

**Regular Meeting of the Mt. Pleasant City Commission**  
**Monday, November 14, 2022**  
**7:00 p.m.**

**AGENDA**

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

LAND ACKNOWLEDGEMENT STATEMENT:

ROLL CALL:

PROCLAMATIONS AND PRESENTATIONS:

1. Proclamation recognizing Elimination of Violence Against Women Day (November 25, 2022).

ADDITIONS/ DELETIONS TO AGENDA:

PUBLIC INPUT ON AGENDA ITEMS:

RECEIPT OF PETITIONS AND COMMUNICATIONS:

2. Monthly report on police related citizen complaints received.
3. Minutes of the Airport Joint Operations and Management Board (September).
4. Minutes of the Zoning Board of Appeals (July).
5. Minutes of the Downtown Development Authority (May and September).
6. Minutes of the Planning Commission (October).

CONSENT ITEMS:

7. Approval of the minutes from the regular meeting held October 24, 2022.
8. Consider contract with Adams & Associates for appraisals.
9. Consider award of contract for 2022-2023 downtown snow removal to Green Scene Landscaping.
10. Consider setting a public hearing for November 28, 2022 for Development District (DDA) License for China Master.
11. Consider resolution approving the submittal of an application for the 2022 Transportation Alternatives Program (TAP) Grant.
12. Consider Michigan Department of Transportation (MDOT) resolution authorizing the approval of a contract for the reimbursement of funds for M-20 (Pickard Street) Reconstruction Project.

*All interested persons may attend and participate. Persons with disabilities who need assistance to participate may call the Human Resources Office at 989-779-5313. A 48-Hour advance notice is necessary for accommodation. Hearing or speech impaired individuals may contact the City via the Michigan Relay Service by dialing 7-1-1.*

## City Commission Agenda

November 14, 2022

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13. Consider recommendation for 9-1-1 Governing Board Appointments.
14. Consider contract with Tokio Marine HCC for 2023 stop loss insurance coverage.
15. Consider approval of Payrolls and Warrants.

### PUBLIC HEARINGS:

16. Public hearing on Special Assessment District # 3-22 roll and consider approval of Resolution #5 to approve the roll and set the payment terms for Special Assessment District #3-22.
17. Public hearing on proposed 2023 Annual Operating Budget.

### NEW BUSINESS:

18. Consider resolution to dissolve the Local Development Finance Authority (LDFA).
19. Consider final amended budget for the Local Development Finance Authority (LDFA).
20. Consider adoption of PILOT Policy and authorize staff to solicit proposals for affordable housing projects in 2023.
21. Receive revised assessment roll and consider amended resolution #5 for Special Assessment #2-22.
22. Consider agreement on restrictive covenants associated with City property.

### ANNOUNCEMENTS ON CITY-RELATED ISSUES AND NEW BUSINESS:

### PUBLIC COMMENT ON AGENDA AND NON-AGENDA ITEMS:

### RECESS:

### CLOSED SESSION:

### RECESS:

### WORK SESSION:

23. Discussion on parking management.
24. Discussion on MML Annual Convention learning.

### ADJOURNMENT:

*All interested persons may attend and participate. Persons with disabilities who need assistance to participate may call the Human Resources Office at 989-779-5313. A 48-Hour advance notice is necessary for accommodation. Hearing or speech impaired individuals may contact the City via the Michigan Relay Service by dialing 7-1-1.*

TO: MAYOR AND CITY COMMISSION  
FROM: AARON DESENTZ, CITY MANAGER

NOVEMBER 8, 2022

SUBJECT: CITY MANAGER REPORT ON AGENDA ITEMS

Proclamations and Presentations:

Receipt of Petitions and Communications:

Consent Items:

8. Consider contract with Adams & Associates for appraisals.
  - a. The City is currently defending property valuations of six (6) properties that are subject to cases presented to the Michigan Tax Tribunal (MTT). The City is required to get an independent professional appraisal of these properties. We received a proposal from Adams and Associates for \$5,000 per complex for a total of \$30,000. The City's contracted Assessor as well as our Attorney at Mika Meyers, Joshua Beard, have worked with this company and recommend their services.
9. Consider award of contract for 2022-2023 downtown snow removal to Green Scene Landscaping.
  - a. The Principal Shopping District (Downtown) received one bid for sidewalk snow removal along city parking lots. The bid is from Green Scene Landscaping which is the same firm that has provided services for the last two (2) years. The bid for snow removal is a 10% increase from the last year and the bid for salting is an 8% increase from last year. The Principal Shopping District Board considered the bids and has no issues or concerns.
10. Consider setting a public hearing for November 28, 2022 for Development District (DDA) License for China Master.
  - a. China Master located at 1216 South Mission, is requesting the City Commission to consider approval for a Development Liquor License at their location. As part of this consideration, the City Commission is asked to set a public hearing on November 28<sup>th</sup>, 2022.
11. Consider resolution approving the submittal of an application for the 2022 Transportation Alternatives Program (TAP) Grant.
  - a. The Parks Department is preparing an application for a Michigan Department of Transportation "Transportation Alternatives Program (TAP) Grant" for the proposed 2023 Mid-Michigan/GKB Pathway North Connection Project. The application for \$400,000 in TAP funding would be added to the \$300,000 in Michigan Department of Natural Resources (MDNR) Trust Fund Grant dollars if awarded and matched by the City's \$525,000 ARPA revenue replacement funds for an estimated project total of roughly \$1.2 million.
12. Consider Michigan Department of Transportation (MDOT) resolution authorizing the approval of a contract for the reimbursement of funds for M-20 (Pickard Street) Reconstruction Project.
  - a. MDOT will be reconstructing part of Pickard/M-20 from Mission Street to Highway US 127 in 2023 and 2024. At the City's request, MDOT will bid work on some city owned utilities in the corridor as part of the contract. This includes a number of water system updates totaling just under \$90,000. The largest part of the project is a planned upsizing of the City's storm sewer infrastructure estimated to cost \$536,000. This upgrade will allow future storm sewer improvement projects to be implemented without future disturbance

to Pickard. The City Commission is asked to approve the attached Resolution and to authorize the signature of the project contract by the City Manager. All of the costs have been budgeted accordingly in our Fiscal Year 2023 City Budget.

14. Consider contract with Tokio Marine HCC for 2023 stop loss insurance coverage.

- a. The City uses stop loss insurance as a way to hedge against the risk of extraordinarily high claims related to the employer provided health insurance plan. The City received four (4) proposals for stop loss insurance. City staff is recommending a contract renewal with our current provider, Tokio Marine HCC, which reflects a 13% increase in costs compared to last year. The City Commission is asked to approve of the contract with Tokio Marine HCC for an estimated \$274,814 for stop loss insurance.

Public Hearings:

16. Public hearing on Special Assessment District # 3-22 roll and consider approval of Resolution #5 to approve the roll and set the payment terms for Special Assessment District #3-22.

- a. The City received a petition from property owners to reconstruct the alley between Fancher and Kinney Street which connects Lincoln and Chippewa Streets. A map of the area has been included in your City Commission packet. Per the City's policy, the homeowners will pay for a special assessment for 70% of the reconstruction and the City's Capital Improvement millage will pay for the remainder. The City's engineering staff estimate the project to cost \$79,497.59. The homeowner portion subject to special assessment is estimated to be \$55,648.32 with the remaining \$23,849.28 to be paid by the City.

The City Commission is asked to hold a public hearing on the proposed improvements. Following the public hearing, the City Commission is asked to adopt the attached Resolution to levy the special assessment as proposed.

- i. Recommended Action: Following the public hearing, a motion to approve Resolution 5 as presented.

17. Public hearing on proposed 2023 Annual Operating Budget.

- a. The City Commission will need to hold a public hearing on the proposed 2023 Budget. The proposed budget will expend \$46.5 million dollars. The budget maintains the current 16.25 millage rate from last year. The budget will use \$383,620 of unassigned fund balance leaving the City with an estimated remaining unassigned fund balance of \$2.8 million at the end of 2023. The City Commission should take public input during the hearing. Staff plans to bring the proposed 2023 budget to the City Commission for final approval at the November 28<sup>th</sup> meeting.

- i. Recommended Action: None at this time.

New Business:

18. Consider resolution to dissolve the Local Development Finance Authority (LDFA).

- a. The City Commission is asked to consider a resolution to dissolve the LDFA. The LDFA was created in 2000 as an overlay for the University Park TIFA District. The plan for the LDFA is set to expire in 2025. Funds have been used to support marketing activities with Mid Michigan Development Corporation (MMDC) and Central Michigan University Research Corporation (CMURC). The district has not captured taxes since 2020. The current plan for the district is to spend down the fund balance by providing revenue to MMDC and CMURC. The City is able to dissolve the LDFA and to provide these funds to

those organizations for their continued marketing of the available property in that district.

i. Recommended Action: A motion to adopt the Resolution as provided.

19. Consider final amended budget for the Local Development Finance Authority (LDFA).

a. To enact the dissolution of the LDFA, the City Commission will need to approve the final amended budget of the LDFA. The budget amendment allocates the remaining funds held by the LDFA to MMDC and CMURC.

i. Recommended Action: A motion to approve the final budget for the LDFA as presented.

20. Consider adoption of PILOT Policy and authorize staff to solicit proposals for affordable housing projects in 2023.

a. Staff is presenting a revised PILOT policy following input received from the City Commission at our last meeting. Since the last draft, staff has:

1. Added an additional category for points to the scoring matrix if the applicant proposes to provide a higher percentage of affordable units and/or reaches a lower percentage of AMI than the minimum state housing authority thresholds
2. Added a mandatory pre-submittal conference with the applicant
3. Stated that the term of the PILOT will match the developer's MSHDA credit terms/debt service
4. Proposed that projects are solicited for the first year and that the policy be reviewed after one year

In your City Commission packet, staff has included information on the number of affordable housing units within the City of Mount Pleasant. In addition, staff found that the section 8 voucher waiting list has 235 families on it looking for housing in the area. We believe this shows the need for affordable housing in the community.

i. Recommended Action: A motion to adopt the proposed PILOT policy and to authorize staff to solicit proposals for affordable housing projects during the first quarter of 2023.

21. Receive revised assessment roll and consider amended resolution #5 for Special Assessment #2-22.

a. The City Commission approved a special assessment roll earlier this year for the reconstruction of the alley between Broadway and Michigan from University to 115.5 feet east of Franklin. The total project cost was \$40,327 higher than the original estimate of \$132,000. The City Commission has the choice of:

1. Distributing the total overage to the property owners based on the initial calculation method used to derive the special assessment (frontage on the alley). This would require another public hearing on an amended special assessment roll to be conducted at the November 28<sup>th</sup> meeting.
2. The overage could be covered by the Capital Improvement Fund. A resolution to proceed with this course of action and a budget amendment has been included in your City Commission packet.

ii. Recommended Action: The City Commission will need to decide if the property owners should be responsible for the overage or if the City will pay for the overage. The Capital Improvement Fund is capable of covering the overage. It is worth noting that the property owners were provided with an estimate significantly lower than the project total. Based on this, it would be seen as

more equitable for the Capital Improvement Fund to cover the overage. A motion to approve Resolution 5B and a budget amendment would then need to be made in order to do so.

22. Consider agreement on restrictive covenants associated with City property.

- a. The former Roosevelt Refinery located at 600 W. Pickard in Mount Pleasant, was a crude oil refinery that operated from 1930 to 1971 when it was decommissioned. The site is host to a number of contaminants from the previous operation of the refinery. To this date, contamination remains at the site though it is unlikely that the contamination will migrate due to some of the mitigation put in place by the site operators MRP.

The City owns 305 W. Pickard Street which is near the site which has been subject to residual impacts of the initial contamination. The City operates a lift station at this address. The City also owns underground utilities in the area. Reconstruction of these utilities or nearby streets could be impacted by the contamination.

MRP had requested approval from the City of a set of restrictive covenants on 305 W. Pickard. The restrictive covenants would not allow residential uses on the property, would not allow for use of the groundwater on this property, and requires extra mitigation when soils are extracted from the property. This is one step MRP is seeking in an eventual closeout of the property which would allow them to cease monitoring of the site as part of EGLE requirements.

The City agreed to work with MRP on a set of conditions related to this restrictive covenant. The City has negotiated that MRP would pay up to \$900,000 for any increased costs related to utilities/street work which MRP has agreed to. The initial condition of a 20-year term is one that staff found unfavorable. After pushing back on MRP it was agreed that this financial promise would need to cover a term of 40 years which MRP has now agreed to.

Valero is now providing a parental backing on the proposed 40 years performance guarantee. This means that If MRP was to default on the \$900,000 incidental costs discussed above, that Valero Energy Corporation would be the backstop. This goes further in addressing the risk that we discussed around the performance guarantee versus a performance bond which we were hoping to receive. City Attorney Mike Homier will provide an update to the City Commission regarding the proposed restrictive covenants provided by MRP/Valero. A copy of the proposed guaranty is included in the City Commission packet.

- i. Recommended Action: City Attorney Mike Homier and I agree that this is likely the best guarantee that Valero is willing to provide. The proposal provides for an amount of money and term that the City is looking for. A motion to approve the guaranty as provided by Valero is recommended.

## Work Session

### 23. Discussion on parking management.

- a. The City Commission will hold a work session where staff will provide feedback on a number of parking management options. Our questions for the City Commission:
  - What do we want to achieve with a parking management system?
  - Do we feel comfortable with a particular option that is presented?
  - Will the system include metered parking or management similar to our previous efforts?

## PROCLAMATION

- WHEREAS,** The crime of violence against women and girls continues to be the most pervasive human rights violation due to physical, emotional, verbal, sexual, psychological and economic control and/or abuse that does not know any national nor cultural barriers and affects millions of women and girls of all races and socioeconomic backgrounds, in peacetime and conflict; and
- WHEREAS,** The crime of violence against women and girls violates an individual's privacy, dignity, security, and humanity which results in serious short-term and long-term physical, sexual and reproductive, and mental health problems; and
- WHEREAS,** The World Health Organization estimates that one in three (35% of) women worldwide have experienced violence; and
- WHEREAS,** According to UNICEF, around one in 10 girls under the age of 20 worldwide have experienced sexual assault and more than 650 million women alive today were married as children with more than 12 million girls married before the age of 18 each year; and
- WHEREAS,** According to the Global Report on Trafficking in Persons by the United Nations Office on Drugs and Crime, "the most common form of human trafficking (79%) is sexual exploitation"; and
- WHEREAS,** Zonta International (a global organization with more than 28,000 members in 62 countries) is working to make gender equality a worldwide reality for women and girls and has contributed to help achieve a world free of violence against women and girls for more than 100 years; and
- WHEREAS,** The United Nations has established November 25, 2022 as the International Day for the Elimination of Violence Against Women; and
- WHEREAS,** The Zonta Club of Mt Pleasant, along with all Zonta clubs is encouraging all residents to prevent gender-based violence by Saying NO to Violence Against Women;
- NOW, THEREFORE, I,** Amy Perschbacher, Mayor of the City of Mt. Pleasant on behalf of the City Commission and the citizens of Mt. Pleasant, do hereby recognize and proclaim November 25, 2022 as ***Elimination of Violence Against Women Day*** in Mt. Pleasant; and
- FURTHER,** Supports all efforts to end violence against women and girls in our community.

In Witness Whereof, I hereunto set my hand and the Great Seal of the City of Mount Pleasant, Michigan, this 14<sup>nd</sup> day of November, 2022.

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Amy Perschbacher, Mayor  
City of Mount Pleasant, Michigan



[illegible]

## **AIRPORT JOINT OPERATIONS AND MANAGEMENT BOARD**

Meeting Minutes

**Thursday, September 15, 2022**

**3:30 – 5:00 p.m.**

**MMDC Office**

I. Call to Order

Chairman Nanney called the meeting to order at 3:30 p.m.

