

Minutes of the electronically conducted regular meeting of the City Commission held Monday, December 13, 2021, at 7:02 p.m.

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

Commissioners Present: Mayor Amy Perschbacher; Commissioners Mary Alsager, Olivia Cyman and George Ronan. All Commissioners present indicated they were in Mt. Pleasant, Isabella County, Michigan.

Commissioners Absent: Commissioners Lori Gillis and Petro Tolas

Others Present: City Manager Aaron Desentz, City Clerk Heather Bouck and City Attorney Michael Homier

All present attended virtually via Zoom video conference.

Proclamations and Presentations

Introduction of Kevin Thrusher as the City's newest paid on-call firefighter.

Moved by Commissioner Ronan and seconded by Commissioner Cyman to approve the agenda as presented.

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan

NAYS: None

ABSENT: Commissioners Gillis & Tolas

Motion unanimously adopted.

Receipt of Petitions and Communications

Received the following petitions and communications:

1. City Manager report on pending items.
 - a. Monthly report on police related citizen complaints received.
 - b. Year-end report on citizen group and complaint process.
2. Report on review of medical and adult-use marijuana ordinances.
3. Tax Increment Finance Authority Meeting Minutes. (May)
4. Airport Joint Operations and Management Board Meeting Minutes. (October)
5. Resignation of Liz Busch from the Parks and Recreation Commission.
6. Notice of Temporary Traffic Control Order #4-2022.
7. Notice of Temporary Traffic Control Order #5-2022.

Item #21 "Consider motion to cancel City Commission meeting scheduled for December 20, 2021." was removed from the Consent Calendar.

Moved by Commissioner Alsager and seconded by Commissioner Ronan to approve the following items on the Consent Calendar:

1. Minutes of the electronically conducted regular meeting of the City Commission held November 22, 2021.

2. Bids for 2022 Water Treatment Plant treatment (bulk) chemicals as follows:
- | | | |
|----------------------|--------------------------|---------------|
| Anionic Polymer | Polydyne, Inc. | \$2460.00/ton |
| Caustic Soda | Alexander Chemical | \$1030.00/ton |
| Ferric Chloride | PVS Technologies, Inc. | \$ 748.00/ton |
| Lime | Carmeuse Lime, Inc. | \$ 145.00/ton |
| Liquid Polyphosphate | Elhorn Engineering Co. | \$ 13.50/gal |
| Sodium Hypochlorite | Alexander Chemical Corp. | \$ 1.595/gal |
3. Resolution for 2021 Final Amended Budget:

WHEREAS, Article VII, Section 10 authorizes the City Commission to amend the annual operating budget by resolution, and

WHEREAS, the 2021 operating budget was originally adopted by resolution on December 14, 2020 and amended September 13, 2021 and

WHEREAS, the activities of the City since the budget was adopted have been such as to necessitate an amendment at this time,

NOW THEREFORE, BE IT RESOLVED, that the following revenue and expenditure appropriations be approved and the 2021 operating budget be amended, effective immediately.

	Fund	2021	2021	Fund
	Balance	2021	2021	Balance
	<u>January 1</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>December 31</u>
GOVERNMENTAL FUNDS				
GENERAL FUND				
Unassigned	\$5,196,104	\$14,366,691		
Legislative Division			\$1,252,660	
Finance Division			1,445,910	
Public Safety Division			7,318,630	
Community Services Division			3,314,290	
Public Works Division			785,360	
Amount from Fund Balance			0	
Total Unassigned	5,196,104	\$14,366,691	\$14,116,850	\$5,445,945
Assigned for Next Year's Budget	0	0	0	0
Assigned for Economic Development	849,564	40,000	112,000	777,564
Assigned for Projects/Programs	1,812,024	502,020	201,840	2,112,204
Restricted	427,070	242,769	319,750	350,089
Non-spendable	371,682	0	0	371,682
Total General Fund	\$8,656,444	\$15,151,480	\$14,750,440	\$9,057,484
SPECIAL REVENUE FUNDS				
MAJOR STREET FUND				
Restricted	\$2,301,431	\$2,237,450	\$1,846,460	\$2,692,421
Restricted for Donation	42,035	0	26,640	15,395
Total Major Street Fund	2,343,466	2,237,450	1,873,100	2,707,816

