

**THE CITY COUNCIL  
NILES, MICHIGAN  
PUBLIC HEARING  
CDBG Annual Action Plan  
Monday, August 8, 2016, 5:55 p.m.**

The Mayor asked if anyone in the audience wished to address the council on the CDBG Consolidated Plan. Hearing no response, the Public Hearing was closed at 5:59p.m.

**CITY OF NILES  
REGULAR CITY COUNCIL MEETING MINIUTES  
MONDAY, August 8, 2016**

The meeting was called to order by Mayor McCauslin in the City Council Chambers, 1345 East Main Street, Niles, Michigan at 6:00 p.m., July 25, 2016. The Pledge of Allegiance was led by the Boy Scout Troop 579 in addition to a flag ceremony.

**PRESENT:** Gretchen Bertschy, Georgia Boggs, John DiCostanzo, Robert Durm, David Mann, Tim Skalla, Daniel VandenHeede, William Weimer, Mayor McCauslin

**ABSENT:** None

**STAFF:** Casperson, Dunlap, Huff, Lamb, Millin, Naugle, Ray, Wise,

**CITIZEN PARTICIPATION:**

Derrick Sheldon (a.k.a. Derrick Clark) presented the Mayor a collection of photos that he took throughout the city and the Hunter Ice Festival. Derrick also announced that he has legally changed his name. The Mayor thanked Derrick for the photos.

Stan Hively of the Niles Masonic Temple reported that the residents from across the street were dumping trash and mattresses into their dumpster.

Rex Carpenter stated that he received a bill from the City of Niles for work that was done by the Department of Public Work after he had cancelled his Wednesday car show event due to inclement weather; then changed his mind. The Mayor stated that he would look into the matter.

Council Member Weimer presented to Council Member Mann a handmade hooked rug made by Mrs. Weimer for his completing his Master's Degree.

**CONSENT AGENDA:**

1. Consideration of approving the City Council Minutes of July 25, 2016.
2. Consideration of approving the Bills dated August 2, 2016.
3. Consideration of scheduling a public hearing for August 22, 2016 at 5:55 pm to receive public comments on the proposed City of Niles Fiscal Year 2017 Budget.
4. Consideration of approving a request from the Niles High School Student Council to conduct the annual Homecoming Parade in the city on Friday, October 7, 2016 beginning at 1:30 pm.

**Weimer** moved, **Mann** supported, **MOTION CARRIED**, to approve Items 2-4 as submitted with corrections to the minutes, as followed:

**READ**

Council Member Boggs mentioned that this is something we own and can control. We are interested in selling.

**CORRECTED:**

Council Member Boggs mentioned that this is something we own and can control. We are not interested in

selling.

**ROLL CALL: AYES:** Bertschy Boggs, VandenHeede, Durm, Mann, Weimer, DiCostanzo, Skalla  
**NAYS:** None **ABSENT:** None

**ADMINISTRATOR'S REPORT:**

**Introduction of Items for Discussion**

**Items for Council Action**

5. Consideration of adopting a resolution to grant an easement to American Electric Power (AEP) on City of Niles property, accept an option on property owned by AEP and authorize the mayor to sign the necessary documents.

GRANT AN EASEMENT ON CITY OWNED PROPERTY TO AEP AND  
ACCEPT AN OPTION ON PROPERTY OWNED BY AEP  
RESOLUTION #2016-08/1991

Council Member Weimer offered the following resolution and moved for its adoption, seconded by Council Member Bertschy.

RESOLVED BY: City Council, City of Niles, Michigan,

WHEREAS, the City of Niles owns unusable property located in Howard Township, Michigan; and

WHEREAS, AEP desires to acquire the right, but not the obligation, to purchase the property; and

WHEREAS, AEP has proposed to compensate for a new 2.385 acre easement; and

WHEREAS, AEP owns property located at 527 N. Front Street and in recent years the City of Niles has held a recreational lease on this property and has hosted an ice skating rink during winter months; and

WHEREAS, it is the City of Niles' desire to control this property for recreational use and future economic development purposes; and