II. Roll Call

Member	Present
Aaron Desentz	Yes
Nicole Frost	Yes
James McBryde	Yes
Rodney Nanney	Yes
Gayle Ruhl	No

Staff: Jason Moore

III. Additions/Deletions to Agenda

Motion by McBryde, support by Desentz, to approve the agenda

Motion passed unanimously

IV. Public Input on Agenda Items

None

V. Approval of Meeting Minutes – August 2022

Motion by McBryde, support by Desentz, to accept the minutes as written

Motion passed unanimously

VI. Airport Manager's Report – August 2022

Motion by McBryde, support by Frost, to accept the manager's report

Motion passed unanimously

VII. Old Business

a. Education – No discussion

b. Airport fiber optic line – Reminder about the fiber situation

c. Airport public relations

Discussed Brickner's radio interview – *Mt. Pleasant City Connect*

d. Additional ideas to promote corporate traffic and airport growth

Discussion was held regarding:

1. Using TikTok, Instagram, YouTube, and Facebook in the future
2. Conservation group
3. Drag racing – Gladwin airport hosts annual event – Can we hold similar event? Fee for race?
4. Target marketing with MMDC – Have you ever flown?
5. Discount on gas?
6. How to get businesses connected to firms like NetJets®, etc. and vice versa, discussion for next agenda
7. Mt. Pleasant Convention and Visitors Bureau – Nanney stated he has not heard anything, but they should be considering the application soon

VIII. New Business

a. Airport PUD-zoning update

Nanney updated Board; basically not viable

Nanney to investigate updating airport zoning as a step that could be done now

IX. Announcements on Airport Related Issues and Concerns

Board reviewed the benefit summary regarding the Experimental Aircraft Association lease renewal for the City-owned hangar that will be presented to the City Commission at the September 26 meeting

X. Public Comment on Non-Agenda Items

None

XI. Adjournment

**Mt. Pleasant Zoning Board of Appeals  
Minutes of the Regular Meeting  
July 27, 2022**

**I.** Vice-Chair Orlik called the meeting to order at 7:15 p.m.

Present: McGuire, Orlik, Stressman, White  
Absent: Friedrich, Raisanen

Staff: Brian Kench, Laura Delamater

**II. Approval of the Agenda:**

Motion by Stressman support by McGuire to approve the agenda.

Ayes: McGuire, Orlik, Stressman, White  
Nays: None

Motion was approved unanimously.

**III. Approval of the Minutes:**

**A. April 27, 2022**

Orlik requested changes on page 3: Staricha stated that his realtor at the time had given him a packet of information about the house itself and it noted that there was three ~~units~~ structures on the ~~house~~ property. Also, on page 3: Kench explained that with a tri-plex generally has shared common walls. In this case ~~the~~-we potentially have a duplex and a single-family, would be considered three (3) dwelling units on the property under the rental licensing program.

On page 6: McGuire asked for clarification on whether all or just one of the findings of fact had to be met to ~~grant~~d a variance.

Motion by Stressman support by McGuire to approve the minutes as corrected.

Ayes: McGuire, Orlik, Stressman, Whiteman  
Nays: None

Motion was approved unanimously.

**IV. Communications:**

**A. None**

**V. Public Hearings:**

- A. ZBA-22-02 – 2002 S. Mission** – Request for a variance from Section 154.405.A of the Zoning Ordinance to permit an increase in the height of a fence from 4 feet to 5 ½ feet.

Orlik reviewed the bylaws and board procedures for the Public Hearing.

Kench introduced the ZBA-22-02 submitted by John Hunter on behalf of NISCO, INC., D/B/A/ O'KELLY'S SPORTS BAR & GRILLE requesting a variance from Section 154.405.A of the Zoning Ordinance to permit an increase in the height of a fence from 4 feet to 5 ½ feet. Kench discussed the rental license history for the property.

Kench reviewed the property's zoning and other characteristics as well as the current use, zoning, and future land use of adjacent properties. The property is zoned CD-5 with the future land use being designated mixed use-high density.

Kench discussed the survey of the property. Kench reviewed the proposed parking for the property.

Kench shared photos of the area and current conditions of the buildings currently on the property.

Kench explained that the applicant is looking for a variance to permit an increase in the height of a fence from 4 foot to 5 ½ foot. The applicant is looking to re-use the decorative fencing that is enclosing the current space, which was installed under a former zoning ordinance, and no longer complies with the city zoning standards.

Orlik asked if the board had any questions for Mr. Kench before the applicant presents his case.

Orlik asked if the 5 ½ foot fence was permitted under a previous ordinance.

Kench stated that it was.

Orlik asked about the City Engineer's comments.

Kench explained that those requirements would need to be met under the approval process.

Orlik called on Mr. John Hunter to present his case.

Hunter explained that the State of Michigan Liquor Control and the City of Mt. Pleasant permitted temporary outdoor dining, as part of the response to the pandemic, to provide greater social distancing for patrons. During this time, they expanded the existing patio

and the customers have gotten accustom to the additional room. Hunter explained that safety is the biggest concern for the request for the higher fence. Hunter explained that DPS Director Lauria as well as Liquor Control are in favor of the higher fence.

Orlik opened discussion.

Discussion took place.

Stressman asked if the 5 ½ foot fence was tall enough? He noted the current planters that were beside the fence.

Hunter explained that the fence had been working well at the current 5 ½ foot height and the planters were not going to be part of the new proposed fence area.

Orlik opened the Public Hearing. Kench noted that there were no electronic communications. There being no one who wished to speak, Orlik closed the Public Hearing.

Orlik asked if there were any correspondence regarding the case.

Kench discussed the memo from Director of Public Safety, Paul Lauria and comments from City Engineer Stacie Tewari, and Fire Marshall, Brad Doecker.

Discussion took place.

Orlik went through the finding of facts.

Motion by Stressman, support by McGuire to approve ZBA-22-02 filed by John Hunter, on behalf of NISCO, INC., D.B.A. O'Kelly's Sports Bar & Grille, for a variance from section 154.405.A to permit an increase in the allowable height for a fence enclosing their outdoor dining/patio area at 2002 S. Mission Street to 5 ½ feet.

Orlik requested that there be an addition to the motion of: Finalized measurements will be conveyed to the Fire Marshall.

Roll call vote

Ayes: McGuire, Orlik, Stressman, White

Nays:

Motion carries; the variance is granted.

## **VI. Public Comments:**

Orlik opened the public comment. Kench noted that there were no public comments submitted via zoom or electronically. There being no one who wished to address the board, Orlik closed public comment.

**VII. Old Business:**

**A. None**

**VIII. New Business:**

**A. None**

**IX. Other Business:**

**A. None**

**X. Adjournment:**

Motion by McGuire, support by White to adjourn.

Ayes: McGuire, Orlik, Stressman, White

Nays: None

Motion approved unanimously.

Meeting adjourned at 7:42 p.m.

lkd

# City of Mt. Pleasant, Michigan



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## Mission-Pickard Downtown Development Authority (DDA)

### MINUTES OF THE REGULAR MEETING May 12, 2022—10:00 AM

#### I. Call to Order

The meeting was called to order by Chair Jeff Smith 10:00 am.

**Present:** Aaron Desentz, John Hunter (Vice Chair), Jerry Jaloszynski (for Nicole Frost), Tom Krapohl, Jeff Smith (Chair), Robert VanDorin

**Absent:** Doug LaBelle II, Robby Roberts

**Also attending:** (Staff): Mary Ann Kornexl, William Mrdeza

#### II. Approval of Agenda

Mrdeza indicated that since the packet was created, Mary Ann Kornexl finalized the 2022 and 2023 DDA budgets for Board consideration. He suggested amending the agenda to include a recommendation to approve the 2022 amended and 2023 proposed budgets for the DDA. It was moved by VanDorin, seconded by Hunter, to approve the agenda with the proposed amendment. **The motion passed unanimously.**

#### III. Approval of the November 12, 2021 Meeting Minutes

It was moved by VanDorin, seconded by Jaloszynski, to approve the November 12, 2021 meeting minutes as presented. **The motion passed unanimously.**

#### IV. Old and New Business

##### A. Receive and Accept the 2021 Year End Financial Statements

Kornexl reviewed the 2021 year end budget and noted that there were no tax tribunal adjustments, which resulted in a higher working capital balance than projected. The remainder of the actual line items were similar to the projected amounts, resulting in an ending balance of \$920,673. She reminded the Board that the DDA plan expires in 2025 and, if it is not extended beyond that date, those funds must be spent or committed by that time. Should the plan sunset, any remaining funds would be distributed to the taxing jurisdictions. She also reminded the Board that the assigned fund balance is being held for work associated with future Mission Street corridor redesign projects. It was moved by



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Jaloszynski, seconded by Hunter, to accept the 2021 year-end financial statement as presented. **The motion passed unanimously.**

## **B. Recommend Approval of the 2022 Amended and 2023 Proposed Budgets for the Downtown Development Authority**

When reviewing the budget, Kornexl noted that a higher multiplier than originally projected resulted in \$28,000 more taxes captured for 2022 as reflected in the amended budget. The 2023 budget also reflects additional alley overlay work between Wisconsin to Locust and Michigan to Illinois as a result of a reassessment of the PASER ratings of those sections of the alley. Kornexl also indicated that she estimated the working capital at the end of 2023 would be about 5% higher than 2022 to account for inflation and the higher assessed values the City is currently experiencing. It was moved by Krapohl, seconded by Hunter, to recommend the approval of the 2022 amended and 2023 proposed budgets after changing the heading in the first column to reflect the 2021 (rather than 2020) actual budget. **The motion passed unanimously, recognizing the proposed edit to the first column heading.**

## **C. Request to Consider Sidewalk Snow Plowing for All Properties in the DDA District**

Mrdeza presented a request to the Board from Jim Holton, owner of the Green Spot on north Mission Street. Mr. Holton requested the Board consider using tax capture funds to provide for plowing snow on the sidewalks in the district during the winter. After discussing the request at length, the Board reached a consensus that it was not interested in using DDA funds for this purpose and cited the following reasons:

- The DDA is in the process of working with MDOT and a number of stakeholders within the district to explore future design improvements to the corridor. As such, the DDA is currently reserving funding to assist with its share of the costs associated with making such design improvements.
- The City does not have the staff capacity to address sidewalk snow clearing in the corridor in a timely manner, therefore any such effort would require bidding these services out to a private contractor. Given the amount of sidewalks in the corridor, together with the fact that multiple clearings for one snow event would likely be needed, the Board felt that the cost of providing this service would be quite expensive. In addition there would be costs associated salting the sidewalks in order to address icing issues, which would contribute to the contract cost over and above plowing.
- The City currently requires commercial and industrial properties throughout the City to clear sidewalks in front of their business within 18 hours of a snow event. The use of public funds to assist private businesses in meeting ordinance requirements is not done elsewhere within the City. Therefore, the Board felt that using public funds for this purpose would set a poor precedent.

# City of Mt. Pleasant, Michigan

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## D. Update on Mission Street Corridor Project

Mrdeza informed the Board that the Mission Street stakeholder group will continue to meet this year in order to create an RFP for consultant services. The purpose of the consultant is to consider design options for the corridor and to model those options against MDOT criteria in order to determine which are most feasible and acceptable to the majority of the stakeholders. It is anticipated that the consultant would be hired at the end of the fiscal year and begin work after October, 2022. Funding for the consultant would come from MDOT resources.

## V. Public Comments

There were no public comments received or offered.

## VI. Other Business

There was no Other Business to come before the Board.

## VII. Adjourn

There being no other business, **the meeting was adjourned at 10:34 am.**

# City of Mt. Pleasant, Michigan

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## **Mission-Pickard Downtown Development Authority (DDA)**

### **MINUTES OF THE REGULAR MEETING September 8, 2022—10:00 AM**

#### **I. Call to Order**

The meeting was called to order by Vice-Chair John Hunter at 10:05 am. A quorum of the Board was not present so no action could be taken on agenda items.

**Present:** John Hunter (Vice Chair), Jerry Jaloszynski (for Nicole Frost), Tom Krapohl, Robert VanDorin

**Absent:** Aaron Desentz., Doug LaBelle II, Robby Roberts, Jeff Smith (Chair)

**Also attending:** (Staff): William Mrdeza

#### **II. Approval of Agenda**

No action taken.

#### **III. Approval of the May 12, 2022 Meeting Minutes**

No action taken.

#### **IV. Old and New Business**

##### **A. Overview of DDA Activities per Informational Meeting Requirements**

Mrdeza presented an overview of previous as well as anticipated future DDA activities as required by state statute.

##### **B. Update on Mission Street Corridor Project**

Mrdeza indicated that MDOT has postponed advertising the RFP for Mission Street consulting design services due to a reallocation of funding resources at the state level. Funding is anticipated to again be available in 2024 but the stakeholders will continue to meet and discuss potential design projects that could be implemented in a short timeframe during the interim period.



# City of Mt. Pleasant, Michigan

---

*Mt. Pleasant*  
[meet here]

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

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

PUBLIC WORKS  
320 W. Broadway • 48858  
(989) 779-5400  
(989) 772-6250 fax

## V. Public Comments

There were no public comments received or offered.

## VI. Other Business

There was no Other Business to come before the Board.

## VII. Adjourn

There being no other business, **the meeting was adjourned at 10:22 am.**

**Mt. Pleasant Planning Commission  
Minutes of the Regular Meeting  
October 6, 2022**

- I.** Chair Hoenig called the meeting to order at 7:00 p.m.

Present: Devenney, Friedrich, Haveles, Hoenig, Kingsworthy, Liesch, Nicholas, Ortman  
Absent: Irwin

Staff: William Mrdeza, Andrew Littman, Laura Delamater

- II. Introduction of new Director of Planning & Community Development**

Mrdeza introduced Manuela Powidayko, who joined the meeting virtually, to the Planning Commission.

Powidayko gave a brief introduction of herself and provided some of her background and work experience.

- III. Approval of the Agenda:**

Motion by Friedrich, support by Haveles to approve the agenda.

Motion approved unanimously.

- IV. Approval of the Minutes:**

**A. September 1, 2022 Regular Meeting**

Motion by Friedrich, support by Haveles to approve the minutes from the September 1, 2022 regular meeting.

Motion approved unanimously.

- V. Zoning Board of Appeals report for September:**

Commissioner Friedrich reported that the ZBA did not meet in September.

- VI. Communications:**

Mrdeza reported that there were no communications.

## **VII. Public Hearings:**

### **A. SUP-22-16 – 1901 S. Mission – Oasis Wellness Center of Lansing 2, LLC – Request for Special Use Permit for Adult-Use Retail Establishment.**

Littman introduced SUP-22-16 – 1901 S. Mission, submitted by Oasis Wellness Center of Lansing 2, LLC with a request for Special Use Permit for Adult-Use Retail Establishment.

Littman reviewed the current and prior uses of the property. Littman provided an overview of the property including current zoning as well as future, current and prior land use. Littman reviewed photos showing current conditions of the property.

Littman reviewed Special Use requirements regarding the Adult-Use Marijuana Establishment.

Littman closed his presentation with recommendation to approve SUP-22-16 subject to conditions.

Discussion took place.

Paul Weisberger, on behalf of Oasis Wellness Center, was on hand to address the board and answer questions.

Discussion took place.

Hoenig opened the public hearing. Mrdeza noted that there were no public comments submitted via email or zoom. There being no one else who wished to speak, public comment was closed.

Discussion took place.

Motion by Liesch, support by Haveles to approve SUP-22-16 subject to the following conditions:

1. The applicant obtains an adult-use marijuana retailer license from the State and maintains compliance with all applicable state statutes and rules at all times.
2. Approval by the county's mechanical inspector of the building's air handling system in compliance with Sec. 154.410.B.4(b)(vii).

Discussion took place.

Ayes: Devenney, Friedrich, Haveles, Hoenig, Kingsworthy, Liesch, Nicholas, Ortman  
Nays: None

Motion approved unanimously.

### **VIII. Site Plan Reviews:**

#### **A. SPR-22-17 – 1219 N. Mission – D. L. Wilson Properties, LLC – Request for Site Plan Review for a proposed 55,000 square foot addition to an existing building.**

Littman stated that at the September 1, 2022 Planning Commission meeting, he had advised the approval of SPR-22-17 – 1219 N. Mission for a proposed 55,000 square foot addition, with the only conditions being those of DPS and DPW. The recommend was adopted by the Planning Commission. Subsequent to this action, staff became aware that the existing building and the proposed addition would be located on two separate but adjoining parcels. Therefore, Littman recommended the Planning Commission amend it's prior approval by adding the following condition:

The applicant combine the two separate tax parcels (18-319 and 18-334) that encompass the existing manufacturing/fabrication facility at 1219 (N.) Mission Street and the land on which the building addition would be constructed.