LOCAL STREET FUND				
Restricted	1,175,790	1,363,660	1,546,670	992,780
Restricted for Donation	15,209	0	0	15,209
Total Local Street Fund	1,190,999	1,363,660	1,546,670	1,007,989
SPECIAL ASSESSMENT COMMITTED	334,738	23,070	0	357,808
DOWNTOWN IMPROVEMENT & PARKING FUND				
Restricted from Special Assessment	101,390	124,100	88,173	137,317
Assigned from General Fund/Parking	34,097	0	34,097	0
Total Downtown Fund	135,487	124,100	122,270	137,317
PARKS & RECREATION FUND				
Restricted for PEAK	0	130,090	130,090	0
Assigned for PEAK	487,077	286,280	433,840	339,517
Restricted for Recreation	34,045	16,920	30,965	20,000
Assigned for Recreation	95,264	503,020	525,305	72,979
Total Parks & Recreation Fund	616,386	936,310	1,120,200	432,496
BLOCK GRANT FUND				
Assigned for Owner Occupied - Hsg.	28,491	0	0	28,491
Assigned	294,170	41,800	118,000	217,970
Total Block Grant Fund	322,661	41,800	118,000	246,461
Cemetery Fund Committed	223,005	8,150	0	231,155
Total Governmental Funds				
Appropriated Budget	\$13,823,186	\$19,886,020	\$19,530,680	\$14,178,526

FURTHER, BE IT RESOLVED, that the following informational summaries be approved for the Capital Project, Debt Service, Component Units, and Property Funds for the year Beginning January 1, 2021 and ending December 31, 2021

	Fund			Fund
	Balance	2021	2021	Balance
	<u>January 1</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>December 31</u>
CAPITAL PROJECT FUNDS				
CAPITAL IMPROVEMENT FUND				
Committed for Projects	\$409,300	\$0	\$80,000	\$329,300
Committed	2,072,639	756,710	972,570	1,856,779
Total Capital Improvement Fund	2,481,939	756,710	1,052,570	2,186,079

DEBT SERVICE FUNDS				
Borden Building Debt Restricted	31,969	364,530	363,460	33,039
Capital Project and Debt Service Funds				
Informational Summaries	\$2,513,908	\$1,121,240	\$1,416,030	\$2,219,118
	Working	Sources of	Uses of	Working
	Capital	Working	Working	Capital
	<u>January 1</u>	<u>Capital</u>	<u>Capital</u>	<u>December 31</u>
Component Units				
MISSION STREET DDA FUND				
Assigned	649,967	326,500	72,900	903,567
TAX INCREMENT FIN AUTH FUND				
Central Business District Restricted	42,437	0	0	42,437
Central Business District Assigned	622,471	18,160	480,300	160,331
Ind Park North Assigned	90,000	0	0	90,000
Ind Park North Unassigned	6,118	200	2,420	3,898
Total TIFA	761,026	18,360	482,720	296,666
LOCAL DEVELOPMENT FIN AUTHORITY				
Assigned	229,218	0	76,200	153,018
BROWNFIELD REDEVELOPMENT FUND				
Assigned	14,160	154,560	154,560	14,160
Unassigned	743	50	0	793
Total Brownfield	14,903	154,610	154,560	14,953
ECONOMIC DEVELOPMENT CORPORATION				
Assigned Parking Lot	17,496	0	17,496	0
Unassigned	56,651	35,013	91,664	0
Total EDC	74,147	35,013	109,160	0
Total Component Unit Funds				
Informational Summaries	\$1,729,261	\$534,483	\$895,540	\$1,368,204
	Working	Sources of	Uses of	Working
	Capital	Working	Working	Capital
	<u>January 1</u>	<u>Capital</u>	<u>Capital</u>	<u>December 31</u>
PROPRIETARY FUNDS				
Enterprise Funds				
LAND DEVELOPMENT FUND				

