

**CITY OF ITHACA  
CITY COUNCIL MEETING  
May 21, 2024  
7:00 PM**

The regular meeting of the City of Ithaca City Council was called to order by Mayor Brett Baublitz at 7:00pm. and followed by the Pledge of Allegiance to the Flag.

Present were Mayor Brett Baublitz, Councilpersons James Andrew, Rob Endter, Clark Hubbard, Alison Jerome, Rick Koppleberger and Kristyn Roethlisberger. Staff present was City Manager Jamey Conn and City Clerk Cathy Cameron.

Additional staff present was City Treasurer Barbara Fandell, DPW Superintendent Brandon Smith and Water & Sewer Superintendent Jarred Waldron.

Absent was none.

Audience in attendance was Aaron Wendzel with ROWE PSC, Brian Henderson and Larry Stehlik.

**Moved by Koppleberger, second by Jerome to approve the minutes of the regular meeting held May 7, 2024. Motion carried.**

Mayor Baublitz asked for approval of the agenda and for any items to be removed from the Consent Agenda.

**Moved by Hubbard, second by Andrew to approve the Agenda including the Consent Agenda. Motion carried.**

**Public Comment**

Mayor Baublitz asked for public comment. Resident Larry Stehlik, inquired on abandon vehicles ordinance. Manager Conn stated that he recently attended a meeting with other city and township officials to discuss the process of enforcement of such ordinance violations. Gratiot County Prosecuting Attorney was also in attendance and will be working with officials on the legal process to resolve these matters.

**Consent Agenda**

**Moved by Hubbard, second by Jerome to approve the consent agenda items as listed:**

- **City Manager’s written report, which included updates and information on SLIPR, Material Management Plan, Code Enforcement, Park Road and Gwinner Street, Planning Commission, Isabella Corporation and DDA.**
- **Claims submitted to the Ways and Means Committee by City Treasurer Fandell and recommended for payment: Accounts Payable Checks #49797-49829, #1028(A), Grant Check #1253 and Payroll Checks #16911-16917, DD #2875-2886, EFT #1811-1818 as listed in the Check Register Book.**
- **Correspondence received was none.**

**Motion carried by Roll Call Vote:**

**Ayes: (7) Jerome, Koppleberger, Roethlisberger, Andrew, Endter, Hubbard, Baublitz**

**Nos: (0) None**

**Absent: (0) None**

### Committee/Department Reports

Mayor Baublitz reported that the Committee of the Whole met prior to the council meeting that evening. The council reviewed and discussed the proposed 2024-2025 Fiscal Year Budget. Continued discussion was held on the funding terms of the 2024 DWSRF Project; as presented at the previous regular council meeting. The committee recommended utility rate increases of 20% water and 5% sewer for next fiscal year. In addition, selecting the twenty (20) year loan term funding for the 2024 DWSRF Project.

**Moved by Koppkeberger, second by Hubbard to authorize the City Treasurer to proceed with acquiring a twenty (20) year loan term funding for the 2024 DWSRF Project. Motion carried.**

### City Manager Comments

Manager Conn reported that the county is working with other community leaders on a recycling plan due to recent amendments at the state level. Collaboration with other counties is necessary to develop the plan and carry out the operation. The paving of Gwinner Street is completed with restoration in progress. Due to weather, the paving of Park Road has been delayed a few days. Woodland Park will be closed an additional week while the DPW crew completes shoulder work after the new pavement is laid. Water & Sewer Superintendent Waldron and himself completed a walk-through with Isabella Corporation and ROWE regarding the Commercial LCR project. Isabella Corporation did a great job and completed the project on time.

### Unfinished Business

Manager Conn reported that Councilperson Endter and he attended a recent DDA meeting to further discuss the boards request to increase the budget by \$5,000. Councilperson Endter stated that the meeting went well, with discussion on the DDA's revenue and expenditures. Councilperson Endter recommended that the city increase the DDA budget by \$3,000 for the 2024-2025 Fiscal Year.

**Moved by Endter, second by Andrew to approve a budget increase of \$3,000 to the DDA for the 2024-2025 Fiscal Year. Motion carried.**

### Public Hearings

Mayor Baublitz requested a motion to open the public hearing for the Drinking Water State Revolving Fund Project FY25.

**Moved by Hubbard, second by Jerome to open the public hearing at 7:20pm. Motion carried.**

Aaron Wendzel with ROWE PSC presented the Drinking Water State Revolving Fund Project Plan FY25. The state revolving fund offers low interest loans for financing of projects, potential grants for funding projects and requires a project plan to analyze project alternatives in addition to holding a public hearing to receive comments and answer questions. This process does not commit the city to any project or taking the loan. The city has identified areas of aging infrastructure that need to be addressed based upon inspection and the city capital improvement plan. The proposed project locations are Union Street (Center to Barber) 4" water main, North Street (Maple to North Pine River) no water main (*long services*). The objective is to update aging infrastructure, add watermain in an area with long service line, replace suspected lead service lines and increase fire hydrant flow and pressure within the city system. Mr. Wendzel explained the three alternatives to choose from: 1) No Action (*zero cost*); 2) Optimum Performance (*\$2.24 million*); or 3) Regionalization (*\$2.47 million*).

Alternative 2) Optimum Performance was selected as it met the objectives and has a lower up-front cost.