Discussion took place.

Motion Friedrich, support by Ortman to approve SUP-22-17 subject to the following conditions:

1. The applicant combine the two separate tax parcels (18-319 and 18-334) that encompass the existing manufacturing/fabrication facility at 1219 (N.) Mission and the land on which the building addition would be constructed.
2. The applicant to comply with the conditions of Public Works and Public Safety.

Discussion took place.

Ayes: Devenney, Friedrich, Haveles, Hoenig, Kingsworthy, Liesch, Nicholas, Ortman  
Nays: None

Motion approved unanimously.

### **IX. Public Comments:**

Hoenig opened the public comment. Mrdeza noted that there were no public comments submitted via email or on zoom. There being no one who wished to speak, public comment was closed.

### **X. Unfinished Business:**

A. None

**XI. New Business:**

A. Discuss and consider an extension of SUP-21-18 and SPR-21-16 – 1012 N. Lansing

Mrdeza provided an overview of the process to request an extension for a Special Use Permit and/or Site Plan Review and background information regarding this case. The ordinance allows the planning Commission to grant an extension of a Special Use Permit and Site Plan Review for up to one year.

Discussion took place.

Motion by Friedrich, support by Liesch to grant a one-year extension of SUP-21-18 & SPR-21-16.

Ayes: Devenney, Friedrich, Haveles, Hoenig, Kingsworthy, Liesch, Nicholas, Ortman  
Nays: None

Motion approved unanimously.

**XII. Other:**

A. Staff report.

Mrdeza provided an overview for a minor site plan review that was approved by staff.

**XIII. Adjournment:**

Motion by Liesch, support by Haveles to adjourn.

Motion approved unanimously.

Meeting adjourned at 7:30 p.m.

lkd



Minutes of the regular meeting of the City Commission held Monday, October 24, 2022, at 7:00 p.m., in the City Commission Room, 320 W. Broadway St., Mt. Pleasant, Michigan with virtual options.

Mayor Perschbacher called the meeting to order.

The Pledge of Allegiance was recited.

Land Acknowledgement statement was recited.

Commissioners Present: Mayor Amy Perschbacher and Vice Mayor Mary Alsager; Commissioners Brian Assmann, Liz Busch, Bryan Chapman & Maureen Eke

Commissioners Absent: George Ronan

Others Present: City Manager Aaron Desentz and City Clerk Heather Bouck

#### Proclamations and Presentations

Director of Economic Development William Mrdeza introduced Manuela Powidayko Souza, the City's new Director of Planning & Community Development.

Public Safety Office Professional Meagan Long was introduced by Public Safety Director Paul Lauria.

Marcus Vogel was introduced as a newly hired Paid On Call Firefighter by Public Safety Director Paul Lauria.

John Zang provided an update on the Mid-Michigan Aquatic Recreational Authority.

Moved by Commissioner Eke and seconded by Commissioner Busch to approve the Agenda as presented. Motion unanimously adopted.

#### Receipt of Petitions and Communications

Received the following petitions and communications:

5. Minutes of the September Planning Commission meeting.
6. Third Quarter Investment Report.

Moved by Commissioner Eke and seconded by Commissioner Busch to approve the following items on the Consent Calendar:

7. Minutes of the regular meeting of the City Commission held October 10, 2022.
8. Resolution in support of fees related to electric scooters and/or skateboards as follows:

WHEREAS, Title 11, Chapter 116 of the Code of Ordinances of the City of Mt Pleasant requires that the City Commission set by resolution the annual fees for businesses, activities or things requiring licenses under the Chapter,

NOW, THEREFORE BE IT RESOLVED, that the annual fee for Electronic Scooter and Skateboard business licenses under Section 116.02(B) and 116.04(D) of the Code of Ordinances of the City of Mt Pleasant be set as follows:

Calendar Year License	\$1,000
ICHAT Fee*	\$ 10 Scooter/Skateboard
Inspection Fee	\$ 15 (per scooter/skateboard)
Scooter/Skateboard Retrieval Fee	\$ 100 (per scooter/skateboard 8-4:30 M-F)
	\$ 120 (per scooter/skateboard hours other than 8-4:30 M-F)

\*-All business licenses require ICHAT Look-up Fee

9. Approve Central Business District Tax Increment Finance Authority (CBD/TIFA) Façade Improvement Program.
10. Agreement with Central Michigan University for copier leases.
11. Warrants dated October 11, 17, 19 & 20, 2022 and Payrolls dated October 14, 2022 all totaling \$1,217,245.89.

Motion unanimously adopted.

A public hearing was held on the necessity of the public improvement; consider resolution #3 to proceed with improvements; consider resolution #4 to accept the special assessment roll and set a public hearing for Monday, November 14, 2022 at 7:00 p.m. regarding said roll for Special Assessment District #3-22. Jan Fokens, 318 N. Fancher, inquired what further steps would be taken in this process and confirmed a 2023 construction date. There being no additional public comments or communications, the Mayor closed the public hearing.

Moved by Vice Mayor Alsager and seconded by Commissioner Eke to adopt the following Resolutions #3 and #4 for Special Assessment District 3-22.

### S.A. DISTRICT 3-22 RESOLUTION NO. 3

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 deems it advisable and necessary to proceed with Special Assessment No. 3-22;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Commission hereby determines to install public improvements as follows: pave the alley in the block between Fancher on the west, Kinney on the east, Chippewa on the south and Lincoln on the north in the City Special Assessment District No. 3-22;
2. The plans, profiles and specifications previously prepared by the City Manager are hereby approved.

3. The Commission hereby approves the detailed estimates of cost and determines a total estimated cost of \$79,497.59. The amount of \$55,648.32 shall be spread by special assessments upon the City Special Assessment District No. 3-22, and the amount of \$23,549.28 shall be the obligation of the city-at-large.
4. The City Assessor is directed to prepare a special assessment roll in accordance with the Commission's determination.
5. When the Assessor has completed the assessment roll he shall file the roll with the City Clerk for presentation to the Commission.
6. All resolutions and parts of resolutions conflicting with the provisions of this resolution be and the same hereby are rescinded.

#### **S. A. DISTRICT 3-22 RESOLUTION NO. 4**

WHEREAS, the Assessor has prepared the special assessment roll for Special Assessment District No. 3-22 to special assess that portion of the cost of the public improvements to the properties specially benefited by said public improvements, and the same has been presented to the City Commission by the City Clerk.

WHEREAS, the Special Assessment District No. 3-22 is described as: pave the alley in the block between Fancher on the west, Kinney on the east, Chippewa on the south and Lincoln on the north in the City Special Assessment District No. 3-22.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is accepted and will be on file in the office of the City Clerk for public examination.
2. The City Commission shall meet at City Hall, 320 W. Broadway Street, Mt. Pleasant, Michigan, at 7 p.m., Daylight Saving Time, on November 14, 2022 to hear all persons interested in reviewing the special assessment roll, and shall be afforded an opportunity to be heard, and the City Clerk is directed to publish and mail, in accordance with applicable statutory and ordinance provisions, the notice of hearing.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Commissioners Alsager, Assmann, Busch, Chapman, Eke & Perschbacher

NAYS: None

ABSENT: Commissioner Ronan

Motion unanimously adopted.

Director Mrdeza presented the draft PILOT Policy. Commissioners were requested to submit any comments and/or concerns to City Manager Desentz by Friday, October 28<sup>th</sup>.

### Announcements on City-Related Issues And New Business

Commissioner Busch reminded residents that the Pumpkin Promenade will take place Downtown from 4 – 6 p.m. and residential trick or treating from 6 – 8 p.m. on Monday, October 31<sup>st</sup>.

Mayor Perschbacher announced the Rocky Horror Picture Show will be at the Broadway Theater this weekend, Friday thru Sunday with two showings each evening. November 4<sup>th</sup> will be VHS Night showing the Nightmare before Christmas.

Vice Mayor Alsager stated that November 12<sup>th</sup> is Ladies Day Out. Information can be found on Instagram, Facebook and Twitter @/downtownmp.

### Public Comment on Agenda and Non-Agenda Items

Doug Collins, 413 Winchester Towers, suggested the measurements for the MMARA pool should be meters instead of yards.

The Commission recessed at 7:47 p.m. and returned to a work session 7:57 p.m.

Work Session – 2023 Operating Budget.

City Manager Desentz led a discussion on the 2023 Operating Budget.

Moved by Vice Mayor Alsager and seconded by Commissioner Eke to adjourn the meeting at 8:57 p.m.

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Amy Perschbacher, Mayor

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Heather Bouck, City Clerk

# Memorandum



TO: Aaron Desentz, City Manager

FROM: Mary Ann Kornexl, Finance Director

DATE: October 18, 2022

SUBJECT: Appraisal Services

The City is currently defending tax tribunal cases for six student apartment complexes. The City's contract Assessor, Ruth Scott, and Joshua Beard from Mika Meyers PLC have been preparing answers to the tax tribunal filings. These cases are to the point that the City needs to get an independent professional appraisal of these complexes. Ruth & Joshua have worked with Adams & Associates Real Estate Appraisers and Consultants in other jurisdictions that have needed appraisals for the tax tribunal.

Adams & Associates has proposed a fee of \$5,000 per complex. These fees are based in part on the economies of scale of appraising six similar properties at the same time. These appraisals of these complexes as of December 31, 2021 will be used in the defense of the tax tribunal cases and will provide market data for valuation of similar complexes for the 2023 assessment roll. The 2022 amended budget includes \$40,000 for contracted services for tax tribunal defense.

Staff recommends hiring Adams & Associates to perform appraisals for \$5,000 each for a cost not to exceed \$30,000. If any of the six properties valuations are cancelled prior to completion, the fee will be reduced to the time spent on the appraisal prior to cancellation.

## **Requested Action:**

Include on the next City Commission agenda, consideration of the staff recommendation to contract with Adams & Associates to perform appraisals of six properties for \$5,000 each, not to exceed \$30,000.

# Memorandum



TO: Aaron Desentz, City Manager

CC: William R. Mrdeza, Community Services and Economic Development Director  
Mary Ann Kornexl, Finance and Administration Division Director

FROM: Michelle Sponseller, Downtown Development Director

DATE: October 28, 2022

SUBJECT: Downtown Sidewalk Snow Removal Bid

Staff reviewed the current level of service, best practices and provided detailed maps of the service areas so a bid package could be developed for the clearing of snow from the sidewalks surrounding the 12 municipal lots throughout downtown. Below is the 2022-2023 timetable for the bidding process:

- Bid published (city website and Bidnetdirect.com) October 7, 2022
- Bid published in Morning Sun newspaper October 9, 2022
- Bid Opening October 18, 2022
- PSD review & recommendation October 27, 2022

At the close of bidding, one bid was received from Green Scene Landscaping, the same company who received the 2020-2021 and 2021-2022 contracts. Bid amounts, based on per event, are listed below with the previous two years for comparison.

	2020-2021	2021-2022	2022-2023
<b>Snow Removal</b>	\$600 per call 7 calls for service	\$660 per call 11.5 calls for service	\$725 per call 9.84% increase
<b>Salting</b>	\$700 per call 13 calls for service	\$770 per call 21 calls for service	\$830 per call 7.79% increase
<b>Total Cost</b>	<b>\$13,400</b>	<b>\$23,760</b>	

Bid specifications:

- Plow, shovel, etc., all sidewalks bordering (12) parking lots within the Downtown Business District and all four crosswalks at the downtown roundabout at the discretion of the City's Downtown Development Director in consultation Street Department Supervisor;
- Snow removal shall be accomplished with a minimum of interference to residents, business owners, customers, and employees;
- All snow must be removed from the sidewalks with no piles remaining;

# Memorandum



- All sidewalks shall have an application of ice control material (salt) as needed based on the discretion of the City's Downtown Development Director in consultation Street Department Supervisor.

Funds are available in the PSD budget, and as with previous seasons, the Downtown Development Director will coordinate the calls for service with the contractor and Street department to ensure that expectation of snow removal is conducted as efficiently and as quickly as possible.

The PSD considered the bid on October 27, 2022 and has no concerns or issues.

## **Recommended Action**

Approve the downtown sidewalk snow removal bid to Greene Scene Landscaping for the 2022-2023 season.

# Memorandum



TO: Aaron Desentz, City Manager

CC: William R. Mrdeza, Community Services and Economic Development Director

FROM: Michelle Sponseller, Downtown Development Director

DATE: October 26, 2022

SUBJECT: Request Setting a Public Hearing - Development District (DDA) License  
China Master

China Master, located at 1216 South Mission, is requesting City Commission approval for a Development District (DDA) License pursuant to Public Act 501 of 2006 in order to provide alcohol service for their new business.

PA 501 of 2006 is designed to make on-site premises licenses more readily available in downtowns and other redevelopment areas, as a tool for economic development. This request comes to the City subsequent to the City Commission actions below:

- Initial establishment of the development district (DDA) liquor license district and policy on January 24, 2011,
- revisions to the on-premise liquor license policy on July 26, 2021;
- expansion of the development district (DDA) liquor license district on October 10, 2022 and revision to the City's on-premise liquor license policy pertaining to the district expansion.

As part of the City's on-premise liquor license approval process both a special use permit (SUP) and a public hearing are required.

## **Recommended Action**

Set a public hearing on November 28, 2022, to conduct all necessary steps for Development District (DDA) License as stated in MCLA 436.1521a(1)(b).



# Memorandum



TO: Aaron Desentz  
City Manager

CC: William R. Mrdeza  
Director of Community Services and Economic Development

FROM: Phil Biscorner  
Director of Parks and Public Spaces

DATE: November 2, 2022

SUBJECT: 2022 Transportation Alternatives Program (TAP) Grant Application –  
2023 Mid-Michigan/GKB Pathway North Connection Project

## **BACKGROUND**

The Parks Department is preparing an application for a Michigan Department of Transportation “Transportation Alternatives Program (TAP) Grant” for the proposed 2023 Mid-Michigan/GKB Pathway North Connection Project. The state requires applicants to pass a resolution as part of the completed grant package.

The pursuit of grants continues to be a resource to help provide additional funds for park projects. Parks staff looks at upcoming projects and analyzes the best funding opportunities for our proposed projects.

City Commission supports and authorizes the submission of a Transportation Alternatives Program grant application and commits \$525,000 or 43% of the total \$1,200,000 project cost from City matching funds.

At this time all that is needed is for the City Commission to adopt a resolution to apply for grant funding for the Mid-Michigan/GKB Pathway North Connection Project.

## **REQUESTED ACTION**

It is requested the City Commission consider adopting the attached resolution.