Restricted	\$242,000	0	192,000	\$50,000
Unassigned	74,206	428,800	501,900	1,106
Total Land Development	316,206	428,800	693,900	51,106
AIRPORT FUND				
Restricted	112,527	170,000	120,000	162,527
Assigned	82,519	0	0	82,519
Unassigned	173,565	461,900	395,480	239,985
Total Airport	368,611	631,900	515,480	485,031
WATER RESOURCE RECOVERY FUND				
Assigned	2,273,434	870,000	1,047,790	2,095,644
Restricted	175,583	190,500	25,000	341,083
Unassigned	1,586,345	1,829,780	1,794,160	1,621,965
Total Water Resource Recovery Fund	4,035,362	2,890,280	2,866,950	4,058,692
WATER FUND				
Restricted	590,800	240,000	0	830,800
Assigned	1,461,770	440,000	517,220	1,384,550
Unassigned	1,636,685	2,845,420	2,883,160	1,598,945
Total Water	3,689,255	3,525,420	3,400,380	3,814,295
SOLID WASTE FUND				
Restricted	235,970	0	18,270	217,700
Unassigned	941,610	657,550	728,380	870,780
Total Solid Waste	1,177,580	657,550	746,650	1,088,480
Internal Service Funds				
MOTOR POOL FUND				
Assigned	370,000	845,370	370,000	845,370
Unassigned	352,872	362,070	698,490	16,452
Total Motor Pool	722,872	1,207,440	1,068,490	861,822
SELF INSURANCE FUND				
	1,092,349	2,649,000	2,601,760	1,139,589
Total Proprietary Funds				
Informational Summaries	\$11,402,235	\$11,990,390	\$11,893,610	\$11,499,015

4. Resolution to waive the penalty and fees associated with Property Transfer Affidavits (PTA) as follows:

WHEREAS, MCL 211.27a(10) requires the buyer, grantee, or other transferee of the property shall notify the appropriate assessing office in the local unit of government in which the property is located of the transfer of ownership of the property within 45 days of the transfer of ownership, on a form prescribed by the State Tax Commission that states the parties to the transfer, the date of the transfer,

the actual consideration for the transfer, and the property's parcel identification number or legal description; and

WHEREAS, MCL 211.27b(1) requires that if the buyer, grantee, or other transferee in the immediately preceding transfer of ownership of property do not notify the appropriate assessing office of the transfer, than penalties as described in MCL 211.27b(1)(c) or (d) are levied; and

WHEREAS, MCL 211.27b(5) provides that the governing body of a local tax collecting unit may waive, by resolution, the penalty levied under MCL 211.b(1)(c) or (d).

NOW THEREFORE BE IT RESOLVED that the City of Mt Pleasant waives the penalty for failure to file the Property Transfer Affidavit following a transfer of ownership pursuant to the local unit's authority contained in MCL 211.27b.

5. Resolution extending conditional approval of a Recreational Marihuana Class C Operation for Absolute Royale, Inc. as follows:

WHEREAS, Absolute Royale Inc. received a conditional authorization for a Class C Recreational Marihuana Grower on February 23, 2021; and

WHEREAS, Section 115.03(F) of the Mount Pleasant City Code of Ordinances requires the City Clerk to grant final authorization for conditionally authorized recreational marihuana establishments if the applicant: (1) Submits the paperwork for the establishment-specific step of the application for a state operating license (and all related applications for stacked licenses) to LARA within 30 days of receiving conditional authorization; (2) Submits an application for special use authorization pursuant to section 154.410(B)(4)(p) of the zoning ordinance within 30 days of receiving conditional authorization; (3) Obtains special use authorization within six months of receiving conditional authorization; and (4) Obtains a state operating license within 18 months of receiving conditional authorization; and

WHEREAS, Absolute Royale Inc. has not yet satisfied the requirements under Section 115.03(F)(1); and

WHEREAS, the conditional authorization granted to Absolute Royale Inc. will otherwise expire because the applicant has not submitted the paperwork for the establishment-specific step of the application for a state operating license (and all related applications for stacked licenses) to LARA within 30 days of receiving conditional authorization as specified under Section 115.03(F)(1); and

WHEREAS, Section 115.03(G) of the Mount Pleasant City Code of Ordinances authorizes the City Commission to extend any of the deadlines required by Section 115.03(F) upon a showing of good cause; and **WHEREAS**, Absolute Royale Inc. previously requested and the City Commission granted a nine (9) month extension to meet the requirement of Section 115.03(F)(1) for cause resulting in the current deadline of December 25, 2021; and

WHEREAS, Absolute Royale Inc. has requested an additional six (6) month extension to meet the requirement of Section 115.03(F)(1) for cause as outlined in their December 6, 2021 request for extension.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The City Commission of the City of Mount Pleasant finds that Absolute Royale Inc. has established good cause to extend the deadline to meet the requirements of Section 115.03(F)(1).

2. Absolute Royale Inc.'s request under Section 115.03(G) for an additional six-month extension to satisfy the requirements of Section 115.03(F)(1) for their Class C Recreational Marihuana Grower located at 801 Industrial is granted and the deadline date to satisfy such requirements shall be June 25, 2022.

