

Minutes of the regular meeting of the City Commission held Monday, December 8, 2008, at 7:01 p.m., in the City Commission Room.

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

Commissioners Present: Mayor Joslin and Vice Mayor Holton; Commissioners Kilmer, Ling, McGuire (arrived at 7:12 p.m.), Palmer and Spycher

Others Present: City Manager Grinzinger, City Clerk Howard and City Attorney Smith

Proclamations and Presentations

Mayor Joslin presented a Neighborhood Mini Grant to Darlene Bassett representing Chase Run Kids Club.

Additions to Agenda

Item #13 - "Set Special Meeting" was added to the agenda.

Public Input on Agenda

Mike Kostrzewa, 1211 E. Chippewa St., spoke about the proposed spray park and that he thought it should be located in town center. Mr. Kostrzewa asked about 1.8 million dollar designated Economic Development Fund in the 2009 budget and wants it to be a Mt. Pleasant focus.

Received the following petitions and communications:

1. Wastewater Treatment Plant Activity Report (October)
2. Water Department Activity Report (November)
3. E-mail from Nancy English regarding walking and biking

Item #7 - "Consider loan to the Economic Development Corporation for the purchase of real property." was removed from the Consent Calendar.

Moved by Commissioner Kilmer and supported by Commissioner Ling to approve the following items on the Consent Calendar:

1. Minutes of the special meeting held November 20, 2008 and the regular meeting held November 24, 2008.
2. Bids for the 2009 Water Treatment Plant treatment (bulk) chemicals as follows:

Lime	Western Lime, Inc.	\$144.75/ton
Caustic	KA Steel Chemicals, Inc.	\$1185.04/ton
Liquid CO2	Continental Carbonic Products	\$79.00/ton
Ferric Chloride	PVS Technologies, Inc.	\$644.00/ton
Sodium Hypochlorite	KA Steel Chemical, Inc.	\$1.03/gallon
Anionic Polymer	Polydyne, Inc.	\$1.05/lb
Polyphosphate	Nalco Company	\$15.75/gallon
Sodium Fluoride	Alexander Chemical Corp.	\$0.875/lb
3. Bid from AIG for Stop Loss Insurance coverage for 2009. The rates will be \$16.77 per month for single coverage and \$41.71 per month for family coverage with a \$150,000 specific deductible.
4. Request from Karen Wilcox, LLC for new Specially Designated Merchant (SDM) license to be located at 104 North Main.
5. Extend listing agreement with Broadway Realty from its expiration date of December 31, 2008 to December 31, 2009 and authorize the Mayor and City Clerk to execute said agreement.
6. Direct the City Attorney to draft an extension to the land contract with Joe Olivieri for the purchase of lots in the Abbey subdivision and authorize the Mayor and Clerk to execute the contract.

7. Payrolls dated 11/26/08 and 12/05/08 check Nos. 3527-3649 and DD2982-DD3181 and warrants dated 11/26/08 and 12/04/08 check numbers 4409-4560, all totaling \$1,100,117.67.

AYES: Commissioners Holton, Joslin, Kilmer, Ling, Palmer and Spycher

NAYS: None

ABSENT: Commissioner McGuire

Motion carried.

Moved by Commissioner Ling and supported by Vice Mayor Holton to authorize payment to MC Smith for up to \$21,971 for changes in streetscape design.

AYES: Commissioners Kilmer, Ling, McGuire, Palmer and Spycher

NAYS: Commissioners Holton and Joslin

ABSENT: None

Motion carried.

Moved by Vice Mayor Holton and supported by Commissioner Kilmer to adopt the following resolution authorizing a loan to the EDC to facilitate the purchase of property located at 309 N. Main Street.

WHEREAS, the City of Mt. Pleasant (the "City") has established the Economic Development Corporation of the City of Mt. Pleasant (the "EDC") pursuant to Act 338, Public Acts of Michigan, 1974, as amended; and

WHEREAS, the EDC intends to acquire property located at 309 N. Main Street, Mt. Pleasant, Michigan (the "Property"); and

WHEREAS, owners of the Property have offered to sell the Property to the EDC for a purchase price of \$145,000 together with one-half of the closing costs associated with the sale of the Property (the "Purchase Price"); and

WHEREAS, the City Commission has determined to loan sufficient funds to the EDC to enable it to purchase the Property.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The City shall loan a sum equal to the Purchase Price to the EDC to be used by the EDC to purchase the Property.

