

Regular Meeting of the City Commission
Monday, August 13, 2018
6:30 p.m.

AGENDA

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PROCLAMATIONS AND PRESENTATIONS:

ADDITIONS/ DELETIONS TO AGENDA:

PUBLIC INPUT ON AGENDA ITEMS:

RECEIPT OF PETITIONS AND COMMUNICATIONS:

1. City Manager report on pending items.
 - a. Update on response activities to 2017 flood.
2. Minutes of the Parks and Recreation (June).
3. Minutes of the Planning Commission (June).
4. Minutes of the Tax Increment Finance Authority/Principal Shopping District (TIFA/PSD) (June).
5. Resignation of Aimee Goudreau from the Historic District Commission (term to expire December 31, 2018).
6. Communication received from City of Escanaba regarding tax tribunal litigation.
7. Receipt of Cultural and Recreational Commission of Isabella County (CRC) 2017 Financial Audit.

CONSENT CALENDAR: DESIGNATED (*) ITEMS

CITY COMMISSION MINUTES:

- * 8. Approval of the minutes of the regular meeting held July 23, 2018.

PUBLIC HEARINGS:

STAFF RECOMMENDATIONS AND REPORTS:

- * 9. Bids and Quotations
 - a. Washer/Extractor
- * 10. Consider approval of resolutions supporting fees and charges.
 - a. 4-on-4 Youth Basketball Program
 - b. Medical Marijuana Facility Application

ALL INTERESTED PERSONS MAY ATTEND AND PARTICIPATE. PERSONS WITH DISABILITIES WHO NEED ASSISTANCE TO PARTICIPATE MAY CALL THE HUMAN RESOURCES OFFICE AT 779-5313. A 48-HOUR ADVANCE NOTICE IS NECESSARY FOR ACCOMMODATION. HEARING IMPAIRED INDIVIDUALS MAY CONTACT THE CITY VIA THE MICHIGAN RELAY CENTER FOR SPEECH & HEARING IMPAIRED: 1-800-649-3777.

- * 11. Consider license agreements with Central Michigan University for wayfinding signs.
- * 12. Consider extension of contract with Renaissance Public School Academy for PEAK services.
- 13. Consider approval of Economic Development Action Plan.
- * 14. Consider purchase-buyback program with Krapohl Ford for the renewal purchase of three trucks and budget amendment.
- * 15. Consider extension of contract for Third Party Administration (TPA) with CoreSource.
- 16. Consider appointment of a voting delegate and alternate for the Michigan Municipal League (MML).
- * 17. Approval of payrolls and warrants.

ANNOUNCEMENTS ON CITY-RELATED ISSUES AND NEW BUSINESS:

PUBLIC COMMENT ON AGENDA AND NON-AGENDA ITEMS:

RECESS:

CLOSED SESSION:

RECESS:

WORK SESSION: (Conference Room A-upstairs)

- 18. Sidewalk snow removal bids/draft ordinance

ADJOURNMENT:

COMMISSION LETTER #126-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018

FROM: NANCY RIDLEY, CITY MANAGER *Nes*

SUBJECT: CITY MANAGER REPORT ON PENDING ITEMS

This report on pending items reflects the current status.

1. Task Related Issues:

SHORT DESCRIPTION OF TOPIC	MEETING TOPIC WAS AGREED TO	REQUESTED DUE DATE	STATUS AS OF 8.8.18
Purchasing Policy Outline options for changes to bid approval limits and local preference language.	March 26	None	
GumBuster Rental Investigate whether GumBuster machine can be rented outside of Principal Shopping District (PSD)	May 14	None	Attorney has confirmed it can be rented outside the district; Will obtain recommendation from PSD on rental rate.
Property Maintenance/Blight Ordinance Work with attorney to draft ordinance and obtain feedback on draft from neighborhood associations	February 26	None	Staff is scheduling meetings with the neighborhood associations.
Potential Challenges/Barriers to Infill Development Review list created and recommend potential solutions to some the City can impact.	May 29	None	
Economic Development Action Plan Complete the implementation strategy and bring back to City Commission after input from economic development boards	May 29	None	On this agenda for consideration.
Sidewalk Snow Removal Draft an ordinance amendment to require all property owners to clear sidewalk snow within 24 hours. Send bid out to obtain pricing for the City to pay for snow removal in CD-3 and CD-3L character districts for instances when snow exceeds 4 inches.	June 25	None	Scheduled for work session August 13.

SHORT DESCRIPTION OF TOPIC	MEETING TOPIC WAS AGREED TO	REQUESTED DUE DATE	STATUS AS OF 8.8.18
Recreation Authority Manager/Mayor/Vice Mayor to discuss with County and Township at next intergovernmental meeting. Manger to obtain final report from Community Pool Group.	July 9	None	

2. Scheduled Tentatively Work Session Topics

- ✓ August 13-Sidewalk snow bids/draft ordinance
- ✓ August 27-Property maintenance/blight ordinance-tentative
- ✓ September 10-Draft revisions to Chapter 30-tentative
- ✓ September 24- Medical Marihuana application deadline
- ✓ October 8- Operating Budget
- ✓ October 22- Operating Budget
- ✓ November 12- Closed session for City Manager evaluation (if requested)
- ✓ November 26- Operating Budget (if needed)
Attorney recommendation/review (if needed)
- ✓ December 10- Hopefully last meeting of the year

3. To come back to City Commission

- MOA for Mt. Pleasant Center
- Airport potential partners and potential agreement
- Plans necessary for Redevelopment Ready Community Certification (economic development action plan, marketing plan)
- Revisions to Chapter 30 based on Charter Committee review
- Property standards/blight draft ordinance

- Barriers to infill development-potential solutions
- Purchasing policy
- Economic Development Contracts-meet with CMURC and MMDC
- ~~Sidewalk snow removal bids~~ No bids received.

4. Items not likely to be addressed in 2018

- Rental Housing-additional inspections (mechanical, electrical and plumbing) for converted units
- Building inspection – coordination of inspections with County (Note: new fees will be recommended with 2019 Operating Budget)
- Dumpsters located in paved alleys
- Indian Pines south entrance
- Non-motorized plan-priority policies to focus on in 2018
- Potential ordinance change for single day trash pickup by neighborhood
- Effectiveness of storm water ordinance-(Note: Still working with partners county-wide on stormwater matters)
- Police statistics –desired outcomes and uses
- Rental Housing Inspections: frequency based on good inspections
- Sustainability goals
- Incentives/strategy for owner-occupied conversions
- Homeowner loan and emergency program-needs to be coordinated with above topic
- Mt. Pleasant Center preferred development
- Community Pool-have not received additional information since feasibility study completed
- Fee proposals based on guidelines-some will be incorporated into 2019 Operating Budget recommendation

Please note items that have changed since the last report are highlighted in yellow for easy reference.

Date: August 8, 2018
To: City Commission
From: Nancy Ridley
Subject: Update on 2017 flood response

Since the flooding in June, 2017 we have provided short updates on activities that have occurred. Based on questions received, we thought it might be helpful to provide a more comprehensive summary of response activity that occurred over the last year. They are grouped in three broad categories although overlap between the three categories occurs for many of the items. The items highlighted in yellow are matter that are still in progress.

Grant/Insurance

- Assisted with all information requested from FEMA to process requests for financial assistance for private damage claims
- Processed necessary paperwork and information to obtain \$100,000 of grant assistance from the State for City public damage
- Applied for two FEMA Hazard Mitigation Grants for WWTP improvements (back-up generator and lift station improvements)-not funded
- Processed necessary paperwork and submitted claims totaling \$195,000 for public damage to the City's insurance carrier
- Submitted appropriate documentation for consideration for flood damage coverage from Bureau of Indian Affairs for bridges-not funded
- Submitted bridge repair damage to MDOT for Broadway Bridge-obtained 80/20 grant; to be implemented
- Processed various insurance claims to the city insurance carrier on behalf of private property owners – all were denied for coverage under the City's insurance plan
- Submission of Tribal 2% requests for (the ones not funded you will see referenced later in the planning section for additional research/resources)
 - assistance with sanitary sewer system facility generator and lift station generator – funded; to be implemented
 - Chippewa River erosion-funded; to be implemented
 - protection of island where main water well is – not funded
 - Dam removal at Mission Creek (MP Center) – not funded
 - Assistance with rerouting of sump pumps – not funded
 - Multi-jurisdictional storm water study – not funded
 - Crapo Street storm sewer extension – not funded

Repairs

- Performed all necessary cleanup and repairs based on insurance claims approved and/or other work that was immediately necessary – still working on some areas that were flood damaged
 - Island Park and Pickens field repairs
 - Island park building repairs
 - Various park trail repairs
 - Replacement of trees, vegetation, and rip/rap along sections of the river

- Purchase of replacement recreation supplies
- Change of electrical alarm system at Orchard Lift station 1) improvements to give notice of electrical failure, 2) improvement will give more accurate flow data to help measure inflow and infiltration
- WWTP overflow detention pond repairs
- Completed additional cleanout of the stormwater detention area at Orchard/Country way
- Repaired 26 sink holes this year which are believed to be related to the flood
- CMU removed significant trees and vegetation from Upton Drain from Broomfield to Preston

Future Planning

- Map of all properties within the City that reported flood damage was created by the County and shared with the City
- Evaluated historical rain data provided by CMU consultant which concluded this was a 500-year event
- City staff reviewed areas to identify most problematic areas and evaluated storm water pipes within that area to ensure not clogged or blocked
 - Determined that an update to the 1985 storm drain master plan was warranted to bring it up to date with current conditions and recommendations
 - Decided it would be best to work with adjacent units of government to complete a more comprehensive analysis since the City is in the middle of multiple drains impacted by other units of government
 - Consistent enforcement of the City's stormwater ordinance and encouragement of the surrounding Townships to implement consistent standards
- Coordinated/assisted CMU with a grant request through FEMA Hazard Mitigation for \$908,000 to improve stormwater detention on CMU's south campus in order to slow the flow of water into the Upton Drain (which has a positive impact on city properties north of CMU's campus)
 - CMU has also submitted notice of intent for 5 other grants but none of them have been approved for movement to the next step of evaluation yet. One grant has preliminary approval for detention under CMU parking lot #1 at the northwest portion of the university.
- Chippewa Street reconstruction project in 2018 includes sump leads so houses can be tied to storm sewer. Some houses have already been tied into the new drains
- Coordinated with Central Michigan Community Mental Health Department for improvements to their private property for storm water detention in conjunction with the installation of City-owned storm water pipes on Crapo Street as part of a 2019 project in order to improve flow of stormwater in that area and working with property owners to build detention ponds serving several parcels (businesses, residential, and non-profits).
- Working with County Drain Commissioner on funded improvements to the Onion Creek Drain (east of the City in the southern section) which will have a positive impact on the flow of stormwater in that section of town
- Working with the County Drain Commissioner and the DEQ on the old (1960's) dam at the Mt. Pleasant Center

- Engineering analysis of the dam completed and estimates provided; notified DEQ of intent to remove the dam while making sure that appropriate detention occurs to protect Crawford Road
 - Submitted grant request to the Michigan DNR Dam Management Grant and through Tribal 2% process; both of which were not funded. Working with Corps of Engineers and USGS to find additional grant possibilities.
 - Approved as part of the 2019 CIP and will be incorporated into the 2019 operating budget
- Working with Drain Commissioner to ensure that any changes to the proposed increased culvert drain at Lincoln Road and Bamber Road by the Drain Commissioner does not create damage to the MP Center land , Crawford Road and/or to properties further east
- Numerous meetings with the City, County Drain Commissioner, CMU, Union Township, Tribe, Road Commission, MDOT and the Silver Jackets, USGS, and Army Corps of Engineers to find best ways to utilize their resources and available funding to complete an area-wide assessment of the drain capacity/needed upgrades throughout the county starting with an evaluation of the river itself. Michigan Silver Jackets is an interagency team dedicated to creating a collaborative environment to bring together federal, state and local governments and other stakeholders to develop and implement solutions to natural disasters including funding programs.
 - Still working on this process and the outside entities have agreed to put together a scope of work and indicate which portions could be funded from resources they have available – waiting to hear back from them
- Various meetings with EDA representatives to identify best project to submit for funding which is available only to flood damaged counties in Michigan – looking at all items mentioned in first section that were not funded by 2% request as well as South Industrial Park detention pond.
- Review of our emergency response plans to update them with what we learned from the flood
- Assessment of areas where the sanitary sewer system surcharged (overflowed) to determine how much of the overflow might have been from sump pumps being hooked into the sanitary sewer system instead of the storm system
 - Evaluating graphs from each lift station to identify peaks after a rain event; also looking to place flow meters to identify flows during non-peak times, and rain events. First two lift stations have data equipment installed
 - All of this will help identify locations most impacted by sump pumps inappropriately tied into the sanitary system
 - Preliminary identification of ways to identify how many exist, how to identify where they are, approximate cost for the property owner to correct the hookup, education as to the problem ---- all of this will all lead to eventual recommendation of how to facilitate disconnections of private sump pumps from the sanitary sewer system.
 - The City is working with engineering firm Fleis & Vanderbrink to use flow meters to identify areas of the City with the highest inflow and infiltration

Please let me know if you have any questions on these matters.

Approved Minutes

Mt. Pleasant Parks and Recreation Commission

Regular Meeting

Tuesday, June 26, 2018

7:00 p.m., City Hall

- I. **CALL TO ORDER** – 7:05 p.m.
- II. **PLEDGE OF ALLEGIANCE**
- III. **ATTENDANCE AND DECLARATION OF QUORUM**
 - A. Commission Members Present: Alsager, Batcheller, Barber, Irwin, Little, Stressman
 - B. Commission Members Absent: Busch
 - C. Parks and Recreation Staff: Bundy, Longoria, Way
- IV. **APPROVAL OF AGENDA/MINUTES & COMMISSION BUSINESS**
 - A. Changes/Approval of Agenda – motion by Alsager, second by Batcheller to approve the agenda. Motion unanimously carried.
 - B. Approval of Minutes – motion by Stressman, second by Alsager with minor grammatical correction meeting held Tuesday, May 22, 2018. Motion unanimously carried.
- V. **PUBLIC COMMENTS** - None
- VI. **DEPARTMENT REPORTS**
 - A. Parks – Director Bundy reported on the following:
 - Informational for upcoming meeting - Request received to accept a parcel donation (12 acres) contiguous to Chipp-A-Waters Park. A request will be forthcoming regarding a recommendation and naming of property.
 - Ball field renovation at Island and Pickens parks completed (from flood damage). Lower Pickens fields soft and could use some rain to settle the stone dust in the infield.
 - Trail repair between Leaton St. & High – waiting on asphalt repair, should be complete prior to 4th of July holiday.
 - DNR grant contract received for Island Park fitness trail and bridge project slated for 2019.
 - Chipp-a-Waters restroom – plan to hook up into City Sewer, eliminating septic system. Estimated cost is \$45,000.
 - Amphitheater Project is waiting on DEQ permit.
 - B. Recreation – Director Longoria reported on the following:
 - First pitch for the 2018 USAJO Tournament is 6/28 @ 10 a.m. (56 teams). Lower Pickens games moved to CMU Intramural Fields due to soft field conditions.
 - PEAK Camps are up and running at Fancher, McGuire & MPMS.
 - Farmers' market started on Thursday, 6/7. Saturday market starting 6/30 at Michigan & Main Streets.

- Glo-in-the Park 5k to be held 9/14 in Island Park, utilizing the GKB Trail System.
- Adult sports including softball and kickball are up and running.
- Renaissance PEAK Program – After a successful “pilot” first year, staff will be requesting approval for a renewal of the contract between RSPA and PEAK. The renewal will include the commitment from RSPA to subsidize two staff members.
- Staff to be requesting approval of a new 4v4 basketball league running the end of Oct. to mid-December. This league fills a void and will be a recruitment tool for involvement in the 5v5 league.

VII. OLD AND NEW BUSINESS

- A. MPLL Home Run Viewing Deck – Request received from Mt. Pleasant Little League to install a viewing deck in the outfield of Field #2 (Pickens Field). Deck would be an 8’ high platform approx. 6’x12’. Staff has concerns regarding the railing and has asked MPLL to research and provide additional information. Parks have no precedence for this type of amenity looking into liability and design aspects.

VIII. OTHER BUSINESS/COMMISSIONER COMMENTS – Reminder of the Chippewa River Water Festival on Sunday, July 15th at Chipp-A-Waters Park, noon to 6:00 p.m.

IX. ADJOURNMENT – 7:35 p.m.

**Mt. Pleasant Planning Commission
Minutes of Regular Meeting
June 28, 2018**

I. Vice Chair Horgan called the meeting to order at 7:00 p.m.

Present: Horgan, Irwin, Kostrzewa, Liesch, Ortman, Rise.

Absent: Dailey, Friedrich, Hoenig.

Staff: Kain, Murphy

II. Approval of Agenda:

Motion by Kostrzewa, support by Irwin, to approve the agenda.

Motion approved unanimously.

III. Approval of Minutes

A. May 3, 2018 Regular Meeting:

Motion by Ortman, support by Liesch, to approve the minutes from the May 3, 2018 regular meeting as submitted.

Motion approved unanimously.

IV. Zoning Board of Appeals Report for May and June:

Kain reported that the ZBA did not meet in the months of May or June.

V. Communications:

Kain reported there were three communications; two which were included in packets and one that came in later and was placed on the dais.

Kain noted that the first communication was from staff regarding short term rentals as there are three requests on the agenda and staff has received several questions.

Kain reported that the zoning ordinance defines short term rentals, also sometimes referred to as “Airbnb’s” as a dwelling unit providing temporary accommodations for periods of less than 28 days. Kain explained that short-term rentals were included in the new zoning ordinance as a proactive measure, as this type of rental is becoming more popular and requiring special use permits for this use will help mitigate any potentially adverse effects to the neighborhoods and help ensure the dwellings are safe for tenants.

Kain explained some of the challenges experienced in other communities, and noted that this type of rental is more popular in beach communities.

Kain explained the difference between a short-term rental and a bed and breakfast (B&B), noting that a bed and breakfast must be owner-occupied whereas a short term rental may or may not be owner

occupied. In addition, a short-term rental may only be occupied up to the maximum occupancy permitted in that particular dwelling, whereas a B & B can offer accommodations in up to 4 guestrooms. B&B's are also subject to separation requirements from other B&B's and have other requirements that do not apply to short term rentals.

Kain also explained that short-term rentals are required to have a rental license the same as other types of rental housing in the city.

