

**CITY OF REED CITY  
REGULAR COUNCIL PROCEEDINGS  
December 17, 2018**

Mayor Guiles called the meeting to order at 7:00 P.M. in Council Chambers, 227 East Lincoln Avenue, Reed City, Michigan.

- Present Mayor, Trevor Guiles. Council Members: Nathan Bailey, Dan Burchett, Karen Lea McKinney, Roger Meinert, Dave Scharlow and Carol Tillotson. City Attorney, Cindy Wotila and City Manager, Ron Howell, were also present. Department Heads, Fire Chief Jeff Stein, Curt Brackenrich, Barbara Westerburg and Rich Rehkopf also attended. The meeting was opened with the pledge to the flag. There were citizens in the audience.
- Public Hearing Mayor Guiles opened the Public Hearing at 7:01 P.M. to receive public comment on the Recreation Five Year Master Plan 2019 - 2023.
- There were no public comments received and no written comments received. The hearing was closed at 7:01 P.M.
- Add/Delete Addition to the Agenda under City Manager's Report No. 5 Sewer Back Up List.
- Minutes Motion by Scharlow, seconded by Burchett, **CARRIED**, to accept the minutes of the November 12, 2018 regular meeting as presented. Affirmed by voice vote.
- Motion by Scharlow, seconded by Tillotson, **CARRIED**, to accept the minutes of the November 19, 2018 special meeting as presented. Affirmed by voice vote.
- Bills Motion by Tillotson, seconded by McKinney, **CARRIED**, to approve paying bills as presented for a grand total approved amount of \$246,495.57. Roll call vote. Voting yes were, Burchett, Tillotson, Bailey, McKinney, Guiles, Scharlow and Meinert.
- Audience Doug Vredevelde, of Vredevelde Haefner, LLC, appeared and presented the 2017-2018 Audit. Doug reviewed highlights of the audit, noted no adjustments needed to be made and answered questions from the Council. Auditors did not identify any material weaknesses and also commented the City received a good clean opinion and Barb does a great job for the City.
- Audit Motion by McKinney, seconded by Tillotson, **CARRIED**, to accept the 2017/2018 Audit as presented. Roll call vote. Voting yes were, Meinert, Scharlow, Burchett, McKinney, Guiles, Tillotson and Bailey.
- Audience Sarah Spruitt, of 211 W. Todd Avenue, voiced concern with the safety of children at the intersection of Higbee and Todd. Sarah explained how traffic accelerates on Higbee and in the area around the Kiddies Klubhouse there is congestion and because of the parked cars, vision is difficult. Sarah ask the City to consider making the intersection at Higbee and Todd streets a 4-way stop. There was also discussion on the parking created on W. Upton and Park Street by the County building which has created a vision problem at the intersection. In addition, Sarah commented on E. Church Avenue and S. Park Street, in the block by the Elementary, there are no sidewalks for children walking to school.
- Rick Johnson, Michigan Medical Marihuana Licensing Board Chair, appeared to talk about the newly enacted Recreational Marihuana issue. He explained about opting in and opting out with the Medical Marihuana and with the Recreational Marihuana. Rick encouraged the city to opt out at least until all the guidelines and regulations are set in place and emphasized the city can opt in at any time.
- Reports Chief Stein, Fire Dept., Chief Charles Davis, Police Dept, Rich Rehkopf, DPW, and Curt Brackenrich, WWTP, filed written reports. Barb Westerburg also submitted a Revenue/Expenditure Report as of October 31, 2018.

- SCBA's Motion by Meinert, seconded by Scharlow, **CARRIED**, to approve the donation of unusable SCBA's to the Tech Centers in Cadillac and Big Rapids to be used for training purposes. Roll call vote. Voting yes were, Meinert, Guiles, Bailey, Tillotson, McKinney, Scharlow and Burchett.
- Resolution Motion by McKinney, seconded by Scharlow, **CARRIED**, to approve Resolution No. 2018-17, A Resolution Adopting a New Five-Year Recreation Plan. Roll call vote. Voting yes were, Tillotson, Scharlow, McKinney, Guiles, Bailey, Meinert and Burchett.

CITY OF REED CITY  
Osceola County, MI

Resolution No. 2018-17

At a regular meeting of the Reed City Council at 7:00 PM on December 17, 2018 at the Reed City Hall, the following resolution was offered by Commissioner McKINNEY and seconded by Commissioner SCHARLOW.

A RESOLUTION ADOPTING A NEW FIVE-YEAR RECREATION PLAN

WHEREAS, the Reed City Planning Commission has engaged the process to develop a new Five-Year Recreation Plan, which describes pertinent features, recreation facilities, policies and desired implementation to improve recreational offerings in the community during the period between 2019 and 2023; and

WHEREAS, the Reed City Planning Commission facilitated a public survey in May – June, 2018, prior to the development of the Plan; consisting of a survey where citizens were provided an opportunity to comment on the Park facilities and suggest changes and additions; and

WHEREAS, the City of Reed City has prepared the Five-Year Recreation Plan for the benefit of the entire community and to meet the recreation needs of residents as expressed during the public input session; and

WHEREAS, a notice was published indicating that the Plan was published for public review and offered for a period of at least 30 days for public comment and review; and

WHEREAS, the Reed City Planning Commission has recommended approval of the updated Five-Year Recreation Plan to the City Council, and

WHEREAS, a public hearing was held by the Reed City Council on today's date.

