CITY OF WIXOM
BUDGET SESSION
MAY 19, 2020

This meeting was called to order at 6:00 p.m. with the Mayor and all members of Council in attendance via Zoom, as well as the City Manager and Department Heads.

Changes or Additions to the Agenda
There were no changes or additions to the agenda.

Call to the Public
There were no public comments at this time.

Budget Highlight Details/Overview
Mr. Brown stated the Fiscal Year 2020/2021 were presented to Council during the public City Council meeting of May 12, 2020.

General Fund Revenue (27-32)
Ms. Stamper explained the projected revenue increase was $48,393 with the State shared revenue decrease of $365,894. The State shared revenue numbers were still uncertain due to the effects of COVID-19; therefore, she chose to stay conservative in that amount. She noted how they decreased the following revenue accounts; Civic Center income and Parks and Recreation as they anticipated the summer ahead may look different from the past. Most of the other accounts remained pretty stable but anticipated revenue accounts such as Cable TV could increase as a result of the "Stay Home, Stay Safe" order.

Deputy Mayor Rzeznik asked if she heard of any shortfall being made up through any COVID-19 federal funding. Ms. Stamper replied no.

Councilmember Gronlund-Fox was under the impression that cable franchise fees were going to go away. Ms. Stamper said the Cable TV revenue account included franchise fees and PEG fees. Councilmember Gronlund-Fox asked was responsible for taking care of any COVID-19 reimbursements from FEMA or the CARE Act. Ms. Stamper said she and Director Moore were working collaboratively and hoped to have a reimbursement figure by the end of May. Councilmember Gronlund-Fox wondered if she had a ballpark figure on the reimbursement. Ms. Stamper indicated they had not incurred a lot of extra costs because the personnel costs have been very minimal. The partitions, hand sanitizer, gloves, outside vendors and contractors directly related to COVID-19, cleaning of the offices and things of that nature were most likely under $25,000.

Councilmember Sharpe asked where the revenue was placed for the rental spaces in the DPW yard. Ms. Stamper said that and the Adopt a Box revenue was placed in the DPW revenue account.

Mayor Beagle explained how they would go over each account, while Deputy Mayor Rzeznik said it was not a formal acceptance of the budget but a general consensus.

Review of General Fund: City Council (pages 34-35)
Councilmember Gottschall asked what fringes for City Council meant. Ms. Stamper said that was FICA/Med FICA portion of the Council pay.

Councilmember Smiley thought it was worth mentioning that Council could not become adjusted without amending the Charter.

There was a consensus on this budget.

City Manager's Office (37-39)

Mr. Brown said there was a creation of a new position; Assistant City Manager/Economic Development split 50%. His vision for this position was supporting the City Manager but the main focus was economic development. Another change they had involved the duties of the Administrative Assistant within his office. They would now perform the front-line duties of assessing resulting in the elimination of the previous part-time assessing position.

Deputy Mayor Rzeznik clarified the economic development person was paid through the Assessing Department so it had been shifted to the City Manager's Department; therefore, it was just moved and not changed. Mr. Brown agreed and added there was cost savings affiliated with this.

Councilmember Gronlund-Fox clarified this new position was not going to be affiliated with the DDA. Mr. Brown confirmed but expected them to work closely with the DDA Executive Director. He said the previous position had a lot of association with the DDA but since then the DDA contracted their own Executive Director.

Councilmember Gottschall did not support the new position as described. He believed there was quite a bit of economic development within the City. He feared this position would get bogged down by daily administrative duties, and so he would rather see an experienced economic development person come in from outside with that being their sole focus. He did not want to witness the City selling themselves short by splitting the duties between the two departments.

Mr. Brown saw this position in a different light. He felt it would bolster the potential to economic development because both managers would work closely together. In addition, this person would oversee the contracted personnel within the Construction and Development Services. He felt very optimistic about this position.

Councilmember Smiley confirmed this position would focus primarily on economic development. Mr. Brown agreed and noted that it had only been split in half for ease.

Councilmember Behrmann wondered where this person's office was located because he foresaw them working closely with the DDA Executive Director. Mr. Brown planned to put their office within the Building Department. He expressed the benefit of having the DDA Executive Director's office on the City campus.