3. Except as otherwise modified by this Resolution, all other deadlines established by Chapter 115 of the Mount Pleasant City Code of Ordinances shall remain in full force and effect.

6. Set first meeting of 2022 for Monday, January 10, 2022 at 7:00 p.m.

7. Authorize Finance Director Mary Ann Kornexl to approve the issuance of payrolls and warrants from December 13, 2021 through January 9, 2022.

8. Warrants dated November 23 & 30, 2021 and Payrolls dated November 24, 2021 and December 3 and 10, 2021 all totaling \$1,059,212.09.

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan

NAYS: None

ABSENT: Commissioners Gillis & Tolas

Motion unanimously adopted.

Moved by Commissioner Ronan and seconded by Commissioner Cyman to approve the resolution to purchase, acquire and construct improvements and to publish notice of intent to issue municipal securities as follows:

WHEREAS, the City Commission deems it to be in the best interest of the City of Mt. Pleasant (the "City") to design, purchase, acquire, and construct certain capital improvements, including without limitation, improvements to the water resource recovery system and the wastewater treatment facility, including without limitation, equalization improvements, septage screen unit and building improvements, grit vortex tank improvements, grit handling building improvements, digester improvements, site grading and restoration work, upgrade and replace primary, biological, and final filtration treatment processes, encompassing the existing primary tanks, tertiary towers, rotating biological contactors, and final tanks with new treatment technology, design and implement new processes to better handle loading demands more efficiently, as well as all work, equipment, and appurtenances necessary or incidental to these improvements, and such other capital improvements as the City shall determine to make and to pay the costs of issuance of municipal securities (the "Improvements") and to finance the Improvements by the issuance of municipal securities which pledge the City's limited tax general obligation pursuant to Section 517 of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"); and

WHEREAS, the City may proceed with the Improvements prior to the issuance of the municipal securities; and

WHEREAS, the City may incur substantial capital expenditures for the Improvements prior to the issuance of the municipal securities and desires to be reimbursed for such expenditures from the proceeds of the municipal securities; and

WHEREAS, pursuant to Section 517 of Act 34, it is necessary to publish a Notice of Intent to Issue Municipal Securities for the Improvements.

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Commission hereby determines to purchase, acquire, and construct the Improvements and to pay for the cost through the issuance of one or more series of municipal securities, which pledge the City's limited tax full faith and credit, pursuant to Section 517 of Act 34, in an amount of not to exceed \$22,000,000 (the "Municipal Securities").

2. A Notice of Intent to Issue Municipal Securities be published in accordance with Section 517 of Act 34, and the City Clerk is authorized and directed to publish the Notice of Intent to Issue Municipal Securities in a newspaper of general circulation in the City, which Notice shall be substantially in the form as set forth on Exhibit A attached hereto with such changes as are approved by the City Manager, and shall be at least one-quarter (1/4) page size in the newspaper.

3. The City may proceed to acquire and construct the Improvements using available funds of the City from the water resource recovery fund, a fund for the operation and improvement of the Water Resource Recovery System, the general fund, a fund for the general operations of the City, and other funds of the City.

4. At such time as the City issues the Municipal Securities for the long-term financing of the Improvements, the City shall be reimbursed for its expenditures for the Improvements out of the proceeds of the Municipal Securities.

5. This resolution and the expression of intent to seek reimbursement from future proceeds of the Municipal Securities is intended to satisfy the requirements of Section 150 of the Internal Revenue Code of 1986, as amended.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

NOTICE OF INTENT TO ISSUE MUNICIPAL SECURITIES TO THE ELECTORS OF THE CITY OF MT. PLEASANT

PLEASE TAKE NOTICE that the City Commission of the City of Mt. Pleasant (the “City”) intends to issue municipal securities in one or more series, in an amount of not to exceed \$22,000,000 (the “Municipal Securities”).

The Municipal Securities shall be issued for the purpose of defraying the cost to design, purchase, acquire, and construct certain capital improvements, including without limitation, improvements to the water resource recovery system and the water resource recovery facility, including without limitation, equalization improvements, septage screen unit and building improvements, grit vortex tank improvements, grit handling building improvements, digester improvements, site grading and restoration work, upgrade and replace primary, biological, and final filtration treatment processes, encompassing the existing primary tanks, tertiary towers, rotating biological contactors, and final tanks with new treatment technology, design and implement new processes to better handle loading demands more efficiently, as well as all work, equipment, and appurtenances necessary or incidental to these improvements, and such other capital improvements as the City shall determine to make, and to pay the costs of issuance of municipal securities and capitalized interest, if any.

