

Minutes of the regular meeting of the City Commission held Monday, December 12, 2011, at 7:00 p.m., in the City Commission Room.

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

Commissioners Present: Mayor Kilmer and Vice Mayor Ling; Commissioners English, Holton, Joslin, Robinette and Tilmann

Commissioners Absent: None

Others Present: City Manager Grinzinger, City Clerk Howard and City Attorney Ken Lane

### Proclamations and Presentations

Dan Mullen from the Michigan Department of Natural Resources presented the City of Mt. Pleasant with a \$30,000 Recreation Passport Grant.

### Additions to Agenda

Item #18 "Consider a resolution supporting a grant application to the Michigan Department of Environmental Quality/Department of Natural Resources." was added to the agenda.

Received the following petitions and communications:

1. Mt. Pleasant Zoning Board of Appeals Minutes (October)
2. Mt. Pleasant Downtown Development Board Minutes (October)
3. Mt. Pleasant Downtown Development Board Minutes (November)

Moved by Commissioner Holton and supported by Commissioner English to approve the following items on the Consent Calendar:

1. Minutes of the regular meeting of the City Commission held November 28, 2011.
2. Minutes of the closed session of the City Commission held November 28, 2011.
3. Bids for 2012 Water Treatment Plant treatment (bulk) chemicals as follows:

Lime	Western Lime, Inc.	\$142.00/ton
Caustic:	JCI Jones Chemicals, Inc.	\$625.00/ton*
Liquid CO2	Continental Carbonic Products	\$ 70.00/ton
Ferric Chloride:	Kemira Water Solutions	\$520.29/ton
Sodium Hypochlorite:	JCI Jones Chemicals, Inc.	\$ 0.790/gallon
Anionic Polymer	Polydyne, Inc.	\$ 0.89/lb
Polyphosphate	Elhorn Engineering Co.	\$ 7.00/gallon
Sodium Fluoride	Univar USA, Inc.	\$ 0.72/lb

\*Caustic bid is for a six month period.

4. a. Contract with C & R Electric of Shepherd, Michigan in the amount of \$138,591.75 to retrofit 157 of the City's decorative street lights under the requirements of the *Advanced Lighting Technology Demonstration/Energy Efficiency & Conservation Block Grant* received on the project.  
b. Contract with C & R Electric of Shepherd, Michigan, in an amount not to exceed \$36,000 to complete the thirteen remaining fixtures in *priority area 1* and the decorative street lighting located in *priority area 2* to be funded under the 2012 Capital Improvement Plan allocation.
5. Contract with Jack Doheny Companies of Northville, Michigan in an amount not to exceed \$353,927.25 for the purchase of a 2011 Combination Sewer Truck.
6. Contract with our current carrier, Chartis, for health insurance stop loss coverage at the rates of \$23.74 per month for single coverage and \$64.46 per month for family coverage with a \$150,000 deductible.
7. Agreement between Central Michigan University and the City of Mt. Pleasant Fire Department in which the City will provide confined space technical assistance to the University and authorize the Mayor and City Clerk to execute the document. The only change in the current contract is in

the continuation clause which allows the contract to remain in effect until terminated. The contract will allow amendments for issues such as a change in pricing.

8. Cancel regularly scheduled City Commission meeting of December 19, 2011.
9. Authorize Finance Director Nancy Ridley to approve the issuance of payrolls and warrants through January 4, 2012.
10. Payrolls dated 12/2/11 and 12/09/11 and warrants dated 11/30/11 and 12/08/11 all totaling \$906,952.28

Motion unanimously adopted.

Moved by Vice Mayor Ling and supported by Commissioner Tilmann to adopt the following Resolution to accept funds from Michigan Department of Natural Resources for the Recreation Passport Grant and authorize City staff to execute necessary documents.

