

The regular meeting of the Clare City Commission was called to order at 6:00 p.m. via remote audio and visual (Zoom) public meeting attendance as authorized under the Open Meetings Act, by Mayor Pat Humphrey who led with the Pledge of Allegiance. Present were: Commissioners Bob Bonham, Pat Humphrey, Maegan Jenkins, Nick Loomis, and Carolyn (Gus) Murphy. Absent: None. Also, present: Jeremy Howard, City Manager; Joy Simmer, Recreation Director; Steve Kingsbury, City Treasurer, and Diane Lyon, City Clerk.

Rules for Public Comment during the conduct of remote electronic meetings were read to the audience by the City Clerk

2. CONSENT AGENDA:

Moved by Commissioner Bonham second by Commissioner Loomis to approve the items listed with an asterisk (*) (Agenda, Minutes, Communications, Department Reports, Professional Development, and Bills) that are considered to be routine by the City Commission. Roll call vote: Yeas: Commissioners Bob Bonham, Maegan Jenkins, Pat Humphrey, Nick Loomis, and Carolyn (Gus) Murphy. Nays: None. Absent: None. Motion Carried.

3. *APPROVAL OF MINUTES:

Approved by Consent Agenda.

4. *APPROVAL OF AGENDA:

Approved by Consent Agenda.

5. PUBLIC COMMENT: None.

6. UNFINISHED BUSINESS: None.

7. NEW BUSINESS:

A. INDUSTRIAL FACILITIES TAX EXEMPTION-COUNTY WIDE SEPTIC, LLC

County Wide Septic, LLC. has filed an application with the City of Clare for issuance of a twelve (12) year Industrial Facilities Exemption Certificate for abatement of real and personal property taxes for cost of machinery and equipment in the amount of \$197,495.00 and real property improvements equaling \$716,921.00.

The City Commission is asked to formally consider the tax abatement request of County Wide Septic, LLC. In doing so, the Commission is required to hold a public hearing to receive public comment related to the requests. Upon conclusion of the public hearing, the Commission should deliberate the merits of the application and, if deemed appropriate by the Commission, act on the application by adoption of the separate Resolutions: one for the Exemption Certificate and one for the related, requisite Agreement between the City of Clare and County Wide Septic, LLC.

Supporting documentation (application, equipment list, lease agreement, etc.) for the application is attached. The requisite notice for the public hearings has been accomplished, and property owners and taxing units have been notified of the request. To date two of the taxing jurisdictions submitted their statement of no objection.

Motion by Commissioner Bonham second by Commissioner Murphy to open a public hearing. Roll call vote: Yeas: Commissioners Bob Bonham, Maegan Jenkins, Pat Humphrey, Nick Loomis, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

Public Comment: None.

Motion by Commissioner Murphy second by Commissioner Jenkins to open a public hearing. Roll call vote: Yeas: Commissioners Bob Bonham, Maegan Jenkins, Pat Humphrey, Nick Loomis, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

Motion by Commissioner Bonham second by Commissioner Murphy to approve the IFT Application by adoption of Resolution 2021-007.

Motion amended by Commissioner Bonham Second by Commissioner Murphy to approve the IFT Application and IFT Agreement by adoption of Resolutions 2021-007 & 2021-008. Roll call vote: Yeas: Commissioners Bob Bonham, Maegan Jenkins, Pat Humphrey, Nick Loomis, and Carolyn (Gus) Murphy. Nays: None. Absent: None. Motion Carried.

B. SEWER/WATER BUY IN FEES-TOBACCO RANCH

At the end of last year, Mr. Jim Paetschow addressed the City Commission with concerns regarding the amount that he was charged for the City's Sewer and Water Buy-In Fees at the Tobacco Ranch. He shared concerns that the fees he was billed for did not fit the type of business at the Ranch and were calculated to be higher than they should be (\$9,000 for Sewer and \$9,000 for water). Due to the timing of the discussion, Mr. Paetschow did pay the \$18,000 bill at the end of last year to avoid additional charges and the placement of the invoice as on the roll for single lot assessment.

After that payment, Mr. Paetschow did reach out to the city for further explanation on the details of the way the fees were produced as well as a history of other citizens and businesses who had been charged buy-in fees. Finance Director Steve Kingsbury was able to prepare a history of the water and sewer system buy-in fees from July 1, 2005 through to current. This includes three properties where buy-in fees were not assessed for various reasons. Also provided to Mr. Paetschow was the City of Clare's current buy-in fee schedule (created in 2005) and most recently amended on July 20, 2015 by the City Commission.

After extensive discussion amongst staff, it has become clear that the Tobacco Ranch venue indeed did not and still does not fit into any existing category identified in the current fee schedule. At the time the invoice was created, a good faith effort was made to try and adjust the rate using another category. This is how the \$18,000 fee calculation was derived.