**City of Mt. Pleasant**  
**Michigan Department of Transportation**  
**2022 Transportation Alternatives Program (TAP) Grant Application**  
**Resolution of Adoption**

WHEREAS, the City of Mt. Pleasant, in cooperation with the Isabella County Friends of the Mid-Michigan Regional Community Pathways Group and the Charter Township of Union, wishes to construct a trail connecting the GKB Riverwalk Trail to Mission Creek Park and to establish a northerly connection point for the Mid-Michigan Regional Pathway System, and

WHEREAS, the proposed project is consistent with the Greater Mt. Pleasant Non-Motorized Plan and provides a vital connection for City and Township residents to access the City's park system and existing 4-miles of paved, non-motorized pathways, and

WHEREAS, the proposed project is specifically outlined in and consistent with the goals and objectives of the City's current 2021-2026 Parks and Recreation Master Plan, and

WHEREAS, the proposed project is listed in the City's adopted 2022-2027 Capital Improvement Plan, and

WHEREAS the proposed project and grant application were discussed at a public meeting of the Mt. Pleasant City Commission held November 14, 2022 at 7:00 p.m. at Mt. Pleasant City Hall to provide an opportunity for additional public comment on the proposed project, and

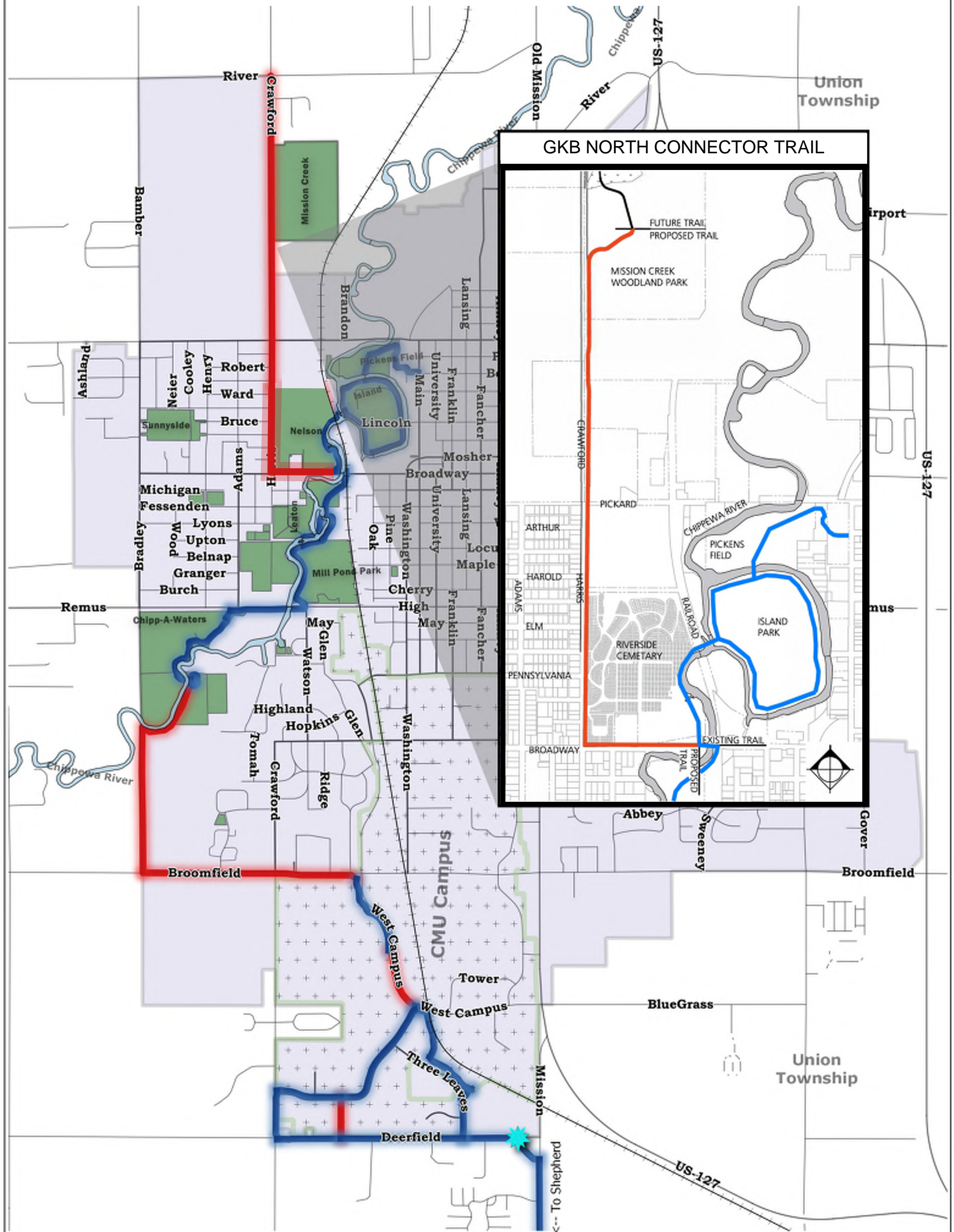
WHEREAS, the TAP grant specifically provides funding for pedestrian and bicycle facilities, including shared-use paths; and,

WHEREAS, the City of Mt Pleasant

- 1) Supports and authorizes the submission of a Transportation Alternatives Program grant application and commits \$525,000 or 43% of the total \$1,200,000 project cost from City matching funds.
- 3) Commits to owning, operating and funding/implementing a maintenance plan/program over the design life of the facility constructed with TAP funds;
- 4) Authorizes the City Manager to act as the City of Mt. Pleasant's agent during project development and sign a project agreement upon receipt of a TAP grant award; and
- 5) Commits to being responsible for engineering, permits, administration, potential cost overruns and any non-participating items.

Be it therefore resolved that the Mt. Pleasant City Commission hereby approves submittal of a 2022 Transportation Alternatives Program (TAP) Grant Application for the Mid-Michigan/GKB Trail Project.

# MID-MICHIGAN/GKB NORTH CONNECTOR TRAIL LOCATION MAP



City of Mt. Pleasant  
DIVISION OF PUBLIC WORKS  
-ENGINEERING DEPARTMENT-

0 0.5 1 Miles



Legend

-  Existing Trails  
 Proposed Trails  
 City Limits  
 CMU Campus Bndry  
 City Parks  
 MMPC Connection

Published: Jan-20-2022



# Memorandum



TO: Aaron Desentz, City Manager

FROM: Stacie Tewari, City Engineer

DATE: November 4, 2022

SUBJECT: Approval of MDOT Contract and Resolution  
2023-2024 Pickard Road (M-20) Reconstruction  
MDOT Contract Number 22-5427

The Michigan Department of Transportation (MDOT) has prepared a contract for partial reimbursement to MDOT by the city for the 2023-2024 Pickard Road (M-20) Reconstruction project from US-127 BR/Mission Street to Highway US-127.

The Pickard Reconstruction Project includes two city-funded projects that were requested by the city as additional work to be completed as part of the reconstruction project. The city will be responsible for 100% of the actual design and construction costs for the requested work below:

1. The approved 2023 operating budget includes \$89,000 from the water distribution fund to replace a portion of the city hydrants, water main crossings, service lines and valves that are in need of upgrades along the project route.
2. The approved 2023 operating budget includes \$536,000 from the storm sewer fund to upsize/upgrade the storm sewer trunkline crossing at the Pickard and Brown Street intersection per the recommendations of the Multi-jurisdictional storm sewer study. This upgrade will allow future storm sewer improvement projects to be implemented without future disturbance of Pickard Street at the crossing location.

Total city budget - \$625,000

Estimated city project cost per attached MDOT contract - \$633,000

The project will be going out for bid through the MDOT letting process at the end of 2022. If any budget amendments are required based on actual bid prices, a separate approval will be sent to City Commission with actual bid costs.

Due to the city's population decrease in the 2020 census, the city does not have to contribute a percentage of the overall project cost for the road reconstruction, as was required with previous MDOT projects in the city.

I recommend that the attached resolution be approved by the City Commission authorizing the City Manager to sign the contract.

## **RESOLUTION**

At a regular meeting of the City Commission of Mt. Pleasant, Michigan, on November 14, 2022, held at City Hall, 320 W. Broadway Street:

The following resolution was offered by member \_\_\_\_\_,  
and supported by member \_\_\_\_\_.

**WHEREAS**, a Contract Agreement (MDOT Contract No. 22-5427) has been submitted by the Michigan Department of Transportation, which requires the City of Mt. Pleasant to adopt a resolution authorizing the approval of the contract for reimbursement of funds by the City to MDOT for the 2023-2024 M-20 (Pickard Street) Reconstruction Project, and

**WHEREAS**, the reconstruction and improvements made to M-20 (Pickard Street) will improve safety for both motoring and pedestrian traffic; and

**WHEREAS**, the Agreement has been approved by the City Manager as to substance,

**NOW, THEREFORE, BE IT RESOLVED**, that the City Manager be authorized to execute said Agreement on behalf of the City of Mt. Pleasant.

Resolution duly adopted.

\_\_\_\_\_  
Amy Perschbacher, Mayor

Certified to be a true copy, \_\_\_\_\_  
(Date)

\_\_\_\_\_  
Heather Bouck, City Clerk

SPECIAL TRUNKLINE  
NON-ACT-51  
ADDED WORK

DA	
Control Section	NH 37022
Job Number	201005CON; 201005PE
Fed Project #	22A1006; 1901012
Contract	22-5427

THIS CONTRACT is made by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT"; and the CITY OF MT. PLEASANT, a Michigan municipal corporation, hereinafter referred to as the "CITY"; for the purpose of fixing the rights and obligations of the parties in agreeing to construction improvements in conjunction with the DEPARTMENT'S construction on Highway M-20 (Pickard Road), within the corporate limits of the CITY.

WITNESSETH:

WHEREAS, the DEPARTMENT is planning road reconstruction work along Highway M-20 (Pickard Road) from Highway US-127BR (Mission Street) to Highway US-127; and

WHEREAS, the CITY has requested that the DEPARTMENT perform additional work for and on behalf of the CITY in connection with the Highway M-20 (Pickard Road) construction, which additional work is hereinafter referred to as the "PROJECT" and is located and described as follows:

Watermain and storm sewer work along Highway M-20 (Pickard Road) from Highway US-127BR (Mission Street) easterly to Brown Street, including drainage structure, curb and gutter, hot mix asphalt approach, fire hydrant, traffic signal, and maintaining traffic work; together with necessary related work, located within the corporate limits of the CITY; and

WHEREAS, the DEPARTMENT presently estimates the PROJECT COST as hereinafter defined in Section 1 to be: \$633,000; and

WHEREAS, the parties hereto have reached an understanding with each other regarding the performance of the PROJECT work and desire to set forth this understanding in the form of a written Contract.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties shall undertake and complete the construction of the PROJECT in accordance with this Contract. The term "PROJECT COST", as herein used, is hereby defined as the cost of the construction of the PROJECT including the costs of preliminary engineering

(PE), plans and specifications; physical construction necessary for the completion of the PROJECT as determined by the DEPARTMENT; and construction engineering (CE), and any and all other expenses in connection with any of the above.

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) adopted new Administrative Rules (R 325.10101, et. seq.) prohibiting any governmental agency from connecting any "lead service line" (R.325.10105(r)) to newly installed water main pipes. According to EGLE, all "lead service line(s)" must be replaced from the road into the house/building that water is being supplied to. The cost associated with water main "lead service line" replacement work, as mandated by State Law, will be the responsibility of the CITY. Any and all contractor claims related to "lead service line" replacement work will be the responsibility of the CITY.

2. The cost of alteration, reconstruction and relocation, including plans thereof, of certain publicly owned facilities and utilities which may be required for the construction of the PROJECT, shall be included in the PROJECT COST; provided, however, that any part of such cost determined by the DEPARTMENT, prior to the commencement of the work, to constitute a betterment to such facility or utility, shall be borne wholly by the owner thereof.

3. The CITY will approve the design intent of the PROJECT and shall accept full responsibility for the constructed PROJECT functioning as a part of the CITY'S facilities. The CITY is solely responsible for any input which it provides as it relates to the design of the PROJECT functioning as part of the CITY'S facilities.

4. The DEPARTMENT will administer all phases of the PROJECT and will cause to be performed all the PROJECT work.

Any items of PROJECT COST incurred by the DEPARTMENT may be charged to the PROJECT.

5. The PROJECT COST shall be charged to the CITY 100 percent and paid in the manner and at the times hereinafter set forth. Such cost is estimated to be as follows:

PROJECT COST - \$633,000

The PE costs will be apportioned in the same ratio as the actual construction award and the CE costs will be apportioned in the same ratio as the actual direct construction costs.

6. The DEPARTMENT shall maintain and keep accurate records and accounts relative to the cost of the PROJECT. The DEPARTMENT may submit progress billings to the CITY on a monthly basis for the CITY'S share of the cost of work performed to date, less all payments previously made by the CITY not including payments made for a working capital deposit. No monthly billings of a lesser amount than \$1,000 shall be made unless it is a final or end of fiscal year billing. All billings will be labeled either "Progress Bill Number

\_\_\_\_\_", or "Final Billing". Payment is due within 30 days of receipt of invoice. Upon completion of the PROJECT, payment of all items of PROJECT COST and receipt of all Federal Aid, the DEPARTMENT shall make a final billing and accounting to the CITY.

The CITY will deposit with the DEPARTMENT the following amount which will be used by the DEPARTMENT as working capital and applied toward the end of the project for the contracted work and cost incurred by the DEPARTMENT in connection with the PROJECT:

DEPOSIT - \$100,000

The total deposit will be billed to the CITY by the DEPARTMENT and shall be paid by the CITY within 30 days after receipt of invoice.

7. Pursuant to the authority granted by law, the CITY hereby irrevocably pledges a sufficient amount of funds received by it from the Michigan Transportation Fund to meet its obligations as specified herein. If the CITY shall fail to make any of its required payments when due, as specified herein, the DEPARTMENT shall immediately notify the CITY of the fact of such default and the amount thereof, and, if such default is not cured by payment within ten (10) days, the DEPARTMENT is then authorized and directed to withhold from the first of such monies thereafter allocated by law to the CITY from the Michigan Transportation Fund sufficient monies to remove the default, and to credit the CITY with payment thereof, and to notify the CITY in writing of such fact.

8. Upon completion of the PROJECT and the decorative concrete and sidewalk constructed as part of the trunkline construction project, the CITY shall accept the facilities constructed as built to specifications within the construction contract documents. It is understood that the CITY shall own the facilities and shall operate and maintain the facilities in accordance with all applicable Federal and State laws and regulations, including, but not limited to, Title II of the Americans with Disabilities Act (ADA), 42 USC 12131 et seq., and its associated regulations and standards, and DEPARTMENT Road and Bridge Standard Plans and the Standard Specifications for Construction at no cost to the DEPARTMENT.

9. Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT pursuant to the terms of this Contract are done to assist the CITY. Such approvals, reviews, inspections and recommendations by the DEPARTMENT shall not relieve the CITY of its ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT is assuming any liability, control or jurisdiction.

When providing approvals, reviews and recommendations under this Contract, the DEPARTMENT is performing a governmental function, as that term is defined in MCL 691.1401 et seq., as amended, which is incidental to the completion of the PROJECT.



10. In connection with the performance of PROJECT work under this Contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts", as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6 and the Regulations of the United States Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B", attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this Contract. The parties will carry out the applicable requirements of the DEPARTMENT'S Disadvantaged Business Enterprise (DBE) program and 49 CFR, Part 26, including, but not limited to, those requirements set forth in Appendix C.

11. This Contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the CITY and for the DEPARTMENT; upon the adoption of a resolution approving said Contract and authorizing the signatures thereto of the respective officials of the CITY, a certified copy of which resolution shall be attached to this Contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as written below.

CITY OF MT. PLEASANT

MICHIGAN DEPARTMENT  
OF TRANSPORTATION

By \_\_\_\_\_  
Title:

By \_\_\_\_\_  
Department Director MDOT

By \_\_\_\_\_  
Title:



## **APPENDIX A**

### **PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS**

In connection with the performance of work under this contract; the contractor agrees as follows:

1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

## **APPENDIX B**

### **TITLE VI ASSURANCE**

During the performance of this contract, the contractor, for itself, its assignees, and its successors in interest (hereinafter referred to as the “contractor”), agrees as follows:

1. **Compliance with Regulations:** For all federally assisted programs, the contractor shall comply with the nondiscrimination regulations set forth in 49 CFR Part 21, as may be amended from time to time (hereinafter referred to as the Regulations). Such Regulations are incorporated herein by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed under the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection, retention, and treatment of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the contractor covers a program set forth in Appendix B of the Regulations.
3. **Solicitation for Subcontracts, Including Procurements of Materials and Equipment:** All solicitations made by the contractor, either by competitive bidding or by negotiation for subcontract work, including procurement of materials or leases of equipment, must include a notification to each potential subcontractor or supplier of the contractor’s obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined to be pertinent by the Department or the United States Department of Transportation (USDOT) in order to ascertain compliance with such Regulations or directives. If required information concerning the contractor is in the exclusive possession of another who fails or refuses to furnish the required information, the contractor shall certify to the Department or the USDOT, as appropriate, and shall set forth the efforts that it made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of the contractor’s noncompliance with the nondiscrimination provisions of this contract, the Department shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to, the following:
  - a. Withholding payments to the contractor until the contractor complies; and/or
  - b. Canceling, terminating, or suspending the contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor shall include the provisions of Sections (1) through (6) in every subcontract, including procurement of material and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Department or the USDOT may direct as a means of enforcing such provisions, including sanctions for non-compliance, provided, however, that in the event a contractor becomes involved in or is threatened with litigation from a subcontractor or supplier as a result of such direction, the contractor may request the Department to enter into such litigation to protect the interests of the state. In addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Revised June 2011

## **APPENDIX C**

### **TO BE INCLUDED IN ALL FINANCIAL ASSISTANCE AGREEMENTS WITH LOCAL AGENCIES**

#### **Assurance that Recipients and Contractors Must Make (Excerpts from US DOT Regulation 49 CFR 26.13)**

- A. Each financial assistance agreement signed with a DOT operating administration (or a primary recipient) must include the following assurance:**

**The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any US DOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. The recipient's DBE program, as required by 49 CFR Part 26 and as approved by US DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).**

- B. Each contract MDOT signs with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:**

**The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.**



City of Mount Pleasant, Michigan  
**DEPARTMENT OF PUBLIC SAFETY**

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**MEMORANDUM**

**DATE:** November 7, 2022  
**TO:** Aaron Desentz, City Manager  
**FROM:** Paul Lauria, Director of Public Safety  
**SUBJECT:** 911 Governing Board Appointments

Due to the recent retirement of Assistant Police Chief Andy Latham and the upcoming retirement of Fire Chief Rick Beltinck the City Commission will have to make new appointments to the 911 Governing Board.

