

**MANISTEE CITY COUNCIL
WORK SESSION
MINUTES OF APRIL 21, 2015**

The Manistee City Council met in a work session on Tuesday, April 21, 2015 at 7:30 p.m. following the regular meeting. The meeting was held in the City Hall Council Chambers, 70 Maple Street, Manistee Michigan.

PRESENT: Colleen Kenny, Edward Cote, Roger Zielinski, Robert Goodspeed, James Smith, Mark Wittlieff, and Eric Gustad.

ABSENT: None.

OTHERS PRESENT: Interim City Manager, Department Directors, City Engineer, Media and Public.

Discussion on Fiscal Year 2015-2016 Budget and Capital Improvement Plan. Staff recommended focusing on three specific areas of discussion: Water & Sewer, Refuse, and Street Improvements.

Water & Sewer. Discussed the possibility of not raising W&S rates by 8.5% even if it takes a little longer to get to the final goal; no problem with the goal, just not make it happen quite so fast; members felt the increased revenue from the corrected water meter and billing issues should make up some of the difference; concerns were voiced if this would impact the timing/ability to make the bond payments.

CONSENSUS: Increase W&S rate by 6% with the understanding that this may need to be revisited mid-year.

Refuse. The refuse contract is up for renewal this year; early discussions with the waste hauler does not anticipate a rate increase, therefore none has been proposed in the budget; key issues to be discussed at a future work session are Recycling Services and Spring Trash Haul – they are not part of this discussion; a 10% increase in user fees is proposed; discussion held on the fund balance.

CONSENSUS: Move forward with the 10% user fee increase as proposed.

Streets. The budget proposes funding \$417,000 towards Local Streets; considerable discussion held on reaching the \$600,000 funding as recommended by the Street Ad Hoc Committee; members debated the possibility of taking more funds from the unrestricted fund balance of the Oil & Gas Fund and the effect of future buying power.

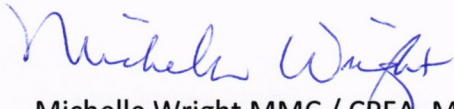
CONSENSUS: Change the funding to \$500,000 towards Streets; directed staff to look for available funds. Noted by Interim City Manager that the funds would have to come from the Oil & Gas Fund.

Other. Other topics brought up were Fifth Avenue Beach improvements and AES funding.

The special work session called for Tuesday, April 28, 2015 will focus on the City Manager recruitment process. Additional budget work sessions can be scheduled if needed, but not recommended to be held next week unless after the recruitment discussion.

CONSENSUS: Change the starting time of the Tuesday, April 28, 2015 Work Session meeting to 6:00 p.m.

Work Session adjourned at 8:30 p.m.



Michelle Wright MMC / CPFA, MICPT
City Clerk/Deputy Treasurer