Commissioner Rise asked if conditions differ from other rentals in the character districts and if it is anticipated that this will increase the number of rental properties. Kain noted that every new rental request is checked to assure it is allowed in the zoning district and, assuming it is, as long as the property meets the housing licensing code, any home can be licensed as a single-family rental. Kain further noted that it could appear that there is an increase in the number of licenses as some properties that remain owner occupied may offer short-term rentals.

Commissioner Irwin asked if there were currently any short-term rentals in the city. Kain noted that the three properties on the agenda tonight were operating as short term rentals and were informed that this type of use is regulated under a special use permit. If approved, these would be the first in the city.

VI. Public Hearings:

A. SUP-18-04 & SPR-18-05 – 1015 Douglas

Kain introduced SUP-18-04 & SPR-18-05 submitted by Olivieri Builders on behalf of Washington Village LLC.

Kain explained that this is a request to construct a two-unit rooming dwelling for 9 occupants. The property is zoned CD-4 which allows the use regulated under a special use permit. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain reported that the property is currently a one-unit rooming dwelling for 9 occupants. The property is located on Douglas Street, between Clayton and Bellows.

Kain shared photos of the existing dwelling and surrounding area and reviewed the SUP criteria for rooming dwellings, noting that the request satisfies all four criteria. Kain also shared proposed elevations and floor plans for the new dwelling.

Kain reported that the building meets all setbacks and building standards. He further reported that the applicant is proposing 10 parking spaces which are consistent with the design and material standards of the zoning ordinance. The ordinance requires 9 bicycle parking spaces, which the applicant is proposing; however, the site plan does not include specifications for the proposed bike racks. The applicant will need to provide these specifications to assure compliance with the City's bicycle parking specifications.

Kain further reported that the proposed fencing will need to conform to the material requirements for the CD-4 zoning district. Kain noted that the proposed screening meets the requirements.

Kain noted that sidewalks already exist along Douglas Street. The applicant has proposed two new street trees; however, staff is recommending that only one new street tree be added to maintain proper tree spacing with the neighboring property. He further commented that tree species should be coordinated with the Division of Public Works.

Kain concluded his report with the recommendation to approve with conditions noted in the staff report.

Joe Olivieri, applicant, addressed the Board offering to answer any questions. The board had no questions for Mr. Olivieri.

Vice Chair Horgan opened the public hearing. There being no one who wished to speak the public hearing was closed.

Motion by Liesch, support by Ortman, to approve SUP-18-04 and SPR-18-05 subject to the following conditions:

1. Provide an updated site plan which demonstrates compliance with the conditions below, shows setback requirements, relocates site plan notes to the margins of the plan sheet, and corrects the north arrow orientation.
2. Demonstrate compliance with City specifications for bicycle parking, size of landscape plants at time of planting, and fencing material.
3. Remove the northernmost proposed street tree.
4. Coordinate with DPW on the selection of an appropriate street tree species.
5. Comply with the requirements of the Divisions of Public Works and Public Safety.

Commissioner Rise proposed striking condition number three, citing section 154.413 in regards to preserving and protecting significant trees. Kain clarified that the tree referred to was not an existing one but a newly proposed tree.

Vice Chair Horgan called the question.

Motion approved unanimously.

B. SUP-18-05 – 510 S. University

Kain introduced case SUP-18-05 submitted by William O'Dell, noting this is the first of three requests on the agenda for short term rental.

Kain reported that the property is located on the west side of University between Locust and Maple and is zoned CD-3, with future land use designated as Urban Residential. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain noted that the dwelling is owner occupied and shared photos of the site.

Kain reviewed the nine criteria for short term rentals, noting that the request meets 8 of the 9. He explained that the first criteria rests on a determination by the Planning Commission and has been noted as such.

Kain concluded his report recommending approval with the condition that the applicant comply with the requirements of the Division of Public Safety.

Bill O'Dell, 510 S. University, addressed the Board offering to answer any questions.

Commissioner Kostrzewa asked if this property was an Airbnb in the past. Mr. O'Dell responded that they had listed it this summer and then found out that the use required a SUP so he pulled it from the advertising site. He commented that the property has a valid rental license.

Commissioner Kostrzewa asked about the rental history. Mr. O'Dell responded that they rented it once to a woman whose daughter was participating in the Special Olympics and it was only for one night.

Vice Chair Horgan opened the public hearing. There being no one who wished to speak the public hearing was closed.

Motion by Ortman, support by Liesch, to approve SUP-18-05 subject to the following condition:

1. The applicant shall comply with the requirements of the Division of Public Safety.

Motion approved unanimously.

C. SUP-18-06 – 1334 Center Drive

Kain introduced SUP-18-06 submitted by Eric and Elizabeth Barz seeking approval for a short-term rental. Kain noted that the property is owner occupied.

Kain reported that the property is zoned CD-3L with future land use designated as Urban Residential. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain reported that the property is located on the west side of Center, directly south of Preston and shared photos of the property.

As in the last case, Kain reviewed the nine criteria for short term rentals, noting that the request meets 8 of the 9. He explained that the first criteria rests on a determination by the Planning Commission and has been noted as such.

Staff concluded his report recommending approval with the condition that the applicant comply with the requirements of the Division of Public Safety.

Eric Barz, 1334 Center, addressed the Board noting that he owns and occupies the home and offered to answer any questions. The board had no questions for Mr. Barz.

Vice Chair Horgan opened the public hearing.

Marja Nothstine, 1361 S. Crawford, addressed the Board, noting several concerns and questions that she has in regards to short-term rentals.

Dell Hunt, 900 Center, addressed the board commenting that although he originally had concerns, he supports the idea of short term rentals, noting that it provides options for visitors to stay in a real home and experience what makes Mt. Pleasant special.

There being no one else who wished to speak the public hearing was closed.

Kain responded to several questions/concerns that were raised by Ms. Nothstine, explaining that short-term rentals may or may not be owner occupied and even if the owner lives there, they are not required to be

present during the time that a renter is there. He noted that if the family is present then only one unrelated individual could rent the space; however, if the owners are not present they could rent to a family but not a group of three or more unrelated persons.

Kain acknowledged that a special use permit goes with the property; however, further noted that if the use was discontinued or if the housing license expires the SUP would also expire. In addition, he noted that there are specific triggers built into the special use permit criteria for short-term rentals that cause expiration of the special use permit. There is also the ability to revoke a SUP if a site fails to remain in compliance with the special use permit standards. Kain reported that the Zoning Board of Appeals is responsible for decisions about revocation of a SUP.

Kain also noted that rental licenses are allowed by right in the CD districts and there is no distinction in the type of occupancies permitted for short-term rentals. He noted that annual inspections for SUP's are conducted to confirm conditions are maintained and the fire department conducts annual rental inspections to confirm the home remains in compliance with the Housing Licensing Code.

Motion by Liesch, support by Kostrzewa, to approve SUP-18-06 subject to the following condition:

1. The applicant shall comply with the requirements of the Division of Public Safety.

Motion approved unanimously.

Commissioner Rise thanked those who spoke during the public hearing for coming forward with their concerns and comments and being part of the process.

D. SUP-18-07 – 515 Sunset

Kain introduced case SUP-18-07 submitted by Leslie Johnson for a short-term rental at 515 Sunset.

Kain noted the property is located on the south side of Sunset, between Highland and Meadow and is zoned CD-3L, with future land use designated as Urban Residential. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain shared photos of the site. As in the last two cases, Kain reviewed the nine criteria for short term rentals, noting that the request meets 8 of the 9. He explained that the first criteria rests on a determination by the Planning Commission and has been noted as such.

Staff concluded his report recommending approval with the condition that the applicant comply with the requirements of the Division of Public Safety.

Leslie Johnson, owner of the property, addressed the Board. Ms. Johnson stated she has owned the property for two years and it was a rental for a time and then her son lived in it while attending CMU.

Ms. Johnson stated that Airbnbs operate on a review process and further noted that the property is for sale which will limit how many times it is rented. Ms. Johnson commented that most renters of Airbnbs are there for no more than 5 days, noting that it is generally a family coming to see a student, attend a family reunion, or some similar reason.

Vice Chair Horgan opened the public hearing.

Marja Nothstine, 1361 S. Crawford, addressed the Board, noting additional concerns that she has regarding parties and enforcement.

Mary Sorenson, 1725 Stockman, addressed the board with concerns of parties, enforcement and property maintenance.

Steve Stressman, 215 E. Chippewa, addressed the board wondering why someone would need a SUP for a short-term rental if they are already licensed as a rental, commenting it puts an additional burden on the property owner.

Susan Hunt, 900 Center, addressed the Board, noting concerns when the owner is not there to oversee things and expressed concern for the safety of the neighborhood children when renting for a short time to strangers.

There being no one else who wished to speak, the public hearing was closed.

Leslie Johnson, owner of the property addressed some of the concerns, noting again that Airbnbs have a review process and that she only hosts those who have reviews. She also has her own screening questions and requires those who wish to rent from her have at least an hour drive to get there. She indicated that she will give business cards to all the neighbors with her number on it and if there is ever an issue they can call her and she will personally call the police.

Commissioner Irwin asked if the rental license was different for short-term rentals and commented that even if the SUP was not granted they could still lease for more than 28 days. Kain commented that it is the same licensing process and Commissioner Irwin was correct. Commissioner Ortman commented that the SUP is more specific to short-term use.

Commissioner Kostrzewa asked if short-term rentals would have to meet the same licensing requirements in regards to egress windows, etc. Kain stated they would.

Motion by Liesch, support by Rise, to approve SUP-18-07 subject to the following condition:

1. The applicant shall comply with the requirements of the Division of Public Safety.

Motion approved unanimously.

E. SUP-18-08 – 610 ½ N. Arnold

Kain introduced SUP-18-08 submitted by Samuel Cascarelli for an accessory dwelling unit.

Kain noted the property was zoned CD-3 with future land use designated as Urban Residential. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain shared photos of the site showing both the principal building and the accessory dwelling, noting that it was currently unoccupied.

Kain noted that from 1971 until the adoption of the current zoning ordinance in 2018 accessory (or rear) dwelling units were not permitted. Under the current ordinance they are permitted with a special use permit provided they meet the eleven SUP criteria, one of which is the primary dwelling must be owner-occupied. He reported that Mr. Cascarelli is an owner-occupant in the primary dwelling.

Staff concluded his report recommending approval with the stipulation that the applicant comply with the requirements of the Division of Public Safety.

Sam Cascarelli, 610 N. Arnold, addressed the Board. Mr. Cascarelli reported that he had rented the unit for several years not realizing a rental license was required. He reported on some issues with the tenant that brought to light the fact that the unit was not licensed.

Mr. Cascarelli reported that he has cleaned up the mess left by the previous tenant and has updated the unit in the hopes to get it rented again. Mr. Cascarelli stated that there will be no changes to the site.

Vice Chair Horgan opened the public hearing. There being no one who wished to speak, the public hearing was closed.

Motion by Kostrzewa, support by Irwin, to approve SUP-18-08 subject to the following condition:

2. The applicant shall comply with the requirements of the Division of Public Safety.

Motion approved unanimously.

VII. Public Comments

Vice Chair Horgan opened the floor for public comments.

Marja Nothstine, 1361 S. Crawford, addressed the Board commenting that she feels not enough thought has been put into allowing short-term rentals and protecting neighborhoods and feels people will take advantage of the 28-day rental business.

There being no one else who wished to speak, the public comments section was closed.

VIII. Site Plan Reviews:

None

IX. Unfinished Business:

None

X. New Business:

- A. RFP subcommittee:** Kain reported that a Request for Proposal (RFP) was released on June 11 seeking bids to assist in the creation of the 2050 Master Plan. Kain noted that bids were due July 24.

Kain noted that a committee will review and filter the bids to identify which responding firms will be interviewed by the Planning Commission. Kain stated the committee would be made up of two Planning Commissioners, one member of the Parks & Recreation Commission, one member of the Downtown Development Authority and one City Commissioner. The committee will meet on July 31st to review the bids.

Kain commented that he is looking for two actions from the Planning Commission:

- 1) Recommend two Planning Commissioners to serve on the RFP committee.

- 2) Set a special meeting for Wednesday, August 15, 2018 to hold interviews.

Commissioner Liesch recommended Commissioner Hoenig, stating he had spoken with her earlier in the day and she indicated she would be interested in serving on the committee.

Kain noted that Commissioner Friedrich had also indicated interest. Commissioner Horgan indicated she would be willing to serve as an alternate.

Motion by Kostrzewa, support by Irwin to set a special meeting for Wednesday, August 15, 2018 at 7:00 p.m. in the City Hall Chambers.

Motion approved unanimously.

As there were no objections and no other interest for committee membership, Commissioners Hoenig and Friedrich will serve on the RFP committee with Commissioner Horgan as alternate.

XI. Other:

- A. Staff Report:** Kain reported that the City Commission adopted the medical marihuana ordinances on June 11. He reported that the City Commission did not take the Planning Commission's recommendation to adjust the buffer in the downtown, but did make some changes in the number of licenses permitted. Facility types will be limited as such:

1. Not more than 5 growers operating under Class A licenses;
2. Not more than 3 growers operating under Class B or C licenses
3. Not more than 3 provisioning centers
4. No limit on the number of processors, secure transporters, and safety compliance facilities.

Kain further reported that the Planning Commission will likely not see any SUP applications for medical marihuana facilities until next year.

XII. Adjournment:

Motion by Kostrzewa, support by Liesch, to adjourn.

Motion approved unanimously.

Meeting adjourned at 8:15 p.m.

bam



THE CITY OF MT. PLEASANT, MICHIGAN

CITY HALL
320 W. Broadway • 48858
(989) 779-5300
(989) 773-6791 fax

PUBLIC SAFETY
804 E. High • 48858
(989) 779-5100
(989) 773-4020 fax

PUBLIC WORKS
1303 N. Franklin • 48858
(989) 779-5400
(989) 772-6250 fax

June 21, 2018 MINUTES – JOINT MEETING

TAX INCREMENT FINANCE AUTHORITY (TIFA) and PRINCIPAL SHOPPING DISTRICT (PSD)

MEMBERS PRESENT

S. Bissell	TIFA/PSD	A	12/31/2021
R. Blizzard	TIFA/PSD	P	12/31/2021
S. Christensen	TIFA/PSD	P	12/31/2019
A. Quast-Lents	TIFA/PSD	P	12/31/2018
R. Swindlehurst, Chair	TIFA/PSD	P	12/31/2018
B. Wahr, Vice Chair	TIFA/PSD	EA	12/31/2019
B. Wieferich	TIFA/PSD	P	12/31/2018

M. McAvoy	TIFA	P	12/31/2018
J. Horton	TIFA (Ind)	P	12/31/2018

C. Ritchey	PSD	A	12/31/2018
R. Agardy	PSD	P	12/31/2021

M. Sponseller Staff Liaison

A = Absent without notification P = Present EA = Excused Absence N/A = Not Applicable

Guests: Mary Ann Kornexl, Bill Mrdeza

Roll Call Notes: None.

I.) CALL TO ORDER

Call to order at 8:04am.

II.) ROLL CALL AND INTRODUCTIONS

Board member roll listed above with attendance. Introductions made for guests.

III.) CHANGES/ADDITIONS TO AGENDA

Motion to add approval of corrected April minutes to agenda.

M = McAvoy S = Blizzard Motion approved.

IV.) MINUTES

(TIFA) Motion to approve the regular April 2018 minutes as presented.

M = McAvoy S = Blizzard Motion approved

(PSD) Motion to approve the regular April 2018 minutes as presented.

M = Blizzard S = Christensen Motion approved

(TIFA) Motion to approve the regular May 2018 minutes as presented.

M = McAvoy S = Blizzard Motion approved

(PSD) Motion to approve the regular May 2018 minutes as presented.

M = Blizzard S = Agardy Motion approved

V.) RECEIPT OF COMMUNICATION

a.) Downtown Directors Report

Receipt of May Downtown Development Directors report. No action taken.

V.) RECEIPT OF COMMUNICATION

b.) Industrial Park North 2018 Amended Budget (TIFA)

(TIFA) Adopted the 2018 amended budget as presented.

M = Quast-Lents S = McAvoy Motion approved

(PSD) No motion is necessary as the IPN budget is administered by the TIFA.

V.) RECEIPT OF COMMUNICATION

c.) Industrial Park North 2019 Budget (TIFA)

(TIFA) Adopted the 2019 budget as presented.

M = Wieferich S = Blizzard Motion approved

(PSD) No motion is necessary as the IPN budget is administered by the TIFA.

V.) RECEIPT OF COMMUNICATION

d.) TIFA 2018 Amended Budget (TIFA)

(TIFA) Adopted the 2018 amended budget as presented.

M = Quast-Lents S = Horton Motion approved

(PSD) No motion is necessary as the TIFA budget is administered by the TIFA.

V.) RECEIPT OF COMMUNICATION

e.) TIFA 2019 Budget (TIFA)

(TIFA) Adopted the 2019 budget with the following recommended changes:

- \$5,000 increase to Max and Emily's Summer Concert Series sponsorship (\$10,000 total) from the general fund unassigned balance.

M = Wieferich S = Blizzard Motion approved

(PSD) No motion is necessary as the TIFA budget is administered by the TIFA.

V.) RECEIPT OF COMMUNICATION

f.) PSD 2018 Amended Budget (TIFA)

(TIFA) No motion is necessary as the PSD budget is administered by the PSD.

(PSD) Recommend the 2018 amended budget as presented.

M = Agardy S = Quast-Lents Motion approved

V.) RECEIPT OF COMMUNICATION

g.) PSD 2019 Budget (PSD)

(TIFA) No motion is necessary as the PSD budget is administered by the PSD.

(PSD) Recommend the 2019 budget with the following recommended changes:

- \$5,000 increase to Max and Emily's Summer Concert Series sponsorship (\$10,000 total) from the general fund unassigned balance.

M = Quast-Lents S = Christensen Motion approved

V.) RECEIPT OF COMMUNICATION

h.) Economic Development Action Plan (TIFA/PSD)

Bill Mrdeza, Economic Development Director, has asked for all final comments and suggested changes be forwarded to him by the end of next week.

V.) RECEIPT OF COMMUNICATION

i.) Update on the 410 West Broadway Redevelopment Site (TIFA/PSD)

Bill Mrdeza, Economic Development Director, provided an update on the progress of proposals for the 410 West Broadway redevelopment site.

VI.) PUBLIC COMMENT

No public comment.