Upon any sale of the Property by the EDC, the EDC shall repay the City the amount of funds that was originally transferred to the EDC by the City, without interest.

The EDC has approved the purchase of the property by Resolution adopted on November 12, 2008 (the "Resolution"). The provisions of the Resolution shall constitute a contract between the EDC and the City, and after the City provides the funds to purchase the Property, no change, variation or alteration of the provisions of the Resolution may be made which would alter the obligations of the EDC to the City, without the approval of the City. The provisions of the Resolution shall be enforceable by appropriate proceedings taken by the City either at law or in equity.

AYES: Commissioners Holton, Joslin, Kilmer, McGuire and Spycher

NAYS: Commissioners Ling and Palmer

ABSENT: None

Resolution adopted.

Moved by Vice Mayor Holton and supported by Commissioner McGuire to approve resolution adopting Option 2 of the 2009 Operating Budget as proposed by staff with the addition of \$200,000 spray park funding and reduced millage rate to 15.75 mills.

AYES: Commissioners Holton, Joslin and McGuire

NAYS: Commissioners Kilmer, Ling, Palmer and Spycher

ABSENT: None

Motion failed.

Moved by Commissioner McGuire and supported by Vice Mayor Holton to adopt the following resolution setting 2009 millage rate at 15.75 mills.

WHEREAS, it is expected that the appropriations and working capital uses require that the City of Mt. Pleasant raise amounts totaling \$28,456,160 to finance all municipal operations during the fiscal year, and

WHEREAS, all funds, except the General Fund, Capital Improvement Fund, Borden Debt, and the Solid Waste Fund will generate moneys sufficient for the appropriations and working capital uses,

NOW, THEREFORE, BE IT RESOLVED, that the following tax millages and levies be approved.

	Property Tax Levy	Other Sources	Millage
General Fund			
Operating	\$ 4,991,800	\$ 6,661,820	11.8280
Fire and Police Pension	294,200		1.0870
Total General Fund	<u>\$ 5,286,000</u>	<u>\$ 6,661,820</u>	<u>12.9150</u>
Capital Improvements	\$ 745,700	\$ 25,000	1.8500
Borden Building Bonds	214,500	87,000	0.5000
Solid Waste Fund - Recycling	195,400	361,300	0.4850
Total Other funds	<u>\$ 1,155,600</u>	<u>\$ 473,300</u>	<u>2.8350</u>
Total Millage			<u>15.7500</u>

AYES: Commissioners Holton, Joslin, McGuire and Palmer

NAYS: Commissioners Kilmer, Ling and Spycher

ABSENT: None

Resolution adopted.

Moved by Vice Mayor Holton and supported by Commissioner McGuire to approve the following resolution adopting the 2009 Operating Budget as proposed by staff with the addition of funding for a spray park.

WHEREAS, Article VII, Section 9, authorizes the City Commission to adopt by resolution the annual operating budget for the next fiscal year, and

WHEREAS, the following funds are created and amounts appropriated for each fund for the purpose of carrying out the various activities of the City of Mt. Pleasant during the year beginning January 1, 2009 and ending December 31, 2009;

NOW THEREFORE, BE IT RESOLVED, that the following revenue and expenditure appropriations be approved and the 2009 operating budget be approved:

	ESTIMATED (A)			Fund
	Fund Balance January 1	2009 Revenue	2009 Expenditures	Balance December 31
<u>GOVERNMENTAL FUNDS</u>				
<u>GENERAL FUND</u>				
Unreserved	\$564,113	\$11,303,920		
Legislative Division			805,660	
Finance Division			1,606,510	
Public Safety Division			5,802,620	
Community Services Division			2,373,520	