I am recommending that Assistant Fire Chief Doug Lobsinger be appointed as the primary representative on this board to replace Rick Beltinck and Assistant Police Chief Brandon Bliss as the alternate member to replace Andy Latham.

If you have any questions or concerns please don't hesitate to contact me.





**DATE:** November 8, 2022

**TO:** Aaron Desentz, City Manager

**FROM:** Susanne Gandy, PHR, SHRM-CP  
Director of Human Resources

**SUBJECT:** 2023 Stop Loss Carrier Recommendation

The City of Mt. Pleasant is primarily self-funded for the health insurance offered to employees. To minimize the City's risk of extraordinarily high cost claim(s) and to smooth out claims cost fluctuations, stop loss coverage is purchased each year. We utilize our Third-Party Administrator, Trustmark (formerly CoreSource) to gather renewal quotes annually following the close of the third quarter. Stop loss coverage premiums are based on the total health insurance plan claims experience and overall industry trends. The current stop loss structure is coverage for claims up to a deductible of \$150,000 per individual per year with a flat rate corridor of an additional \$25,000 on the first claim to reach the stop loss coverage point. The corridor only applies to the first claim of the year (or combination of claims for an individual) in excess of \$150,000. Once the \$25,000 corridor is applied to the covered individual's claim(s) we pay a total of \$175,000 for that calendar year, and then the stop loss kicks in and covers any remaining balances. Any additional individuals with high claims in that calendar year have a deductible of \$150,000 for us for stop loss related to health and prescription claims.

Trustmark requested quotes from seven stop loss carriers. Quotes were only received from four providers. The quotes reflect a premium increase of 16%, 15%, 13% or 11% over our current premiums.

Tokio Marine HCC is our current provider and has offered a quote with a 13% increase which appears to be within market trend. We have experienced an increase in rates each year for the past several years. The market has shifted with the federal government's prohibition of lifetime maximums in health care plans, the proliferation of expensive specialty drugs, the erosion of network discounts on high cost claims, and catastrophic medical claims are going up at an alarming rate throughout the health insurance industry. We have an established trusted and proven relationship with Tokio Marine HCC and have contracted with their stop loss coverage for the past five years. Tokio Marine's quote is firm, meaning regardless of the claims experience throughout the remainder of 2022 (November and December) their quoted premium will not increase or decrease, the proposed rate is locked until December 5, 2022.

Skyward quote is a 16% increase and Xchange Benefits quoted a 15% increase. HMIG provided a quote with a 11.5% increase on fixed costs. However, there are other factors related to this offer. HMIG has added a \$300,000 laser, therefore our max costs would increase by 66% under this proposal. Lasering is a common stop loss practice in which a specific individual, based on prior claims experience or known conditions, is covered by the stop loss policy at a higher Specific deductible than the rest of the group. That large of an increase in costs is not acceptable and therefore I would reject this offer.

The Human Resource staff has reviewed the current year claims, quotes, various deductible levels, corridor amounts and carriers with our Third-Party Administrator TrustMark and our Insurance Broker Brown and Brown. Tokio Marine HCC, is our current carrier and we have a strong working relationship with them. They have offered a very attractive firm premium offer which provides an increase of just 13%, well within industry standard. This is an annual increase of approximately \$31,012 and we recommend approval of their quote.

The Tokio Marine HCC allows for claims incurred, but not paid to be included in the aggregate claim amount for an individual for up to two years. This has the potential to save the City money on claims over future years. Typically, other companies will look back for only one year when assessing claims incurred but not paid.

The rates quoted by Tokio Marine HCC are \$60.32 per month for single coverage and \$184.75 for family coverage. This will result in estimated annual premium of \$274,813. There is a potential additional flat rate cost of \$25,000, to meet the first claim of the year threshold of \$175,000 as noted earlier in the memo. If it isn't met, we don't spend the \$25,000. Based on the estimates we made for 2022-2023 health insurance fund, there will be adequate funds in the self-insurance fund to cover the stated premiums, as well as, the additional \$25,000 corridor, if needed.

Therefore, I request the City Commission authorize the Mayor to sign a contract with Tokio Marine HCC for 2023 stop loss coverage as outlined above.

## CHECK REGISTER FOR CITY OF MT PLEASANT

CHECK DATE FROM 10/21/2022-11/03/2022

Check Date	Vendor Name	Description	Amount
Bank COMM COMMON CASH			
10/31/2022	KRAPOHL FORD LINCOLN MERC	CAPITAL ACQUISITIONS	\$36,458.00
11/03/2022	410 BROADWAY, LLC	SUBSIDY GRANT	200.00
11/03/2022	AARON DESENTZ	REIMBURSEMENT	100.00
11/03/2022	ALEX SWICK	REIMBURSEMENT	69.00
11/03/2022	ALMA TIRE SERVICE INC	SUPPLIES/VEHICLE MAINT	984.29
11/03/2022	AMY PERSCHBACHER	REIMBURSEMENT	125.50
11/03/2022	ANGIE MCCANN	REIMBURSEMENT	215.00
11/03/2022	ATI GROUP	CONTRACT SVCS	5,486.85
11/03/2022	AVFUEL CORPORATION	AIRPORT FUEL	23,205.82
11/03/2022	BOUND TREE MEDICAL, LLC	SUPPLIES	465.59
11/03/2022	BRANDON CRAWFORD	REIMBURSEMENT	28.00
11/03/2022	BROWN & BROWN OF CENTRAL MI	AGENCY FEE	11,250.00
11/03/2022	BRUCE JORCK	FARMERS MKT	544.70
11/03/2022	BS&A SOFTWARE	CONTRACT SVCS	4,151.00
11/03/2022	C & O SPORTSWEAR	SUPPLIES	2,241.00
11/03/2022	CAR WASH PARTNERS, INC.	SUPPLIES/VEHICLE MAINT	240.00
11/03/2022	CARMEUSE AMERICAS	CHEMICALS	7,016.55
11/03/2022	CDW GOVERNMENT, INC	SUPPLIES	3,959.74
11/03/2022	CENTRAL ASPHALT, INC	SUPPLIES	437.37
11/03/2022	CENTRAL CONCRETE INC	SUPPLIES	428.18
11/03/2022	CENTRAL MI MENTAL HEALTH	REFUND	77.52
11/03/2022	CENTRAL MI UNIVERSITY RESEARCH CORP	LDFA CONTRACT	7,500.00
11/03/2022	CENTRAL MICHIGAN UNIVERSITY	CONTRACT SVCS	735.00
11/03/2022	CENTRAL MICHIGAN UNIVERSITY	CONTRACT SVCS	183.00
11/03/2022	CENTRAL MICHIGAN UNIVERSITY	CONTRACT SVCS	183.00
11/03/2022	CHRISTOPHER SWIER	FARMERS MKT	108.85
11/03/2022	CINTAS CORP	SUPPLIES/CONTRACT	33.32
11/03/2022	CINTAS CORP	SUPPLIES/CONTRACT	136.51
11/03/2022	CLARK HILL P.L.C.	CONTRACT SVCS	6,354.62
11/03/2022	CONSUMERS ENERGY	UTILITIES	11,605.47
11/03/2022	CONTROLNET, LLC	CONTRACT SVCS	1,730.00
11/03/2022	COREY DION WALTHER	FARMERS MKT	517.60
11/03/2022	COYNE OIL CORPORATION	FUEL/SUPPLIES	1,615.05
11/03/2022	DAN SODINI	FARMERS MKT	34.70
11/03/2022	DAVID GROTHAUSE	FARMERS MKT	56.55
11/03/2022	DAVID WHITEHEAD	FARMERS MKT	91.00
11/03/2022	DREW PEREIDA	CONTRACT SVCS	60.00
11/03/2022	EJ USA, INC	SUPPLIES	7,057.95
11/03/2022	ELHORN ENGINEERING COMPANY	CHEMICALS	1,645.00
11/03/2022	ENDRESS+ HAUSER, INC	SUPPLIES	7,731.60
11/03/2022	ESO SOLUTIONS, INC.	CONTRACT SVCS	1,409.62
11/03/2022	ETNA SUPPLY	SUPPLIES	101.67
11/03/2022	FISHER TRANSPORTATION CO, INC	SUPPLIES	314.88
11/03/2022	FOSTER, SWIFT, COLLINS & SMITH, P.C	CONTRACT SVCS	2,968.50
11/03/2022	FRONT LINE SERVICES, INC	SUPPLIES	97.90
11/03/2022	GAME TIME	SUPPLIES	1,122.88
11/03/2022	GARY BRANDT	FARMERS MKT	1,214.50

## CHECK REGISTER FOR CITY OF MT PLEASANT

CHECK DATE FROM 10/21/2022-11/03/2022

Check Date	Vendor Name	Description	Amount
Bank COMM	COMMON CASH		
11/03/2022	GILBOE'S LOCK & SAFE LLC	CONTRACT SVCS	280.00
11/03/2022	GREEN SCENE LANDSCAPING, INC.	CONTRACT SVCS	52.56
11/03/2022	GT RUBBER SUPPLY	SUPPLIES	50.74
11/03/2022	HACH COMPANY	SUPPLIES	2,562.94
11/03/2022	HOLESHOT HARLEY-DAVIDSON, INC.	CONTRACT SVCS	5,000.00
11/03/2022	IN TOWN HOUSING	UB REFUND	6.92
11/03/2022	ISABEL HASS	REIMBURSEMENT	42.00
11/03/2022	JARED BOUMAN	REIMBURSEMENT	100.00
11/03/2022	JOHN JOHNSON	FARMERS MKT	211.45
11/03/2022	JOHN MONAHAN	FARMERS MKT	123.50
11/03/2022	JOHNSTON, MICHAEL	UB REFUND	522.98
11/03/2022	JOSEPH M DAY COMPANY INC	CONTRACT SVCS	425.00
11/03/2022	KAREN FENTON	FARMERS MKT	116.40
11/03/2022	KENNEDY INDUSTRIES, INC	SUPPLIES	2,770.33
11/03/2022	KERR PUMP AND SUPPLY, INC	SUPPLIES	5,414.00
11/03/2022	KINETICO WATER SYSTEMS	CONTRACT SVCS	313.00
11/03/2022	KOPY KORNER	SUPPLIES	155.00
11/03/2022	LOUISE WYMER	FARMERS MKT	268.00
11/03/2022	MALLEY CONSTRUCTION, INC	CONTRACT SVCS	14,990.55
11/03/2022	MARK KARIMI	CONTRACT SVCS	30.00
11/03/2022	MARY ALSAGER	REIMBURSEMENT	174.26
11/03/2022	MATT THOMAS	CONTRACT SVCS	60.00
11/03/2022	METRON-FARNIER, LLC	METER REPLACEMENT	9,221.00
11/03/2022	MHOK, PLLC	PROSECUTORIAL SVCS	7,633.31
11/03/2022	MICHIGAN MUNICIPAL LEAGUE	CONTRACT SVCS	170.76
11/03/2022	MID MICHIGAN AREA CABLE	CONTRACT SVCS	450.00
11/03/2022	MIDDLE MICHIGAN DEVELOP CORP	LDFA MGT FEE	11,400.00
11/03/2022	MIKA MEYERS BECKETT & JONES PLC	CONTRACT SVCS	3,625.00
11/03/2022	MMTA	MEMBERSHIP	198.00
11/03/2022	MT PLEASANT RENTAL CENTER, INC	EQUIPMENT RENTAL	518.40
11/03/2022	NCL OF WISCONSIN	CHEMICALS	615.68
11/03/2022	NUTRIGRO ENVIRONMENTAL SOLUTIONS	CONTRACT SVCS	96,057.50
11/03/2022	NYE UNIFORM COMPANY	UNIFORMS	265.89
11/03/2022	OFFICE DEPOT	SUPPLIES	696.74
11/03/2022	OTIS ELEVATOR COMPANY	CONTRACT SVCS	431.73
11/03/2022	PAPAS PUMPKIN PATCH	FARMERS MKT	1,014.55
11/03/2022	PARTY'S PLUS	EQUIPMENT RENTAL	515.16
11/03/2022	PAUL SCHMITZ	REFUND	5,000.00
11/03/2022	PLEASANT GRAPHICS, INC	SUPPLIES	214.00
11/03/2022	POINT 2 POINT GLOBAL SOLUTIONS	TRAINING	960.00
11/03/2022	POLYDYNE INC.	CHEMICALS	1,718.69
11/03/2022	PROGRESSIVE AE, INC.	CONTRACT SVCS	1,300.00
11/03/2022	PURITY CYLINDER GASES INC	CHEMICALS	4,833.94
11/03/2022	PVS TECHNOLOGIES, INC	CHEMICALS	6,436.72
11/03/2022	R & T MURPHY TRUCKING, LLC	SUPPLIES	2,995.96
11/03/2022	RAY BROWERS	FARMERS MKT	136.05
11/03/2022	RENTWOOD	UB REFUND	80.84

## CHECK REGISTER FOR CITY OF MT PLEASANT

CHECK DATE FROM 10/21/2022-11/03/2022

Check Date	Vendor Name	Description	Amount
Bank COMM COMMON CASH			
11/03/2022	RISE MACHINE	CONTRACT SVCS	350.00
11/03/2022	ROBERT W LAMSON, PHD	CONTRACT SVCS	465.00
11/03/2022	SPACE	SUPPLIES	614.00
11/03/2022	STATE OF MICHIGAN	CONTRACT SVCS	5,920.70
11/03/2022	STERICYCLE, INC.	CONTRACT SVCS	287.20
11/03/2022	STEVIE SWAREY	FARMERS MKT	13.95
11/03/2022	TERMINIX PROCESSING CENTER	CONTRACT SVCS	290.00
11/03/2022	THE ISABELLA CORPORATION	CONTRACT SVCS	6,664.58
11/03/2022	THIELEN TURF IRRIGATION, INC	CONTRACT SVCS	765.00
11/03/2022	THOMAS PACKARD	CONTRACT SVCS	90.00
11/03/2022	TIM LANNEN	REIMBURSEMENT	13.12
11/03/2022	TINA CAPUSON	FARMERS MKT	93.45
11/03/2022	TOWN'S END CLYDESDALES & CARRIAGE	CONTRACT SVCS	600.00
11/03/2022	TRACE ANALYTICAL LABORATORIES, INC.	CONTRACT SVCS	614.00
11/03/2022	TYLOR SHORT	FARMERS MKT	65.10
11/03/2022	UNIFIRST CORPORATION	CONTRACT SVCS	45.39
11/03/2022	USABBLUEBOOK	CHEMICALS	350.62
11/03/2022	VALET AUTO CARE, INC	SUPPLIES/VEHICLE MAINT	50.00
11/03/2022	WOMEN'S AID SERVICES	CONTRACT SVCS	6,480.00
11/03/2022	YEO & YEO CONSULTING, LLC	CONTRACT SVCS	379.50
COMM TOTALS:			
Total of 114 Checks:			\$366,604.44
Less 0 Void Checks:			0.00
Total of 114 Disbursements:			\$366,604.44

# Memorandum

*Mt. Pleasant*  
[meet here]

TO: Aaron Desentz, City Manager  
FROM: Mary Ann Kornexl, Finance Director  
DATE: September 22, 2022  
SUBJECT: Alley Special Assessment 3-22

In July the Engineering Department notified property owners along the alley between Fancher & Kinney Street from Lincoln to Chippewa Street, the alley needs reconstruction. We have received a petition signed by 100% of the property owners seeking to create a special assessment district to reconstruct the alley. In accordance with the City Commission Capital Project Special Assessment Policy, the property owners are responsible for 70% of the reconstruction project and the City Capital Improvement millage will pay for the remainder. The Engineering estimate for the project is \$79,497.59.