VII.) OLD BUSINESS

a.) None

VIII.) NEW BUSINESS

a.) Parking Management Review (TIFA/PSD)

Staff is requested the following issues be reviewed and consensus obtained by the TIFA and PSD boards in order to proceed with finalizing parking management changes for 2019. Direction is indicated next to each question and will proceed at the July meeting.

1. Paid parking on all or a portion of downtown streets? ***Consensus not to proceed.***
2. Create more 10-hour permit lots? ***Consensus not to proceed.***
3. Increase the cost of the annual day-time parking permits? ***Consensus to proceed.***
4. Charge for overnight parking permits? ***Even results between members present. Staff suggests proceeding with follow-up discussion.***

IX.) OTHER/ADDITIONS TO AGENDA

None.

X.) OTHER/ADDITIONS TO AGENDA

a.) Roundtable.

XI.) ADJOURNMENT

Meeting adjourned 9:34 a.m.

From: Aimee Goudreau <aimee@garchgrp.com>
Sent: Friday, August 3, 2018 9:05 AM
To: Sponseller, Michelle
Subject: HDC Board

Hi Michelle,

I am emailing to let you know that I need to resign from the Historical District Committee. I moved in July and realize I am not a resident of the City of Mt. Pleasant anymore. Please let me know if I can help with anything in the future. Thanks!

*Aimee Goudreau, Associate AIA
Interior Designer*



131 South Main Street
Mt. Pleasant, MI. 48858
1-989-773-0146

aimee@garchgrp.com

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Thank You for your generous
support with the
"Dark Store" issue.

Together we can prevail!

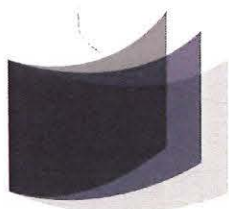
Escanaba City Council
and City Manager

THANK YOU!
Ken O.

Patricia Jordan Mackenzie : 11-7-2016
Jeff McClain Peggy O'Connell Schumann

**CULTURAL & RECREATIONAL
COMMISSION
OF
ISABELLA COUNTY**

Financial Statements
December 31, 2017



RPC
Roslund Prestage & Company
CERTIFIED PUBLIC ACCOUNTANTS

Cultural & Recreational Commission of Isabella County
Table of Contents
December 31, 2017

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Independent Auditor's Report

Cultural & Recreation Commission of Isabella County
Mount Pleasant, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Cultural & Recreational Commission of Isabella County (CRC), as of and for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise CRC's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of CRC, as of December 31, 2017, and the respective changes in financial position and cash flows, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management, discussion, and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

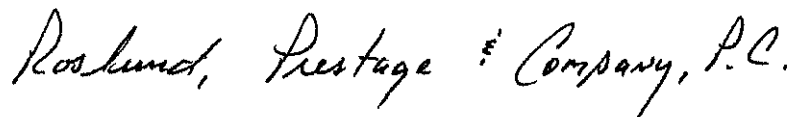
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise CRC's basic financial statements. The other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2018 on our consideration of CRC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRC's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in cursive script that reads "Roslund, Prestage & Company, P.C.".

Roslund, Prestage & Company, P.C.

June 18, 2018

FINANCIAL STATEMENTS



Cultural & Recreational Commission of Isabella County
Statement of Net Position
Proprietary Fund
December 31, 2017

Assets

Current assets

Cash and cash equivalents	\$ 5,787
Cash and cash equivalents - restricted	112,266
Accounts receivable	4,250
Due from CSRC	<u>50,000</u>

Total current assets 172,303

Noncurrent assets

Land	210,000
Buildings and fixtures	6,793,415
Equipment	703,654
Office equipment	35,951
Improvements	25,581
Less: accumulated depreciation	<u>(2,651,087)</u>

Total noncurrent assets 5,117,514

Total assets 5,289,817

Liabilities

Current liabilities

Accounts payable	4,328
Line of credit	50,000
Current portion of long-term debt	<u>81,018</u>

Total current liabilities 135,346

Noncurrent liabilities

Sign Loan	21,981
Promissory notes	1,919,195
Bank loans	1,568,878
Less: current portion long-term debt	<u>(81,018)</u>

Total noncurrent liabilities 3,429,036

Total liabilities 3,564,382

Net position

Net investment in capital assets	1,629,441
Restricted for Mt. Pleasant Hockey	112,266
Unrestricted	<u>(16,272)</u>

Total net position \$ 1,725,435

Cultural & Recreational Commission of Isabella County
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2017

Operating revenues	
MPHS hockey association revenues	\$ 37,112
Donations	21,184
Administrative fees	7,000
Facilities rent	<u>144,000</u>
Total operating revenues	209,296
Operating expenses	
Ice, referees, busing and coaches fees	34,843
Office expenses	183
Accounting and legal	4,906
Insurance	950
Equipment expense reimbursement - CSRC	20,000
Miscellaneous	1,872
Depreciation	<u>181,327</u>
Total operating expenses	<u>244,081</u>
Operating income (loss)	(34,784)
Nonoperating revenues (expenses)	
Gain on debt forgiveness	347,916
Interest revenue	52
Interest expense	<u>(144,361)</u>
Total nonoperating revenues (expenses)	203,607
Change in net position	168,823
Total net position, beginning	1,377,540
Prior period adjustment	<u>179,072</u>
Total net position, ending	<u><u>\$ 1,725,435</u></u>

Cultural & Recreational Commission of Isabella County
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2017

Cash flows from operating activities:	
Change in net assets	\$ (34,784)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Change in accounts payable	(2,232)
Change in accounts receivable	(4,250)
Change in due from CSRC	(50,000)
Depreciation	181,327
	<hr/>
Net cash provided from operating activities	90,061
Cash flows from investing activities	
Interest on investments	52
	<hr/>
Net cash provided from investing activities	52
Cash flows from financing activities	
Principal payments on long-term debt	(82,632)
Interest payments on long-term debt	(60,362)
Proceeds from line of credit	50,000
	<hr/>
Net cash provided from financing activities	(92,994)
Net increase (decrease) in cash	(2,881)
Cash, beginning of year	120,934
	<hr/>
Cash, end of year	<u><u>\$ 118,053</u></u>
Supplemental disclosure:	
Cash paid during year for interest expense	\$ 60,362

NOTES TO THE FINANCIAL STATEMENTS



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Cultural & Recreational Commission of Isabella County (CRC) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies used by CRC.

All amounts are shown in dollars.

Reporting Entity

Description

The Cultural and Recreation Commission of Isabella County (CRC) is a voluntary commission consisting of city, county, township(s), school district and university commissioners. The CRC has entered into an Interlocal Agreement with the other public agencies pursuant to the Urban Cooperation Act of 1967, Act 7, of the Public Acts of Michigan of 1967, Extra Session, as amended (MCL 124.501 et seq). The CRC is a public agency that was established on April 10, 1995 to develop cultural, educational, and recreational facilities in Isabella County so that programs will be available to address the needs of the members of the community. The CRC and public agencies believe that it is necessary to increase cultural awareness and cultural sensitivity among the diverse peoples within Isabella County.

Purpose

The CRC's general purpose financial statements include the accounts of all operations and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. The CRC is the public agency that has the authority to construct, maintain and operate cultural, educational and recreational facilities in Isabella County for the benefit of all citizens of Isabella County and most particularly the youth of the community, without regard to cultural differences. The CRC can receive funding from gifts, grants, assistance funds, bequests, public contributions, federal and/or state aid, and set rate/user fees for the use of the facilities.

The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational financial relationships that determine which of the governmental organizations are a part of CRC's reporting entity, and which organizations are legally separate, component units of CRC. Based on the application of the criteria, CRC does not contain any component units.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements - The government-wide financial statements are not required as CRC has only one fund, a proprietary fund.

Governmental Fund Financial Statements - The governmental fund financial statements are not required as CRC has only one fund, a proprietary fund.

Proprietary Fund Financial Statements - The proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitations.

Cultural & Recreational Commission of Isabella County
Notes to the Financial Statements
December 31, 2017

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of CRC are local grants, donations, and facility rents. Operating expenses for CRC include utilities, the cost of administration expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Cash Equivalents

CRC's cash and cash equivalents are considered to be cash on hand, money market funds, demand deposits, and certificates of deposit.

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, banker's acceptances, and mutual funds composed of otherwise legal investments.

Capital Assets

Capital assets, which include property, plant and equipment, are defined by CRC as individual assets with an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

CRC does not have infrastructure-type assets.

Depreciation expense is recorded in the financial statements.

Capital assets of CRC are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Equipment	5 – 7
Buildings and Improvements	39

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Net Position – Restrictions

Net position in the proprietary funds are reported as restricted when constraints placed on net position use is either:

- Externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or
- Imposed by law through constitutional provisions or enabling legislation.

Cultural & Recreational Commission of Isabella County
Notes to the Financial Statements
December 31, 2017

NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 2017, the carrying amount of CRC's cash and cash equivalents was \$118,053 and the bank balance was \$118,053. Of the bank balance, \$118,053 was covered by federal depository insurance. Deposits are held at local banks and have a maturity of less than three months.

Restricted Cash – this cash is to be used for the operating activities of the Mount Pleasant High School Hockey Team.

NOTE 3 - CAPITAL ASSETS

The following is a summary of the capital assets.

	Beginning Balance	Additions	Disposals	Ending Balance
Capital Assets				
Land & Improvements	210,000	-	-	210,000
Buildings & Fixtures	6,793,415	-	-	6,793,415
Equipment	703,654	-	-	703,654
Office Equipment	35,951	-	-	35,951
Improvements	25,581	-	-	25,581
Total Capital Assets	7,768,601	-	-	7,768,601
Accumulated depreciation				
Buildings & Fixtures	(1,736,986)	(174,190)	-	(1,911,176)
Equipment	(688,459)	(6,481)	-	(694,940)
Office Equipment	(35,951)	-	-	(35,951)
Improvements	(8,363)	(656)	-	(9,019)
Total Accumulated Depreciation	(2,469,759)	(181,327)	-	(2,651,086)
Net capital assets	5,298,842	(181,327)	-	5,117,514

NOTE 4 – LONG TERM LIABILITIES

Note Payable – Isabella Bank

On January 6, 2015 CRC borrowed \$1,799,362 from Isabella Bank in the form of a promissory note payable. Interest rate is stated at 3.750%. Principal and interest payments of \$14,100 are due for the months of January through May, and September through December. Principal and interest payments of \$5,700 are due for the months of June, July, and August. A balloon payment of \$1,398,797, plus interest, is due on January 6, 2020. The note payable is secured by a mortgage on the property dated May 13, 2008.

In addition, eleven entities (individuals, businesses, and non-profit organizations) have signed commercial guaranty agreements in which they *"absolutely and unconditionally guarantee full and punctual payment and satisfaction of the guarantor's share of the indebtedness of borrower"*. The guarantor's share of the indebtedness totals 100% and is as follows:

Cultural & Recreational Commission of Isabella County
Notes to the Financial Statements
December 31, 2017

2.86% - one guarantor
5.71% - seven guarantors
14.29% - two guarantors
28.59% - one guarantor

Also see the Schedule of Long-Term Debt in the back of this report.

Line of Credit – Isabella Bank

Since January 6, 2015 CRC has had a standing line of credit from Isabella Bank in the form of a promissory note payable. Interest rate is stated at 3.750%. During the current fiscal year, three draws, totaling \$50,000, were made against the line of credit on behalf of Central Sports & Recreation Center (CSRC) in order to help with cash flows. Consequently, a receivable from CSRC has been recorded as of December 31, 2017, for \$50,000.

Promissory Notes

In 2008 eleven entities (individuals, businesses, and non-profit organizations) provided \$1,750,000 in loan proceeds by entering into promissory notes payable. All of these notes are dated May 20, 2008 and the interest is stated at 6% for each one. Interest accrues annually starting from the date stated in each promissory note.

Principal and interest on these promissory notes will not begin until all bank loans have been paid off in full. Once payment begins, payments will be amortized over 15 years with the total unpaid balance due at the end of 5 years. These notes are secured by a mortgage on the property.

Accrued interest on these promissory notes for the current fiscal year was \$84,000. This amount was added to the principal amount due on each respective note. Also see the Schedule of Long-Term Debt in the back of this report.

Sign Loan

On November 14, 2012 CRC agreed to repay an individual who provided the funds for the purchase of a sign. The total amount to be repaid was \$32,972. The agreement calls for payments of \$686.91 per month with zero interest. Also see the Schedule of Long-Term Debt in the back of this report.

Debt Forgiveness – Promissory Notes

On December 28, 2017 two of the individuals forgave all of their remaining loan balance plus any accrued interest as follows:

Promissory Note	Principal Balance Forgiven	Accrued Interest Forgiven	Total Forgiven
Promissory Note 4	100,000	72,302	172,302
Promissory Note 6	100,000	75,614	175,614
Total Debt Forgiveness	200,000	150,916	347,916

This amount was recorded as revenue (gain on debt forgiveness) in the current year.

Summary of Long-term Debt Transactions

The changes in long-term debt during the current fiscal year are as follows:

Description	Beginning Balance	Additions	(Deletions)	Balance
Note Payable - Isabella Bank	1,651,508	-	(82,630)	1,568,878
Line of Credit – Isabella Bank	-	50,000	-	50,000
Promissory Notes	2,362,183	84,000	(526,988)	1,919,195
Sign Loan	21,981	-	-	21,981
Totals	4,035,672	134,000	(609,618)	3,560,054

Cultural & Recreational Commission of Isabella County
Notes to the Financial Statements
December 31, 2017

The principal portion of long-term debt for the next five years and thereafter is as follows:

Year	Current Amount Due
2018	81,018
2019	89,014
2020	1,398,797

NOTE 5 – LEASING AGREEMENT

The CRC (landlord) has entered into a leasing arrangement with the Central Sports & Recreation Center, aka CSRC (tenant), a Michigan Non-Profit Corporation to provide a multi-purpose indoor facility. The CRC shall permit the CSRC to manage the athletic facility and the CSRC shall be responsible for all operations, maintenance, repair and upkeep of the athletic facility during the terms of the lease.

Commencing July 1, 2008, the CSRC will pay the landlord One Dollar (\$1.00) per year. In addition, at the end of each fiscal year ending June 30th, The CRC and CSRC shall determine the tenant's net profit for the prior fiscal year arising out of the operation of the athletic facility. Once net profits are determined and received by the CRC, the CRC shall apply all net profits received to the principal and interest sums borrowed for the construction of the athletic facility. The term of the lease shall continue until all interest and debt incurred for construction is paid or forgiven.

The CRC (landlord) has entered into a leasing arrangement with Smooth Surfaces, Ltd., (tenant), a Michigan Non-Profit Corporation to manage and operate the ice arena portion of the facilities. The CRC shall permit Smooth Surfaces, Ltd., to manage the ice arena facility and Smoother Surfaces, Ltd., shall be responsible for all operations, maintenance, repair and upkeep of the ice arena facility during the terms of the lease.

Commencing July 1, 2008, the Smooth Surfaces, Ltd., will pay the landlord One Dollar (\$1.00) per year. In addition, at the end of each fiscal year ending June 30th, The CRC and Smooth Surfaces, Ltd., shall determine the tenant's net profit for the prior fiscal year arising out of the operation of the athletic facility. Once net profits are determined and received by the CRC, the CRC shall apply all net profits received to the principal and interest sums borrowed for the construction of the ice arena facility. The term of the lease shall continue until all interest and debt incurred for construction is paid or forgiven.

Future minimum lease payments are not disclosed due to the variable payments and length of the term of the lease.

NOTE 6 – OTHER MATTERS

In accordance with the township ordinance the CRC may be required to install a fire suppression system over the entire eight basketball courts at Morey Courts. The installation of a fire suppression system is estimated to cost \$150,000. CRC has not determined how this will be financed but is considering all options including grants, donations, loans, or a combination of these.

NOTE 7 – PRIOR PERIOD ADJUSTMENT

The prior period adjustment balance is the result of switching the method of computing accrued interest on the promissory notes from the *compound method* to the *simple method*.

Cultural & Recreational Commission of Isabella County
Schedule of Long-Term Debt
December 31, 2017

Long-Term Debt	Payments Due			Ending Balance
	Fiscal Year	Principal	Interest	
Note Payable - Isabella Bank	2015	68,428	61,472	129,900
<i>Original Loan - \$1,799,362</i>	2016	79,424	64,576	144,000
<i>Interest Rate - 3.75%</i>	2017	82,681	61,319	144,000
	2018	81,018	58,182	139,200
	2019	89,014	54,986	144,000
	2020	1,398,797	4,565	1,403,362
	Totals	1,799,362	305,100	2,104,462

Promissory Notes

Original Loans - \$1,750,000

Interest Rate - 6.0% (all)

No payments due until all other debt is retired

	Original Principal	Beginning Balance	Increases	Decreases	Ending Balance
Promissory Note 1	500,000	843,560	30,000	(74,300)	799,260
Promissory Note 2	250,000	425,494	15,000	(38,645)	401,849
Promissory Note 3	100,000	168,450	6,000	(14,762)	159,688
Promissory Note 4	100,000	166,302	6,000	(172,302)	-
Promissory Note 5	100,000	168,450	6,000	(14,762)	159,688
Promissory Note 6	100,000	169,614	6,000	(175,614)	-
Promissory Note 7	100,000	168,450	6,000	(14,762)	159,688
Promissory Note 8	100,000	167,638	6,000	(14,460)	159,178
Promissory Note 9	100,000	-	-	-	-
Promissory Note 10	50,000	84,225	3,000	(7,381)	79,844
Promissory Note 11	250,000	-	-	-	-
Totals	1,750,000	2,362,183	84,000	(526,988)	1,919,195

Sign Loan

Original Loan - \$32,972

Interest Rate - 0.0%

48 Monthly Payments - \$686.91

Year	Beginning Balance	Payments Made	Ending Balance
2013	32,972	(2,748)	30,224
2014	30,224	(4,121)	26,103
2015	26,103	(4,122)	21,981
2016	21,981	-	21,981
2017	21,981	-	21,981



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Cultural & Recreational Commission of Isabella County
Mount Pleasant, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Cultural & Recreational Commission of Isabella County (CRC) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise CRC's basic financial statements, and have issued our report thereon dated June 18, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CRC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRC's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Roslund, Prestage & Company, P.C.

Roslund, Prestage & Company, P.C.
Certified Public Accountants
June 18, 2018

Minutes of the regular meeting of the City Commission held Monday, July 23, 2018, at 6:30 p.m., in the City Commission Room.