Councilmember Sharpe said it appeared the overtime budget wasn't used much and asked if the Administrative Assistant was expected to complete their added tasks within a normal work day. Mr. Brown said his staff that attended meetings outside of normal work hours and usually booked it as compensation time, but he anticipated that they may want pay at any point. Councilmember Sharpe stated if they had to find $6,000 they could look there. He asked about the increase in fringes. Ms. Stamper indicated that was a reflection on the new Assistant City Manager position.

Councilmember Gronlund-Fox questioned what the employee split was of those employees that had the Defined Benefit Plan vs. the Defined Contribution Plan. Ms. Stamper would confirm the numbers but suspected they were weighing heavier on Defined Contribution.

Mayor Beagle indicated that he was in favor of the Assistant City Manager with a heavy hand in economic development. He did not believe this person would become bogged down with daily administration duties.

Deputy Mayor Rzeznik asked they consider implementing a travel budget for the Assistant City Manager. In order to become effective, they needed to network and market Wixom. Mr. Brown thought that was an excellent point.

There was a consensus by all except Councilmember Gottschall on the approval of the Assistant City Manager position.

Financial Administration(40-41, 140)

Ms. Stamper explained there had not been a lot of change other than overtime costs associated with those personnel working during busier times (i.e. tax collection, audit and budget). She pointed out a slight increase in a few other revenues that covered costs associating with tax bill printing, consulting, bond payments, etc.

Councilmember Gronlund-Fox asked Ms. Stamper to explain the sick-time payout offered to employees. Ms. Stamper said employees were allowed to accumulate 180 sick time days and anything over that 180 days was paid to them the end of the fiscal year by 50%. She added that the City of Wixom did not have a long- or short-term disability plan and relied on the employee's sick time to cover those needs. This benefit was also included in the bargaining contracts. Councilmember Gronlund-Fox believed that was a lot of days and was in favor of looking into a short-term disability policy and eliminating that liability. Ms. Stamper said she would ask their benefit consultant to look into this, but was aware this benefit had been negotiated by the unions. Councilmember Gronlund-Fox suggested starting with the non-union employees and work down from there. Also, she asked they look further into self-funding that expense.

Mayor Beagle confirmed the current union contracts expired in 2021. Mr. Brown agreed.

Councilmember Gottschall noticed the educational line item was hardly used and asked if it could become adjusted. Ms. Stamper said her schedule had not always accommodated the conferences and workshops she wished to attend, but she would work around any decrease. Councilmember Gottschall wanted to lower the line item by $1,000. Ms. Stamper approved.

There was a consensus on this budget.

City Clerk (42-43)

Deputy Clerk Opalko indicated the budget reflected the added expense of hiring a part-time temporary employee to help the office with the major elections. She believed that person was needed with the changes in the increase of absent voters.

Councilmember Gottschall hoped they could decrease the Consultants and Personnel account. Deputy Clerk Opalko indicated that amount was set for ordinance codification. Councilmember Gottschall asked to reduce that amount by $1,000. The Deputy Clerk agreed with the amount.

Councilmember Gronlund-Fox did not want to leave the Clerk's without money in their education budget because she was a big proponent of training, but wondered if a $1,000 reduction was sufficient.

Council Behrmann did not see any reason to cut this budget further as it was already decreased from FY 18/19.

Deputy Rzeznik was also in favor of leaving the educational budget as it.

Councilmember Gottschall indicated there were two separate educations line items; Conferences and Workshops and Education and Training. He asked if either of those items could be decreased.

Deputy Clerk Opalko indicated that many changes were happening with election law that required education and training, and the Clerk's office needed to prepare. She hoped they did not reduce their budget.

There was a consensus on this budget.

Information Systems (44-45, 145)

Councilmember Gottschall wondered why the Data Processing- Contractual seemed to increase by a fair amount.

Mr. Brown would check with Mr. Blackburn as to why that was and get back to them. He would let them know if any adjustments could be made.

There was a consensus on this budget.

Board of Review, Economic Development (46-49)

Mr. Brown stated the changes reflected those items they already discussed, in addition to the County raising their assessing rates.

Deputy Mayor Rzeznik asked if the City was still using Michigan State for GIS activities. Mr. Brown confirmed.

There was a consensus on this budget.

Building Maintenance & Facilities (50-51, 139)

Mr. Sikma explained the budget reflected some items they hoped to address such as; changing the lighting to LED throughout the complex, maintenance to the HVAC units in the Clerk, Finance and City Manager's offices as they noticed the electronic control system was undersized with the recent upgrades, and improve the esthetics of the building.