Public Works Division			710,700	
Total Unreserved	\$564,113	\$11,303,920	\$11,299,010	\$569,023
Reserved	952,946	503,900	503,400	953,446
Designated Fund Balance Policy	1,700,000	0	0	1,700,000
Designated for Econ Dev Initiatives	1,800,000	0	0	1,800,000
Designated for Future Projects	821,207	140,000	85,000	876,207
Total General Fund	\$5,838,266	\$11,947,820	\$11,887,410	\$5,898,676

SPECIAL REVENUE FUNDS

MAJOR STREET FUND

Unreserved	\$811,196	\$1,238,060	\$1,214,930	\$834,326
Reserved & Designated	15,399	0	0	15,399
Total Major Street Fund	826,595	1,238,060	1,214,930	849,725

LOCAL STREET FUND

Unreserved	456,567	944,620	1,001,130	400,057
Reserved & Designated	0	0	0	0
Total Local Street Fund	456,567	944,620	1,001,130	400,057

DOWNTOWN IMPROVEMENT & PARKING

FUND

Unreserved	61,609	187,450	199,300	49,759
Reserved & Designated	27,328	0	0	27,328
Total Downtown Fund	88,937	187,450	199,300	77,087

PARKS & RECREATION FUND

Unreserved	56,383	78,120	70,190	64,313
Reserved & Designated	382,460	578,590	741,010	220,040
Total Parks & Recreation Fund	438,843	656,710	811,200	284,353

BLOCK GRANT FUND

Unreserved	141,171	0	0	141,171
Reserved	320,550	38,630	0	359,180
Total Block Grant Fund	461,721	38,630	0	500,351

Economic Development Fund

	332,052	50,770	0	382,822
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Borden Building Redevelopment

	151,279	0	0	151,279
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Storm Drain Improvement Fund

	97,529	9,000	26,620	79,909
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Building Authority Fund

	7,070	317,160	316,410	7,820
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Cemetery Fund

	130,820	9,400	0	140,220
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CAPITAL IMPROVEMENTS FUND:

Reserved	0	0	0	0
Designated for Cap Improvements	545,000	0	345,000	200,000
Unreserved	477,866	770,700	731,000	517,566
Total Capital Improvements Fund	1,022,866	770,700	1,076,000	717,566

Total Governmental Funds

Appropriated Budget	\$9,852,545	\$16,170,320	\$16,533,000	\$9,489,865
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FURTHER, BE IT RESOLVED, that the following informational summaries be approved for the Debt Service Funds for the year beginning January 1, 2009 and ending December 31, 2009.

DEBT SERVICE FUNDS

Borden Building Debt	\$79,307	\$301,500	\$277,150	\$103,657
Special Assessment Debt Fund	253,161	29,500	5,570	277,091

Total Debt Service Funds

Informational Summaries	\$332,468	\$331,000	\$282,720	\$380,748
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FURTHER, BE IT RESOLVED, that the following appropriated budgets for the Fiduciary Funds be approved for the year beginning January 1, 2009 and ending December 31, 2009.

FIDUCIARY FUNDS**Component Units****MISSION STREET DDA FUND**

Reserved	\$105,040	\$100,670	\$105,040	\$100,670
Designated	370,000	80,000	0	450,000
Unreserved	50,635	252,030	255,230	47,435
Total Mission Street DDA Fund	525,675	432,700	360,270	598,105

TAX INCREMENT FIN AUTH FUND

Central Business District Reserved	48,541	0	0	48,541
Central Business District Desig	337,050	192,990	237,050	292,990
Central Business District Undesig	85,211	222,210	225,290	82,131
Ind Park North Designated	150,000	0	0	150,000
Ind Park North Undesignated	18,221	0	12,200	6,021
Univ Park Designated	182,000	75,000	182,000	75,000
Univ Park Undesignated	49,890	107,260	127,320	29,830
Total TIFA	870,913	597,460	783,860	684,513
Local Dev Finance Authority Fund	116,241	152,000	92,900	175,341

BROWNFIELD REDEVELOPMENT FUND

Brownfield Remediation Designated	75,800	38,000	0	113,800
Brownfield Undesignated	0	25,100	25,100	0
Total Brownfield	75,800	63,100	25,100	113,800
Economic Development Corporation	88,183	0	0	88,183

Total Fiduciary Funds

Appropriated Budget	\$1,676,812	\$1,245,260	\$1,262,130	\$1,659,942
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FURTHER, BE IT RESOLVED, that the following informational summaries be approved for the Proprietary Funds for the year beginning January 1, 2009 and ending December 31, 2009.