Mayor Lents called the meeting to order and the Pledge of Allegiance was recited.

Commissioners Present: Mayor Lents and Vice Mayor Madaj; Commissioners Gillis, Joseph, Kulick, LaLonde and Ling

Commissioners Absent: None

Others Present: City Manager Ridley and City Clerk Howard

Proclamations and Presentations

Isabella County Parks and Recreation Director Sue Ann Kopmeyer gave a presentation on the Isabella County Parks Millage renewal that is on the ballot for the upcoming August 7th election.

Chippewa River District Library (CRDL) Marketing and Public Relations Coordinator Lisa McCartney gave a presentation on the CRDL millage renewal that is on the ballot for the upcoming August 7th election.

Jim McBryde, President, Middle Michigan Development Corporation (MMDC) and Erin Strang, President and CEO, Central Michigan University Research Corporation (CMURC) gave a quarterly update on the status of MMDC.

Discussion ensued.

Mayor Lents read and presented a proclamation recognizing Central Michigan University President Dr. George Ross.

Additions/Deletions to Agenda

Item #14: "Consider License Agreement with Central Michigan University for wayfinding signs." was removed from the agenda.

Public Input on Agenda Items

Larry Lemke, 323 S. Kinney; Brian Dufort, 510 E. Andre and Bailey McCaul, 518 N. Fancher, spoke in opposition to Special Assessment District #6-2018.

Receipt of Petitions and Communications

Received the following petitions and communications:

1. City Manager report on pending items.
2. Airport Advisory Board Minutes. (June)
3. Second Quarter Investment Report.

4. Receipt of Neighborhood Wellness Census 2017 Summary Report.
5. Communication received from Greg and Margaret Travis, 522 N. Fancher, in opposition to Special Assessment District #6-2018.

Moved by Commissioner Kulick and supported by Commissioner Gillis to approve the following items on the Consent Calendar:

1. Minutes of the regular meeting of the City Commission held July 9, 2018.
2. Bid of Jorgensen Ford Sales, of Detroit, Michigan in the amount of \$111,111.11 for a 2018 Aerial Lift Truck.
3. Resolution authorizing Michigan Arts Council for Arts and Cultural Affairs Project Mini-Grant submission for painting the intersection as follows:

Whereas, the City of Mount Pleasant working with community partners wishes to expand the Paint the Intersection public art project in downtown to help serve the community's arts for the fiscal year 2019, and;

Whereas, the proposed Paint the Intersections project is consistent with the goals and objectives of the City's current Master Plan, and;

Whereas the proposed 2019 Paint the Intersection project and grant application were discussed at a public meeting of the Mount Pleasant City Commission held July 23, 2018 at 6:30 p.m. at Mt. Pleasant City Hall, and;

Whereas, The City of Mount Pleasant has committed to providing \$1,000 in-kind funds toward the project cost from City staff for assistance in event planning, logistics, road closures and day-of event oversight;

Now therefore, be it resolved, that the Mount Pleasant City Commission hereby approves submittal of a 2019 Michigan Arts Council for the Arts and Cultural Affairs grant application for the 2019 Paint the Intersections project.

4. Warrants dated July 6, 11, 17 and 18 and Payrolls dated July 13, 2018 all totaling \$1,717,210.33.

Motion unanimously adopted.

Moved by Commissioner Kulick and supported by Commissioner Gillis to approve Resolution #3B as presented regarding Special Assessment District #6-2018 to stop the special assessment process without prejudice which would allow the residents to bring the petition back in the future if desired.

WHEREAS, the City Commission, after due and legal notice, has met and heard all interested persons to be affected by the proposed public improvements hereinafter described;

AND, WHEREAS, the City Commission does not deem it advisable and necessary to proceed with Special Assessment District #6-2018;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission hereby determines not to proceed with the project to install public improvements as follows: pave the alley in the block between Fancher on the west, Kinney on the east, Crosslanes on the south and Andre on the north in the City Special Assessment District #6-2018 based on the public input received;

2. The plans, profiles and specifications previously prepared by the City Manager are hereby filed for future reference only.
3. All resolutions and parts of resolutions conflicting with the provisions of this resolution be and the same hereby are rescinded.

Motion unanimously adopted.

Moved by Commissioner Kulick and supported by Commissioner Joseph to amend the contract with Archon Construction Company for manhole rehabilitation for an additional \$30,330 and approve the appropriate budget amendment.

AYES: Commissioners Joseph, Kulick, LaLonde, Lents, Ling and Madaj

NAYS: Commissioner Gillis

ABSENT: None

Motion carried.

Mayor Lents made the following appointments to the City special committee for City Attorney Request for Qualifications.

City Commission Members

Allison Lents
Kathleen Ling
Tony Kulick

City Staff Members

City Manager Nancy Ridley
City Clerk Jeremy Howard
Director Paul Lauria

Announcements on City-Related Issues and New Business

Commissioner Gillis reminded the public that there is an upcoming election on August 7 and two millage proposals are on the ballot. She mentioned that some of the funds in the millage proposals are diverted to taxing entities.

Commissioner Kulick commented that all of the budgets and work plans for the taxing entities on the proposed millage questions on the ballot are approved by the City Commission.

Mayor Lents announced that absent voter ballots are available at City Hall.

Vice Mayor Madaj announced that sample ballots are available at www.mi.gov/vote and absentee voting is available until 4:00 p.m. on Monday, August 6th. City Hall is open for absentee voting on Saturday, August 4th from 8:00 a.m. until 2:00 p.m.

Commissioner Gillis asked questions about absentee voting eligibility.

Commissioner LaLonde stated that first time voters must fulfill the ID requirement in order to absentee vote.

Public Comment on Agenda and Non-Agenda Items

Jim Moreno, 316 S. Arnold, announced that he is running for re-election to the County Commission District 5 and thanked the City Commission for participating with Escanaba and their Dark Store lawsuit.

John Hoppough, 1516 Comolake Dr., Greenville announced that he is running for Michigan Senate – 33rd District.

Steve Stressman, 215 E. Chippewa, announced that he is running for County Commission District 5. He commented that the pedestrian sign at the intersection of Franklin and Broadway Streets frequently gets hit by cars and would like to see something different used.

The Commission recessed at 7:40 p.m. and went into a work session at 7:49 p.m.

WORK SESSION – Economic Development Action Plan Discussion

Mayor Lents led a discussion on the Economic Development action plan.

Discussion ensued.


Staff will incorporate generally agreed upon changes into a new draft for consideration at the August 13th City Commission meeting.

Mayor Lents adjourned the meeting at 8:31 p.m. without objection.

Allison Lents, Mayor

Jeremy Howard, City Clerk

COMMISSION LETTER #127-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018
FROM: NANCY RIDLEY, CITY MANAGER 
SUBJECT: BIDS AND QUOTATIONS

a. Washer/Extractor

The attached memo from Fire Chief Rick Beltinck outlines the background for the need of a new washer/extractor unit at Public Safety. The recommendation for the sole source bid on this unit is based on UniMac being an industry leader and Universal Laundry Machinery being the only laundry supplier in Michigan.

The replacement of this failed machine is important to provide the appropriate cleaning of the fire staff gear.

Recommended Motion:

Move to approve the purchase of the washer/extractor from Universal Laundry Machinery for \$11,195.

NJR/ap



City of Mount Pleasant, Michigan
DEPARTMENT OF PUBLIC SAFETY



DATE: August 6th, 2018
TO: Nancy Ridley, City Manager
FROM: Rick Beltinck, Fire Chief
SUBJECT: Replacement of Turnout Gear Washer Extractor

For firefighters, clean equipment isn't a preference it is a necessity. Over the last ten years, there have been multiple studies published detailing the dangers of prolonged exposure to contaminated Personal Protective Equipment (PPE), which is driving a change in the industry to better understand these risks and educate firefighters on the importance of regularly cleaning their PPE. Exposure to persistent harmful contaminants in PPE is a serious problem and has been linked to cause cancer in fire fighters. Firefighters come into contact with the contaminants on the fire ground due to highly toxic substances and a variety of carcinogens. They also risk exposure to an increasing range of infectious pathogens when responding to an emergency medical incident. The best way to protect firefighters and minimize the risk of toxins absorbing into their skin is by properly wearing the gear during the incident and then decontaminating the PPE immediately after the incident so that a firefighter does not need to put soiled PPE back on his or her body following a fire or emergency response.

NFPA 1851 is the standard that we follow for turnout gear cleaning procedures. The NFPA recommends a front load washer-extractor for cleaning PPE, a maximum water temperature of 105 degrees and the maximum G-force for water extraction of 100.

Our current washing machine is not functioning, not NFPA compliant and is designed for residential use. Washing turnout gear one piece at a time is not effective and takes days when multiple sets need to be cleaned. Previous to our current washer, we were given a UniMac washer-extractor from a local hotel. In total this machine last 30 plus years before replacement parts were no longer available and had to be replaced.

The turnout gear washer that I am recommending is a UniMac industrial grade 45 lb. gear washer-extractor that meets all NFPA 1851 requirements. Designed specifically for the fire service this washer cleans up to 7 pieces or 3 sets of turnout gear (liners and shells) at a time. This machine meets the current standards and can be adjusted to meet water temperatures and spin rates should they change in the future. This unit has a durable plate steel industrial frame and premium components that are built to withstand the stress firefighting gear can put on a machine, including excessively heavy unbalanced loads. This unit is easy to use with a user friendly graphic display and 30 customizable cycle options. With advanced features, UniMac washer-extractors deliver the lowest cost of ownership in the industry, saving in energy and water costs.

Universal Laundry Machinery founded in 1920 is the largest and oldest distributor of industrial and professional laundry equipment in Michigan. They have installed more UniMac washers in more Michigan fire stations than all of their competitors combined. They have a proven track record of providing high quality service. Locally, UniMac equipment is used at The Soaring

Eagle Casino, Hampton Inn, Baymont Inn and Suites, and the Best Western. Universal Laundry Machinery is the sole supplier of UniMac washer-extractors in the State of Michigan.

I am recommending the sole-source purchase of the UniMac industrial grade 45 lb. gear washer-extractor from Universal Laundry Machinery for \$11,195 for the reasons stated above. Funds for this purchase are available in the 2018 Fire Department Budget and Capital Improvement Plan.

Please advise if you have any questions or require additional information.

COMMISSION LETTER #128-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018
FROM: NANCY RIDLEY, CITY MANAGER *Nes*
SUBJECT: CONSIDER APPROVAL OF RESOLUTIONS SUPPORTING FEES AND CHARGES

a. 4-on 4 Youth Basketball Program

The attached memo from Director of Recreation and Sports Ryan Longoria recommends the addition of a new youth basketball program in 2018. The Parks and Recreation Commission reviewed this recommendation as well as the fees and is in support of moving forward with the program. The fees would be set at the same rate as what the current 5-on-5 basketball program charges.

Recommended Motion:

Move to approve the resolution for fees for 4-on-4 basketball as presented.

b. Medical Marihuana Facility Application

The attached memo from City Clerk Jeremy Howard recommends the application fee for medical marihuana facilities be set at \$200.

Recommended Motion:

Move to approve the resolution to set the application fee for medical marihuana facilities at \$200 as presented.

NJR/ap

MEMO TO: Nancy Ridley

FROM: Ryan Longoria, Director of Recreation and Sports

DATE: August 1st, 2018

SUBJECT: 2018 Youth 4-on-4 Basketball League

CC: Bill Mrdeza



In 2018, the Recreation Department would like to offer a youth 4-on-4 basketball program during the months of November and December. This program would take place when there is down time between the fall soccer and 5-on-5 basketball seasons. In addition, staff hopes to use this program as a spring board and recruitment tool for involvement in the 5-on-5 season.

The 4-on-4 basketball program would be structured exactly the same as the 5-on-5 season, but with smaller teams. The fee structure would remain the same as the approved 2018 fees for basketball:

		Resident	Non-Res.	Early Disc.
K-2nd Grades	Participant	\$40.00	\$66.00	\$5.00
3rd - 6th Grades	Participant	\$50.00	\$70.00	\$5.00

The cost of running this program would consist of supplies, facility rental, and staffing. These costs would be offset by the revenue generated from participation fees and would be providing a quality program for the youth and families in the Mt. Pleasant community.

Staff and the Parks and Recreation Commission recommends the City Commission adopt the attached resolution activating the new fees and charges scheduled to take affect August 13th, 2018.

RML/lmw

**PARKS & RECREATION
FEES & CHARGES RESOLUTION**

The following recommendation for the adoption of the 2018 fees and charges for a 4-on-4 youth basketball program offered by Mt. Pleasant Parks and Recreation was made by Commissioner Batcheller and supported by Commissioner Busch.

WHEREAS, Chapter 97.04 of the City Code authorizes the City Commission to establish by resolution fees and charges for recreation and parks services and facilities, and

NOW, THEREFORE, BE IT RESOLVED, that the Mt. Pleasant Parks and Recreation Commission hereby recommends that the following fees and charges become effective immediately, and

BE IT FURTHER RESOLVED, that the Parks and Recreation Directors are authorized to effect minor adjustments to the following fees and charges in order to maximize citizen participation and effect positive community cooperation in recreation and parks services.

	Proposed Fee Structure	
Program	Resident	Non Resident
4-on-4 Basketball Grades K-2	\$40	\$66
4-on-4 Basketball Grades 3-6	\$50	\$70

Resolution unanimously adopted.

I, Ryan Longoria, Director of Recreation and Sports for the City of Mt. Pleasant, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Mt. Pleasant Parks and Recreation Commission at their regular meeting Tuesday, July 24, 2018.

Dated: July 24, 2018

Ryan Longoria
Director of Recreation and Sports



MEMO TO: Nancy Ridley

FROM: Jeremy Howard *Jeremy Howard*

DATE: August 13, 2018

SUBJECT: Resolution to Authorize the Setting of a Medical Marihuana Application Fee

At the June 11, 2018 meeting, the City Commission adopted Ordinance 1038 - AN ORDINANCE TO ADD A NEW CHAPTER 112, ENTITLED "MEDICAL MARIHUANA FACILITIES" TO TITLE XI OF MOUNT PLEASANT CITY CODE TO ALLOW CERTAIN FACILITIES OPERATED IN ACCORDANCE WITH STATE LAW. Now that the ordinance has gone into effect, it is necessary to set an application fee to be paid by potential licensees for Medical Marihuana Facilities in the City of Mt. Pleasant.

Attached is the draft resolution which sets the fee required under Section 112.03 (a)(3) of the Code of Ordinances of the City of Mt. Pleasant. The suggested fee is based on the estimated amount of staff time and other resources that will be needed to process each application.

I recommend the City Commission approve the fee schedule resolution as presented.

WHEREAS, Title XI, Chapter 112 - MEDICAL MARIHUANA FACILITIES of the Code of Ordinances of the City of Mt. Pleasant states that the City Commission will set an application fee in an amount established by resolution,

NOW, THEREFORE, BE IT RESOLVED, that the application fee for authorization to operate a Medical Marihuana Facility within the City of Mt. Pleasant as required under Section 112.03 (a)(3) of the Code of Ordinances of the City of Mt. Pleasant is set as follows:

Medical Marihuana Facility Application Fee	\$200.00
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COMMISSION LETTER #129-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018
FROM: NANCY RIDLEY, CITY MANAGER 
SUBJECT: CONSIDER LICENSE AGREEMENTS WITH CENTRAL MICHIGAN
UNIVERSITY FOR WAYFINDING SIGNS

Central Michigan University (CMU) is continuing the installation of wayfinding signs near and within CMU's campus. In 2016, approval was provided by the City Manager for placement of two wayfinding signs in the City road right-of-way. In 2018, approval was granted for three additional locations in the City right-of-way.

Due to the size and design of the signs, CMU has agreed to a license agreement which clearly indicates that CMU is responsible for the maintenance of the signs, as well as assistance should the City need to work in the right-of-way. The appropriate agreements have been prepared by the City Attorney and approved by CMU. We are recommending the City Commission authorize the Mayor and Clerk to sign the agreements on behalf of the City.

Recommended motion:

Move to authorize the Mayor and Clerk to sign the license agreements with CMU for the CMU wayfinding signs placed in the City right-of-way.

NJR/ap



THE CITY OF MT. PLEASANT, MICHIGAN

CITY HALL

320 W. Broadway • 48858-2447
(989) 779-5300
(989) 773-4691 fax

PUBLIC SAFETY

804 E. High • 48858-3595
(989) 779-5100
(989) 773-4020 fax

PUBLIC WORKS

1303 N. Franklin • 48858-4682
(989) 779-5400
(989) 772-6250 fax

To: Nancy Ridley, City Manager

Date: 8/9/2018

From: Stacie Tewari, City Engineer

Subject: **Central Michigan University Wayfinding Signs
2016 – Preston and East Campus, Bellows and Arnold
2018 - Bellows and Franklin, Bellows and East Campus**

In the summer of 2016, Central Michigan University (CMU) installed two new wayfinding signs, as part of a larger campus-wide wayfinding project, within city road rights-of-way. The first location was on the north side of Bellows between Kinney and Arnold. The second location was on the north side of Preston between East Campus and Mission. CMU has requested to install three more new wayfinding signs within city road rights-of-way this summer. The first requested location is on the south side of Bellows approximately 70' west of Franklin. The second location is on the south side of Bellows approximately 75' east of Franklin. The third location is on the south side of Bellows approximately 250' west of East Campus Drive.

Section 98.10 of the City of Mount Pleasant Code of Ordinances requires approval by the City Manager for any signs placed in the city street right-of-way that are not traffic control devices or marker signs placed by the city or state. This approval was granted in writing for these five signs. All locations were reviewed in the field for sight distance and utility conflicts. The signs are placed on 5"x5" posts, and the bottom of the signs are 7' above grade. The sign details were provided for review and were found to be acceptable by the city DPW, Planning and Building departments prior to installation.

CMU has agreed to sign agreements making it their responsibility to remove the signs at CMU's expense, should the city need to complete work within the right-of-way and for CMU to provide maintenance of the signs. The attached license agreements have been prepared by the city attorney and approved and signed by CMU. Separate agreements have been provided for the 2016 and 2018 projects. I recommend that the City Commission authorize the mayor and city clerk to sign the license agreements on behalf of the city.