Mayor Beagle wondered the age of the HVAC units. Mr. Sikma would have to get back to them on that but believed the oldest unit was built in the 90's. Mayor Beagle hoped the age of these units would be on their radar because any unit built in the 90's was getting up there in age.

Deputy Mayor Rzeznik asked about the account (101-265-802.332) because it went from having nothing in previous years to having $6,000. Mr. Sikma said that was for light fixture upgrades. Deputy Mayor Rzeznik thought maybe that could go into Capital Improvements. Mr. Sikma thought that would be ideal. Deputy Mayor Rzeznik asked if the building improvements were aesthetically or structural. Mr. Sikma said it was primarily aesthetic as they were going to address the first 3' around the entire building due to erosion and damage from the elements.

Councilmember Gottschall stated the line item for the library HVAC had been consistently under used and wondered if there was any room for adjustments. Mr. Sikma said that was for the de-humidifier/humidifier. He said they had been fortunate with not having any issue but asked to keep it the same as a precaution. Councilmember Gottschall asked what parking lot projects still needed to be completed. Mr. Sikma replied the budget was for maintenance of the parking lot. Councilmember Gottschall stated that he voted against the parking lot improvements because the funds were coming from Budget Stabilization. He asked if they were adding this into the Capital Improvement forecast. Ms. Stamper said they had not dedicated any funds for the future parking lot because that would happen year ten. Councilmember Gottschall believed it was easier to put in 1/20th. Ms. Stamper was not comfortable with putting $75,000 into a 20-year Capital Improvement Plan at this time because of the current situation with the State Shared Revenue, pending millage and COVID-19.

Councilmember Behrmann questioned if the entire Capital Improvement Plan would become 20 years if they were to consider changing it for the parking lot. Ms. Stamper said that it would. She was not opposed to the change, but it would take a lot more planning then a simple change overnight.

There was a consensus on this budget.

Legal Assistance (52-53)

Mr. Brown indicated the expense reflected that re-negations on the existing contracts including the new Fire Department contract.

Deputy Mayor Rzeznik wondered if legal counsel advice regarding City Charter Amendments would result in an increase to this budget. Mr. Brown said they would but did not feel it would happen within this budget given the current state of affairs.

Councilmember Gottschall wondered if they needed to have the attorney as the main point person in the union negations or had Mr. Brown felt confident enough after having been involved in the process to conduct the negations himself. Mr. Brown said he'd experienced being much more involved in the negations before and he preferred the collaborative process. He believed the figure was conservative as he didn't want to have a negative surprise.

There was a consensus on this budget.

General Operating (54-55)

Ms. Stamper said this account was pretty straight forward. There was a change to the OPEB contribution of normal cost as the previous actuary they had at $172,000 was reduced to $99,661 as a result from employees that left employment. She explained the fringe HRA benefit was originally budgeted at $175,000, but those expenses were moved each month to the individual departments. She included a little higher cost in the actuarial OPEB because they were required to perform a funding actuary every two years. She mentioned they received a good renewal on the workman's comp insurance as a result of a low rate of claims.

Mayor Beagle wondered why there was an increase in outside storage then it decreased in years to come. Ms. Stamper explained they estimated an expenditure of 3% and run that across. She believed they were anticipating higher box retrieval, destruction of boxes, call backs and things of that nature in this coming fiscal year.

Councilmember Behrmann questioned what outside storage was. Ms. Stamper explained that it was storage of documents for many departments.

Councilmember Gottschall questioned if they could expand on the potential storage at the Fire Department and obtain a cost savings. Ms. Stamper was not in favor of storing these documents in another location as the documents were being stored in a controlled environment with a quick easy retrieval system. She added that these documents were stored because they were required to keep these items for a certain period of time according to law.

