)

COMMENTS FROM CITY OFFICIALS

ADJOURNMENT

Upon motion by Councilmember Schuur and seconded by Councilmember Dodd, the Dowagiac City Council adjourned at 7:31 PM.

Donald D. Lyons, Mayor

Jane Phillipson-Wilson, City Clerk