

PROCEEDINGS OF THE CITY COMMISSION  
CITY OF EAST GRAND RAPIDS

**Regular Meeting Held June 7, 2021**

Mayor Favale called the meeting to order at 6:00 p.m. in the City Commission Chambers at the East Grand Rapids Community Center and led the audience in the Pledge of Allegiance. She announced the meeting was also being held electronically as allowed by the recent amendment to the Michigan Open Meetings Act and a local declaration of emergency in response to the COVID-19 crisis. She invited any citizen attending by computer or phone to ask questions or offer comments during the public comment times.

Present in Person: Commissioners Duncan, Hamrick, Pachla, Walters and Mayor Favale

Present Virtually: Commissioners Arendshorst and Hecksel

Absent: None

Also Present: City Attorney Huff; City Manager Charles; Deputy City Manager LaFave; City Clerk Brower; Finance Director Seath; Communications Specialist Licari

2021-102. Mayor Favale announced the ordinance amendment to Section 7.124 was being withdrawn from the agenda to allow staff to review some possible revisions before final adoption.

2021-103. No public comment was received.

2021-104. Commissioner Pachla noted the 2020 Water Quality Report was sent out recently with the water bills and detailed the high-quality of the drinking water provided to East Grand Rapids residents.

Commissioner Hamrick congratulated the class of 2021 on their recent graduation. She also noted there would be a vaccination clinic at the Middle School later this week for ages 12 and over.

Mayor Favale announced the first public input session for the proposed Parks Improvement Millage would be held at city hall on Thursday, June 10 and invited the public to attend to have their questions answered.

City Manager Charles reported the City's 4<sup>th</sup> of July activities would return this year with a modified lineup to reduce crowds. The Trail Blazer 5K Walk/Run would take place at 8:30 am, followed by an extended-route parade through the neighborhoods beginning at 11 am. There will be no events or music in the park in the afternoon, but the fireworks over Reeds Lake will take place at dusk as usual.

Commissioner Arendshorst was attending virtually from his home. Commissioner Hecksel was attending virtually from his office in Grand Rapids.

2021-105. A public hearing was held pertaining to the General Fund budget and the property tax levy for Fiscal Year 2021-22. No public comment was received. Mayor Favale closed the public hearing.

2021-106. A public hearing was held on the special assessment roll of delinquent accounts for placement on the July 1, 2021 tax roll. No public comment was received. Mayor Favale closed the public hearing.

2021-0106-A. Duncan-Arendshorst. That the special assessment roll of delinquent accounts totaling \$41,289.67 be certified and placed on the July 1, 2021 tax roll.

Yeas: Arendshorst, Duncan, Hamrick, Hecksel, Pachla, Walters and Favale – 7

Nays: -0-

2021-107. Specially Designated Merchant (SDM) license for Fromage at 2180 Wealthy.

City Clerk Brower explained the Michigan Liquor Control Commission notified the city of the application for an SDM license which would allow the sale of beer and wine for off-premise consumption and a wine tasting permit for the new business located in East Grand Rapids. East Grand Rapids is able to review and comment on the license, but no formal approval or action is required unless the city commission feels there is a problem with the application.

Debbi McGonigal, owner of the new store, outlined her plans for the retail store offering meats, cheeses, wine and other gourmet foods. She noted the beer and wine will make up 1-3% of their sales and the stock would be kept behind the counter and not out on the floor. In addition, she will offer training and point-of-sale verifications to ensure alcohol is not sold to minors. She anticipated the wine tasting permit would be used for special events only.

Commissioners thanked Ms. McGonigal for addressing the usual concerns and looked forward to visiting the store in Gaslight Village when it was fully open for business.

2021-108. Adoption of Mobility Bike Action Plan.

Deputy City Manager LaFave gave a history of the development of the plan and the input sessions with the public about their perceptions of walking and biking through EGR. He noted the plan had been revised following commission input to clarify and give additional details for future plans and action items. The plan includes short-term and long-term planning goals and a framework for implementing a variety of items to improve safety and connectivity.

Chris Zull of Progressive AE, reviewed the major sections of the Mobility Bike Action Plan and explained the action plan that shows what enhancements may be implemented in various locations in the future. He noted each project would require working with the public, especially surrounding neighbors, to find the right fit.

Commissioner Walters thanked Mr. Zull for including the additional plans and details for the suggested projects and agreed each project will need significant discussion to decide what's appropriate for each neighborhood.

Mayor Favale opened this issue for public comment. No public comment was received. Mayor Favale closed public comment.

2021-0108-A. Pachla-Hamrick. That the updated Mobility Bike Action Plan prepared by Progressive AE be adopted as presented in the agenda materials.