RESOLVED, that the City of Mt. Pleasant, Michigan, does hereby accept the terms of the Agreement as received from the Michigan Department of Natural Resources, hereinafter referred to as DEPARTMENT, and that the City of Mt. Pleasant, Michigan, does hereby specifically agree, but not by way of limitation, as follows:

1. To appropriate all funds necessary to complete the project during the project period and to provide at least fifty-nine percent (59%) or Forty-four Thousand and 00/100 Dollars (\$44,000.00) to match the grant authorized by the DEPARTMENT.
2. To maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times.
3. To construct the project and provide such funds, services, and materials as may be necessary to satisfy the terms of said Agreement.
4. To regulate the use of the facility constructed and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms.
5. To comply with any and all terms of said Agreement, including all terms not specifically set forth in the foregoing portions of this Resolution.

Resolution unanimously adopted.

Moved by Commissioner English and supported by Commissioner Tilmann to approve an agreement with Clark Hill, PLC to provide labor and employment law services through December 31, 2012 at the rate of \$180.00 per hour and authorize the Mayor and City Clerk to execute the document. Motion unanimously adopted.

Moved by Commissioner English and supported by Commissioner Robinette to approve the addition of two seats to the Principal Shopping District Board with the requirement that nominees for the board have an ownership or management interest in the District. Said appointments would serve a four year term as set by Resolution of the City Commission. Motion unanimously adopted.

The following resolution for Final Amended 2011 Budget was offered by Vice Mayor Ling and supported by Commissioner Holton.

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

WHEREAS, the 2011 operating budget was originally adopted by resolution on December 13, 2010 and amended on September 12, 2011

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

NOW THEREFORE, BE IT RESOLVED, that the following revenue and expenditure appropriations be approved and the 2011 operating budget be amended, effective immediately

	Fund Balance <u>January 1</u>	2011 <u>Revenue</u>	2011 <u>Expenditures</u>	Fund Balance <u>December 31</u>
<b><u>GOVERNMENTAL FUNDS</u></b>				
<b>GENERAL FUND</b>				
Unassigned	\$765,996	\$10,189,410		
Legislative Division			519,070	
Finance Division			1,495,480	
Public Safety Division			6,438,730	
Community Services Division			1,590,520	
Public Works Division			579,970	
Total Unassigned	\$765,996	\$10,189,410	\$10,623,770	\$331,636
Assigned for Next Year's Budget	93,680	344,960	0	438,640
Assigned for Economic Development	1,097,200	300,000	0	1,397,200
Assigned for "Rainy Day"	1,700,000	0	0	1,700,000
Assigned for Projects/Programs	996,842	132,500	124,260	1,005,082
Restricted	355,095	203,700	379,980	178,815
Non-spendable	387,100	0	0	387,100
Total General Fund	\$5,395,913	\$11,170,570	\$11,128,010	\$5,438,473
<b>SPECIAL REVENUE FUNDS</b>				
<b>MAJOR STREET FUND</b>				
Restricted	\$829,613	\$1,240,910	\$1,442,540	\$627,983
Restricted for Donation	15,399	0	0	15,399
Total Major Street Fund	845,012	1,240,910	1,442,540	643,382
<b>LOCAL STREET FUND</b>				
Restricted	681,542	798,420	839,640	640,322
Restricted for Donation	10,000	50,000	10,000	50,000
Total Local Street Fund	691,542	848,420	849,640	690,322
SPECIAL ASSESSMENT COMMITTED	342,699	19,480	0	362,179
<b>DOWNTOWN IMPROVEMENT &amp; PARKING FUND</b>				
Restricted for Donation	0	20,000	0	20,000
Committed	67,535	179,380	197,020	49,895
Assigned	1,153	0	0	1,153
Total Downtown Fund	68,688	199,380	197,020	71,048
<b>PARKS &amp; RECREATION FUND</b>				
Non-spendable	1,050	0	0	1,050
Restricted	371,282	337,720	422,830	286,172
Assigned for PEAK	74,872	282,000	122,830	234,042
Assigned for Projects	50,031	5,000		55,031
Assigned for Recreation	140,983	423,490	435,250	129,223
Total Parks & Recreation Fund	638,218	1,048,210	980,910	705,518
<b>BLOCK GRANT FUND</b>				
Assigned for Owner Occupied - Hsg.	86,629	0	66,760	19,869
Assigned	541,961	30,810	0	572,771
Total Block Grant Fund	628,590	30,810	66,760	592,640
<b>Economic Development Rev Loan Fund</b>				
Restricted	350,192	28,350	9,100	369,442
Building Authority Fund Restricted	6,251	303,900	304,000	6,151
Cemetery Fund Committed	149,892	6,300	0	156,192
<b>Total Governmental Funds</b>				
<b>Appropriated Budget</b>	<b>\$9,116,997</b>	<b>\$14,896,330</b>	<b>\$14,977,980</b>	<b>\$9,035,347</b>