NOW, THEREFORE, BE IT RESOLVED the City of Niles agrees to grant an easement to AEP for 2.385 acres located on City owned property in Howard Township; and

BE IT FURTHER RESOLVED, that the City of Niles accepts the exclusive option for the AEP property at 527 N. Front Street, Niles, Michigan

**ROLL CALL:**

**YEA:** Bertschy, Boggs, VandenHeede, Durm, Mann, Weimer, DiCostanzo, Skalla

**NAY:** None **ABSENT:** None **ABSTAIN:** None

**RESOLUTION DECLARED ADOPTED.**

6. Consideration of approving a request from the Niles History Center to pursue grant funding from the Berrien Community Foundation to support a collaborative education initiative of the Niles History Center and the Niles District Library.

**Council Member Weimer**, supported by **Council Member Mann**, **MOTION CARRIED**, to approve a request from the Niles History Center to pursue grant funding from the Berrien Community Foundation to support a collaborative education initiative of the Niles History Center and the Niles District Library.

**ROLL CALL:**

**YEA:** Bertschy, Boggs, VandenHeede, Durm, Mann, Weimer, DiCostanzo, Skalla

**NAY:** None **ABSENT:** None **ABSTAIN:** None

7. Consideration of approving an agreement with Burns & McDonnell of Kansas City, MO for the development of an Economic and Financial Valuation Study of the Utilities Department's Electric Division at a cost not to exceed \$32,800.00 and to provide Valuation/Appraisal services for the Water and Wastewater Divisions at an estimated cost of \$15,000.00 and consideration of authorizing the mayor to sign the agreement.

**Council Member Skalla**, supported by **Council Member Durm**, **MOTION DENIED**, to approve an agreement with Burns & McDonnell of Kansas City, MO for the development of an Economic and Financial Valuation Study of the Utilities Department's Valuation/Appraisal services for the Water and Wastewater Divisions at an estimated cost of \$15,000.00 and consideration of authorizing the mayor to sign the agreement.

Council Member Skalla explained that the City was made an offer for the purchase the electric division that

seemed inadequate. In addition, it has caused concern among the employees at the electric division. The Electric Division is not on the market and a valuation study is not necessary.

Mayor McCauslin mentioned that he has been interested in obtaining this information in order to evaluate its true value. It has nothing to do with the sale of the electric division or water/wastewater. The City has assets that we currently don't know what they are worth. In addition, he would like get a valuation study on the Southeast Berrien County Landfill. The study will also help in determining more accurate depreciation schedules.

Council Member asked if the study would affect insurance coverage and if the electric division is removed in the quote provided would they do a valuation study on water and wastewater for the same quoted amount of \$15,000. Utility Manager Dunlap responded that he would have to go back the company for an answer.

Council Member Skalla stated that he was not aware of wanting to know the valuation until a company made an offer.

Mayor McCauslin clarified that the Council cannot sell the utilities department without a vote of the people.

**ROLL CALL:**

**YEA:** Bertschy, VandenHeede, Durm, Skalla

**NAY:** Boggs, Mann, Weimer, DiCostanzo, McCauslin (tie vote)      **ABSENT:** None      **ABSTAIN:** None

**Council Member Mann** moved, **Council Member Weimer** supported, **MOTION CARRIED**, to approve an agreement with Burns & McDonnell of Kansas City, MO for the development of an Economic and Financial Valuation Study of the Utilities Department's Electric Division at a cost not to exceed \$32,800.00 and to provide Valuation/Appraisal services for the Water and Wastewater Divisions at an estimated cost of \$15,000.00 and consideration of authorizing the mayor to sign the agreement.

**ROLL CALL:**

**YEA:** Boggs, Mann, Weimer, DiCostanzo, McCauslin (tie vote)

**NAY:** Bertschy, VandenHeede, Durm, Skalla      **ABSENT:** None      **ABSTAIN:** None

8. Consideration of accepting a donation in the amount of \$15,000.00 from the Huizenga Family Foundation, authorize the placement of the Richard Hunt sculpture at the corner of Main & Front Streets, authorize Northern Construction Services Corporation of Niles to perform surface work and authorize the Public Works Department to move the sculpture from storage and to install it at the new location.