Councilmember Gronlund-Fox asked for more clarification regarding the increase in the HRA fringes. Ms. Stamper said each month they received a report from the company that handled the health reimbursement and those amounts varied each month. She explained how they went to this arrangement in order to reduce health care costs as the HRA covered various cost like copays. They start the year with $175,000 and every month after they received the report, they allocated the expense to the departments. They wanted to show the expense at a departmental level not just in General Operating. Councilmember Gronlund-Fox asked what the City paid for health care for active employees including the HRA expenses. Ms. Stamper said she estimated $748,000 plus the $175,000 for the HRA fringes in premiums. She estimated the employee contribution at $170,000 toward that premium. Councilmember Gronlund-Fox thought the reduction in the OPEB was large and wondered how many employees left. Ms. Stamper said five employees. Councilmember Gronlund-Fox hoped they would consider going out for bid given that its been a while for property and liability insurance to determine if they could get a cost savings.

There was a consensus on this budget.

Building Department (64-65, 138)

Ms. Stamper explained that there wasn't much to expand with this account, but mentioned there was an increase in fringe benefits. They had an employee that opted out of health care but that employee was leaving. They wanted to make sure the funds were there should the new hire want those benefits. She explained the Building Official contract was a direct result of the number of permits as they receive a percentage of the permit fees per contract.

Councilmember Gronlund-Fox asked if the amount paid to SAFEbuilt included plan review. Ms. Stamper said they received 63.5% of the permit fees and that included plan review, trade inspections, building inspections and zoning fees.

Mr. Pike mentioned they performed code enforcement for an hourly rate and that was not part of the 63.5%.

Councilmember Gronlund-Fox asked if the City planned to go out for bid for this service. Mr. Brown did not have a desire to bid these services out at this time. He said SAFEbuilt had not been with the City for long and they felt satisfied with their partnership.

Councilmember Rzeznik said they used to have full time employees performing these functions and the legacy costs associated with that. With this arrangement the costs fluctuated due to the amount of building activity within the City.

Councilmember Gottschall believed the City still had a year or so on the contract with SAFEbuilt as they extended it and received a little reduction.

Mr. Pike added the contract with SAFEbuilt was current through December 31, 2022.

Mayor Beagle asked why Code Enforcement was so high and asked if the amount could be reduced. Ms. Stamper indicated that it depended on the amount of enforcement concerns they had. Mr. Pike concurred and added they only would respond to code enforcement issues if they received a complaint.

Councilmember Sharpe asked what the $58,000 was for in fringes. Ms. Stamper replied that was for vision, health insurance, dental, life, etc.

Councilmember Gronlund-Fox had been thinking that $58,000 in fringes for two people within the Building Department was a very high amount. She guessed one of those employees was part of the DB plan and because those plans were closed they did not do a percentage of payroll but a flat amount. Ms. Stamper said she was correct and explained that figure was the normal cost because the amortized cost was bonded. Ms. Stamper was able to inform the Council they had nineteen employees on the Defined Benefit Plan and the remainder of the employees on the Defined Contribution Plan.

There was a consensus on this budget.

DPW (67-69, 146)

Mr. Sikma said most of the funds within the proposed budget were static with the exception of adding the bike path. They planned some expenses would be needed for the bike path. He expanded on the Capital Improvements they had such as the drain improvements, a replacement of a 2001 hook lift truck, the funding of two additional Adopt a Boxes, DPW building upgrades and mower equipment.

Deputy Mayor Rzeznik asked if they continued to rent out the Adopt a Boxes as they were asking for two more. Mr. Sikma was aware that this spring was a little different with everybody home cleaning, but they utilized all five boxes. Usually they only rented out three and kept the remaining two for our services. Councilmember Rzeznik thought if they purchased two more they wouldn't be used as much next year because of the "Stay Home, Stay Safe" order would be lifted. Mr. Sikma thought that may be true but said they also used them for leaf pickup. He mentioned they wanted the new boxes to have a tailgate opening because that would be an improvement to what the current boxes had. Councilmember Rzeznik said perhaps they could obtain one box with the tailgate option and move out the other box to the following year.

Ms. Stamper noted they were receiving more rentals every year so this program was getting more popular. The residents were charged $50 to rent a box.

Councilmember Behrmann questioned how many people wanted one of these boxes and couldn't because they were all be used. He added that if they were to buy two more boxes, one would

essentially pay for itself if they rented out all seven boxes that year. He believed these boxes were a doing a great service to the residents and help with any blight issues. He did not mind spending the money for two boxes if there was a need for it. Mr. Sikma said the best time to rent these boxes were on the weekends because that was when the residents wanted to do the majority of their cleanup.