LICENSE AGREEMENT

This License Agreement is made as of _____, 2018, between the City of Mount Pleasant, a Michigan municipal corporation, the principal business address of which is 320 W. Broadway, Mt. Pleasant, MI 48858 (the "City"), and the Central Michigan University Board of Trustees, a Constitutional body corporate as described in sections 4, 5, and 6 of article VIII of the Michigan Constitution of 1963, the principal business address of which is Warriner Hall, Mt. Pleasant, MI 48859 ("**CMU**"),

RECITALS

- A. CMU is installing wayfinding signs in and around its main campus to better direct the public to various venues.
- B. As part of its signage program, CMU wishes to place wayfinding signs in two locations in City-owned public rights-of-way on the periphery of main campus.
- B. The City wishes to grant CMU's request subject to the terms and conditions of this agreement.

TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the parties agree as follows:

- 1. License. The City grants to CMU a license to install and maintain the wayfinding signs depicted on the attached **Exhibit A** (the "Wayfinding Signs"), in the locations agreed upon and marked in the field by representatives of the City and CMU in 2016, as generally depicted on the attached **Exhibits B and C** (the "Licensed Areas").
- 2. Installation and Maintenance.
 - A. CMU shall, without cost to the City, install and maintain the Wayfinding Signs within the Licensed Areas in accordance with all applicable laws, ordinances, rules, and regulations. CMU shall be solely responsible for removal of any construction or other debris following installation of the Wayfinding Signs.
 - B. CMU shall be solely responsible for obtaining any required permits for the installation of the Wayfinding Signs. This Agreement constitutes the only permission needed from the City to construct the Wayfinding Signs.
 - C. CMU shall not otherwise alter or improve the right-of-way without the City's prior written approval and CMU's use of the right-of-way shall be limited to installation and maintenance of the Wayfinding Signs.
 - D. CMU shall ensure that all contractors used for the installation and maintenance of the Wayfinding Signs in the Licensed Areas have commercially appropriate liability insurance, covering any injuries (including death) and property damage occurring during installation or maintenance.
- 3. Maintenance. CMU shall be solely responsible for all maintenance and repair necessary for the Wayfinding Signs. CMU shall maintain the Wayfinding Signs in the state in which they were approved by the City and ensure that they are free from graffiti or other damage. If the Wayfinding Signs are vandalized or damaged in any way, CMU shall be solely responsible for restoring the Wayfinding Signs to their original condition prior to the vandalism or damage as soon as is reasonably possible, given weather conditions at the time. CMU shall have the option of removing vandalized or damaged signs, at its sole cost, instead of repairing them.
- 4. Term and Termination.
 - A. Unless terminated earlier pursuant to this Agreement, the term of the license shall commence on the date of this Agreement and shall continue for a period of 10 years. This agreement shall automatically renew for successive 10 year renewal terms unless terminated pursuant to this Agreement.
 - B. The license granted under this Agreement is terminable at the will of either party. However, the City shall first give CMU written notice that it is considering terminating the license and provide an opportunity for CMU to address the City Commission regarding the proposed termination.
 - C. Unless otherwise agreed by the parties, upon termination of the license, CMU shall remove the Wayfinding Signs from the Licensed Area at no cost to the City within 14 days.

5. City Work in the Rights-of-Way. The City shall endeavor not to damage the Wayfinding Signs when working in the rights-of-way or on other public works projects. When it determines necessary, the City may remove the signs on a temporary basis to perform work in the rights-of-way without terminating the license pursuant to the process described in Section 4, and CMU shall bear the cost of reinstalling the signs at its own cost. The City shall notify CMU before removing a sign pursuant to this section when reasonably possible.

6. Indemnification and Covenant to Sue. CMU shall hold the City (defined for purposes of this paragraph to include the City's officers and employees) harmless from, indemnify it for and defend it (with legal counsel reasonably acceptable to the City) against any demand, claim, judgment, award, legal proceeding or loss of any kind arising from CMU's use of the Licensed Areas for the installation and maintenance of the Wayfinding Signs, or its failure to maintain the Wayfinding Signs. CMU will not sue the City to recover losses relating to the damage or removal of the Wayfinding Signs.

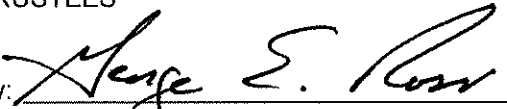
7. Property Rights. This Agreement grants only a license to use and does not grant or convey to CMU any rights, title, or interest in the Licensed Areas.

The parties have signed this Agreement as of the date first above written.

CITY OF MOUNT PLEASANT

CENTRAL MICHIGAN UNIVERSITY BOARD OF TRUSTEES

By: _____
Kathleen Ling, Mayor

By:  _____
George E. Ross, President

By: _____
Jeremy Howard, Clerk

EXHIBIT A
SIGN DEPICTION



EXHIBIT B
EAST PRESTON STREET SIGN LOCATION

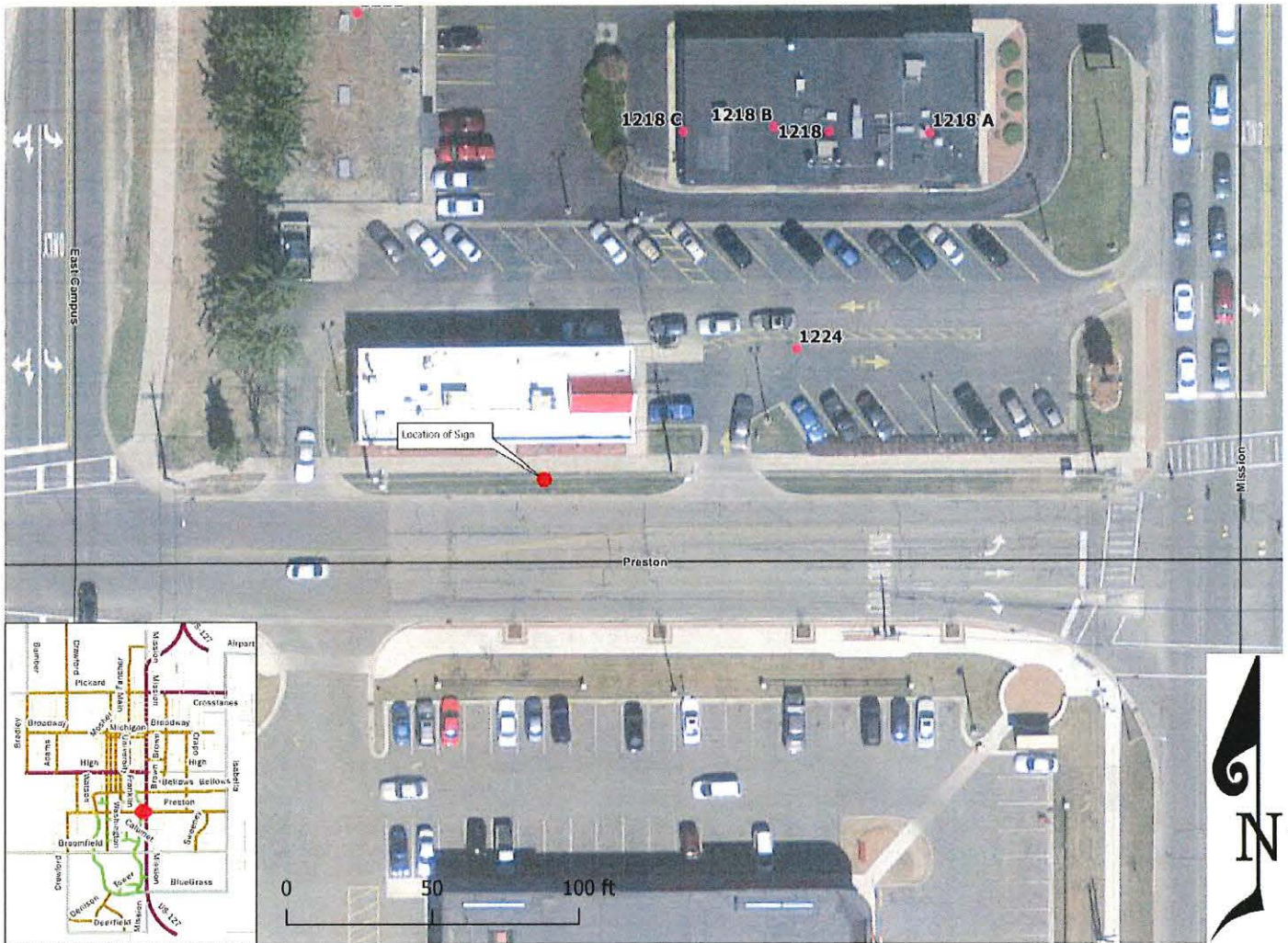
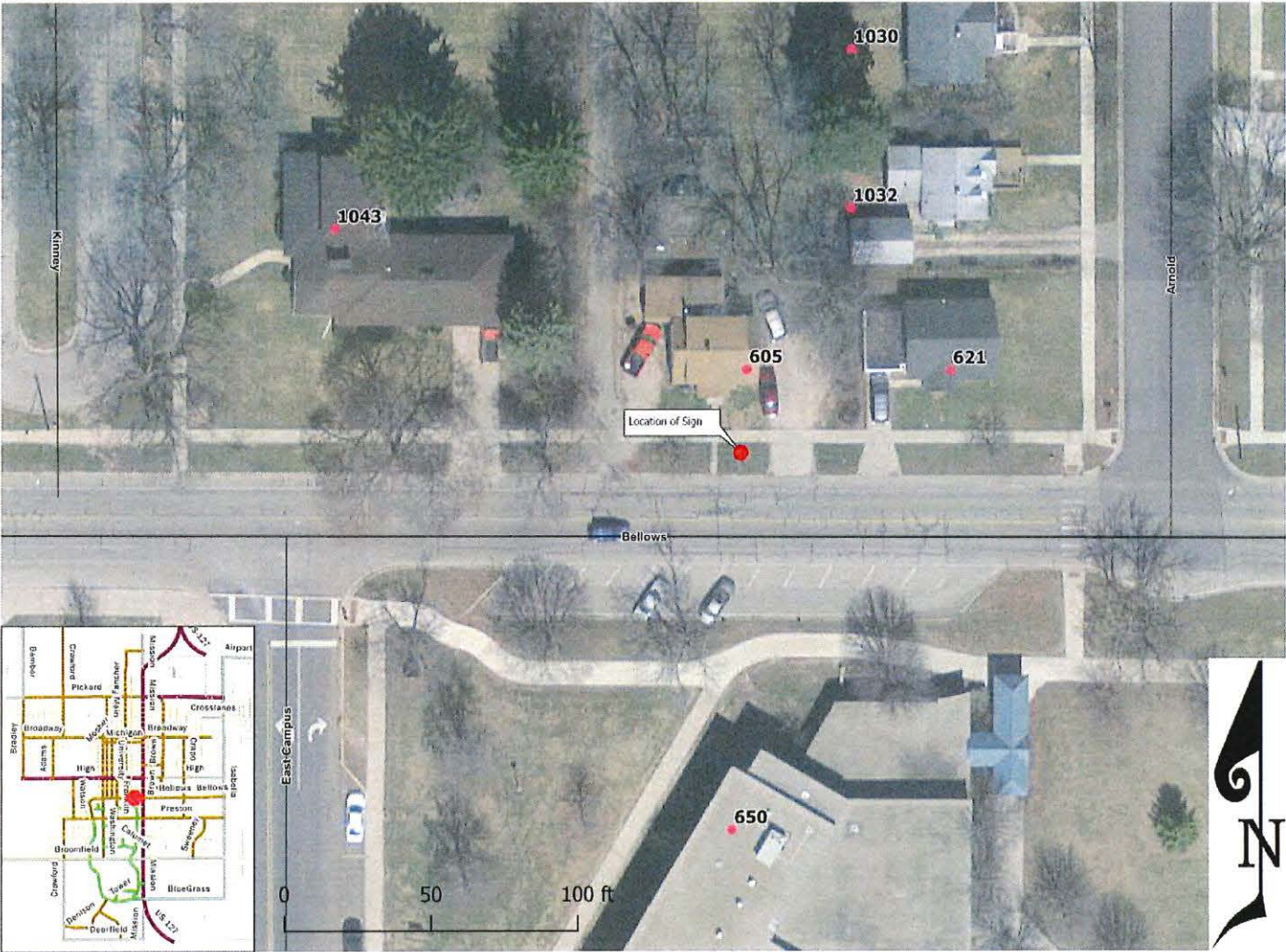


EXHIBIT C
EAST BELLOWS STREET SIGN LOCATION



LICENSE AGREEMENT

This License Agreement is made as of _____, 2018, between the City of Mount Pleasant, a Michigan municipal corporation, the principal business address of which is 320 W. Broadway, Mt. Pleasant, MI 48858 (the "City"), and the Central Michigan University Board of Trustees, a Constitutional body corporate as described in sections 4, 5, and 6 of article VIII of the Michigan Constitution of 1963, the principal business address of which is Warriner Hall, Mt. Pleasant, MI 48859 ("**CMU**"),

RECITALS

- A. CMU is installing wayfinding signs in and around its main campus to better direct the public to various venues.
- B. As part of its signage program, CMU wishes to place wayfinding signs in three (3) locations in City-owned public rights-of-way on the periphery of main campus.
- B. The City wishes to grant CMU's request subject to the terms and conditions of this agreement.

TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the parties agree as follows:

- 1. **License.** The City grants to CMU a license to install and maintain the wayfinding signs depicted on the attached **Exhibit A** (the "Wayfinding Signs"), in the locations agreed upon and marked in the field by representatives of the City and CMU on June 4, 2018, as generally depicted on the attached **Exhibits B & C** (the "Licensed Areas").
- 2. **Installation and Maintenance.**
 - A. CMU shall, without cost to the City, install and maintain the Wayfinding Signs within the Licensed Areas in accordance with all applicable laws, ordinances, rules, and regulations. CMU shall be solely responsible for removal of any construction or other debris following installation of the Wayfinding Signs.
 - B. CMU shall be solely responsible for obtaining any required permits for the installation of the Wayfinding Signs. This Agreement constitutes the only permission needed from the City to construct the Wayfinding Signs.
 - C. CMU shall not otherwise alter or improve the right-of-way without the City's prior written approval and CMU's use of the right-of-way shall be limited to installation and maintenance of the Wayfinding Signs.
 - D. CMU shall ensure that all contractors used for the installation and maintenance of the Wayfinding Signs in the Licensed Areas have commercially appropriate liability insurance, covering any injuries (including death) and property damage occurring during installation or maintenance.
- 3. **Maintenance.** CMU shall be solely responsible for all maintenance and repair necessary for the Wayfinding Signs. CMU shall maintain the Wayfinding Signs in the state in which they were approved by the City and ensure that they are free from graffiti or other damage. If the Wayfinding Signs are vandalized or damaged in any way, CMU shall be solely responsible for restoring the Wayfinding Signs to their original condition prior to the vandalism or damage as soon as is reasonably possible, given weather conditions at the time. CMU shall have the option of removing vandalized or damaged signs, at its sole cost, instead of repairing them.
- 4. **Term and Termination.**
 - A. Unless terminated earlier pursuant to this Agreement, the term of the license shall commence on the date of this Agreement and shall continue for a period of 10 years. This agreement shall automatically renew for successive 10 year renewal terms unless terminated pursuant to this Agreement.
 - B. The license granted under this Agreement is terminable at the will of either party. However, the City shall first give CMU written notice that it is considering terminating the license and provide an opportunity for CMU to address the City Commission regarding the proposed termination.
 - C. Unless otherwise agreed by the parties, upon termination of the license, CMU shall remove the Wayfinding Signs from the Licensed Area at no cost to the City within 14 days.

5. City Work in the Rights-of-Way. The City shall endeavor not to damage the Wayfinding Signs when working in the rights-of-way or on other public works projects. When it determines necessary, the City may remove the signs on a temporary basis to perform work in the rights-of-way without terminating the license pursuant to the process described in Section 4, and CMU shall bear the cost of reinstalling the signs at its own cost. The City shall notify CMU before removing a sign pursuant to this section when reasonably possible.

6. Indemnification and Covenant to Sue. CMU shall hold the City (defined for purposes of this paragraph to include the City's officers and employees) harmless from, indemnify it for and defend it (with legal counsel reasonably acceptable to the City) against any demand, claim, judgment, award, legal proceeding or loss of any kind arising from CMU's use of the Licensed Areas for the installation and maintenance of the Wayfinding Signs, or its failure to maintain the Wayfinding Signs. CMU will not sue the City to recover losses relating to the damage or removal of the Wayfinding Signs.

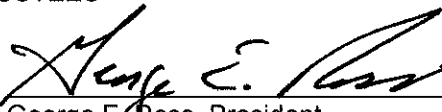
7. Property Rights. This Agreement grants only a license to use and does not grant or convey to CMU any rights, title, or interest in the Licensed Areas.

The parties have signed this Agreement as of the date first above written.