This project will be bid in early 2023 with expected construction to be in the summer. It takes three City Commission meetings to approve a special assessment. There are five resolutions and two public hearings required for the district. The resolutions, roll and map are attached.

## Requested Action

Please include the following on upcoming City Commission agenda for S/A 3-22

October 10, 2022 – Resolution 1 & 2

October 24, 2022 – Public Hearing & Resolutions 3 & 4

November 14, 2022 – Public Hearing & Resolution 5

<b><u>IMPROVEMENT PETITION</u></b>						
To the Honorable Mayor and City Commission:						

ALLEY MAINTENANCE/RECONSTRUCTION - ALLEY BETWEEN LINCOLN ST & CHIPPEWA ST. / KINNEY ST & FANCHER AVE.					
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				Circulator: <u>JAN S. FOLENS</u>
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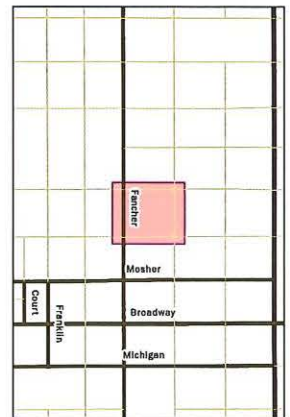
[illegible]



## 2023 Residential Alley Assessment Properties



Legend  
 Alley Assessment Parcels





Special Assessment Project Spreadsheet  
 Alley Reconstruction  
 Fancher & Kinney  
 between Lincoln & Chippewa

S.A. 3-22

S.A. prepared by Assessing Dept  
 9/22/2022

Project Cost  
 Owner's Share  
 City's Share

\$79,497.59  
 \$55,648.31  
 \$23,849.28

Parcel Number	Owner	Legal Description	Property Address	Front Foot	Frontage Factor	Equivalent Front Feet	Rate Per Front Foot	Total Cost Per Front foot
17-000-08541-00	James & Jordan Gerhart	KINNEY ADD, BLK 6, LOTS 1 & 4	321 N Kinney	149.16	1	149.16	\$93.27	\$13,912.08
17-000-08542-00	Jon C Colin	KINNEY ADD, LOT 2 BLK 6 & THE N 8.58 FT OF LOT 3 BLK 6.	326 N Fancher	83.16	1	83.16	\$93.27	\$7,756.29
17-000-08543-00	Jan S & Charlotte Fokens Trust	KINNEY ADD, THE S 66 FT OF LOT 3 BLK 6	318 N Fancher	66	1	66	\$93.27	\$6,155.79
17-000-08546-00	Nancy J Vodicka	KINNEY ADD E 1/2 LOT 6-7 BLOCK 6	503 E Chippewa	149.16	1	149.16	\$93.27	\$13,912.08
17-000-08547-00	Elizabeth & Michael Hilley	KINNEY ADD W 1/2 LOTS 5 & 8 ,BLOCK 6	515 E Chippewa	149.16	1	149.16	\$93.27	\$13,912.08
TOTALS:						596.64		\$55,648.32

SPECIAL ASSESSMENT DISTRICT 3-22  
RESOLUTION NO. 5

WHEREAS, the City Commission held a public hearing on x after due and legal notice and reviewed the special assessment roll to defray Special Assessment District No. 3-22 share of the cost of certain public expenditures, described as: paving the alley in the block between Fancher on the west, Kinney on the east, Chippewa on the south and Lincoln on the north in the City Special Assessment District No. 3-22;

WHEREAS, after hearing all persons interested therein and after carefully reviewing the special assessment roll, the Commission deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon are in accordance with the benefits to be derived by each parcel of land assessed;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll as prepared by the City Assessor, in the amount of \$79,497.59 with \$55,648.32 being paid by the properties specifically benefited and with \$22,849.28 paid by the city-at-large is hereby confirmed.
2. Said special assessment roll is payable in 22 annual installments which shall be due and payable beginning on July 1, 2024.
3. Interest shall be charged on the unpaid balance of said special assessment roll at the rate of three percent (3%), commencing three (3) months after notification that the project has been completed. There will be no interest if paid within three (3) months of the written notification from the City Treasurer.
4. The City Clerk is directed to attach his warrant to a certified copy of this resolution within ten (10) days after its adoption requesting the City Assessor to spread and the City Treasurer to collect the sums and amounts as directed by the Commission.
5. The City Clerk is directed to endorse the date of confirmation on the roll.
6. All resolutions and parts of resolutions conflicting with the provisions of this resolution are rescinded.

# Memorandum



TO: Aaron Desentz, City Manager

FROM: Mary Ann Kornexl, Finance Director

DATE: October 24, 2022

SUBJECT: Local Development Finance Authority (LDFA) – Mt Pleasant SmartZone

The City currently has a LDFA -TIF capture district for the University Park SmartZone to develop a certified technology park. The LDFA plan was adopted in 2000 and overlaid the University Park TIFA District. The plan is set to expire in 2025. Since the inception of the plan the project has been a public/private partnership between, the City and Central Michigan Research Corporation (CMURC) and Middle Michigan Development Corporation (MMDC). Beginning in 2021 the capture for the district was reduced to zero and a budget plan was adopted to spend down the balance of funds between, CMURC, MMDC & City administration. It was the intent that if a development project was identified that needed additional infrastructure in the park, the capture would be reinstated. After consultations with CMURC & MMDC, it has been determined that the infrastructure needs of the park are in place and the only portion of the plan to implement is marketing and development services. Therefore, it is recommended that the City dissolve the LDFA at this time.

The City attorney has prepared the appropriate resolution for the City Commission to dissolve the LDFA. The remaining funds in the LDFA will be paid to CMURC (\$68,700) & MMDC (\$45,000) to continue their marketing and development services thru December 31, 2025. They both will be required to make quarterly reports to the City and should they fail to meet the obligations of the original contract entered into on May 3, 2022, the City may terminate the contract and they shall reimburse the City for the prorated portion of the prepayment of the contracts.

## **Requested Action:**

Include on the next City Commission agenda the following to dissolve the LDFA:

Resolution to dissolve the LDFA

Final Amended Budget for the LDFA

**CITY OF MT. PLEASANT**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION TO DISSOLVE THE  
LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)**

At a meeting of the City Commission of the City of Mt. Pleasant (“City”), Isabella County, Michigan, held at the City Hall in said City on \_\_\_\_\_, 2022 at \_\_\_\_\_ p.m.

PRESENT: \_\_\_\_\_

\_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_

The following Resolution was offered by \_\_\_\_\_  
\_\_\_\_\_ and seconded by \_\_\_\_\_.

WHEREAS, the City of Mt. Pleasant formed the Local Development Finance Authority (LDFA); and

WHEREAS, the purpose of the LDFA was to fund the University Park SmartZone to develop a certified technology park, adjacent to the Central Michigan University Campus (the “District”); and

WHEREAS, the LDFA is funded by capturing a portion of the property taxes from the properties located in the District; and

WHEREAS, the LDFA contracted with Central Michigan University Research Corporation (CMURC) and Middle Michigan Development Corporation (MMDC) by which CMURC and MMDC will provide marketing and development services to the property located within the District (Exhibit A, Contracts); and

WHEREAS, the City of Mt. Pleasant wishes to dissolve the LDFA pursuant to PA 57 of 2018 (the “Act”), as it has completed the purposes for which it was organized, and disburse the remaining property and assets held by the LDFA to CMURC and MMDC; and

WHEREAS, the City of Mt. Pleasant wishes to execute the attached Notice of Dissolution of the LDFA and Disposition of Assets Agreement (“Exhibit B”) with MMDC, and that the terms and conditions be approved; and

WHEREAS, the City of Mt. Pleasant wishes to execute the attached Notice of Dissolution of the LDFA and Disposition of Assets Agreement (“Exhibit C”) with CMURC, and that the terms and conditions be approved; and

WHEREAS, pursuant to section 420 of the Act, the City has determined that (1) the LDFA has completed the purposes for which it was organized and is no longer necessary, and (2) the property and assets of the LDFA are to be distributed between CMURC and MMDC pursuant to the terms of the attached Notices of Dissolution and Disposition of Asset Agreements (attached as Exhibits B and C).

THEREFORE, the City Commission of Mt. Pleasant, Isabella County, resolves as follows:

1. Pursuant to Section 420 of the Act, the City hereby dissolves the LDFA.
2. All remaining property and assets of the LDFA shall be disbursed between CMURC and MMDC pursuant to the terms of the attached Notices of Dissolution and Disposition of Asset Agreements.
3. The City Clerk and City Mayor are authorized to execute the Notices of Dissolution and Disposition of Asset Agreements attached as Exhibits B and C.

4. Any and all resolutions inconsistent with this resolution are hereby repealed to the extent necessary to give this resolution full force and effect.

ADOPTED:

YEAS: \_\_\_\_\_

NAYS: \_\_\_\_\_

STATE OF MICHIGAN                    )  
  ) ss.  
COUNTY OF ISABELLA                )

I, the undersigned, the duly qualified and acting City Clerk of the City of Mt. Pleasant, Isabella County, Michigan, DO HEREBY CERTIFY that the foregoing is a true and complete copy of certain proceedings taken by the City Commission of said City at a meeting held on \_\_\_\_\_, 2022.

\_\_\_\_\_  
Heather Bouck, City Clerk

## **NOTICE OF DISSOLUTION OF THE LOCAL DEVELOPMENT FINANCING AUTHORITY (LDFA) AND DISPOSITION OF ASSETS AGREEMENT**

This agreement (“Agreement”) is made this \_\_\_\_\_ day of November, 2022, by and between the **City of Mt. Pleasant** (“City”) and the **Central Michigan University Research Corporation** (“CMURC”).

The City formed the Local Development Finance Authority (LDFA) to fund the University Park SmartZone to develop a certified technology park, adjacent to the Central Michigan University Campus (the “District”).

The LDFA entered a contract with the CMURC on May 3, 2022, to provide Marketing and Development services specifically in the District.

On \_\_\_\_\_, 2022, pursuant to PA 57 of 2018 (the “Act”), the City dissolved the LDFA, as it has completed the purposes for which it was organized.

In satisfaction of the obligations of the LDFA and in accordance with section 420 of the Act, the City wishes to disburse a portion of the remaining property and assets of the LDFA to the CMURC in accordance with the terms and conditions of this Agreement.

This Agreement shall be for a period of three (3) years, beginning the 1<sup>st</sup> day of January, 2023, and ending December 31, 2025. Upon execution of this Agreement, the City shall pay the CMURC a prepayment of \$68,700 (“Prepayment”), which equates to \$22,900 per year during the term of this Agreement.

The CMURC agrees to continue its obligations, as outlined in the May 3, 2022 Contract for SmartZone Attraction, attached as Exhibit A (“Contract”) which includes the continuation of quarterly reports. The quarterly reports shall be provided to the City pursuant to Exhibit A. All obligations in the Contract shall hereafter and in the duration of this Agreement be rendered to the City.

If the CMURC fails to meet its obligations as outlined in the May 3, 2022 Contract for SmartZone Attraction, attached as Exhibit A, then the City may terminate any obligations it may have under this Agreement and CMURC shall immediately reimburse that prorated portion of the Prepayment beginning on the date CMURC fails to meet its obligations through December 31, 2025.

**CITY OF MT. PLEASANT**

**CENTRAL MICHIGAN UNIVERSITY  
RESEARCH CORPORATION ("CMURC")**

By: \_\_\_\_\_  
Amy Perschbacher, Mayor

By: \_\_\_\_\_  
Printed Name:  
Its:

**CITY OF MT. PLEASANT**

**CENTRAL MICHIGAN UNIVERSITY  
RESEARCH CORPORATION ("CMURC")**

By: \_\_\_\_\_  
Heather Bouck, City Clerk

By: \_\_\_\_\_  
Printed Name:  
Its:

STATE OF MICHIGAN )

) ss.

COUNTY OF ISABELLA )

On this \_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public, in and for said County, personally appeared the above-named Amy Perschbacher, in her capacity as Mayor of the City of Mt. Pleasant, and Heather Bouck, in her capacity as City Clerk for the City of Mt. Pleasant, who acknowledge that they have read the foregoing Agreement and have executed the same for and on behalf of the City of Mt. Pleasant with full authority to do so.

\_\_\_\_\_  
Notary Public, Isabella County, Michigan  
My commission expires: \_\_\_\_\_



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## **NOTICE OF DISSOLUTION OF THE LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA) AND DISPOSITION OF ASSETS AGREEMENT**

This agreement (“Agreement”) is made this \_\_\_\_\_ day of November, 2022, by and between the **City of Mt. Pleasant** (“City”) and the **Middle Michigan Development Corporation** (“MMDC”).

The City formed the Local Development Finance Authority (LDFA) to fund the University Park SmartZone to develop a certified technology park, adjacent to the Central Michigan University Campus (the “District”).

The LDFA entered a contract with the MMDC on May 3, 2022, to provide Marketing and Development services specifically in the District.

On \_\_\_\_\_, 2022, pursuant to PA 57 of 2018 (the “Act”), the City dissolved the LDFA, as it has completed the purposes for which it was organized.

In satisfaction of the obligations of the LDFA and in accordance with section 420 of the Act, the City wishes to disburse a portion of the remaining property and assets of the LDFA to the MMDC in accordance with the terms and conditions of this Agreement.

This Agreement shall be for a period of three (3) years, beginning the 1<sup>st</sup> day of January, 2023, and ending December 31, 2025. Upon execution of this Agreement, the City shall pay the MMDC a prepayment of \$45,000 (“Prepayment”), which equates to \$15,000 per year during the term of this Agreement.

The MMDC agrees to continue its obligations, as outlined in the May 3, 2022 Contract for SmartZone Attraction, attached as Exhibit A (“Contract”) which includes the continuation of quarterly reports. The quarterly reports shall be provided to the City pursuant to Exhibit A. All obligations in the Contract shall hereafter and in the duration of this Agreement be rendered to the City.

If the MMDC fails to meet its obligations as outlined in the May 3, 2022 Contract for SmartZone Attraction, attached as Exhibit A, then the City may terminate any obligations it may have under this Agreement and MMDC shall immediately reimburse that prorated portion of the Prepayment beginning on the date MMDC fails to meet its obligations through December 31, 2025.

**CITY OF MT. PLEASANT**

**MIDDLE MICHIGAN DEVELOPMENT  
CORPORATION ("MMDC")**

By: \_\_\_\_\_  
Amy Perschbacher, Mayor

By: \_\_\_\_\_  
Printed Name:  
Its:

**CITY OF MT. PLEASANT**

**MIDDLE MICHIGAN DEVELOPMENT  
CORPORATION ("MMDC")**

By: \_\_\_\_\_  
Heather Bouck, City Clerk

By: \_\_\_\_\_  
Printed Name:  
Its:

STATE OF MICHIGAN )

) ss.

COUNTY OF ISABELLA )

I, the undersigned, DO HEREBY CERTIFY that the foregoing is a true and complete copy of certain proceedings taken by the City Commission of said City at a meeting held on \_\_\_\_\_, 2022.