Councilmember Sharpe was not sure how the math was done, but charging only $50 in rent meant it took ten years to pay it off. He questioned if they needed any boxes or considered raising the rate charge.

Mayor Beagle said they were not in this for profit or simply to recoup the cost of the dumpster, but to perform customer service to the community while improving the look of the City. He restated that it was another great service Wixom offered to its residents at an affordable cost.

Councilmember Gottschall asked how long the boxes typically lasted. Mr. Sikma believed 10-15 years.

Councilmember Gronlund-Fox stated that she was in favor of pushing one Adopt a Box out to next year. She asked if the hook-lift truck was an entirely new purchase or a replacement. If they were replacing the current truck was it because the truck they had no longer worked. Mr. Sikma said they hoped to replace the truck they had and although it still worked it was 20 years old, and would potentially require more maintenance. In addition, the new hook-lift truck had updated technology and allowed them to plow. He added this truck was the next in their fleet replacement plan. Councilmember Gronlund-Fox asked if they would consider pushing the truck out another year given the current revenue sharing decline. She felt concerned about the decrease in revenue and the potential of it decreasing more than they anticipated. Mr. Sikma realized this was a large expenditure but the Capital Plan they had was a revolving plan and they already pushed the truck replacement out.

Ms. Stamper reminded Council that the Capital Plan was funded over a ten-year period so even if an item was moved to next year, it was still funded at the same level. The Capital Improvement Plan items were funded by 1/10th every year meaning the contribution to Capital remained the same but the purchase was delayed. You would not see a change in the numbers.

Councilmember Behrmann stated the purchase of this truck would come before City Council anyway, so if they noticed a decline in revenue and did not feel comfortable with a large purchase, they could put it off at that time.

Mayor Beagle thought it would be helpful if Council could obtain an inventory of each vehicle, how old they were and when they were up for replacement. He was a proponent of more Adopt a Boxes but felt purchasing one box at this time would be ideal. If they were to eliminate the tractor attachment and auction off the old hook-lift truck they would see a cost savings.

Councilmember Gottschall asked if they paid a higher premium because the DPW had their own fuel tanks. Mr. Sikma said they did not because they were above ground. Councilmember Gottschall asked if they had a cheaper option for purchasing fuel such as a contract with a gas station, using a fleet card, etc. Mr. Sikma said they fueled their salt trucks, mowers, trucks, etc. with the fuel tanks. He believed the DPW employees preferred to fuel on site. Councilmember Gottschall said they could not determine a cost benefit until they looked into the possibility of another avenue. He noticed there were some line items that came in under budget consistently. He pointed out that computer software, computer supplies, landscape material and municipal parking. Mr. Sikma preferred to keep landscape material the same because that was used for parks and trail maintenance. He proposed a reduction of $500 from both Computer Software and Computer Supplies and $1,000 out of Municipal Parking result in a total reduction of $2,000.

Councilmember Gronlund-Fox looked over the conferences, workshops and training line items. She questioned if they would use all $11,000. Mr. Sikma indicated they had employees scheduled to go to trainings and certain licenses required continuing education by their employees.

Councilmember Smiley recalled they purchased a new leaf trailer and added an additional full-time person in the hopes to reduce over time. He asked if that was successful. Mr. Sikma replied that it was.

Mayor Beagle clairifed they would purchase one Adopt a Box and decided to push out the tractor item a year.

There was a consensus on this budget.

Senior Citizens Activities (70-71)

Councilmember Gottschall recalled talk of bringing staff back, but questioned the game plan for the Senior Center given they were such a vulnerable group to the virus.

Mr. Brown said that was a volatile question as there was substantial changes in operations. He was sure they could look into the budget and obtain an educational guess based on the new situation.

Director Moore said they were in the process of looking into a recovery and reopening plan. They were reviewing a few different plans and each plan addressed the senior citizen population.

Deputy Mayor Rzeznik was in favor of keeping in the budget as is because he felt activities may adapt or adjust to the new normal.

Councilmember Sharpe said just about everything and everyone needed to adapt and adjust to the new normal. He believed that everything would become less efficient and cost more money. He thought it was wise to keep the money in the Senior Budget.

There was a consensus on this budget.

Planning Commission (72-73)

Councilmember Behrmann questioned if they needed to look into bidding out planning consultant services in order to get the best bang for our buck. He wondered if the Planning Commission would assist in that.