The Municipal Securities of this issue shall mature within the maximum terms permitted by law with interest on the unpaid balance at a rate not to exceed the maximum rate permitted by law. The Municipal Securities shall be issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”).

SOURCE OF PAYMENT

The City intends to pay the principal of and interest on the Municipal Securities from Revenues of the Water Resource Recovery System. In addition, the principal of and interest on the Municipal Securities will be limited tax full faith and credit general obligations of the City, payable from any available funds of the City. Pursuant to this pledge of its limited tax full faith and credit, the City will be obligated to levy such ad valorem taxes upon all taxable property in the City as shall be necessary to make the payments of principal and interest on the Municipal Securities, which taxes, however, will be limited by applicable constitutional, statutory and charter limitations on the taxing power of the City.

RIGHT OF REFERENDUM

This notice is given, by order of the City Commission of the City, to and for the benefit of the electors of the City in order to inform them of their right to petition for a referendum upon the question of the issuance of the Municipal Securities. The Municipal Securities will be issued, without submitting such a question to a vote of the electors, unless within 45 days after the date of publication of this notice a petition requesting a referendum upon such question, signed by not less than 10% or 15,000 of the registered electors residing within the City, whichever is the lesser, shall have been filed with the undersigned City Clerk. In the event that such a petition is filed, the Municipal Securities will not be issued unless and until the issuance thereof shall have been approved by the vote of a majority of the electors of the City qualified to vote and voting thereon at a general or special election.

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan

NAYS: None

ABSENT: Commissioners Gillis & Tolas

Motion unanimously adopted.

Moved by Commissioner Alsager and seconded by Commissioner Ronan to approve the continuation of the purchase-buyback program with Krapohl Ford for 17 2022 model pickup trucks in the amount of \$573,866 and one Ford Expedition in the amount of \$44,553.

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan

NAYS: None

ABSENT: Commissioners Gillis & Tolas

Motion unanimously adopted.

Moved by Commissioner Cyman and seconded by Commissioner Alsager to waive the fees to Nottawa Township for 113 fixed REU's starting January 1, 2022 and extend that deadline to June 1, 2022.

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan

NAYS: None

ABSENT: Commissioners Gillis & Tolas

Motion unanimously adopted.

Moved by Commissioner Alsager and seconded by Commissioner Cyman to confirm the purchase of water meters from Ferguson Waterworks in the amount of \$27,664.

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan

NAYS: None

ABSENT: Commissioners Gillis & Tolas

Motion unanimously adopted.

Moved by Commissioner Ronan and seconded by Commissioner Cyman to make the following appointments to various City Boards and Commissions as recommended by the Appointments Committee and correction to Local Officers Compensation Commission appointment:

	<u>Term Expires</u>
<u>Dog Park</u> Easton Hamel	December 31, 2023
<u>Planning Commission</u> Yannis Haveles	December 31, 2024
<u>Parks and Recreation Commission</u> Jennifer Jones	December 31, 2024
<u>Local Officers Compensation Commission</u> Andrew Devenney	December 31, 2028 (corrected expiration date)

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan
 NAYS: None
 ABSENT: Commissioners Gillis & Tolas
 Motion unanimously adopted.

Moved by Commissioner Alsager and seconded by Commissioner Cyman to approve the appointment of Brian Assmann to fill the City Commission vacancy.

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan
 NAYS: None
 ABSENT: Commissioners Gillis & Tolas
 Motion unanimously adopted.

Moved by Commissioner Ronan and seconded by Commissioner Alsager to cancel the December 20, 2021 regularly schedule City Commission meeting.

AYES: Commissioners Alsager, Cyman, Perschbacher & Ronan
 NAYS: None
 ABSENT: Commissioners Gillis & Tolas
 Motion unanimously adopted.

Announcements on City-Related Issues and New Business

Commissioners Alsager and Ronan extended a thank you to Commissioners Tolas and Gillis for their service to the City.

Commissioner Ronan expressed his appreciation to the Appointments Committee.

Mayor Perschbacher encouraged vaccination and booster shots and wished all a happy holiday.

Public Comment on Agenda and Non-Agenda Items

Maureen Eke extended her congratulations to the Mayor on her first meeting; thanked those that have served on the City Commission and wished all a happy holiday.

Mayor Perschbacher adjourned the meeting without objection at 7:47 p.m.

Amy Perschbacher, Mayor

Heather Bouck, City Clerk