When looking at the historical document prepared by the Treasurer, it does appear that the \$18,000 fee is higher than other comparable use businesses. With this new information it is the staff's and my recommendation that we reduce the fees to \$4,500 for water and \$4,500 for sewer. This would take the total amount from \$18,000 to \$9,000. We believe this amount is much more in line with the type of venue and use being conducted at the Tobacco Ranch. It also puts the ranch in line with most of the other non-residential invoices that have been billed over the past 15 years.

In speaking with Finance Director Kingsbury, we can easily refund \$9,000 of the \$18,000 paid by Mr. Paetschow since the refund will not have any direct effect on the city's current finances as there was no financial outlay for the \$18,000 invoice. As a side note, Mr. Paetschow paid additional invoices in the amount of \$11,101.75 predominately for the required directional drilling completed by Isabella Corporation as well as for DPW time and materials on the project.

NOTE: This recommendation does not imply that other past fees were calculated and invoiced incorrectly. We believe that this instance with the Tobacco Ranch buy-in fees is an isolated and outlying issue. I have already begun discussion with staff at Water/Wastewater, DPW, and Finance to determine how this issue can be avoided in the future. I believe that the buy-in fees policy should be looked at as a whole and revised to make sure that it is easy for staff to calculate fees and that those fees are fair and equitable to both the city and the business or resident requesting the hookup services.

Motion by Commissioner Murphy second by Commissioner Loomis to approve the partial refund of water/sewer hook-up fees by adoption of Resolution 2021-009. Roll call vote: Yeas: Commissioners Bob Bonham, Maegan Jenkins, Pat Humphrey, Nick Loomis, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

Mayor Humphrey recommended that fee notices be mailed to the resident or business via certified mail in the future.

C. RECREATION PASSPORT GRANT-ACCEPTANCE OF AGREEMENT

Last year the Clare Parks & Recreation Advisory Board recommended the submittal of a Michigan Department of Natural Resources Passport Grant in the amount of \$30,000 to purchase a Poured in Place Safety Surface for a new playground to be constructed at the Emerald Isle Recreation Complex. The City Commission subsequently approved the submittal of the grant application and adopted the required resolution for inclusion with the application in March of 2020.

The City Commission is now being asked to approve the requisite agreement for the allocation of grant funds to the City of Clare for a pour & play surface for Emerald Isle Recreation Complex playground.

The Hammerberg Fund is providing the local match requirement of \$10,000 for this grant.

Motion by Commissioner Loomis second by Commissioner Murphy to approve the MDNR Passport Grant Agreement by adoption of Resolution 2021-010. Roll call vote: Yeas: Commissioners Bob Bonham, Maegan Jenkins, Pat Humphrey, Nick Loomis, and Carolyn (Gus) Murphy. Nays: None. Absent: None. Motion Carried.

D. LOCAL STREET FUNDS DEFICIT ELIMINATION PLAN

During the City Commission's March 16, 2020 meeting, approval was given to resurface four sections of City streets from existing funds available in the City's Major and Local Street Funds. That approval was just before our state went into a stay-at-home order in response to the COVID-19 pandemic. Shortly after the start of the pandemic a decision was made by the State to allow infrastructure projects such as the City's road resurfacing project to continue. However, the pandemic and a cooler than desired spring season resulted in a delay in the springtime completion of these road resurfacings by our selected contractor. In June 2020 the four sections of roads were resurfaced as planned, however, there were cost overruns incurred which were not anticipated or budgeted for and as a result, when we received the contractor's invoice in July 2020 (after the close of the City's fiscal year), there were insufficient funds within the Local Street Fund to absorb the costs.

State Law requires that if a fund of a local unit of government ends the fiscal year in a deficit position the governing body must, by certified resolution, adopt a resolution to approve a deficit elimination plan. The required deficit elimination plan also calls for an interfund transfer of funds of \$20,000 from the City's Major Street Fund to the Local Street Fund.

Motion by Commissioner Bonham second by Commissioner Murphy to approve the Deficit Elimination Plan by adoption of Resolution 2021-011. Roll call vote: Yeas: Commissioners Bob Bonham, Maegan Jenkins, Pat Humphrey, Nick Loomis, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.*

8. TREASURER'S REPORT: *The Treasurer presented his report.*

9. CITY MANAGER'S REPORT

Planning Commission: The Planning Commission held their first meeting of the year on January 13th. The agenda was fairly light compared to many of their recent meetings. They reviewed their by-laws similar to what the City Commission did at their first meeting, and elected a Chair and Vice Chair. The Chair for 2021 is Jason Lowe and the Vice Chair is Darren Acton. They also reviewed the 2020 Annual Report of the Planning Commission which I had prepared for their review. It is normally discussed at the joint meeting between the City Commission and Planning Commission at the beginning of the year, but as I have mentioned in the past, we will try and hold off until a time we can meet face to face. The report is provided for an early preview prior the joint meeting. You will see it again in the agenda packet for that meeting.