FURTHER, BE IT RESOLVED, that the following informational summaries be approved for the Capital Project, Debt Service, Component Units, and Proprietary Funds for the year beginning January 1, 2011 and ending December 31, 2011

	Fund Balance <u>January 1</u>	2011 <u>Revenue</u>	2011 <u>Expenditures</u>	Fund Balance <u>December 31</u>
<b>CAPITAL PROJECT FUNDS</b>				
Borden Building Redevelopment Assigned	\$285,217	\$90,200	\$238,000	\$137,417
<b>CAPITAL IMPROVEMENT FUND</b>				
Committed for Projects	218,400	12,890	111,290	120,000
Committed	264,788	590,110	296,600	558,298
Total Capital Improvement Fund	483,188	603,000	407,890	678,298
<b>DEBT SERVICE FUNDS</b>				
Borden Building Debt Restricted	16,822	365,470	349,350	32,942
<b>Capital Project and Debt Service Funds Informational Summaries</b>				
	<b>\$785,227</b>	<b>\$1,058,670</b>	<b>\$995,240</b>	<b>\$848,657</b>
	Working Capital <u>January 1</u>	Sources of Working Capital <u>Capital</u>	Uses of Working Capital <u>Capital</u>	Working Capital <u>December 31</u>
<b>Component Units</b>				
<b>MISSION STREET DDA FUND</b>				
Assigned	\$825,000	\$0	\$356,320	\$468,680
Unassigned	109,162	491,760	587,900	13,022
Total Mission Street DDA Fund	934,162	491,760	944,220	481,702
<b>TAX INCREMENT FIN AUTH FUND</b>				
Central Business District Restricted	42,437	0	0	42,437
Central Business District Assigned	179,000	164,680	0	343,680
Central Business District Unassigned	121,480	331,920	414,320	39,080
Ind Park North Assigned	150,000	0	10,000	140,000
Ind Park North Unassigned	9,150	1,600	3,570	7,180
Univ Park Assigned	130,000	0	0	130,000
Univ Park Unassigned	15,589	118,600	122,700	11,489
Total TIFA	647,656	616,800	550,590	713,866
<b>LOCAL DEVELOPMENT FIN AUTHORITY</b>				
Assigned	84,664	43,820	0	128,484
Unassigned	92,405	250,780	290,920	52,265
Total LDFA	177,069	294,600	290,920	180,749
<b>BROWNFIELD REDEVELOPMENT FUND</b>				
Assigned for Remediation	58,110	58,970	86,720	30,360
Assigned for Incentives	54,300	1,100	0	55,400
Assigned for Developers	48,247	66,830	114,280	797
Total Brownfield	160,657	126,900	201,000	86,557
<b>ECONOMIC DEVELOPMENT CORPORATION</b>				
Assigned Parking Lot	0	1,500	0	1,500
Unassigned	168,259	4,200	153,500	18,959
Total EDC	168,259	5,700	153,500	20,459
<b>Total Component Unit Funds Informational Summaries</b>				
	<b>\$2,087,803</b>	<b>\$1,535,760</b>	<b>\$2,140,230</b>	<b>\$1,483,333</b>