CITY OF MOUNT PLEASANT

CENTRAL MICHIGAN UNIVERSITY BOARD OF
TRUSTEES

By: _____
Allison Quast-Lents, Mayor

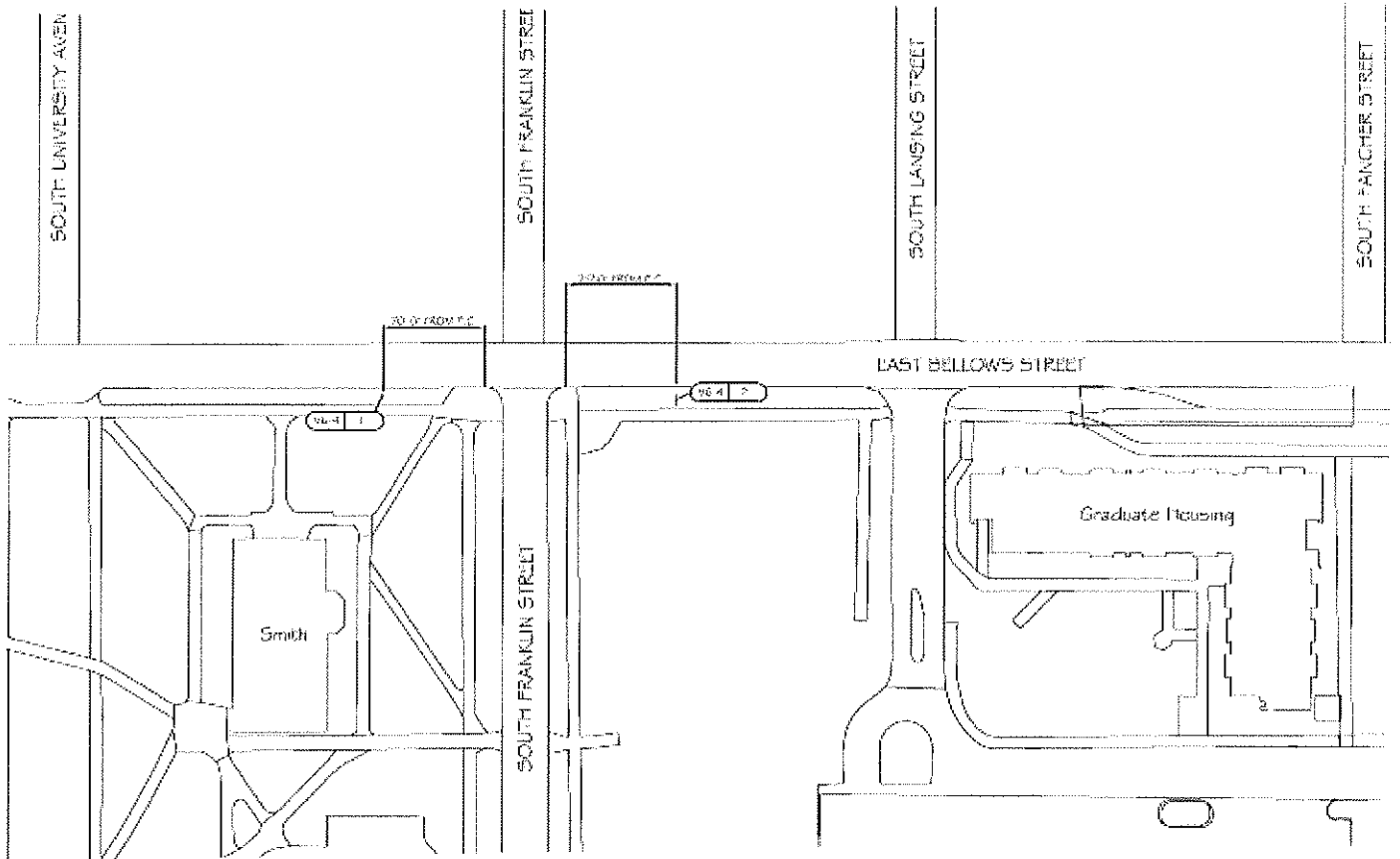
By:  _____
George E. Ross, President

By: _____
Jeremy Howard, Clerk

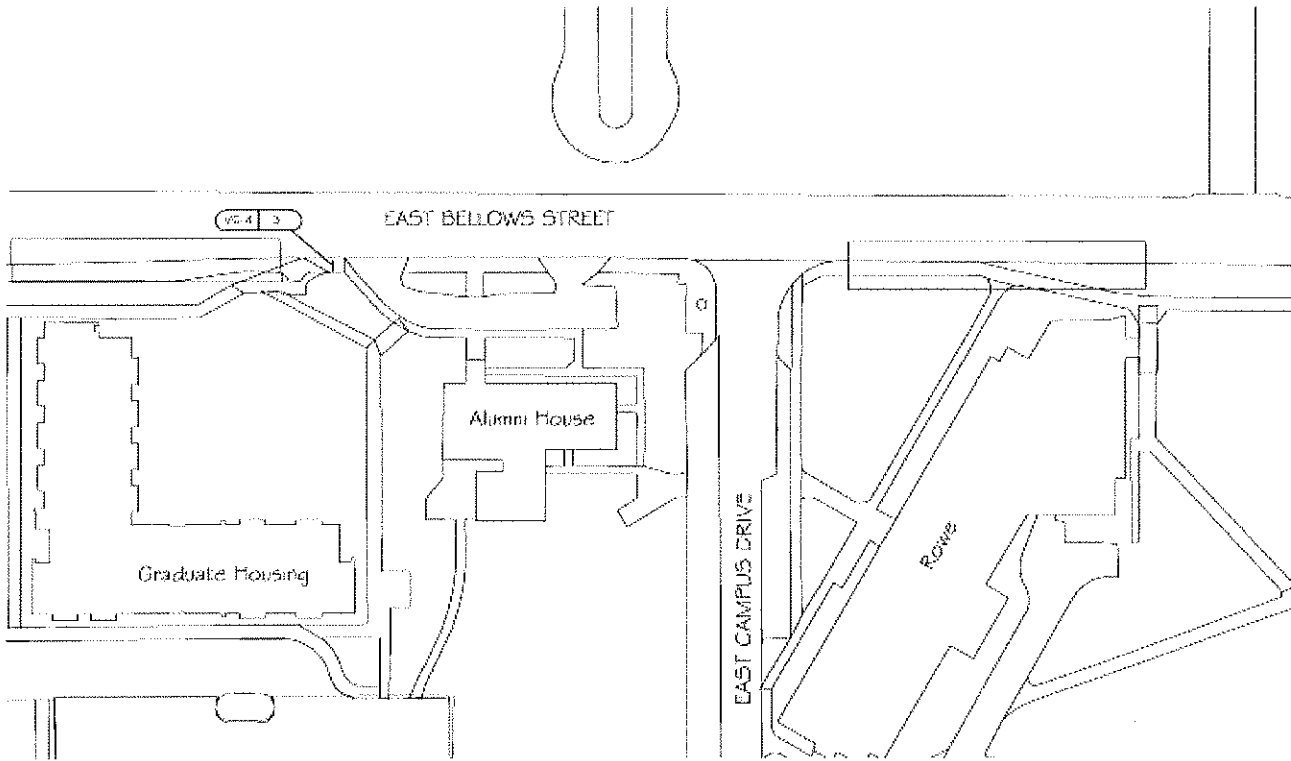
EXHIBIT A
SIGN DEPICTION




**EXHIBIT B
BELLOWS STREET SIGN LOCATION**



**EXHIBIT C
BELLOWS STREET SIGN LOCATION**



COMMISSION LETTER #130-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018
FROM: NANCY RIDLEY, CITY MANAGER 
SUBJECT: CONSIDER EXTENSION OF CONTRACT WITH RENAISSANCE PUBLIC
SCHOOL ACADEMY FOR PEAK SERVICES

The attached memo from Director of Recreation and Sports Ryan Longoria and PEAK Coordinator Mary LaChance outlines a recommendation to continue the agreement with Renaissance Public School Academy (RPSA) for PEAK services.

Last summer the City Commission approved a one-year agreement on a pilot basis. As the memo indicates, the initial year was a success and both entities are recommending a continuation into the current year. The only change to the contract would be that RPSA would provide additional funding of \$12,800 so two additional PEAK staff could be hired at the site instead of utilizing the teachers.

Recommended motion:

Move to authorize the Mayor and Clerk to sign the agreement with Renaissance Public School Academy for PEAK services for the 2018-2019 academic year.

NJR/ap

MEMO TO: Nancy Ridley, City Manager

FROM: Ryan Longoria, Director of Recreation
Mary LaChance, PEAK Coordinator

DATE: August 2, 2018

SUBJECT: PEAK-RPSA Agreement

CC: Bill Mrdeza, Director of Community Services



The PEAK Program began operating an after-school program at Renaissance Public School Academy (RPSA) during the 2017-2018 school year. This program was done on a pilot basis and with the agreement that it was on a year-to-year renewal basis.

The 2017-2018 school year was a success. The agreement stated that PEAK would hire a Site Coordinator and one Lead Assistant. RPSA agreed to have two full-time teachers (rotating flex schedule with an art, music and PE teacher) each day as PEAK Program Assistants at no cost to the City. During an evaluation of the 2017-18 year, it was agreed by both PEAK staff and RPSA that utilizing PEAK staff members who are hired and supervised by PEAK would be better than relying on teachers. Because of this, RPSA has agreed to the following operations, which include a reimbursement for additional PEAK staff to be hired, trained, and held accountable by the City.

Proposed Operations:

- Families will be charged current PEAK rates. Households would need to qualify for the scholarship rate (based on free/reduced lunch income guidelines) by completing a scholarship form and providing proof of income. Registrations would be handled by MPPR.
- RPSA will reimburse the City \$12,800 to cover the cost of two additional PEAK staff.
 - This cost is for two (2) staff hired at \$10/hr. for 20 hrs./week for 39 weeks.
- RPSA will provide use of cafeteria, library/open space, office and storage space also at no cost.
- RPSA will provide all on-going program supplies, field trip costs and custodial fees.

RPSA PEAK will continue to run similar to other sites, running from dismissal to 6:00 p.m., offering snack, homework assistance, and enrichments. Other advantages include increased opportunity to market City programs to RPSA students/parents and partnering on future programs through cost sharing (day camps).

Recommendation:

The Mt. Pleasant Parks and Recreation Department and the PEAK Program recommend renewal of the agreement with Renaissance Public School Academy to operate an afterschool PEAK program at their site for the 2018-19 school year for grades K-6 using approved PEAK afterschool rates and with the agreement that RPSA will reimburse the City for the hiring of two (2) additional staff.

RML/lmw

COMMISSION LETTER #131-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018

FROM: NANCY RIDLEY, CITY MANAGER 

SUBJECT: CONSIDER APPROVAL OF ECONOMIC DEVELOPMENT ACTION PLAN

In 2008 an Economic Development Action Plan was created and endorsed by the City Commission. This plan provided the framework to guide the economic development initiatives of the City. As the attached memo from Community Services and Economic Development Director Bill Mrdeza points out, the Redevelopment Ready Communities process required the update of the plan. In addition, we had planned to update the plan to make it more reflective of current economic conditions and strategies.

Based on the feedback received from multiple boards, the plan has been updated and is presented to the City Commission for endorsement. This plan will satisfy the requirements of the Redevelopment Ready Communities and more importantly it will help direct the efforts of staff in regard to these initiatives.

Recommended motion:

Move to approve the 2018 Economic Development Plan as presented.

NJR/ap



MEMORANDUM

TO: Nancy Ridley, City Manager

FROM: William R. Mrdeza
Community Services and Economic Development Director

DATE: August 6, 2018

SUBJECT: Economic Development Action Plan—Final Draft

W.R.M.

Background:

The City has been working on certification in the State of Michigan's Redevelopment Ready Communities (RRC) program since 2016. To date, we have completed approximately 93% of the program requirements toward this goal. The two remaining tasks to complete include an update to the City's Economic Development Action Plan, and the creation of a branding and marketing effort. Both of these requirements are currently in process; the updated Economic Development Action Plan is the subject of this memo and reflects the requirements of the RRC program's best practices in preparation for City certification into the program.

Over the past several months, staff has updated the City's 2008 Economic Development Action Plan to reflect changes that have occurred since that time. The original plan was developed in response to a downturn in the economy leading to the Great Recession. A number of the goals in the original plan were short term, meant to deal with the economic conditions of the time. The updated plan is more reflective of the current economic conditions and incorporates strategies drawn from input received during public engagement opportunities associated with several recent City initiatives. The updated plan also identifies specific strategies with measurable outcomes designed to guide future actions and decisions that affect the economic direction of the City.

During the course of its development, the plan has been shared with the following organizations and Boards and Commissions. Input received to date has been incorporated into this latest of ten revisions to the document:

- Downtown Development Board
- TIFA/PSD Boards
- Economic Development Corporation/Brownfield Redevelopment Authority

- City Commission (two work sessions)
- Local Development Finance Authority
- Planning Commission
- Middle Michigan Development Corporation

In addition, the preliminary draft copy of the updated plan was shared with the Michigan Economic Development Corporation's designated RRC planner for his initial input. Based on comments received at that time, the content was amended accordingly. Prior to the recent City Commission work session on the plan, the latest draft copy was again shared with our RRC planner and his minor suggestions were once again incorporated into the final draft. Based on the above process and input obtained from the MEDC, staff is confident that this final draft of the Economic Development Action Plan reflects the input of the community's stakeholders and will meet the requirements for this component of RRC certification.

Requested Action:

Staff recommends the City Commission endorse the attached 2018 Economic Development Action Plan of the City of Mt. Pleasant at their August 13, 2018 meeting in fulfillment of the Redevelopment Ready Communities best practices on this topic.

Attachment: Economic Development Action Plan, City of Mt. Pleasant, Michigan



ECONOMIC DEVELOPMENT ACTION PLAN

City of Mt. Pleasant, Michigan

Abstract

As a component of the six best practice strategies required for state certification as a Redevelopment Ready Community, this update to the City's 2008 Economic Development Action Plan includes a brief description of the City's history; demographic information; regional context; relationship to other plans and studies; and finally, priority economic development-related goals and strategies for achieving them.

William R. Mrdeza
Community Services & Economic Development Director
August, 2018

Introduction

Historical Context

Mt. Pleasant is in the geographic center of Michigan's Lower Peninsula. In 1855, David Ward, a timber cruiser, surveyor, teacher, and physician, purchased pine forest land from the United States Government. After logging off a site along the Chippewa River, he surveyed the area into lots and named the resulting village Mount Pleasant. The plat was sold to investors in New York and in 1889 the village was incorporated as the City of Mt. Pleasant.

During this same period, the United States Government was negotiating a treaty with the Swan Creek, Black River, and Saginaw Bands of Chippewa Indians, later to be combined to form the modern day Saginaw Chippewa Indian Tribe of Michigan. Through the treaties of 1855 and 1864, all or a portion of seven townships were set aside as the Isabella Reservation and forty acre parcels allotted to qualified individuals belonging to the Tribe. As a result, the area north of High Street in the City of Mt. Pleasant is located within the Isabella Reservation.

As the City became more settled, services and amenities began to be established. The Mt. Pleasant Business College began in 1890 and became the Mt. Pleasant Business College and Normal School in 1891. By 1892 the name had changed to the Central Michigan Normal School and Business Institute. Finally, in 1895 Central Michigan became a state school.

In the early 20th century, Mt. Pleasant began to evolve away from agricultural industries to oil and gas. The first oil well was discovered in Isabella County in 1928 and continued growth saw Mt. Pleasant become the oil capital of Michigan. While the prominence of the oil and gas industry is now part of the area's history, the continued growth of Central Michigan University and the Saginaw Chippewa Indian Tribe's Soaring Eagle Casino have continued to shape Mt. Pleasant's importance as a regional destination and economic importance. A diversified industrial base has also helped to insulate the area from state and national fluctuations in the economy.

Regional Context

Mt. Pleasant is located near the center of Isabella County in the middle of Michigan's Lower Peninsula and serves as the County Seat. The Chippewa River runs through the community, which also sits at the crossroads of US-127 and M-20. The City is home to Central Michigan University (CMU) and consists of traditional neighborhoods, student residential areas, and an historic downtown. The City and Isabella County governments enjoy a strong and supportive relationship across a broad spectrum of areas, including projects which contribute to and strengthen the tax base of all jurisdictions. The communities of Midland, Big Rapids, Clare, Ithaca, Alma, and St. Johns are all within 40 miles. Mt. Pleasant is less than two and a half hours of driving time from all major Michigan market areas such as Detroit, Traverse City, Grand Rapids, Saginaw, and Lansing. Other major metropolitan areas such as Chicago, Cleveland, and Indianapolis are within 350 miles. Other important regional partners include the 14 county Eastern Michigan Council of Governments (EMCOG) and Middle Michigan Development Corporation (MMDC), which is the only two county economic development organization in the state, covering Isabella and Clare counties. In addition, the City works closely with the Charter Township of Union on a number of jointly beneficial initiatives. The Township boundaries completely surround the City and as a result, a close working relationship helps to avoid duplication of effort in many instances by both units of government.

Key Demographics

Key demographics specific to the City of Mt. Pleasant and compared with the County and State are provided below. Most are taken from the 2016 update to the 2010 U.S. Census, which counts both full time residents of Mt. Pleasant as well as a portion of the CMU student population, depending on where they declare their residency.

Population: 26,016

Median Age:

Mt. Pleasant	Isabella County	State of Michigan
22 years	27 years	39.5 years

Household Income:

Characteristics	Mt. Pleasant	Isabella County	State of Michigan
Average Income	\$48,973	\$57,637	\$68,928
Median Income	\$31,710	\$40,706	\$50,803
Per Capita Income	\$17,196	\$21,387	\$44,347
% Persons in Poverty	41% *	23%	15%

* Mt. Pleasant's CMU student population contributes to this number

Civilian Labor Force:

Characteristics (2016)	Mt. Pleasant	Isabella County	State of Michigan
Total	14,100	37,276	4,862,651
# Employed	12,499	33,574	4,449,717
# Unemployed	1,601	3,702	412,934
% Unemployed (Updated to reflect 2018 estimate)	4.0%	4.0%	4.7%

Educational Attainment:

Characteristics	Mt. Pleasant	Isabella County	State of Michigan
H.S. Degree or Higher	92.4%	91.5%	89.9%
Bachelor's Degree or Higher	43.8%	28.2%	27.4%

Housing:

Characteristics	Mt. Pleasant	Isabella County	State of Michigan
Owner Occupied	3,104 (38.3%)	60.9%	70.8%
Renter Occupied	5,001 (61.7%)	39.1%	29.2%
Median Home Value	\$128,800	\$127,100	\$127,800
Median Monthly Rent	\$714	\$705	\$799

Other:

- Number of acres per 1,000 persons: 15 acres (NRPA park land standard = 7 acres)
- Total retail sales per capita (2012): \$21,234
- Mean travel time to work: 14.9 minutes

Opportunities, Strategies, and Challenges

The City of Mt. Pleasant adopted its last Economic Development Action Plan in April, 2008. At that time, Michigan, along with the rest of the country, was just entering what later became known as The Great Recession. In response, the City adopted a strategy of investing, rather than cutting, its way out of the downturn in the economy and based its plan on being more proactive to the needs of business. In addition the City Commission subsequently set aside approximately \$1.3 million in an Economic Development Fund (now the Economic Initiative Fund) for the purpose of investing in projects that bring an economic return to the City. The 2008 Economic Development Action Plan contained eight areas of focus:

- A short term focus on economic development efforts along the Mission Street commercial corridor
- Become opportunistic across the City regarding economic development
- Communicate the City is open for business in regard to good development projects
- Be flexible and nimble to address economic development opportunities
- Encourage redevelopment and rehabilitation of existing sites served by existing infrastructure
- Continue to support the City's role as the region's commerce and population center
- Increase the tax base with new positive growth and redevelopment
- Enhance the City's image as a good place to live and work

Much has changed in the intervening years but Michigan has continued to lag behind the rest of the country in its efforts to recover from the Great Recession. While Mt. Pleasant has fared better than many communities its size, it still faces challenges in a number of areas. These include attracting investment in new development; attracting new and retaining existing retailers; encouraging affordable housing options, including addressing the market for "Missing Middle" housing types; reducing the number of rental housing units in favor of increasing owner-occupied housing types; and other challenges that will be addressed in the identified Opportunities and Strategies which follow.