ESTIMATED (A)

<u>Working Capital</u>	<u>Sources of Working Capital</u>	<u>Uses of Working Capital</u>	<u>Working Capital</u>
<u>January 1</u>	<u>Capital</u>	<u>Capital</u>	<u>December 31</u>

PROPRIETARY FUNDS**Enterprise Funds**

Project 2000 Fund	\$330,110	\$0	\$0	\$330,110
Airport Fund				
Reserved	26,000	0	8,000	18,000
Unreserved	112,800	875,710	874,710	113,800
Sewer Fund				
Reserved	1,770,385	360,000	433,600	1,696,785
Unreserved	457,511	2,381,000	2,283,190	555,321
Water Fund				
Reserved	1,479,526	305,000	200,000	1,584,526
Unreserved	499,141	2,600,860	2,803,180	296,821
Solid Waste Fund				
Reserved	225,710	32,300	32,500	225,510
Designated	38,000	0	0	38,000
Unreserved	497,048	524,400	565,670	455,778
Internal Service Funds				
Central Stores Fund	178,680	78,300	50,970	206,010
Motor Pool Fund				
Reserved	130,430	28,000	15,000	143,430

Unreserved	1,025,724	700,120	791,490	934,354
Self Insurance Fund Reserved	1,717,211	2,140,000	2,320,000	1,537,211
Total Proprietary Funds				
Informational Summaries	\$8,488,276	\$10,025,690	\$10,378,310	\$8,135,656

(A) Estimated January 1 Fund Balances and Working Capital are as of August, 2008 projections.

AYES: Commissioners Holton, Joslin, McGuire and Spycher
 NAYS: Commissioners Kilmer, Ling and Palmer
 ABSENT: None
 Resolution adopted.

Moved by Commissioner Ling and supported by Commissioner Kilmer to set a special meeting of the City Commission for Monday, December 22, 2008 at 6:30 p.m. in the Commission Chambers at Mt. Pleasant City Hall, 320 W. Broadway Street, Mt. Pleasant, Michigan for the purpose of conducting a joint introductory meeting with Union Township Board of Trustees.

Announcements on City-Related Issues and Concerns

Commissioner McGuire is concerned about the sidewalk stairs at the east end of the Borden Building being closed. He would like to see the stairs salted and clear for use.

Commissioner Ling agrees with Commissioner McGuire on the sidewalk stairs and would like some follow-up on the issue. She also voiced her appreciation for the staff's bringing in Dan Burden for the walkability study. Commissioner Ling announced that MDOT is holding a public meeting about Mission Street on Wednesday, December 10th from 2-4 and 6-8 p.m. She congratulated Commissioner Kilmer and other performers on their performance at the Broadway Theatre during Dickens Christmas. League of Women's Voters Christmas party will be held December 11th at 6:30 p.m. at the Isabella County Building.

Mayor Joslin would also like follow-up on sidewalk stairs. He thanked City staff for the open house and congratulated everyone involved with Dickens Christmas. Mayor Joslin expressed potential concerns with sidewalk assessments for 2009 and asked for further discussion on the policy.

The commission recessed at 8:03 p.m. and reconvened at 8:10.

Work Session - Taxi Cab Licensing

City Manager Grinzinger gave brief introduction.

Treasurer/Deputy City Clerk Mary Ann Kornexl explained draft ordinance on taxicabs and any changes.

Discussion ensued. The staff will revise the draft ordinance and bring it back for introduction and public hearing after meeting with the current taxicab companies.

Moved by Vice Mayor Holton and supported by Commissioner Kilmer that the meeting adjourn at 8:52 p.m. Motion unanimously adopted.

Jon Joslin, Mayor

Jeremy Howard, City Clerk