Yeas: Arendshorst, Duncan, Hamrick, Hecksel, Pachla, Walters and Favale – 7

Nays: -0-

2021-109. Designated Assessor Agreement with Kent County.

City Manager Charles reported several other municipalities in Kent County had approved this agreement for assessing services in the event their assessing staff is unable to complete the required operations and certifications needed. He did not anticipate needing to utilize the designated assessor, but felt it was appropriate to have this in place.

2021-0109-A. Hamrick-Walters. That an interlocal agreement with Kent County for designated assessing services in the event the city is unable to meet the assessing needs of the city be adopted as attached in Exhibit "A."

Yeas: Arendshorst, Duncan, Hamrick, Hecksel, Pachla, Walters and Favale – 7

Nays: -0-

2021-110. Defined Benefit Plan annual required contribution.

City Manager Charles outlined the recent transition to an independent defined benefit pension system and explained the process of determining the yearly funding that will ensure the stability of the fund while fitting within the city's budget. The city's advisors were recommending a required annual contribution (ARC) of between \$1.1 and \$1.5 million for FY 2020-21 and have offered several funding plans for future years to meet the needs of the distributions to retired employees. Mr. Charles answered questions from the commission on the recommendations and the impact on future budgets. He noted the city is in a good financial position to make the maximum ARC payment this year which would reduce needed funding in the future. Mr. Charles stated he was waiting for final projections from the consulting firm and would have updated numbers at the next meeting so the commission could make a final decision at the June 21 meeting.

2021-111. Parks Improvement Debt Millage.

City Manager Charles reviewed the first draft of the ballot language that may be presented to voters in November and the joint resolution of intent from the city and schools to begin the process. He reiterated that the project list was taken from the 2020 Parks & Recreation Master Plan and the list has not been vetted by the commission or advisory boards; the items will need to be discussed individually with public input. He stated the \$7 million figure in the ballot language was the maximum that would be borrowed and actual amounts would likely be less depending on which projects the city ultimately decided to move forward. He reported the city would be holding a public engagement session on June 10 to answer questions. The schools are discussing the playground issue at their board meetings and would have final approval choices on the playground projects.

Commissioner Pachla pointed out that with the Wealthy Pool millage ending in 2021 and the Headlee rollbacks to the city's operating millage, this would amount to little or no increase in tax bills if approved by voters.

Commissioner Walters asked that other public input be gathered prior to adopting ballot language. Mr. Charles will work with staff to schedule one or two additional sessions in the next several weeks prior to the ballot language deadline, and would disseminate education materials about the millage proposal to residents prior to a vote in November. Commissioner Walters expressed concern about the \$7 million total and noted he may not be in favor of seeking that high of an amount.

The commission discussed the timeline for upcoming engagement sessions, commission discussion and the deadline to approve the ballot language.

Mayor Favale opened this issue for public comment. The following communications were received at City Hall concerning this issue:

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|--------------------------------------|-----------------------------------|
| - Laurel Abraham, 1108 Lakeside Dr   | Questions and concerns.           |
| - Juyon, Ham, 1134 Conlon            | Asked for additional information. |
| - Nicholas Krupansky, 2450 Maplewood | Questions and concerns.           |

No other public comment was received. Mayor Favale closed the public comment.

This item will be discussed again at the June 21 City Commission meeting.

2021-112. Duncan-Pachla. To approve the consent agenda as follows:

2021-0112-A. Minutes of the regular meeting held May 17, 2021.

2021-0112-B. Payroll disbursements of \$458,006.60; county and school disbursements of \$-0-, and total remaining disbursements of \$635,292.44.

2021-0112-C. Resolution approving budget amendments for the quarter ending March 31, 2021 as attached in Exhibit "B."

2021-0112-D. Quarterly financial statements for the period ending March 31, 2020.

2021-0112-E. A contract with i3 Business Solutions for monitoring, management and reporting services for IT infrastructure at a monthly cost of \$1,225.00 plus implementation costs of \$2,925.00.

2021-0112-F. Purchase of Microsoft SQL Server licenses from CDW-G in the amount of \$5,634.56.

Yeas: Arendshorst, Duncan, Hamrick, Hecksel, Pachla, Walters and Favale – 7

Nays: -0-

2021-113. Mayor Favale reopened the meeting for public comment. No public comment was received.

The meeting adjourned at 7:31 p.m., subject to the call of the Mayor until June 21, 2021.

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Karen K. Brower, City Clerk

Attachments: A – Designated Assessor Agreement  
B – Budget Amendment Resolution

Attachments listed above are available for inspection at the office of the City Clerk.