**Council Member Durm** moved, **Council Member Skalla** supported, **MOTION CARRIED**, to accept a donation in the amount of \$15,000.00 from the Huizenga Family Foundation, authorize the placement of the Richard Hunt sculpture at the corner of Main & Front Streets, authorize Northern Construction Services Corporation of Niles to perform surface work and authorize the Public Works Department to move the sculpture from storage and to install it at the new location.

**ROLL CALL:**

**YEA:** Bertschy, Boggs, VandenHeede, Durm, Mann, Weimer, DiCostanzo, Skalla

**NAY:** None      **ABSENT:** None      **ABSTAIN:** None

**ADDENDUM**

8A. Consideration of approving the 2016-2020 Consolidated Plan and PY2015 Annual Plan and authorize the Mayor to execute certifications and the Community Development Director to submit the Plans to HUD through HUD's mandated electronic grant system to remain eligible for Community Block Grant funds.

**Council Member Durm** moved, **Council Member Bertschy** supported, **MOTION CARRIED**, to approve the 2016-2020 Consolidated Plan and PY2015 Annual Plan and authorize the Mayor to execute certifications and the Community Development Director to submit the Plans to HUD through HUD's mandated electronic grant system to remain eligible for Community Block Grant funds.

**ROLL CALL:**

**YEA:** Bertschy, Boggs, VandenHeede, Durm, Mann, Weimer, DiCostanzo, Skalla

**NAY:** None      **ABSENT:** None      **ABSTAIN:** None

8B. Consideration of approving the distribution of \$15,000 from the City Council Fund to the Niles Downtown

Development Authority as provided within the FY2016 Budget.

**Council Member Bertschy** moved, **Council Member VandenHeede** supported, **MOTION CARRIED**, to approve the distribution of \$15,000 from the City Council Fund to the Niles Downtown Development Authority as provided within the FY2016 Budget.

**ROLL CALL:**

**YEA:** Bertschy, Boggs, VandenHeede, Durm, Mann, Weimer, DiCostanzo, Skalla

**NAY:** None **ABSENT:** None **ABSTAIN:** None

**APPOINTMENT TO BOARDS:** None

**CITY ATTORNEY'S REPORT:** None

**COUNCIL MEMBER'S REPORT:**

Council Member Mann thanked Mrs. Weimer for the handmade hooked rug.

Council Member Bertschy attended the Fort St. Joseph Archeology Open House and was pleased to see that many of the people in attendance were from out of state. It appears to have become a destination for folks.

Council Member Weimer thanked the Boy Scout Troup 579 for coming to the meeting. They got to see democracy in action.

Council Member VandenHeede welcomed Troop 579. He also belonged to Boy Scout Troop 579 along with Council Member Durm. He was also impressed with the turn-out at the archeology dig. He also thanked the Niles Public Art Commission for obtaining the funds for the Hunt sculpture placement.

Council Member Durm also thanked the Niles Public Art Commission for obtaining funds for the Hunt sculpture placement.

**Council Member Durm** moved, **Council Member Bertschy** supported, **MOTION CARRIED**, to excuse Council Member VandenHeede from the July 25, 2016 City Council Meeting. **AYES: 8 NAYS: 0**

Council Member Durm mentioned that he volunteered at the Fort St. Joseph Archeology Open House and reported that he spent most of the time getting out a number of cars that were stuck near the west side of Bond Street. He suggested grading the area prior to the next open house.

Council Member Skalla also thanked the Boy Scout Troop of which he had the pleasure of participating. Council Member Skalla also reported that he attended the Fort St. Joseph Archeology Open House and stated that it was well attended.

**MAYOR'S REPORT:** Mayor McCauslin reported that he attended the Fort St. Joseph Open House and that the Police Department Reserves provided shuttle service in the electric car. He also noted that Council Member Mann resigned from the Pension Board and encouraged someone from the City Council consider taking his place on that board.

**ADJOURNMENT** Council Member Weimer moved to adjourn at 6:50pm.

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Linda Casperson, Niles City Clerk

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Date