\_\_\_\_\_  
Notary Public, Isabella County, Michigan  
My commission expires: \_\_\_\_\_

City of Mt Pleasant  
University Park LDFA  
Statement of Estimated Changes in Working Capital  
For the year ended December 31, 2021

	<u>2020 Actual</u>	<u>2021 Original Budget</u>	<u>2021 Amended Budget</u>	<u>2021 Final Budget</u>
<b>Working Capital at January 1,</b>	<b>\$ 225,026</b>	<b>\$ 228,086</b>	<b>\$229,218</b>	<b>\$229,218</b>
<b>Working Capital Sources:</b>				
Revenue:				
TIFA/DDA Captured Taxes	109,947	-	-	-
MTT Judgement	-	-	-	(2,600)
State Reimb PPT Loss	15,244	-	-	-
Investment Earnings	2,373	1,250	1,000	700
<b>Total Working Capital Sources</b>	<b>127,564</b>	<b>1,250</b>	<b>1,000</b>	<b>(1,900)</b>
<b>Working Capital Uses:</b>				
Expenses				
CMURC Partnership	86,500	50,000	50,000	50,000
MMDC Management Fee	33,500	22,800	22,800	22,800
Refund of County Debt Capture	642	-	-	-
Administration	2,730	1,500	1,500	1,500
<b>Total Working Capital Uses</b>	<b>123,372</b>	<b>74,300</b>	<b>74,300</b>	<b>74,300</b>
<b>Increase in Working Capital</b>	<b>4,192</b>	<b>(73,050)</b>	<b>(73,300)</b>	<b>(76,200)</b>
<b>Working Capital at December 31,</b>				
Assigned for Operations Plan Closeout *	229,218	155,036	155,918	153,018
<b>Total Working Capital at December 31</b>	<b><u>\$229,218</u></b>	<b><u>\$155,036</u></b>	<b><u>\$155,918</u></b>	<b><u>\$153,018</u></b>

Maximum Unassigned Balance per MEDC 15% of capture

\* - General agreement that working capital will be used to fund operations until plan expires and available working capital will be split evenly between CMURC & MMDC.

- CMURC preference is to front load in 2021 and approximately \$15,000 for final four years

- MMDC preference is to distribute evenly over the five years at approximately \$22,900 per year

Plan Expires 2025, School capture expires 2020

City of Mt Pleasant  
University Park LDFA  
Statement of Estimated Changes in Working Capital  
For the year ended December 31, 2022

	<u>2021 Actual</u>	<u>2022 Original Budget</u>	<u>2022 Amended Budget</u>	<u>2022 Final Amended Budget</u>
<b>Working Capital at Janauary 1,</b>	<b>\$ 229,218</b>	<b>\$ 155,918</b>	<b>\$153,097</b>	<b>\$153,097</b>
<b>Working Capital Sources:</b>				
Revenue:				
State Reimb PPT Loss	(2,587)	-	-	-
Investment Earnings	<u>766</u>	<u>750</u>	<u>750</u>	<u>740</u>
<b>Total Working Capital Sources</b>	<b>(1,821)</b>	<b>750</b>	<b>750</b>	<b>750</b>
<b>Working Capital Uses:</b>				
Expenses				
CMURC Partnership	50,000	15,000	15,000	60,000
MMDC Management Fee	22,800	22,800	22,800	91,500
Administration	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>2,347</u>
<b>Total Working Capital Uses</b>	<b><u>74,300</u></b>	<b><u>39,300</u></b>	<b><u>39,300</u></b>	<b><u>153,847</u></b>
<b>Increase in Working Capital</b>	<b><u>(76,121)</u></b>	<b><u>(38,550)</u></b>	<b><u>(38,550)</u></b>	<b><u>(153,097)</u></b>
<b>Working Capital at December 31,</b>				
Assigned for Operations Plan Closeout *	229,218	117,368	114,547	0
<b>Total Working Capital at December 31</b>	<b><u>\$153,097</u></b>	<b><u>\$117,368</u></b>	<b><u>\$114,547</u></b>	<b><u>\$0</u></b>

Maximum Unassigned Balance per MEDC 15% of capture

\* - General agreement that working capital will be used to fund operatoins until plan expires and available working capital will be split evenly between CMURC & MMDC.

- CMURC preference is to front load in 2021 and approximatly \$15,000 for final four years

- MMDC preference is to distribute evenly over the five years at approxmitely \$22,900 per year

Will pay CMURC & MMDC 2023-2025 in 2022. Will claw back if contract terms aren't met.

Plan Expires 2025, School capture expires 2020

# Memorandum

*Mt. Pleasant*  
[meet here]

TO: Aaron Desentz, City Manager

FROM: William R. Mrdeza  
Community Services & Economic Development Director *W.R.M.*

DATE: November 3, 2022

SUBJECT: Revised Pilot Policy for City Commission Consideration

## Background:

The City Commission has identified issues around housing as one of their goals for 2023. Staff has been researching this topic for a number of years and summarized their findings in a memo to the City Manager and the City Commission in February, 2022. This was followed by a work session with the City Commission in August of this year. As a result of those discussions and feedback received from the City Commission, staff was requested to prepare a draft policy regarding the use of Payment in Lieu of Taxes (PILOT) as a tool available to encourage private investment for affordable housing projects.

At the October 24, 2022 meeting, staff presented a draft PILOT policy for City Commission consideration. At that time, staff requested Commission comments on the draft be shared with the City Manager to be considered when finalizing the policy document. The draft policy was also circulated internally among staff for comments before finalizing the proposed policy.

Attached to this memo is the proposed final PILOT Policy to be considered by the City Commission for adoption. This final policy document has considered and incorporated comments received to date from both staff and Commission members. Future staff recommendations regarding Commission approval of a PILOT for affordable housing projects will be based on the requirements outlined in the adopted PILOT policy. It is anticipated that solicitation for affordable housing projects will be made to interested developers during the first quarter of 2023 and one such project will be recommended for selection as a result of that solicitation. The policy and project solicitation process will be reviewed at the end of 2023 and any recommend changes will be presented to the City Commission for consideration at that time.

## Requested Action:

The City Commission is requested to consider adoption of the attached PILOT policy and to authorize staff to solicit proposals for affordable housing projects during the first quarter of 2023.

## **City of Mt. Pleasant Payment in Lieu of Taxes (PILOT) Policy**

The City of Mt. Pleasant recognizes that providing affordable housing<sup>1</sup> for people of low income is a public necessity. A PILOT (or Payment in Lieu of Taxes) is an effective incentive that helps remove barriers to the construction of housing for low-income households. Authorized under the Michigan State Housing Development Authority Act of 1966, a PILOT agreement is a negotiable legal document that allows the owner to pay a defined percentage of net shelter rent (or total owner revenue) instead of the local property tax rate.

This document outlines the objectives, timeline, and requirements for a residential housing development to be considered for a PILOT in the City of Mt. Pleasant.

The City of Mt. Pleasant's PILOT policy has the following objectives:

- Increasing affordable housing opportunities for our residents
- Reducing functional obsolescence of existing facilities, buildings, etc.
- Encouraging expansion of our population
- Providing for improved housing amenities for the community
- Encouraging attractive, viable building sites, and
- Enhancing our economic development tools to attract and retain affordable housing development

### **ELIGIBILITY**

1. The applicant must be a nonprofit housing corporation, consumer housing cooperative, limited dividend housing association limited partnership, limited dividend housing association limited liability company, or limited dividend housing corporation, and must be financed with a federally-aided or Michigan State Housing Development Authority (MSHDA) aided mortgage or advance or grant from MSHDA.
2. To be eligible to apply for a PILOT, an applicant must own the property or have an option or other right to purchase the property under consideration.
3. Eligible projects must consist of a minimum of 80 percent of the units for affordable housing.

### **PROCEDURE**

1. **Mandatory Pre-Submittal Conference:** A meeting with the Director of Community Services & Economic Development, Director of Planning & Community Development, City Engineer, City Treasurer, and City Assessor must occur before submitting a PILOT application. This meeting is to acquaint all parties with the scope of the project and any related issues. Also, it serves to familiarize the applicant with the PILOT process.
2. **Submission of Application:** An application packet must be assembled and submitted based upon the requirements as set forth in the *Application Requirements* section below.
3. **City Staff Review:** City staff will review the submitted application packet for completeness and will utilize the attached scoring matrix to determine compatibility with the Mt. Pleasant Master Plan, Zoning Ordinance, and objectives of the City's PILOT program. After receiving the application, the City will either:
  - a. Forward the application to the City Commission with a recommendation for their consideration, or

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<sup>1</sup> Affordable housing is defined as housing that costs 30 percent or less of a household's gross income if the household makes no more than 80 percent of the area median income (AMI).



- b. Send the application back to the applicant for additional information or clarification.
4. **City Commission Review:** For applications forwarded to the City Commission, the City's Director of Community Services and Economic Development will forward the completed application packet and recommendation and will schedule the request as an agenda item. The City's Director of Community Services and Economic Development will also prepare a proposed ordinance regarding the request for a PILOT. In reviewing each request, the City Commission shall utilize the attached scoring matrix.
5. **Approval:** If the project and PILOT application is approved by the City Commission, the City Clerk will submit a certified copy of the resolution approving the PILOT to the applicant. Additionally, the Clerk's office will e-mail digital copies of the application packet and resolution approving the PILOT to the City Manager, City Assessor, City Engineer, and Director of Planning and Community Development.
6. **Reporting to City Treasurer After PILOT Approval:** For the PILOT to remain in effect, annual statements of net shelter rents must be filed with the City Treasurer. The City Treasurer's Office shall verify the accuracy of payments and distribute them accordingly among taxing jurisdictions.

#### APPLICATION REQUIREMENTS

The applicant must supply all the following information in its PILOT proposal:

1. **Applicant and Guarantors:** Brief overview of applicant organization, including its corporate or partnership structure, and the name, address, email address and telephone number of the applying entity. The proposal shall also include the name of the applying entity's representatives, financial guarantors of the project, and name of principals of those entities, addresses, emails, and telephone numbers.
2. **Background Information:** Description of the applicant's development experience (if any) and a other relevant information the City may need to consider while reviewing the application.
3. **The Proposed Project:** Describe the proposed project, including the following:
  - a. The location of the proposed project by street address and legal description
  - b. Project scope, including rental units broken down by bedrooms and estimated rents
  - c. Architectural renderings
  - d. Timeline with projected milestones
  - e. Brief narrative describing how the project is consistent with the Mt. Pleasant Master Plan and the City's Zoning Ordinance
  - f. Impact on City services, such as police, fire, emergency medical transport, and code enforcement
  - g. Any other information needed to fully explain the project
4. **Development Team:** Name all of the following that will be involved with the Project (with mailing addresses, email addresses, and phone numbers):
  - a. Applicant (primary point of contact)
  - b. Architects and engineers
  - c. Construction project manager
  - d. General contractor for project
  - e. Other professionals



5. **Pro Formas:** The applicant must provide a detailed development and operating pro forma. The development pro forma must outline the proposed hard, soft, and financing costs associated with the proposed development. It must also identify all sources of financing and terms, including the applicant's equity, construction and permanent financing and any government assistance. The detailed operating pro forma shall include all anticipated major revenues and expenses for the full term of the requested PILOT.
6. **MSHDA Application:** Include a copy of the completed MSHDA application for Low Income Housing Tax Credits within thirty (30) days of submittal to MSHDA.

#### PILOT RATE

In lieu of property taxes, the developer of a PILOT project shall be assessed a PILOT rate and municipal services fee. The PILOT rate is a defined percentage of net shelter rent (or total property owner revenue). The municipal services fee covers any shortfall in funds to service the site with essential public services. Depending on the project, a PILOT rate shall be set between 4 and 6 percent and supplemented by a municipal services fee which will typically be around 3 percent but may vary based on the specific recommendations of City departments such as police and fire. The specific PILOT rate and municipal services fee shall be established on a case-by-case basis and negotiated between the City and the developer. The maximum service charge (consisting of the PILOT rate and municipal services fee) to be paid in lieu of property taxes shall never exceed the amount of property tax that would have been paid but for the project's PILOT eligibility.

#### PILOT TERM

The term of the PILOT shall be determined by the length of the developer's debt service.

#### Extension to Existing PILOT Development

Extensions to existing PILOT agreements need to be considered on a case-by-case basis due to the limitations on the programs available for rehabilitation. As with all other tax incentive programs, the staff will consider the merits of each proposal following certain guidelines and make a recommendation to the City Commission. In these instances, a less stringent method will be used in the review process. However, an extension will only be granted where the annual income to the city is increased. The staff recommends setting the following objectives and developing a PILOT application that features them:

##### **Objectives:**

- Investment in building and units
- Investment in outdoor site amenities
- Term extension less than 20 years
- Upgrade to visitability ADA standards
- Increase to average AMI by minimum of 10 percent

#### Tax Abatement Application Fee

The City Commission has authorized the implementation of a non-refundable application fee for Payment in Lieu of Taxes applications. The fee is published in the city's fee schedule as adopted by resolution of the City Commission and included on the application.

## Affordable Housing / PILOT Scoring Matrix

Point Scoring: N/A, 1, 2 or 3. N/A = either not applicable or no information supplied. 1 = poor, or below expectations. 2 = average or meets minimum standards. 3 = exceeds standards.

Building Type / Design		Possible Points	Points Scored
The City places a high value on land efficiency, a maximization of limited housing credits, and high quality construction.			
[1]	Maximize Land Utilization	3	
[2]	Green Infrastructure	3	
	Universal Accessibility (i.e., ADA, Aging in Place)	3	
[3]	Quality & Durability of Exterior Construction, Efficiency	3	
Location / Connectivity			
The City places a high value on integrating affordable housing throughout the community and locating housing near services and places of employment.			
	Access to Transportation Choices (Transit/Trail Orientated)	3	
	Walk Accessible Services (Grocery, Schools, Employment)	3	
	Serves Corridor Redevelopment	3	
[4]	Quality of Site Improvements, Place Making	3	
Context / Need			
The City places a high value on PILOT requests that appeal to a broad range of demographic groups.			
	Unit Diversity (i.e., studio, 1, 2 bedroom)	3	
	Meets minimum state housing authority thresholds of at least 20% of units for residents whose incomes do not exceed 50% of AMI or 40% of units for residents whose incomes do not exceed 60% of AMI	3	
	Provides higher percentage of affordable units and/or reaches a lower percentage of AMI than the minimum state housing authority thresholds	3	
	Demographic Groups Served	3	
Total Points: Possible / Received		36	

Interpretation	Total Score	Total Points
Poor	< 23	
Acceptable	24 - 28	
Excellent	29 - 36	

Notes

- [1] To encourage efficiencies in land use and cost of services, the City awards maximum points to projects that use space most efficiently within applicable zoning ordinances.
- [2] Green infrastructure is utilized to reduce impacts on stormwater infrastructure. Green infrastructure may include, but not be limited to green roof technology, rain gardens, permeable pavements, maintaining existing or increasing tree canopy.
- [3] Quality Definitions: Exterior construction shall be of durable materials. i.e. wood, , composite, brick, concrete or steel siding. Energy efficiencies that meet Energy Star standards.
- [4] Place making promotes people's health, happiness, and well-being. Points are awarded based on the quality of improvements made to the common space surrounding the proposed development. Those improvements may include, but not be limited to improved sidewalk access, covered bike parking, increased tree sizes.

<b>LIHTC Project</b>	<b>Address</b>	<b>0 Bedroom</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>	
CHASE RUN II APTS	3760 S ISABELLA RD	0	9	28	11	0	
ARBORS AT EAGLE CREST II	5100 N EAGLE CRST	0	8	24	16	0	
DOVER COURT	1535 E BROOMFIELD ST	0	46	19	0	0	Senior
OXFORD ROW I	1517 CANTERBURY TRAIL	0	72	48	10	0	
CHASE RUN APTS	3750 S ISABELLA RD	0	12	76	24	0	
RIVERS BLUFF TOWNHOMES	805 W BROADWAY ST	0	0	10	1	0	Senior
CRANBROOK SENIOR VILLAGE	4608 S ISABELLA RD	0	20	20	0	0	Senior
THE MILL II	411 W BROADWAY ST	0	8	0	0	0	
OXFORD ROW II	1517 CANTERBURY TRAIL	0	135	46	8	0	
SPRINGBROOK TOWNHOMES PHASE I	4650 S ISABELLA RD	0	0	24	24	0	
SPRINGBROOK TOWNHOMES PHASE II	4650 S ISABELLA RD	0	0	25	23	0	

<b>Multifamily Property Name</b>	<b>Address</b>						
IMMANUEL VILLAGE	310 S Bradley St	0	26	0	0	0	Senior
OAK TREE VILLAGE	312 S Oak St Apt C	0	9	30	0	0	
WINCHESTER TOWER / OXFORD ROW II	1517 Canterbury Trl	0	135	46	8	0	Senior and/or Disabled

<b>MPHC Developments</b>	<b>Address</b>						
RIVERVIEW	1 Mosher St.	0	99	0	0	0	Senior and/or Disabled
PHEASANT RUN	1101 Sweeney St.	0	0	0	18	6	
ASPEN VIEW	1414 W. Broomfield	0	0	12	0	0	Fair Market Rent
		<b>0</b>	<b>579</b>	<b>408</b>	<b>143</b>	<b>6</b>	

HORIZON WEST                      210 S. BRADLEY

# Memorandum



TO: Aaron Desentz, City Manager

FROM: Mary Ann Kornexl, Finance Director

DATE: November 3, 2022

SUBJECT: Special Assessment 2-22

On February 15, 2022 the City Commission approved Special Assessment Roll 2-22 to spread the cost of reconstruction of the alley between Broadway and Michigan from University to 115.5 feet east of Franklin. The cost estimate at that time was \$132,000. In accordance with the Capital Project Special Assessment Policy adopted by the City Commission on September 27, 2021, 50% of the costs are to be special assessed. The original assessment to non-city owned properties was \$53,586.96.