Mayor Beagle was not opposed to that as they just did something similar with the water/wastewater services.

Councilmember Sharpe was not sure exactly sure how the assessment was conducted on an annual basis because it never happened while he served on the Planning Commission. He recalled going with status quo, but was aware the Commission questioned frequently the efficacy of the company providing those services. He said that sometimes it felt good and other times didn't feel they were getting what they paid for. He was unsure who would solicit bids from other providers.

Mayor Beagle asked if administration would look into this further. Mr. Brown agreed they would and explained they would work alongside with the Planning Commission in soliciting for bids for those services.

Councilmember Sharpe stated he was not suggesting this be handled now because the City had a lot on their plate already. He asked they entertain the idea in the 20/21 calendar year.

Mayor Beagle suggested they look at the current contract to determine when it expired in order to get a better idea of when they should have these discussions.

Councilmember Behrmann was fine with the budget proposed. He just wanted the City to be certain they were keeping track of all the long-term vendors/contactors and making them honest.

There was a consensus from all on this budget.

Zoning Board of Appeals (74-75)

There was a consensus from all on this budget.

Parks & Recreation (77-79, 142-143)

Ms. Magee said an employee that formally opted out of the insurance had chosen to take the insurance resulting in an increase in the budget. They created a park maintenance account so they could keep better track of small miscellaneous park purchases by the DPW. She said the Capital Budget was large because of improvements throughout the City. They hoped to address the tennis courts because they were cracked, consider a pavilion at the trailhead, make repairs to comfort stations and perform brick repairs.

Councilmember Gottschall would like to see the beautification awards and/or the Beautification Committee come back and be placed within this budget. He was aware residents and business owners enjoyed this as it gave them a reason to go all out on their gardens. He hoped the budget was set at $2,000.

Mayor Beagle was in favor of adding the beatification awards to this budget as he believed it was another service the City could provide to its business and residents that made this community stronger and stand out.

Councilmember Behrmann asked why there was $13,000 in the Smart Bus Credits. Ms. Magee said they used that money for senior transportation and charter bus services. She believed it could get reduced by $2,000 to cover the beautification awards.

Ms. Stamper said they were reimbursed for those expenses by SMART. Councilmember Behrmann determined did not see any reason for change because income was coming in for those expenses. Ms. Stamper agreed.

Councilmember Gronlund-Fox clarified that any unused funds for cancelled events would go back to the Fund Balance. Ms. Stamper confirmed.

Councilmember Gronlund-Fox asked exactly where the trail extension was located and if they could obtain any grant money for this project. Ms. Magee said it went from Wixom Road and hooked up to the Huron Valley Trail. They liked to call this Phase 2 of the Trailway. Mr. Brown said they received grant money for Phase 1 and Phase 2 with the City covering roughly $200,000. Councilmember Gronlund-Fox confirmed the comfort stations referred to in the budget was the restrooms at the parks. Ms. Magee replied yes.

Deputy Mayor Rzeznik was unsure if any events would happen this year. He suggested administration reach out to the donors they received money from to ask if they were willing to redirect some of their contribution to fund things like bike racks, bike repair stations, water fountains, benches, etc. Ms. Magee said they received $50,000 in sponsorship money. They already reached out to the donors and some requested their money back, while others asked us to hold it until next year. Ms. Magee said they would contact the donors again to ask if they would like to recalculate their contribution to the items Deputy Mayor Rzeznik mentioned.

Mayor Beagle was aware that certain parts of the Habitat were in worse shape than other parts. He asked if it needed to all be replaced or if they could just fix what needed to be done. Mr. Sikma described how they had reviewed repair vs. replace on many occasions and while some things could be overlooked, he believed the floating platform was a huge benefit because the current platform was sinking. Mayor Beagle asked if the pathway was part of the $600,000. Mr. Sikma said the $600,000 included a pathway and platform; however, it did not include the discussions they had for connecting the pathway from the Habitat to the Millstream Subdivision.

Councilmember Smiley asked if they had a floating platform currently at the Habitat. Mr. Sikma replied that they did not. Councilmember Smiley wondered how much of the $600,000 was going toward the floating platform. Ms. Magee said they received quotes and $55,000-$60,000 was just

for the platform. If they were going to repair only portions of the boardwalk that was in dire need, they looked to spend $100,000 total. Councilmember Smiley confirmed the Wixom Habitat could become safe for $100,000 with repairing it and purchasing a floating platform. Ms. Magee and Mr. Sikma both agreed. Councilmember Smiley asked if they looked into any grants for the work on the Habitat. Ms. Magee said she was felt confident grants were not obtainable as they already received large grants for the trailway and transportation. She felt they would not want to fund another large project in Wixom until those projects were completed.