	Working Capital <u>January 1</u>	Sources of Working Capital <u>Capital</u>	Uses of Working Capital <u>Capital</u>	Working Capital <u>December 31</u>
<b><u>PROPRIETARY FUNDS</u></b>				
<b>Enterprise Funds</b>				
Land Development	\$472,111	\$18,010	\$247,000	\$243,121
Airport Fund				
Restricted	110,570	10,730	27,100	94,200
Unassigned	144,553	591,980	648,400	88,133
Sewer Fund				
Committed	137,943	445,300	349,380	233,863
Assigned	1,245,074	90,000	360,000	975,074
Unassigned	1,031,899	2,000,800	1,995,980	1,036,719
Water Fund				
Restricted	596,700	0	0	596,700
Assigned	1,190,959	291,600	246,210	1,236,349
Unassigned	404,531	2,489,050	2,370,860	522,721
Solid Waste Fund				
Restricted	297,346	0	0	297,346
Assigned	38,000	0	0	38,000
Unassigned	650,642	480,300	507,020	623,922
<b>Internal Service Funds</b>				
Central Stores Fund	168,671	79,410	55,910	192,171
Motor Pool Fund				
Assigned	570,392	0	83,000	487,392
Unassigned	819,627	587,200	622,420	784,407
Self Insurance Fund	1,929,178	2,082,100	2,455,000	1,556,278
<b>Total Proprietary Funds</b>				
<b>Informational Summaries</b>	<b><u>\$9,808,196</u></b>	<b><u>\$9,166,480</u></b>	<b><u>\$9,968,280</u></b>	<b><u>\$9,006,396</u></b>

Resolution unanimously adopted.

The following resolution to approve the proposed 2012 Operating Budget was offered by Commissioner English and supported by Commissioner Tilmann.

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

WHEREAS, Article VII, Section 9, provides that the necessary tax upon real and personal property shall be provided for in the same resolution, 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, 2012 and ending December 31, 2012;

NOW THEREFORE, BE IT RESOLVED, that the following revenue and expenditure appropriations be approved and the 2012 operating budget be approved:

	ESTIMATED (A)			
	Fund Balance <u>January 1</u>	2012 <u>Revenue</u>	2012 <u>Expenditures</u>	Fund Balance <u>December 31</u>
<b><u>GOVERNMENTAL FUNDS</u></b>				
<b>GENERAL FUND</b>				
Unassigned	\$170,786	\$10,050,090		
Legislative Division			622,360	
Finance Division			1,588,920	

Public Safety Division			5,900,240	
Community Services Division			1,750,740	
Public Works Division			626,470	
Amount from Fund Balance			(438,640)	
Total Unassigned	\$170,786	\$10,050,090	\$10,050,090	\$170,786
Assigned for Next Year's Budget	438,640	0	438,640	0
Assigned for Economic Development	1,397,200	0	173,000	1,224,200
Assigned for Rainy Day	1,700,000	0	0	1,700,000
Assigned for Projects/Programs Restricted	960,033	60,000	30,000	990,033
Non-spendable	309,894	242,700	245,900	306,694
	387,100	0	0	387,100
Total General Fund	\$5,363,653	\$10,352,790	\$10,937,630	\$4,778,813
<b>SPECIAL REVENUE FUNDS</b>				
<b>MAJOR STREET FUND</b>				
Restricted	\$558,023	\$1,743,220	\$1,625,760	\$675,483
Restricted for Donation	15,399	0	0	15,399
Total Major Street Fund	573,422	1,743,220	1,625,760	690,882
<b>LOCAL STREET FUND</b>				
Restricted	661,312	927,890	888,160	701,042
Restricted for Donation	0	0	0	0
Total Local Street Fund	661,312	927,890	888,160	701,042
<b>SPECIAL ASSESSMENT COMMITTED</b>				
	362,179	18,110	0	380,289
<b>DOWNTOWN IMPROVEMENT &amp; PARKING FUND</b>				
Committed	18,765	228,950	237,720	9,995
Assigned	1,153	0	0	1,153
Total Downtown Fund	19,918	228,950	237,720	11,148
<b>PARKS &amp; RECREATION FUND</b>				
Non-spendable	1,050	0	0	1,050
Restricted	250,862	302,000	430,100	122,762
Assigned for PEAK	236,452	280,000	130,090	386,362
Assigned for Projects	50,031	0	0	50,031
Assigned for Recreation	99,763	392,610	370,610	121,763
Total Parks & Recreation Fund	638,158	974,610	930,800	681,968
<b>BLOCK GRANT FUND</b>				
Assigned for Owner Occupied - Hsg.	99,649	7,300	76,131	30,818
Assigned	492,181	21,900	19,869	494,212
Total Block Grant Fund	591,830	29,200	96,000	525,030
<b>Economic Development Rev Loan Fund</b>				
Restricted	370,542	29,120	0	399,662
Building Authority Fund	6,601	306,280	306,230	6,651
Cemetery Fund	156,192	6,300	0	162,492
<b>Total Governmental Funds</b>				
<b>Appropriated Budget</b>	<b>\$8,743,807</b>	<b>\$14,616,470</b>	<b>\$15,022,300</b>	<b>\$8,337,977</b>