Mt. Pleasant will be rewriting its community Master Plan in 2019. This will result in a community-wide effort to help shape and define the vision and direction of future development, including the City's economic development efforts. This Economic Development Action Plan will act as a catalyst for additional discussions on the topic during the Master Plan development process. As a result, components of this plan will be incorporated into the economic development discussion in the new Master Plan and will then become the revised economic development priorities identified by the community during that process.

Building off of the 2008 Economic Development Action Plan, this 2018 Economic Development plan identifies three broad areas of Opportunity as outlined below. Each Opportunity includes a number of Strategies which support its accomplishment. Following this discussion, local and regional plans are identified which are related to and also support the identified Opportunities and their related Strategies. Finally, a matrix outlines responsibilities for implementing the strategies outlined in this plan.

Following the identification of Opportunities and Strategies, the plan includes a number of Challenges Mt. Pleasant faces, as identified by stakeholders and staff. Many of these are addressed by the strategies identified in the sections below. Most of the identified Challenges do not lend themselves to quick fixes and therefore require a longer term commitment to the strategies which are identified to address them.

OPPORTUNITY: Emphasize and Encourage Redevelopment and Rehabilitation of Existing Spaces and Structures

Strategies:

- Continue to invest in capital infrastructure projects:
 - ✓ Mission Street connector streets
 - ✓ Commercial district alley maintenance
 - ✓ Downtown parking lots
 - ✓ Broadway Street reconstruction west of Main
 - ✓ Streetscape improvements
- Focus efforts to reduce the 7% vacant and under-utilized properties in downtown
- Invest in downtown:
 - ✓ Façade improvement assistance including façade rendering grants and no-interest improvement loans
 - ✓ Fire safety program to encourage investment in more upper story residential units
 - ✓ Address downtown infrastructure issues
 - ✓ Address parking allocation issues
 - ✓ Promote the use of Redevelopment Liquor Licenses where appropriate
- Recognize the importance of CMU to the economy of Mt. Pleasant and continue to explore opportunities to work together on challenges and opportunities for both
 - ✓ Engage with faculty, staff, and students to increase the awareness of opportunities to participate in community activities and invest in the success of the community
 - ✓ Emphasize student engagement in the 2020 Census in order to include as many students in Mt. Pleasant's Census count
- Recognize challenges facing the retail sector and explore resources to assist business owners with addressing these challenges
 - ✓ Partner with property owners to cost share with infrastructure costs, parking, etc.
 - ✓ Work with developers to explore available alternatives which help control development costs in order to keep lease rates competitive for the Mt. Pleasant market
- Prioritize in-fill over greenfield development opportunities and address potential barriers that might exist
- Promote the City's identified priority development sites on a national, state, and local level in conjunction with Middle Michigan Development Corporation (MMDC)
 - ✓ Create a development plan for the Mt. Pleasant Center property and market it for potential development as appropriate
- In conjunction with the new Master Plan, prepare a Mission Street corridor study which will guide future design considerations that prioritizes the corridor's importance as a business corridor and not just a transportation corridor
- Engage all stakeholders when planning development strategies
- Continue to offer assistance when appropriate to close gaps in project financing, including the use of Brownfield TIF for qualified projects
- Promote walkability and bikeability in new project designs



OPPORTUNITY: Focus Efforts to Promote Job Opportunities and Attract and Retain Talent

Strategies:

- Partner with CMU-RC to promote entrepreneurship opportunities
- Partner with MMDC and the Michigan Economic Development Corporation (MEDC) on commercial and manufacturing retention calls
 - ✓ Focus efforts to assist existing businesses with expansion plans or to retain them in the City
- Partner with MMDC to promote the City's industrial parks to site selectors and developers to encourage development in the parks
- Encourage development projects that contribute to a diversified housing stock
- Work with MMDC and MichiganWorks! staff to attract and train qualified candidates for available positions
 - ✓ Use available programs to help employers with their existing staff training needs
 - ✓ Identify the types of businesses that would be the best fit for the community and would have market support; target these opportunities for attractions strategies
- Pursue opportunities for additional beautification efforts which enhance quality of life experiences in the community
 - ✓ Events in the parks
 - ✓ Encourage public transportation options
 - ✓ Pursue opportunities to activate public spaces
- Promote the opportunities available for continuing education
 - ✓ CMU
 - ✓ Mid-Michigan College
 - ✓ High school vocational education
 - ✓ Advanced certificate training institutions
 - ✓ Trade schools
 - ✓ Job fairs
 - ✓ Provide student internship opportunities
- Engage with service groups
- Promote community attributes important to those seeking employment opportunities
 - ✓ Mt. Pleasant as a safe community
 - ✓ Quality school system
 - ✓ Recreational opportunities
 - ✓ Cultural diversity
 - ✓ Lifelong learning opportunities
- Highlight the advantages of the City opting in to allow medical marihuana opportunities under state and local laws and licensing requirements



OPPORTUNITY: Market and Promote the City as a Regional Commerce Center

Strategies:

- Partner with the Public Relations Coordinator to communicate the City's story
 - ✓ Use the variety of the City's social media accounts to promote the City to internal and external stakeholders and visitors
 - ✓ Implement an area branding strategy with partner stakeholder participation that will identify Mt. Pleasant's unique characteristics and set the community apart from others
 - ✓ Explore other opportunities to engage the public to make them more aware of the community and what the City has to offer
- Encourage staff involvement in state and regional boards and organizations to "tell our story" to others
- Create a new City Master Plan that reflects the philosophy of the newly adopted form-based code and advances the vision of the community as articulated during the public engagement process associated with the creation of the plan
- City staff to promote the City when engagement opportunities present themselves
 - ✓ Includes residents and non-residents alike



CHALLENGES: Facing Mt. Pleasant

- The retail sector is changing and facing competition from online sales, changing consumer spending habits and preferences, etc., creating a challenge to retain existing establishments or attract new retail tenants as properties are built or become vacant
- The CMU student population is present in the community for only 9 months out of the year placing a strain on businesses that rely on this market segment to remain open for the full year
- Graduating CMU students are a potential untapped resource; efforts should be made to provide appropriate job opportunities and a supportive entrepreneurial environment to retain them in the community
- Annual fluctuations in on-campus CMU student enrollment affect planning for sales and inventory estimates for area businesses, which in turn impact on profitability
 - ✓ Trend of declining enrollment numbers impact many facets of the local economy
 - ✓ The decline in the college-age demographic cohort results in more competition for incoming freshman enrollments at CMU, placing more pressure to market and attract students on all stakeholders, including the community
- Adequate, consistent marketing efforts of Mt. Pleasant in general, and downtown specifically is lacking
- There is a disconnect between MDOT's objectives and the City's and businesses vision for the Mission Street corridor
 - ✓ MDOT views Mission primarily as a transportation corridor
 - ✓ City/business community views Mission as a business corridor which greatly impacts the taxable value of the City
- Adequate parking downtown is perceived to be a problem
- There currently is no clear vision or a commitment to create a plan for downtown
- Mt. Pleasant contains a high percentage of renter-occupied housing units compared with other similarly sized communities (62%)
 - ✓ Rental rates in the Mt. Pleasant market area are depressed compared with other communities, limiting the amount of investment developers can make in a project and still remain profitable
 - ✓ Desire to increase the number of owner-occupied housing units
 - ✓ Desire for more diversified and affordable housing choices
 - ✓ There is a demonstrated unmet demand for "Missing Middle" or "professional-oriented" housing
- Differential which exists between the City and township tax rates (the township is substantially lower)

Consistency with Local and Regional Plans

It is important to be sensitive to the goals and objectives of other local and regional plans in order to not duplicate activities and to coordinate efforts. There are a number of such documents related to this Economic Development Action Plan which are summarized below.

City of Mt. Pleasant Master Plan

Related Elements:

- Focus on making downtown a more accessible destination for businesses, events and visitors
- Make the City's neighborhoods more livable, including providing for a mix of housing and ownership types
- Increase marketing of the City to attract more downtown visitors
- Encourage economic diversity to strengthen the City's tax base
- Focus on business attraction and retention activities

Regional Comprehensive Economic Development Strategy (CEDS)

Related Elements:

- Grow the regional economy through business retention, recruitment, and marketing efforts that support long term economic resiliency and sustainability
- Leverage the Region's institutions of higher education, major corporations, medical complexes, and innovation assets
- Create a strong pipeline of talent to support the region's current and future employers
- Make strategic infrastructure investments that improve the Region's economic competitiveness and resiliency
- Strengthen the quality of place and reduce the vulnerabilities to create an attractive environment for existing and future residents

PA 33 of 2008 gives Michigan communities the authority to prepare and officially adopt a Master Plan and requires the Master Plan to be maintained and reviewed at least every five years. The Master Plan is a statement of the City's goals and policies. The last update the City's plan was 2014; creation of a new plan is proposed for 2019 with anticipated adoption in 2020.

The regional CEDS document is designed to provide baseline information, development strategies, and projects for stakeholder throughout the 14 county federally designated economic development region. Requirements of the CEDS document are proscribed by the US Dept. of Commerce, Economic Development Administration. The current plan was adopted in 2016.

Capital Improvement Plan

Related Elements:

- Industrial Park South retention pond improvements
- Mission Street re-investment capital support
- Mission Street traffic and pedestrian safety
- Downtown fire safety program
- Downtown streetscape improvements
- Downtown parking lot maintenance and reconstruction

City Commission Goals

Related Elements:

- Stable funding from a diverse tax base
- Where shopping, dining, and entertainment options thrive
- Economic opportunities for businesses offering competitive wages are readily available
- Well maintained, livable, and desirable neighborhoods
- Focus on downtown success and growth by increasing the number of people living and visiting downtown
- Offer diversified owner-occupied housing options

By its Charter, the City is required to prepare a five year Capital Improvement Plan (CIP) each year. Projects must appear in the CIP in order to be budgeted for in the current and subsequent years. To be included in the CIP, a project must have a useful life of at least ten years, and cost in excess of \$5,000. Information from the strategies and priorities in the approved Master Plan, the City Commission-approved vision statement, the Parks and Recreation Master Plan, the TIFA districts' development plans, and input from various other Boards and Commissions is used to create the CIP.

Each year the City Commission and management staff hold a retreat to discuss upcoming goals for the coming year, as well as to review, reaffirm, and/or modify previously identified goals. The above goals are those most recently identified by the City Commission related to economic development strategies.



Departmental Strategic Initiatives

Related Elements:

- Coordinate planning with a new Master Plan to incorporate the City's Economic Development Strategies and also include a corridor study for Mission Street, and a Parks and Recreation Plan
- Explore development opportunities for the 300 acre Mt. Pleasant Center site
- Update the Economic Development Action Plan
- Expand the City's tax base and increase the number of residents downtown
- Maximize in-fill development opportunities
- Continue to disseminate the results of the Target Market Analysis for housing to developers
- Engage in a downtown parking allocation analysis
- Analyze the cost/benefits of downtown events
- Create and fund a downtown fire safety program to allow more conversions of upper story spaces to residential units
- Adopt and administer a new city-wide form-based zoning ordinance
- Complete certification as a Redevelopment Ready Community

As part of the annual budget process, each City department must prepare a document detailing their major goals, over and above the normal expectations of the job, for the coming year. Each goal must detail implementation strategies, partners necessary for accomplishing the goal, stakeholders which need to be consulted, and expected completion dates. Progress on each goal is reported on twice during the year. Above are representative economic development-related goals from across several City departments.

Implementation Strategy Matrix

Opportunity	Strategies	Action Items	Responsible Party	Strategy Completion Date
Emphasize and Encourage Redevelopment and Rehabilitation of Existing Spaces and Structures	<i>Continue to invest in capital infrastructure projects</i>	Budget for appropriate infrastructure maintenance during the Capital Improvement Planning process	City Department Heads	Annually in February
	<i>Focus efforts to reduce the 7% vacant and under-utilized properties in downtown</i>	Develop strategies and programs that result in a reduction of 2% in vacant and under-utilized space in downtown	Downtown Development Director, Community Services Director	December, 2019
	<i>Invest in downtown</i>	Work with the PSD and TIFA Boards to prioritize downtown funding for projects which contribute to increases in taxable value	Downtown Development Director	Annually in June
	<i>Recognize the importance of CMU to the economy of Mt. Pleasant and continue to explore opportunities to work together on challenges and opportunities for both</i>	Hold periodic meetings with City and CMU management staff to discuss projects and issues of joint concern in order to address opportunities to work together on common solutions	City Manager	Quarterly
	<i>Recognize challenges facing the retail sector and explore resources to assist business owners with addressing these challenges</i>	Research how other communities assist the private sector in this regard and adapt select strategies appropriate to Mt. Pleasant	Community Services Director, Downtown Development Director	December, 2019
	<i>Prioritize in-fill over greenfield development opportunities and address potential barriers that might exist</i>	Meet with the City Commission to identify barriers to in-fill development and develop strategies to address those that are within the control of the community	Community Services Director, City Planner	July, 2018
	<i>Promote the City's identified priority development sites</i>	Prepare detailed property sheets on priority sites and post on City and MMDC web site for submission to site selectors; compile master list of other priority development sites	Community Services Director	On-Going
	<i>In conjunction with the new Master Plan, prepare a Mission Street corridor study which will guide future design considerations that prioritizes the corridor's importance as a business corridor and not just a transportation corridor</i>	Incorporate the Mission Street corridor study with the Master Plan RFP and incorporate the corridor study as part of the new Master Plan	Community Services Director, City Planner	July, 2020
	<i>Engage all stakeholders when planning development strategies</i>	Consult the adopted RRC best practice public engagement plan for obtaining stakeholder input on all potential development projects	City Planner	On-Going
	<i>Continue to offer assistance when appropriate to close gaps in project financing, including the use of Brownfield TIF for qualified projects</i>	Evaluate the merits of at least 3 projects based on the benefit to the community, its relationship to community goals, and the actual need to close financing gaps	Community Services Director, City Commission	Measured annually
	<i>Promote walkability and bikeability in new project designs</i>	Consult the adopted Non-Motorized plan for recommendations as well as other best practices for transportation design when considering at least 3 new transportation infrastructure projects	City Planner, City Engineer	On-Going

Implementation Strategy Matrix

Focus Efforts to Promote Job Opportunities and Attract And Retain Talent	<i>Partner with CMU-RC to promote entrepreneurship opportunities</i>	Meet with CMU-RC staff to identify space needs for new entrepreneurs in the downtown or elsewhere in the community as appropriate	Community Services Director	At least quarterly
	<i>Encourage development projects that contribute to a diversified housing stock</i>	Promote housing projects to prospective developers that are supported by the recent housing studies for the Mt. Pleasant market	Community Services Director, City Planner	On-Going
	<i>Continue to engage in retail/commercial and manufacturing retention calls</i>	Conduct at least 30 retention visits to maintain a dialog with the business community in order to be aware of potential issues and promote opportunities	Community Service Director, Downtown Development Director, Middle Michigan Development Corporation	On-Going
	<i>Work with Middle Michigan Development Corporation and Michigan Works! staff to attract and train qualified candidates for available positions</i>	Through retention call feedback, make businesses aware of available workforce development training programs and help make connections to access these	Community Services Director, MMDC President/CEO	On-Going
	<i>Pursue opportunities for additional beautification efforts which enhance quality of life experiences in the community</i>	Partner with Art Reach to encourage the expansion of the existing Banner Festival and intersection painting projects. Cultivate new venues for public art	Downtown Development Director	June, 2018; June 2019
	<i>Promote opportunities available for continuing education</i>	Encourage City Staff to keep and expand job-related skills through additional training and advanced educational opportunities	Human Resources Director	On-Going
		Support CMU, MMC, and the various technical training schools to promote continual learning offerings available in the community	Public Relations Coordinator	On-Going
	<i>Engage with service groups</i>	Work with various community service groups (Rotary, Kiwanis, others) to integrate their service mission with public space project needs	City Staff	On-Going as the opportunities arise
	<i>Promote community attributes important to those seeking employment opportunities</i>	Create a Mt. Pleasant-specific community brand, logo, and tag line which promotes the community as a unique, engaging location to live, begin a business, invest, etc.	Public Relations Coordinator	December, 2018
	<i>Highlight the advantages of the City opting in to allow medical marihuana opportunities under state and local laws and licensing requirements</i>	Assist at least 20 new business inquiries in determining allowable locations based on the type of medical marihuana facilities they are interested in.	City Planner, Community Services Director	December, 2018
		Review and monitor new licensed medical marihuana businesses in order to determine their economic impact to the City.	City Planner, Community Services Director	December, 2019

Implementation Strategy Matrix

Market and Promote the City as a Regional Commerce Center	<i>Partner with the Public Relations Coordinator to communicate the City's story</i>	Publish internal and external newsletters which highlight City accomplishments and upcoming activities	Public Relations Coordinator	Monthly
		Use social media channels to communicate City news features to residents and the general public	Public Relations Coordinator	On-Going
	<i>Encourage staff involvement in state and regional boards and organizations to "tell our story" to others</i>	Present innovative aspects of Mt. Pleasant at statewide and national conferences; provide information about the community as appropriate to members of state and regional boards to which City staff belong	All City Staff	On-Going
	<i>Create a new City Master Plan that reflects the philosophy of the newly adopted form-based code and advances the vision of the community as articulated during the public engagement process associated with the creation of the plan</i>	Prepare a Master Plan RFP for consultant services, hire a qualified consultant, and work through the process of creating a new City Master Plan	City Planner	July, 2020
	<i>City staff to promote the City when engagement opportunities present themselves</i>	At every opportunity, reframe discussions about the City to focus on positive attributes rather than dwell on issues and deficiencies in order to begin creating positive messages about the community	All City Staff	On-Going


NOTES:

The Responsible Parties listed above will be accountable for the implementation of additional related strategies which appeared as part of the earlier Opportunities sections.

The Community Services Director will review the Implementation Strategy Matrix semi-annually in May and December of each year to monitor anticipated progress toward implementing the Action Item(s) against planned completion dates. The Director will coordinate efforts with the identified Responsible Party for each Action Item. Adjustments in expectations will be made according to demonstrated progress as needed. A summary report on the status of the Economic Development Action Plan's Strategies will be provided to the City Commission in the First Quarter of the City's fiscal year.