Councilmember Behrmann recently went to the Habitat and agreed the platform needed replacement but felt the entire walk out to the platform did not need immediate attention. He liked the idea of trying to get a pathway to the Millstream Subdivision and other neighborhoods because it would increase the use of the Habitat.

Councilmember Gronlund-Fox said she was in favor of pushing the Habitat replacement out and have DPW repair the platform this year. She encouraged staff to pursue grants for the Habitat.

Deputy Mayor Rzeznik echoed Councilmember Behrmann's comments regarding the Habitat. He walked the Wixom Habitat recently and stated that the platform needed replacement for it was a safety concern.

Councilmember Gottschall questioned if the part-time coordinator, monitor fees and things of that nature needed to be revisited upon reopening. Also, he mentioned they consistently did not use the entire $5,000 in the copier maintenance and hoped they could lower it by $2,000. Ms. Magee explained the Community Center Capital Plan had the purchase of a copier for 2021. They anticipated a monthly maintenance plan that included copies, toner and maintenance of $230 a month. Councilmember Gottschall did the math and decided that line item could be reduced estimating at $300 a month. He asked what a ball diamond dresser was exactly. Mr. Sikma described it as a rake that was pulled behind the quad to smooth the ball field, get rid of any bumps and keep it nice. Councilmember Gottschall felt $15,000 for that piece of equipment was high. He witnessed many ball games where people raked the fields. He wondered if there was another solution that could get the job done. Ms. Magee indicated the current quote within the budget was given to them from a national bid and stressed how often the ball fields were used. Mr. Sikma pointed out that piece of equipment was 25 years old. Councilmember Gottschall stated that he would like the CDBG funds they received for the walking path around City Hall used for something else. He did not feel spending it on a walking path was the best way to benefit the area. He was aware they received the funding because the project fell within a low to moderate income area. He felt unsure that this pathway would improve their lives as much as another project would. He wanted to see the money used toward the people that made receiving those funds possible. Ms. Magee indicated that FY 2019/2020 CDBG funds had been allocated to that project. Recently she applied for a grant through AARP for senior wellness (exercise, communication, being outdoors, etc.). Part of the emphasis that supplied the grant was encouraging the senior population to get outside while they were near a senior center. Councilmember Gottschall would appreciate if a list was created of ways they could improve the lives of folks with low to moderate income. He indicated that he recently read an article saying that Oakland County would dedicate 30 million dollars to local communities within the County. He encouraged the staff to start those conversations with the County in hopes to recoup any of the State Shared Revenue funds they were expected to lose.

Councilmember Behrmann indicated that most Capital Improvement expenses made sense to him. He understood why they wanted to purchase a new equipment for the ball fields because they were utilized and a source of revenue for the City. He expressed his support for the walking path around City Hall because he felt it would benefit the seniors and the City Hall employees.

Councilmember Gronlund-Fox wanted to know exactly where the path would be located. Ms. Magee said it was a U-shaped path that connected to Pontiac Trail. It would run around the Senior Center, over the hills near the railroad tracks and back around the other side of City Hall. Councilmember Gronlund-Fox wondered what benefits staff saw in this pathway. Ms. Magee said safety.

Mr. Brown stated some reasons he believed the path was a benefit. He felt it was great for exercise, provided an extension to the current path, offered proximately to the apartments, became a transportation amenity, created economic development, supported the business and boosted the possible east retail area of the City. He said it would surprise you to see the amount of people that walked around City Hall. He saw a lot of potential in the pathway.

Councilmember Gronlund-Fox stated she had trouble supporting $600,000 for the Habitat in the state of affairs they were currently in.

Mayor Beagle felt the same was as Councilmember Gronlund-Fox about the Habitat because $600,000 was just a lot of money to spend right now. He questioned the cost associated with rebuilding a floating deck and repairing the rest of the pathway. He expressed that he was not a fan of the pathway around City Hall but his thoughts changed after hearing the senior citizens may be required to participate in activities outside.