FURTHER, BE IT RESOLVED, that the following informational summaries be approved for the Capital Project, Debt Service, Component Units, and Proprietary Funds for the year beginning January 1, 2012 and ending December 31, 2012

	ESTIMATED (A)			
	Fund			Fund
	Balance	2012	2012	Balance
	<u>January 1</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>December 31</u>
<b>CAPITAL PROJECT FUNDS</b>				
Borden Building Redevelopment	\$237,217	\$2,000	\$0	\$239,217
<b>CAPITAL IMPROVEMENT FUND</b>				
Committed for Specific Projects	100,000	250,000	0	350,000
Committed	523,488	359,000	599,600	282,888
Total Capital Improvement Fund	623,488	609,000	599,600	632,888
<b>DEBT SERVICE FUNDS</b>				
Borden Building Debt Restricted	19,472	354,000	360,950	12,522
<b>Capital Project and Debt Service Funds</b>				
<b>Informational Summaries</b>	<b>\$880,177</b>	<b>\$965,000</b>	<b>\$960,550</b>	<b>\$884,627</b>

	ESTIMATED (A)			
	Working	Sources of	Uses of	Working
	Capital	Working	Working	Capital
	<u>January 1</u>	<u>Capital</u>	<u>Capital</u>	<u>December 31</u>
<b>Component Units</b>				
<b>MISSION STREET DDA FUND</b>				
Assigned	\$468,680	\$0	\$193,680	\$275,000
Unassigned	13,022	242,000	204,900	50,122
Total Mission Street DDA Fund	481,702	242,000	398,580	325,122
<b>TAX INCREMENT FIN AUTH FUND</b>				
Central Business District				
Restricted	42,437	0	0	42,437
Central Business District Assigned	343,680	0	343,680	0
Central Business District				
Unassigned	39,080	221,100	195,200	64,980
Ind Park North Assigned	140,000	0	10,000	130,000
Ind Park North Unassigned	7,180	1,600	3,570	5,210
Univ Park Assigned	130,000	33,580		163,580
Univ Park Unassigned	11,489	79,170	87,700	2,959
Total TIFA	713,866	335,450	640,150	409,166
<b>LOCAL DEVELOPMENT FIN AUTHORITY</b>				
Assigned	128,484	13,170	33,200	108,454
Unassigned	52,265	238,890	257,300	33,855
Total LDFA	180,749	252,060	290,500	142,309
<b>BROWNFIELD REDEVELOPMENT FUND</b>				
Assigned for Remediation	59,520	7,850	0	67,370
Assigned for Incentives	55,490	1,200	0	56,690
Assigned for Developers	46,887	130,950	128,750	49,087
Total Brownfield	161,897	140,000	128,750	173,147
<b>ECONOMIC DEVELOPMENT CORPORATION</b>				
Assigned Parking Lot	1,500	1,500	0	3,000
Unassigned	18,959	4,600	4,500	19,059
Total EDC	20,459	6,100	4,500	22,059
<b>Total Component Unit Funds</b>				
<b>Informational Summaries</b>	<b>\$1,558,673</b>	<b>\$975,610</b>	<b>\$1,462,480</b>	<b>\$1,071,803</b>