Dam Walkway Repair: At our last dam inspection, it was identified that we have an issue with the walkway that goes over the dam. The dam itself is sound and passed inspection without issue. However, over time some the top of one the concrete pillars that supports part of the concrete/rebar walkway has started to deteriorate. This deterioration has occurred over the course many years. DPW Director Luke Potter and I met with MDOT

at the walkway to discuss solutions to the problem. Following discussion and consultation it was determined that the best course of action is to temporarily reinforce that area of the walkway with a temporary support system until we can get in there in the spring/summer when temperatures are warmer to reinforce and repair the concrete pillar. Steel basement jacks will be inserted under that section of the walkway to provide additional support until the more permanent repair can be done later this year. There are many people in the community that enjoy walking and running around the lake utilizing the walkway, therefore, we believe this temporary repair is important so that we do not have to close the walkway to foot traffic

Airport: The recent ice storms have caused temporary closures to the airport a couple days. With each closure, Airport Manager Gary Todd, was able to reopen the airport a short time later after the ice melted during the day. MDOT Aeronautics noted an issue with trees in the approach to Runway 4 and Runway 9 in their inspection report completed at the end of last year. Because of the trees infringe in the glide scope for the runways, the inspector did not issue the regular Airport License; he instead issued a provisional license. There are several orange ribbons and spray paint in various locations surrounding the airport identifying areas of concern. Luckily the city has been given time to address the issue and still be operational rather than us to shut down operations. Many of the trees have been marked and we have started to address the issue. Some of the trees being removed by city staff and some will need to be removed by a contractor. The trees identified will need to be either taken down completely or topped so that they are below the height restrictions. There are approximately 150 trees that require attention.

Fire Department Grant Award: The Fire Department has been successful in securing a DNR grant in the amount of \$2500 (2 years in a row!). This is a 50/50 matching grant. The Fire Department hopes to purchase new radios and wild land fire boots for firefighters for a total of \$5,000. Congratulations to the Fire Department in being awarded this grant two years in a row.

Other Grant Applications: Some of the other grants staff are working on include a grant from the Community Foundation for two drones to be used by the police department for investigations and search and rescue operations. The second grant is for partial funding to replace the city's 1989 plow truck which is still in use. This grant is being funded by the Clean Diesel Program. Let's cross our fingers and hope that we are successful with these grant opportunities.

Community Service: The City recently received a call from Justin Walls, who works for Mid-Michigan Action Agency, to let the city know that John Miller from Integral Builders desires to work with our community youth to clean up some of the blighted areas in the city. This is a great opportunity for the city to get some areas cleaned up and allow the youth to participate in making their community a better place to live. Thank you very much to Mid-Michigan Action Agency and Integral Builders for organizing this service event for the community.

Board and Commission Meetings: Earlier this month the legislature passed revisions to the Open Meetings Act to allow virtual meetings through the end of March 2021. After that date there are further options, if needed, including the local municipality declaring a state of emergency. At this time, the MDHHS orders do not allow face to face meetings or gatherings so it is my recommendation that we continue to hold our meetings virtual until such time as the order allows and it is safe to do so. I think once the order is lifted there may still be some limitations, but the Commission could certainly look at options as we were doing before the MDHHS orders where the commissioners were meeting face to face (social distanced) and the public participated via zoom.

City Buildings Continue to be Closed to Public: City offices have been closed to the public since November 18th in order to comply with the MDHHS orders. The current order was extended on January 13th at a press conference held by the Governor and MDHHS and is now scheduled to expire January 31, 2021 at 11:59 p.m. City staff have been working remotely when possible and essential staff have been continuing to work as normal. We have been accommodating requests for appointments when absolutely necessary for the public.

FOIA Requests: The most recent FOIA requests & responses are attached for your information.

Charter Communications: Charter Communications has provided notification regarding upcoming changes to their programming.

Risk Limiting Audit: The City will be participating in a State-wide risk limiting audit of the November 3, 2020 General Election. The purpose of the State-wide audit is to further ensure that election protocol, procedures and results are sound in Michigan. The audit process verifies that Michigan law and election procedures were followed correctly before, during and after Election Day. The audit process includes reviewing voted ballots by hand to make sure tabulation equipment worked and gave correct results. The audit will take place next week and we will post notice of the date & time for live audio/visual feed for the audit on the bulletin boards.

11. EXTENDED PUBLIC COMMENT: None.
12. COMMISSION DISCUSSION TOPICS: None.
13. *APPROVAL OF BILLS: *Approved by Consent Agenda.*
14. *PROFESSIONAL & EDUCATIONAL TRAINING OPPORTUNITIES: *Approved by Consent Agenda.*
15. ADJOURNMENT: Motion by Commissioner Bonham second by Commissioner Humphrey to adjourn the meeting. Roll call vote: Yeas: Commissioners Bob Bonham, Maegan Jenkins, Pat Humphrey, Nick Loomis, and Carolyn (Gus) Murphy. Nays: None. Absent: None. *Motion Carried.* Meeting adjourned at 6:33 p.m.

Pat Humphrey, Mayor

Diane Lyon, City Clerk