Councilmember Behrmann wanted to confirm that if they were to change the Capital Expenses that the budget dollar amount would not change. Ms. Stamper said if they were going to push a Capital Expense out further then the annual contribution remained the same. The only time the annual contribution was changed to the Capital Expense was if the item was removed entirely. Councilmember Behrmann said Council still remained in control of the expense so if their economic state was not ideal they could address things at that time.

Councilmember Smiley said it sounded like the Habitat was unsafe and $100,000 was only a band-aid. He would love to save $600,000 but spending $100,000 now then having to come up with $600,000 later was not ideal. He questioned exactly what they could get for the $100,000. Ms. Magee said they would get the $50,000 floating platform and repairs the boards on the pathway that needed immediate attention.

Mr. Sikma did not feel they would lose that much money because the floating platform was new. Councilmember Smiley stated they had three choices; spend the $600,000, close the Habitat or spend $100,000 for a new platform and address any necessary repairs to keep the Habitat open. Mr. Sikma confirmed.

Councilmember Sharpe thought he may be misguided as he supported the budgeted $600,000 for the Habitat. He suggested before they approved any expenditures, Council look at the Habitat and make the decision themselves. He did not see a target where they needed that $600,000 somewhere else.

Mayor Beagle thought Councilmember Sharpe made a great point. He recognized the Council had the final say when and if this came before the dais.

Councilmember Gottschall didn't have a problem with the budget because they were not using funds from the Budget Stabilization to fund this budget and they were still coming in under the 3.5 mills. He acknowledged that this budget was put together in a nice manner that could be used for solid information.

Councilmember Gronlund-Fox wanted to confirm that this budget did not include money from the Budget Stabilization. Ms. Stamper confirmed.

Deputy Mayor Rzeznik was in favor of the Habitat being funded because it was a safety concern and it was a widely used park within the City.

There was a consensus on adding $2,000 for the Beautification Committee but not a consensus on the Habitat. They chose to revisit the Habitat at the next Budget Study Session.

Cultural Center (80-81, 137)

Ms. Magee indicated the operating budget was the same but mentioned they had a copier in the Capital Improvement Expense.

Councilmember Gottschall asked they revisit this based on the re-opening with COVID-19. Ms. Magee agreed.

There was a consensus on this budget.

Debt Service-Pension/OPEB (82-85)
Ms. Stamper said this fund could not be touched because it was the expense of funding the principal and OPEB bonds.

There was a consensus on this budget.

Interfund Transfers (86-87)
Ms. Stamper said they had one contribution and that was the annual contribution to the Capital Improvement Fund.

Councilmember Behrmann wondered if there was a point where they would start putting money into the Budget Stabilization Fund. Ms. Stamper said Council could make their decision to contribute funds to the Budget Stabilization after the close of the Fiscal Year.

There was a consensus on this budget.

Call to the Public
Caleb Shang of 49030 Pontiac Trail thought it was touching to witness seven full time professionals analyze this much over how to spend tax payer money.

City Manager's Comments
Mr. Brown thanked the Council for spending time with administration and giving good feedback.

Council Comments
Councilmember Behrmann was excited for the Budget Study Session tomorrow night.

Councilmember Gottschall thought everyone looked to navigate this in a good manner in terms of what could happen in the future. Any savings was just icing on the cake. He knew it was just casual talk, but he would like to see 3 mills become the base millage instead of 3.5 mills when they considered the renewal.

Councilmember Gronlund-Fox appreciated the process.

Councilmember Sharpe thanked the City Council for being gentle with him as the newbie. He felt the beauty of democracy was that they did not all have to agree on everything.

Councilmember Smiley thanked everyone that participated in the meeting tonight. He felt Councilmember Sharpe did a great job and he thanked Mr. Shang for the kind words he gave to Council.

Deputy Mayor Rzeznik thanked everyone for their time and he believed the debate was really good. He expressed the budget process was where the heavy work was. He stated having a 10- or 20-year Capital Plan was fiscally responsible for keeping large assets in good working order.

Mayor Beagle thanked the Department Heads for hanging in on the long night. He thanked the Council for all their valuable input and dialogue. He knew they were all working hard just trying to do their best for the City.

The meeting was concluded at 10:05 pm

Crystal Opalko
Deputy Clerk

Approved
6-9-2020