	ESTIMATED (A)			
	Working Capital <u>January 1</u>	Sources of Working Capital <u>Capital</u>	Uses of Working Capital <u>Capital</u>	Working Capital <u>December 31</u>
<b><u>PROPRIETARY FUNDS</u></b>				
<b>Enterprise Funds</b>				
Land Development	\$285,761	\$26,400	\$102,000	\$210,161
Airport Fund				
Restricted	83,470	0	8,000	75,470
Unassigned	120,623	728,390	743,280	105,733
Sewer Fund				
Committed	233,864	245,300	451,810	27,354
Assigned	975,074	90,000	169,000	896,074
Unassigned	981,679	1,962,500	2,027,780	916,399
Water Fund				
Restricted	596,700	0	0	596,700
Assigned	1,304,989	274,500	417,200	1,162,289
Unassigned	347,231	2,284,020	2,352,890	278,361
Solid Waste Fund				
Assigned	297,346	0	0	297,346
Restricted	38,000	0	0	38,000
Unassigned	628,192	497,120	526,730	598,582
<b>Internal Service Funds</b>				
Central Stores Fund	160,901	80,240	88,010	153,131
Motor Pool Fund				
Assigned	194,792	0	165,000	29,792
Unassigned	651,447	634,620	541,120	744,947
Self Insurance Fund	1,685,078	2,165,100	2,303,600	1,546,578
<b>Total Proprietary Funds</b>				
<b>Informational Summaries</b>	<b>\$8,585,147</b>	<b>\$8,988,190</b>	<b>\$9,896,420</b>	<b>\$7,676,917</b>

WHEREAS, it is expected that the appropriations and working capital uses require that the City of Mt. Pleasant raise amounts totaling \$27,341,750 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, but the Commission reserves the right to review the rates in Spring, 2012 and consider adjustments

	Property Tax Levy	Other Sources	Millage
General Fund			
Operating	\$4,886,640	\$4,954,790	12.195
Fire and Police Pension	511,360	-	1.270
Total General Fund	<u>\$5,398,000</u>	<u>\$ 4,954,790</u>	<u>13.465</u>
Capital Improvements	\$ 603,000	6,000	1.500
Borden Building Bonds	214,000	140,000	0.500
Solid Waste Fund - Recycling	114,700	382,420	0.285
Total Other funds	<u>\$ 931,700</u>	<u>\$ 528,420</u>	<u>2.285</u>

Total Millage

15.750

(A) Projections as of August, 2011

Resolution unanimously adopted.

Moved by Commissioner Tilmann and supported by Commissioner English to approve a resolution supporting a grant application to the Michigan Department of Environmental Quality/Department of Natural Resources in the amount of \$160,000. Resolution unanimously adopted. (See City Commission Exhibit 5-2011.)

Announcements on City-Related Issues and Concerns

Commissioner Tilmann announced the Isabella County Council of Governments will be meeting Wednesday, December 21, 2011 at 7:00 p.m. at the Isabella Township Hall in Rosebush.

Vice Mayor Ling wanted to get clarification and let the public know the status of YSU funds as they have not been fully funded by Tribal 2% grants. City Manager Grinzinger said options and alternatives are being looked at and will be brought to the Commission after the first of the year.

Mayor Kilmer wished everyone Happy Holidays.

Mayor Kilmer adjourned the meeting at 7:25 p.m. without objection.

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Bruce Kilmer, Mayor

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Jeremy Howard, City Clerk