COMMISSION LETTER #132-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018

FROM: NANCY RIDLEY, CITY MANAGER 

SUBJECT: CONSIDER PURCHASE-BUYBACK PROGRAM WITH KRAPOHL FORD FOR
THE RENEWAL PURCHASE OF THREE TRUCKS AND BUDGET
AMENDMENT

The City has a contract with Krapohl Ford wherein we purchase a new truck, use it for a year and then the truck is repurchased by Krapohl Ford for the same price that we paid. In September we have multiple trucks that are coming up on their one year anniversary.

The attached memo from DPW Director John Zang recommends replacing three of those trucks at this time. As the memo indicates, Krapohl Ford is recommending they be replaced with the F-250 model instead of the current F-150 model due to a number of reasons. The full cost of the higher cost trucks will be paid back to the City in 2019 when the trucks are turned in.

We are therefore recommending the Commission authorize the purchase-buyback of three 2019 F-250 trucks and the appropriate budget amendment.

Recommended motion:

Move to approve the purchase-buyback of three F-250 trucks from Krapohl Ford at a cost of \$109,550 and the appropriate budget amendment.

NJR/ap



THE CITY OF MT. PLEASANT, MICHIGAN

CITY HALL

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PUBLIC SAFETY

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PUBLIC WORKS

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(989) 772-6250 fax

To: Nancy Ridley, City Manager

August 3, 2018

From: John Zang, DPW Director

Subject: Approve Continuation of Purchase-Buyback Program with Krapohl Ford
for Three Pickup Trucks and Budget Amendment

Purchase\Contract Recommendation Summary

Request:

The City Commission is requested to approve the continuation of the purchase-buyback program with Krapohl Ford for three F-250 pickup trucks for \$109,550 and a budget amendment for \$13,550.

Reason for Purchase:

At the September 25, 2017 meeting, the Commission approved the continuation of the purchase-buyback program with Krapohl Ford for nine F-150 pickup trucks. The one-year buyback agreement for Units 475, 476 and 477 expires next month. Krapohl proposed substituting three 2019 F-250 pickup trucks to replace the aforementioned units. This is due to:

1. Ford Motor Company reduced the available monies for the F-150 program.
2. The 2018 F-150 models are still in production.
3. The 2019 F-250s can be delivered faster than the 2019 F-150s, since pricing for the F-150s is not yet available to dealers.
4. Replacing these trucks with F-250s will allow Krapohl to meet the guidelines of the one-year buyback agreement as close to the due date as possible.

For reference, the table below lists the F-150s in the current purchase-buyback program.

2018 F-150s Unit	Original Cost	Buyback Amount
462	\$33,550	\$33,325
464	\$31,200	\$30,975
465	\$31,375	\$31,150
468	\$33,525	\$33,300
475	\$34,586	\$34,329
476	\$24,431	\$24,174
477	\$34,939	\$34,682
480	\$33,525	\$33,300
481	\$24,325	\$24,100

Summary:

Purchase three 2019 F-250	
2 crew cab x \$39,600 each	\$ 79,200
1 regular cab x \$29,675	\$ 29,675
Title and Documentation Fees for 2019s	
3 x \$225 each	\$ 675
Less buyback of Units 475, 476 and 477	(\$ 93,185)
Net Purchase Price for three F-250 Trucks	\$ 16,365

Vendor Name and Address:

Krapohl Ford Lincoln
1415 E. Pickard St.
Mt. Pleasant, MI 48858

Reason for Selection:

Continuation of Agreement


Krapohl will purchase the 2019s within one year of the contract date for the original purchase price less \$225 per truck for title and documentation fees. Funds of \$96,000 are available in the Motor Pool Capital Outlay Budget. Since the F-250 crew cab models are higher priced than anticipated, the purchase will require approval of a budget amendment for \$13,550.

The purchase of replacement trucks for the remaining six F-150s in the program will be addressed at a later date.

Recommendation:

I recommend the City Commission approve the continuation of the purchase-buyback program with Krapohl Ford for three 2019 F-250s for \$109,550, and a budget amendment of \$13,550. Funds are available in the Motor Pool fund balance.

COMMISSION LETTER #132-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018
FROM: NANCY RIDLEY, CITY MANAGER 
SUBJECT: CONSIDER EXTENSION OF CONTRACT FOR THIRD PARTY
ADMINISTRATION (TPA) WITH CORESOURCE

The City is self-funded for medical, prescription and dental claims. For this to be successful, a good third party administrator (TPA) is critical. The quality and continuity of services is important for both cost control measures and providing appropriate service to employees.

The attached memo from Human Resources Director Susanne Gandy recommends renewing our current contract with CoreSource to provide these services over the next three years. As indicated in the memo, CoreSource has proposed a cost neutral contract. CoreSource has served as the City's third party administrator for several years and the Human Resources department has been happy with their service.

Recommended motion:

Move to authorize the Mayor to sign the contract extension with CoreSource for the next three years.

NJR/ap



THE CITY OF MT. PLEASANT, MICHIGAN

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MEMO TO: Nancy Ridley, City Manager

FROM: Susanne Gandy, Director of Human Resources

DATE: August 13, 2018


SUBJECT: Renewal of Contract with Third Party Administrator (TPA) for Employee Health Care Plans

In 2014, the City sought a complete proposals and interviewed three well known TPA's. Following the interview and review process, the City entered into a contract with CoreSource to perform this function. The contract with CoreSource has proven beneficial to the administration of claims and technology available to employees. The reporting capabilities and the self-service website have enhanced the employer's and the employee's ability to make better decisions.

We are nearing the end of our current contract and CoreSource has provided the City with renewal costs. There is great value in staying with one TPA for a period of time so historical information and multiple years of data can be gathered as we evaluate plan changes. This is not a service that is automatically bid because of the importance of continuity, although we do shop the market to verify we are benchmarking services in the industry.

CoreSource has proposed a three-year renewal contract, which includes small increases to the administrative fee structure in years two and three of the contract, equaling 2.3% or just under \$2,000 in total. Year one of the contract administrative fees remain static. However, they are also providing savings in fees related to our flexible spending plans each year of the contract, equaling \$2,790 over the next three years. The combination of small administrative fee increases and the reduction in the flexible spending plan administration fees will actually create an overall reduction in costs for the City over the next three years, based on current plan enrollment. CoreSource has provided acceptable service for several years, they are engaged with our employees and I feel it is prudent to remain with the current TPA. The self-insured health care fund has adequate dollars to cover the increased costs. I am requesting that the City Commission approve this renewal request and authorize Mayor Lents to sign the appropriate contract documents.

COMMISSION LETTER #133-18
MEETING DATE: AUGUST 13, 2018

TO: MAYOR AND CITY COMMISSION AUGUST 8, 2018
FROM: NANCY RIDLEY, CITY MANAGER 
SUBJECT: CONSIDER APPOINTMENT OF A VOTING DELEGATE AND ALTERNATE
FOR THE MICHIGAN MUNICIPAL LEAGUE (MML)

Each year the Michigan Municipal League holds a member's meeting during the annual fall conference for the purpose of reviewing policy positions to be supported by the League in the upcoming legislative session. Every member community is allowed to appoint a voting delegate for the meeting. The league requires notification of the delegate names by August 21, 2018. At this time none of the City Commissioners are registered to attend this upcoming conference. Therefore, it is recommended the Commission appoint me as the voting delegate and City Planner Jacob Kain an alternate as we are the only two attendees representing the City at this point.

Recommended motion:

Move to approve the appointment of City Manager Nancy Ridley as the voting delegate, representing the City of Mt. Pleasant at the Michigan Municipal League annual member's meeting and appoint City Planner Jacob Kain as the alternate.

NJR/ap

CHECK REGISTER FOR CITY OF MT PLEASANT
CHECK DATE FROM 7/20/18 - 8/02/18

Check Date	Vendor Name	Description	Amount
Bank COMM	COMMON CASH		
07/20/2018	UNITED STATES TREASURY	PICORI	\$934.49
07/24/2018	CITY TREASURER-PAYROLL FUND	REG PAY #417 - 7/27/18	281,446.58
07/26/2018	MERCANTILE BANK OF MICHIGAN	2016 WTR REFUNDING BOND	11,136.00
08/02/2018	ABC FASTENER GROUP, INC	SUPPLIES	258.75
08/02/2018	AIRGAS USA, LLC	CHEMICALS	3,007.10
08/02/2018	ALEXANDER CHEMICAL CORPORATION	CHEMICALS	14,793.32
08/02/2018	AMERICAN LEGAL	CONTRACT SVCS	495.00
08/02/2018	CARA AUDA	TRANSPORTATION	39.35
08/02/2018	AUTOMATED BUSINESS EQUIPMENT	CONTRACT SVCS	1,000.00
08/02/2018	AVFUEL CORPORATION	FUEL SUPPLIES	20.00
08/02/2018	BLOCK ELECTRIC COMPANY	CONTRACT SVCS	60.00
08/02/2018	BOUND TREE MEDICAL, LLC	SUPPLIES	259.98
08/02/2018	GARY BRANDT	FARMERS MKT	75.10
08/02/2018	CRAIG D BRUNE	TRANSPORTATION	40.06
08/02/2018	C & O SPORTSWEAR	SUPPLIES	566.50
08/02/2018	CARMEUSE LIME, INC.	CHEMICALS	7,341.48
08/02/2018	CDW GOVERNMENT, INC	SUPPLIES	1,660.19
08/02/2018	CENTRAL ASPHALT, INC	CONTRACT SVCS	139,295.63
08/02/2018	CENTRAL CONCRETE INC	SUPPLIES	27.94
08/02/2018	CHARTER COMMUNICATIONS	UTILITIES	118.41
08/02/2018	CITY TREASURER-CONTR RETAINAGE	CONTRACT SVCS	6,208.81
08/02/2018	CITY TREASURER-CONTR RETAINAGE	CONTRACT SVCS	4,920.29
08/02/2018	CLARK HILL P.L.C.	CONTRACT SVCS	810.00
08/02/2018	CMS INTERNET LLC	CONTRACT SVCS	5,450.00
08/02/2018	COLEMAN ELECTRIC, INC.	CONTRACT SVCS	410.00
08/02/2018	CONSUMERS ENERGY	UTILITIES	38,812.62
08/02/2018	COUCKE PROPERTY SERVICES, LLC	CONTRACT SVCS	7,500.00
08/02/2018	MICHAEL COVARRUBIAS	REIMBURSEMENT	870.00
08/02/2018	COYNE OIL CORPORATION	FUEL/SUPPLIES	5,157.33
08/02/2018	CBC CREDIT SERVICES, INC.	CONTRACT SVCS	25.00
08/02/2018	ANDREW CURTISS	FARMERS MKT	127.55
08/02/2018	JOSEPH M DAY COMPANY INC	CONTRACT SVCS	691.50
08/02/2018	DENALI CONSTRUCTION	CONTRACT SVCS	6,001.00
08/02/2018	DETROIT SALT COMPANY	SUPPLIES	6,506.92
08/02/2018	DICKINSON WRIGHT PLLC	CONTRACT SVCS	7,700.00
08/02/2018	DORNBOS SIGN & SAFETY, INC.	SUPPLIES	43.75
08/02/2018	MICHAEL DUNHAM	REIMBURSEMENT	21.00
08/02/2018	RENEE EARLE	FARMERS MKT	62.40
08/02/2018	ELECTIONSOURCE	CONTRACT SVCS	3,010.00
08/02/2018	ETNA SUPPLY	SUPPLIES	2,247.21
08/02/2018	JOHN EVANS	CONTRACT SVCS	482.50

CHECK REGISTER FOR CITY OF MT PLEASANT
CHECK DATE FROM 7/20/18 - 8/02/18

Check Date	Vendor Name	Description	Amount
Bank COMM	COMMON CASH		
08/02/2018	FCX PERFORMANCE, INC	CONTRACT SVCS	742.00
08/02/2018	KAREN FENTON	FARMERS MKT	45.30
08/02/2018	FERGUSON ENTERPRISES INC #3326	SUPPLIES	494.50
08/02/2018	FERGUSON WATERWORKS #3386	METER REPLACEMENT	8.67
08/02/2018	FIDELITY SECURITY LIFE INS/EYEMED	OPTICAL INSURANCE	1,037.88
08/02/2018	FISHBECK, THOMPSON, CARR & HUBER	CONTRACT SVCS	412.38
08/02/2018	GILL-ROY'S HARDWARE	SUPPLIES	11.17
08/02/2018	GRAND RAPIDS BUILDING SERVICES INC.	CONTRACT SVCS	1,146.25
08/02/2018	GREEN SCENE LANDSCAPING, INC.	CONTRACT SVCS	4,711.43
08/02/2018	HACH COMPANY	SUPPLIES	3,758.48
08/02/2018	JAMIE HOCKEMEYER	- SAFETY SHOE REIMBURSEMENT	50.00
08/02/2018	HOME BUILDERS ASSOC OF CENTRAL MI	CONTRACT SVCS	1,000.00
08/02/2018	INSIGHT PIPE CONTRACTING, LLC	CONTRACT SVCS	44,282.61
08/02/2018	THE ISABELLA CORPORATION	CONTRACT SVCS	55,879.22
08/02/2018	JARHEAD SALSA	FARMERS MKT	83.55
08/02/2018	J. RANCK ELECTRIC INC.	CONTRACT SVCS	2,400.00
08/02/2018	DAN KIRCHNER	CONTRACT SVCS	60.00
08/02/2018	KOORSEN FIRE & SECURITY	CONTRACT SVCS	78.42
08/02/2018	MATT KOSHEN	CONTRACT SVCS	100.00
08/02/2018	DOUG LENTZ	FARMERS MKT	58.15
08/02/2018	MAHONEY AND ASSOCIATES, INC	SUPPLIES	499.98
08/02/2018	STATE OF MICHIGAN	POSTAGE/HANDLING	486.95
08/02/2018	MHOK, PLLC	CONTRACT SVCS	7,193.00
08/02/2018	MCLAREN CORPORATE SERVICES	CONTRACT SVCS	564.00
08/02/2018	MEDLER ELECTRIC COMPANY	SUPPLIES	86.74
08/02/2018	MICHIGAN MUNICIPAL LEAGUE	CONTRACT SVCS	82.70
08/02/2018	MICHIGAN PIPE & VALVE	SUPPLIES	2,947.00
08/02/2018	MT PLEASANT TIRE SERVICE, INC	SUPPLIES/VEHICLE MAINT	3,735.59
08/02/2018	WILLIAM MRDEZA	TRAINING	17.44
08/02/2018	MWEA	DUES	210.00
08/02/2018	NALCO COMPANY LLC	CHEMICALS	834.24
08/02/2018	CORESOURCE, INC	HEALTH INS ADMIN	5,528.98
08/02/2018	NCL OF WISCONSIN	SUPPLIES/CHEMICALS	3,700.01
08/02/2018	NYE UNIFORM COMPANY	UNIFORMS	16.66
08/02/2018	OTIS ELEVATOR COMPANY	CONTRACT SVCS	417.00
08/02/2018	PARAGON LABORATORIES, INC.	CONTRACT SVCS	496.00
08/02/2018	PATTERSON PLUMBING SERVICE	CONTRACT SVCS	3,895.00
08/02/2018	DANIEL R POST - THE ETCETERAS	CONTRACT SVCS	750.00
08/02/2018	PVS NOLWOOD CHEMICALS, INC	CHEMICALS	1,700.00
08/02/2018	PVS STEEL SERVICES, INC	CHEMICALS	2,703.76
08/02/2018	RED HAT STRUTTERS	CONTRACT SVCS	50.00

CHECK REGISTER FOR CITY OF MT PLEASANT
CHECK DATE FROM 7/20/18 - 8/02/18

Check Date	Vendor Name	Description	Amount
Bank COMM COMMON CASH			
08/02/2018	MALLARY WACKER	REFUND	117.00
08/02/2018	KARI MCBRIDE	REFUND	375.00
08/02/2018	ED EWALD	REFUND	330.00
08/02/2018	RENT-RITE OF MT PLEASANT	CONTRACT SVCS	157.00
08/02/2018	REPUBLIC SERVICES #239	CONTRACT SVCS	16,045.74
08/02/2018	RISE MACHINE	CONTRACT SVCS	150.00
08/02/2018	ROBBIN HARSH EXCAVATING INC	CONTRACT SVCS	26,440.50
08/02/2018	KAITLYN ROBERTS	CONTRACT SVCS	60.00
08/02/2018	RTI LABORATORIES, INC.	CONTRACT SVCS	39.00
08/02/2018	LOGAN SCHAFER	CONTRACT SVCS	300.00
08/02/2018	SCODELLER CONSTRUCTION, INC.	CONTRACT SVCS	39,894.40
08/02/2018	SHANNON CHEMICAL CORPORATION	CHEMICALS	383.40
08/02/2018	SPARLING CORPORATION	CONTRACT SVCS	4,776.84
08/02/2018	THIELEN TURF IRRIGATION, INC	CONTRACT SVCS	100.80
08/02/2018	TRUGREEN	CONTRACT SVCS	364.90
08/02/2018	BISHOP, VICKI	UB REFUND	23.77
08/02/2018	ROSS, DEBB	UB REFUND	33.79
08/02/2018	BRUMA, PAUL G	UB REFUND	44.80
08/02/2018	OLIVIERI MANAGEMENT	UB REFUND	19.24
08/02/2018	PARTLO PROP MGT	UB REFUND	37.58
08/02/2018	RENTWOOD	UB REFUND	251.61
08/02/2018	JOHNSON, LISA A	UB REFUND	36.77
08/02/2018	GOUDREAU, AIMEE	UB REFUND	27.83
08/02/2018	MOSLENER, SARA JEAN	UB REFUND	28.77
08/02/2018	UNIFIRST CORPORATION	CONTRACT SVCS	23.56
08/02/2018	CHARTER TOWNSHIP OF UNION	CONTRACT SVCS	920.00
08/02/2018	UNIVAR USA INC	CHEMICALS	4,754.50
08/02/2018	VANGUARD FIRE & SECURITY SYSTEMS	CONTRACT SVCS	1,250.00
08/02/2018	JAKE WALRAVEN	FARMERS MKT	349.35
08/02/2018	SHERYL WERNETTE	FARMERS MKT	70.30
08/02/2018	BILL WESENERG	FARMERS MKT	266.00
08/02/2018	WINN TELECOM	TELEPHONE	2,241.59
08/02/2018	LOUISE WYMER	FARMERS MKT	550.65

COMM TOTALS:

Total of 115 Checks:	\$812,373.51
Less 0 Void Checks:	0.00
Total of 115 Disbursements:	<u>\$812,373.51</u>