- Union Street (Center to Arcada)
  - Replace existing 4 inch with 8 inch by open cut
  - Replace potential lead service lines
  - Replace approximately half the road based on water main location
- North Street (Maple to North Pine River)
  - Install 8 inch water main to replace long service lines and creating a looped water main by open cut

- Install 8 inch water main under North Pine River (US127 BR) with a jack and bore. Casing pipe will be a requirement of MDOT
- Replace potential lead service lines
- Replace approximately half the road based on water main location

The proposed project financing would come from the State Revolving Fund Loan Program. The city is looking at a thirty (30) year loan period which is approximately \$5.26 per month, per user, over the life span of the loan. This also depends on potential loan forgiveness and use of existing rates and funds.

The residents in attendance did inquire on certain aspects of the project and received informative answers from Mr. Wendzel as well as from Water & Sewer Superintendent Waldron.

Discussion was held.

**Moved by Andrew, second by Hubbard to close the public hearing at 7:35pm. Motion carried.**

Mayor Baublitz requested a motion to open the public hearing on the 2024-2025 Fiscal Year Budget.

**Moved by Hubbard, second by Jerome to open a public hearing to take comments on the proposed 2024-2025 Fiscal Year Budget. Motion carried.**

**Mayor Baublitz opened the public hearing at 7:35 pm.**

Treasurer Fandell reviewed the budgetary highlights (attached). This budget was drafted, as directed by the strategic planning and committee meetings, with concentration on repairing and maintaining current assets of the city, infrastructure projects including, but not limited to lead/copper water service line replacements, watermain upgrades and loop completions, storm and sanitary sewer repairs/upgrades, street paving/maintenance, Wood Park playscape replacement and security of city properties.

Treasurer Fandell noted that this hearing also serves to take comment on the property tax millage rates and the potential Truth and Taxation rollback. She reviewed the millage rates and the impacts of the Headlee Rollback and Truth and Taxation.

Water and Sewer rates will increase (*amount to be determined*) due to large infrastructure projects, EGLE requirements for system upgrades, additional treatments to the lagoons and sampling.

Economic and supply chain factors which have impacted the current year budget have eased, however will most likely continue into the new budget year. The COVID pandemic had significant impacts on supply chain, material demands and labor shortages which have still not fully recovered. As a result, costs for materials, equipment and labor (both employed and contracted) have changed the way municipalities do business. These changes affect planned capital cost in terms of replacement timelines (due to delayed production and wait times of a year or longer) and rate increases for services, taxes, or borrowing requirements due to the large increase for products and services.

Discussion was held.

Mayor Baublitz asked for additional comments. Resident Brian Henderson inquired on the water/sewer rate increases, and planned projects. Treasurer Fandell and Manager Conn provided informative answers to Mr. Henderson.

**Moved by Hubbard, second by Koppleberger to close the public hearing. Motion carried.**

**Mayor Baublitz closed the hearing at 8:03pm.**

**New Business**

Mayor Baublitz presented Resolution 2024-13: DWSRF Project Plan FY25.

**Moved by Hubbard, second by Jerome to adopt Resolution 2024-13: DWSRF Project Plan FY25.**

**Motion carried by Roll Call Vote:**

**Ayes: (7)**

**Nos: (0) None**

**Absent: (0) None**

**Abstain: (0) None**

Mayor Baublitz presented Resolution 2024-14: CWSRF Project Plan FY25 (*updating Res: 2024-10 action*).

**Moved by Andrew, second by Hubbard to adopt Resolution 2024-14: CWSRF Project Plan FY25**

**(*updating Res: 2024-10 action*).**

**Motion carried by Roll Call Vote:**

**Ayes: (7) Roethlisberger, Andrew, Endter, Hubbard, Jerome, Koppleberger, Baublitz**

**Nos: (0) None**

**Absent: (0) None**

**Abstain: (0) None**

Treasurer Fandell presented Resolution 2024-11: Approving the 2024-2025 FY Property Tax Millage Rates.

**Moved by Hubbard, second by Jerome to adopt Resolution 2024-11: Approving the 2024-2025 FY Property Tax Millage Rates.**

**Motion carried by Roll Call Vote:**

**Ayes: (7) Andrew, Endter, Hubbard, Jerome, Koppleberger, Roethlisberger, Baublitz**

**Nos: (0) None**

**Absent: (0) None**

**Abstain: (0) None**

Mayor Baublitz presented Resolution 2024-12: Designation of City Depositories.

**Moved by Hubbard, second by Jerome to adopt Resolution 2024-12: Designation of City Depositories.**

**Motion carried by Roll Call Vote:**

**Ayes: (7) Endter, Hubbard, Jerome, Koppleberger, Roethlisberger, Andrew, Baublitz**

**Nos: (0) None**

**Absent: (0) None**

**Abstain: (0) None**

Treasurer Fandell presented the 2024-2030 Capital Improvement Plan. The Planning Commission had reviewed it and recommended approval by the City Council.

**Moved by Hubbard, second by Andrew to approve the 2024-2030 Capital Improvement Plan. Motion carried.**

**Public Comment**

Mayor Baublitz asked for public comments. There was none.

**Announcements**

There was none.

**Moved by Hubbard, second by Jerome to adjourn. Motion carried.**

The meeting adjourned at 8:22pm.

*Approved 6-4-2024*

*Cathy Cameron*

Cathy Cameron, City Clerk