The bid for the project was approved on March 14, 2022. The total project cost based on the bid was \$45,625 higher than the amount estimated for the project in fall 2021. A budget amendment of \$26,460 was approved at that time to cover the increase in the contractor bid from the estimate. The final total project cost ended up \$40,327 higher than the original estimate of \$132,000. In accordance with City Ordinance 33.30 "When any special assessment roll shall prove insufficient to meet the cost of improvements, for which it was made, The City Commission may make an additional pro rata assessment.

The City Commission has two options for the additional costs:

**Option A:** Share the amount insufficient pro rata between the City and property owners. If this is preferred option, a revised special assessment roll is attached along with resolution 4 to set a public hearing for November 28<sup>th</sup> and resolution 5A to be considered after the public hearing.

**Option B:** The amount insufficient is covered by the Capital Improvement Fund. If this is the preferred option, resolution 5B and a budget adjustment of \$13,870 (\$40,320 -\$26,460) should be considered on November 14<sup>th</sup>.

Requested Action:

That the following options for motions be placed on the November 14, 2022 agenda for consideration.

Option A – Motion to approve resolution 4 setting a Public Hearing for November 28<sup>th</sup>

Option B – Motions to approve resolution 5B and a budget adjustment from the Capital Improvement Fund of \$13,870

Total Project	Final \$172,327.48	Original \$132,000.00
Estimated Front Foot Share 50%	\$86,163.74	\$66,000.00
Estimated City Front Foot City Owned Lots	(16,205.37)	(12,413.04)
Owner Share	<u>\$69,958.37</u>	<u>\$53,586.96</u>
Estimated City's Share 50%	\$86,163.74	\$66,000.00
Estimated City Front Foot City Owned Lots	<u>16,205.37</u>	<u>12,413.04</u>
Total City Share	<u>\$102,369.11</u>	<u>\$78,413.04</u>

Parcel Number	Owner	Legal Description	Property Address	Faces Steet	Front Foot	Frontage Factor	Equivalent Front Feet	Rate Per Front Foot	Final		Original	
									Total Cost Per Front Foot Owner	Total Cost Per Front Foot City	Total Cost Per Front Foot Owner	Total Cost Per Front Foot City
17-000-00322-00	City of Mt Pleasant	ORIGINAL PLAT LOT 1 & 2 BLOCK 18	Parking Lot #1	Yes	132	1	132.00	\$113.52	\$0.00	\$14,985.00	\$0.00	\$11,478.26
17-000-00323-00	Household Appliances	ORIGINAL PLAT E 2/3 LOT 3 BLOCK 18	222 E Broadway	Yes	44	1	44.00	\$113.52	\$4,995.00	\$0.00	\$3,826.09	\$0.00
17-000-00326-00	Tammy Germain	ORIGINAL PLAT W 1/3 LOT 3 BLOCK 18	220 E Broadway	Yes	22	1	22.00	\$113.52	\$2,497.50	\$0.00	\$1,913.04	\$0.00
17-000-00328-00	Friends of the Broadway	ORIGINAL PLAT E 2/3 LOT 4 BLOCK 18	216 E Broadway	Yes	44	1	44.00	\$113.52	\$4,995.00	\$0.00	\$3,826.09	\$0.00
17-000-00330-00	Joseph Fiolek	ORIGINAL PLAT W 1/3 LOT 4 BLOCK 18	214 E Broadway	Yes	22	1	22.00	\$113.52	\$2,497.50	\$0.00	\$1,913.04	\$0.00
17-000-00332-00	Isabella Bank	ORIGINAL PLAT E 1/3 LOT 5 BLOCK 18	210 E Broadway	Yes	22	1	22.00	\$113.52	\$2,497.50	\$0.00	\$1,913.04	\$0.00
17-000-00340-00	Isabella Bank	ORIGINAL PLAT, W 2/3 OF LOT 5 & N 92 FT OF LOT 6, BLOCK 18	200 E Broadway	Yes	44	1	44.00	\$113.52	\$4,995.00	\$0.00	\$3,826.09	\$0.00
17-000-00345-00	Isabella Bank	ORIGINAL PLAT S 30 FT LOT 6 BLOCK 18	111 S University	Yes	66	1	66.00	\$113.52	\$7,492.50	\$0.00	\$5,739.13	\$0.00
17-000-00348-00	JJ&B	ORIGINAL PLAT N 17 FT LOT 7 & 8 BLOCK 18	115 S University	Yes	132	1	132.00	\$113.52	\$14,985.00	\$0.00	\$11,478.26	\$0.00
17-000-00364-00	City of Mt Pleasant	ORIGINAL PLAT LOT 4 BLK. 19 E 10.8 FT LOT 5 BLK 19	Parking Lot #8	Yes	10.75	1	10.75	\$113.52	\$0.00	\$1,220.37	\$0.00	\$934.78
17-000-00366-00	Petro Tolas	ORIGINAL PLAT W 47 FT LOT 5 BLK 19	306 E Broadway	Yes	47	1	47.00	\$113.52	\$5,335.57	\$0.00	\$4,086.96	\$0.00
17-000-00368-00	ERE Investments LLC	ORIGINAL PLAT LOT 6 BLOCK 19	304 E Broadway	Yes	57.75	1	57.75	\$113.52	\$6,555.94	\$0.00	\$5,021.74	\$0.00
17-000-00378-00	Dan C Dedloff Trust	ORIGINAL PLAT N 40 FT LOT 7 BLOCK 19	115 S Franklin	Yes	57.75	1	57.75	\$113.52	\$6,555.94	\$0.00	\$5,021.74	\$0.00
17-000-00381-00	Kurt & Julie Feight	ORIGINAL PLAT LOT 8 BLK 19	307 E Michigan	Yes	57.75	1	57.75	\$113.52	\$6,555.94	\$0.00	\$5,021.74	\$0.00
Front Feet:									\$69,958.39	\$16,205.37	\$53,586.96	\$12,413.04
Cost Per Front Foot:												
Total Cost												

SPECIAL ASSESSMENT DISTRICT 2-22  
RESOLUTION NO. 5 A

WHEREAS, the City Commission held a public hearing on November 28, 2022 after due and legal notice and reviewed the revised special assessment roll to defray Special Assessment District No. 2-22, share of the cost of certain public expenditures, described as reconstruct the alley between Broadway and Michigan from University to 115.5 feet east of Franklin in the City Special Assessment District No. 2-22; and,

WHEREAS, after hearing all persons interested therein and after carefully reviewing the special assessment roll, the Commission deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon are in accordance with the benefits to be derived by each parcel of land assessed;

WHEREAS, the final cost of the project was \$172,327.48 which is \$40,327.48 higher than the original assessment roll;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll as prepared by the City Assessor, in the amount of \$172,327.48 with \$69,958.37 being paid by the properties specifically benefited and with \$102,369.11 paid by the city-at-large is hereby confirmed.
2. Said special assessment roll is payable in ten (10) annual installments which shall be due and payable beginning on the July tax bill following the three (3) month written notice of project completion.
3. Interest shall be charged on the unpaid balance of said special assessment roll at the rate of three percent (3%), commencing three (3) months after notification that the project has been completed. There will be no interest if paid within three (3) months of the written notification from the City Treasurer.
4. The City Clerk is directed to attach the warrant to a certified copy of this resolution within ten (10) days after its adoption requesting the City Assessor to spread and the City Treasurer to collect the sums and amounts as directed by the Commission.
5. The City Clerk is directed to endorse the date of confirmation on the roll.
6. All resolutions and parts of resolutions conflicting with the provisions of this resolution are rescinded.

SPECIAL ASSESSMENT DISTRICT 2-22  
RESOLUTION NO. 5 B

WHEREAS, the City Commission held a public hearing on February 14, 2022 after due and legal notice and reviewed the special assessment roll to defray Special Assessment District No. 2-22, share of the cost of certain public expenditures, described as reconstruct the alley between Broadway and Michigan from University to 115.5 feet east of Franklin in the City Special Assessment District No. 2-22; and,

WHEREAS, after hearing all persons interested therein and after carefully reviewing the special assessment roll, the Commission deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon are in accordance with the benefits to be derived by each parcel of land assessed;

WHEREAS, the final cost of the project was \$172,327.48 which is \$40,327.48 higher than the original assessment roll;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said revised special assessment roll as prepared by the City Assessor, in the amount of \$172,327.48 with \$53,586.96 being paid by the properties specifically benefited and with \$118,740.52 paid by the city-at-large is hereby confirmed.
2. Said special assessment roll is payable in eight (8) annual installments which shall be due and payable beginning on the July tax bill following the three (3) month written notice of project completion.
3. Interest shall be charged on the unpaid balance of said special assessment roll at the rate of three percent (3%), commencing three (3) months after notification that the project has been completed. There will be no interest if paid within three (3) months of the written notification from the City Treasurer.
4. The City Clerk is directed to attach the warrant to a certified copy of this resolution within ten (10) days after its adoption requesting the City Assessor to spread and the City Treasurer to collect the sums and amounts as directed by the Commission.
5. The City Clerk is directed to endorse the date of confirmation on the roll.
6. All resolutions and parts of resolutions conflicting with the provisions of this resolution are rescinded.

## GUARANTY

This Guaranty (“**Guaranty**”) is made as of November [ ], 2022 (the “**Effective Date**”), by Valero Energy Corporation, a Delaware corporation whose common stock is publicly traded on the New York Stock Exchange under the ticker symbol: VLO (“**Guarantor**”), in favor of the City of Mount Pleasant, a municipal corporation, 320 W. Broadway, Mount Pleasant, Michigan 48858 (“**City of Mount Pleasant**”).

For value received and in consideration of the [Settlement Agreement for Corrective Action] that has been entered into by and between the City of Mount Pleasant and MRP Properties Company, LLC, a Michigan limited liability company and indirect subsidiary of Guarantor (“**MRP Properties**”) and dated November [ ], 2022, related to certain corrective action to be undertaken by MRP Properties at the former Total Roosevelt Refinery located in the City of Mount Pleasant, which MRP Properties contractually assumed on April 29, 2008 (the “**Settlement Agreement**”), Guarantor hereby agrees as follows:

1. Guaranty. Subject to the terms herein, Guarantor absolutely and unconditionally guarantees to the City of Mount Pleasant that if MRP Properties fails to perform or pay any obligation under the [Settlement Agreement for Corrective Action], Guarantor will cause such obligation to be performed and/or it guarantees the prompt payment when due of all amounts payable by MRP Properties under the [Settlement Agreement for Corrective Action] (as such [Settlement Agreement for Corrective Action] may be amended from time to time) (collectively, the “**MRP Obligations**”). This is a guarantee of payment and not of collection. If MRP Properties fails to pay any Obligation, Guarantor will pay such Obligation directly for the City of Mount Pleasant’s benefit promptly upon the City of Mount Pleasant’s demand in accordance with the provisions of this Guaranty.
2. Extent of Liability. Guarantor’s entire liability for the MRP Obligations is limited in the aggregate to **US\$900,000.00** increased annually by the Consumer Price Index over the term of the Settlement Agreement and this Guaranty (the “**Guaranty Cap**”). Guarantor agrees to pay reasonable attorneys’ fees, court costs and other expenses incurred by the City of Mount Pleasant to enforce its rights under this Guaranty. Notwithstanding anything to the contrary herein, Guarantor shall not be liable hereunder for special, consequential, exemplary, tort or other damages except to the extent the same comprise MRP Obligations.
3. Term. This is a continuing Guaranty and will remain in full force and effect until and will continue in full force and effect with regard to all MRP Obligations arising under the Settlement Agreement, and all extensions and renewals thereof entered into prior to the effective date of termination, until full performance and/or payment of such MRP Obligations.
4. Nature of Guaranty. Guarantor’s obligations with respect to any Obligation will not be affected by the existence, validity, enforceability, perfection or extent of any collateral for such MRP Obligations. Guarantor hereby reserves the right to assert defenses that MRP Properties may have under the Settlement Agreement to the payment of, or causing the performance of, any Obligation, other than defenses arising from the bankruptcy, insolvency, incapacity, dissolution or liquidation of MRP Properties. If any payment made to the City of Mount Pleasant for any Obligation and all or any part of such payment is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be paid over to a trustee, receiver or any other entity, whether under any bankruptcy act or otherwise, Guarantor agrees it will remain liable hereunder for such Obligation as if such payment had not been made.
5. Consents, Waivers and Renewals. Guarantor agrees that the City of Mount Pleasant and MRP Properties may mutually modify the Settlement Agreement, and Guarantor acknowledges that such modification will not impair or affect Guarantor’s obligation under this Guaranty. the City of Mount Pleasant may resort to Guarantor for payment of any of the MRP Obligations whether or not the City of Mount Pleasant has previously resorted to any collateral security or proceeded against any other obligor principally or secondarily obligated for any of the MRP Obligations. Except as provided under Section 6, Guarantor hereby waives notice of acceptance of this Guaranty and presentment, protest and notice of protest or dishonor of any evidences of indebtedness guaranteed hereunder.





6. Payment Demands. If the City of Mount Pleasant elects to exercise its rights under this Guaranty, the City of Mount Pleasant shall make a written demand on Guarantor (a "***Payment Demand***"). A Payment Demand shall: (a) identify the [Settlement Agreement for Corrective Action] under which the demand is being made and the related MRP Properties; (b) identify the amount of the demand and the related Obligation(s); and (c) contain a statement that the City of Mount Pleasant is making such demand upon Guarantor pursuant to this Guaranty.

7. Notices. All notices, waivers and other communications under this [Settlement Agreement for Corrective Action], including Payment Demands, must be in writing and will be deemed given to a party when: (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); or (b) received or rejected by the addressee, if sent by certified mail, return receipt requested; in each case to the following addresses and marked to the attention of the individual (by name or title) designated below (or to such other address or individual as a party may designate by notice to the other parties):

If to Guarantor:

c/o Valero Services, Inc.  
One Valero Way  
San Antonio, Texas 78249  
Attention: \_\_\_\_\_

If to the City of Mount Pleasant:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

8. Representations and Warranties. Guarantor hereby represents and warrants that: (a) it is a corporation duly organized, validly existing and in good standing under the laws of Delaware; (b) the execution, delivery and performance by Guarantor of this Guaranty have been duly authorized by all necessary corporate action; (c) the execution, delivery and performance by Guarantor of this Guaranty do not violate Guarantor's governing documents; and (d) this Guaranty constitutes the legal, valid and binding obligation of Guarantor, enforceable against it in accordance with its terms (except as enforceability may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance and other similar laws affecting enforcement of creditors' rights generally and (ii) principles of equity affecting the availability of specific performance and other equitable remedies).

9. Miscellaneous. This Guaranty may not be amended except by a written instrument executed by Guarantor and the City of Mount Pleasant. This Guaranty shall not be deemed to benefit any person except the City of Mount Pleasant and its successors and assigns. This Guaranty shall be governed by and construed in accordance with the laws of the State of Texas, excluding its principles of conflicts of laws.

Guarantor has executed and delivered this Guaranty as of the Effective Date.

**GUARANTOR:**

**VALERO ENERGY CORPORATION**

By: \_\_\_\_\_

Name: John P. Locke

Title: Vice President and Treasurer