NOW, THEREFORE BE IT RESOLVED, the Reed City City Council hereby adopts the Five-Year Recreation Plan as a guideline for improving recreation for the residents and visitors of the community.

Yeas: Tillotson, Scharlow, McKinney, Guiles, Bailey, Meinert and Burchett.  
Nays: None.  
Absent: None.

RESOLUTION DECLARED ADOPTED.

- Sick Leave The Sick Leave policy was discussed – It was the consensus of council for Ron to get feedback from the employees who have maxed their sick leave or are close to maxing out and bring back a policy to deal with this issue.

- Change Order Motion by Tillotson, seconded by Bailey, **CARRIED**, to approve Change Order No. 1 in the amount of \$13,087.53 and pay the invoice from Epic Excavating, Inc. for the Todd Avenue & Chestnut Street Utilities project. Roll call vote. Voting yes were, Scharlow, Meinert, Guiles, Burchett, Tillotson, Bailey and McKinney.
- Opt Out Motion by Tillotson, seconded by McKinney, **CARRIED**, to authorize the City Attorney to start the process on the Opt-Out Ordinance of prohibition of marihuana establishments. Affirmed by voice vote.
- Tablets The quote for Tablets or Laptops for council use was discussed. It was the consensus of Council for the City Manager to bring back a new quote on re-furbished equipment with a cap of \$400.00 each.
- Planning Motion by Scharlow, seconded by Burchett, **CARRIED**, to appoint Councilman Nathan Bailey to Planning Commission as Ex-Officio. Roll call vote. Voting yes were, Meinert, Scharlow, Burchett, Guiles, Tillotson and Bailey. Voting no was, McKinney.
- Water Asset The Water Rate Report Five Year Projection summary prepared by Michigan Rural Water Association was presented for review.
- Resolution Motion by Scharlow, seconded by Burchett, **CARRIED**, to approve Resolution 2018-19, a Resolution Establishing 2019 Meeting Schedule. Affirmed by voice vote.

**CITY OF REED CITY  
RESOLUTION ESTABLISHING  
2019 MEETING SCHEDULE**

**Resolution 2018-19**

**WHEREAS**, Section 6.1 of the City Charter requires Council to meet for at least one (1) regular meeting each month, and

**WHEREAS**, the Reed City Council decided at their regular meeting on Monday December 17, 2018 to set their monthly meetings for the third Monday of each month except for January and February at 7:00 P.M. according to the City Charter.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Reed City that the meeting schedule for 2019 is approved as follows:

January 22, 2019 (Tuesday)	July 15, 2019
February 19, 2019 (Tuesday)	August 19, 2019
March 18, 2019	September 16, 2019
April 15, 2019	October 21, 2019
May 20, 2019	November 18, 2019
June 17, 2019	December 16, 2019

- SAW Grant Motion by McKinney, seconded by Scharlow, **CARRIED**, to approve Disbursement Request #5 from Fleis & VandenBrink in the amount of \$29,954.70 for the SAW Grant Project. Roll call vote. Voting yes were, Scharlow, McKinney, Burchett, Tillotson, Guiles, Meinert and Bailey.
- SAW Grant Motion by Tillotson, seconded by McKinney, **CARRIED**, to approve Invoice 93559041 in the amount of \$2,550.00 from Environmental Systems Research Institute, Inc., for ArcGIS single use license and Maintenance. Roll call vote. Voting yes were, Meinert, Guiles, Bailey, Tillotson, McKinney, Scharlow and Burchett.

Resolution Motion by Scharlow, seconded by Tillotson, **CARRIED**, to approve the Resolution to Open and Maintain a Bank Account with Huntington National Bank and authorized signatories. Roll call vote. Voting yes were, Bailey, Burchett, Guiles, McKinney, Meinert, Scharlow and Tillotson.



01152937253  
01152937266  
01171300010  
01172016426  
Account Number 01172111059

**Copy of Resolution to  
Open and Maintain a Bank Account  
(Public Entity)**

The undersigned hereby certifies to The Huntington National Bank that: I am the  
City Clerk

(insert official title)

and, as such, I am familiar with the records and proceedings of:

City of Reed City

(insert name of governmental entity)

(the "Public Entity"), a governmental entity duly organized and existing under the laws of the  
State of MI

the following is a true, accurate and compared copy of resolutions duly adopted by the Public Entity, and that the resolutions have not been rescinded, modified or revoked and are in full force and effect.

RESOLVED, that:

- (i) The Huntington National Bank (the "Bank"), as a national banking association, is qualified under applicable law and regulations to be a depository for the Public Entity and is hereby designated as a depository of the Public Entity;
- (ii) one or more account(s) may be opened and maintained in the name of the Public Entity, in accordance with the rules and regulations or procedures of the Bank pertaining to such accounts as amended by the Bank from time to time, or as otherwise amended by a written agreement between the Public Entity and Bank;
- (iii) any of the individuals whose names are set forth in (iv), below or, whose genuine signatures appear on separate cards dated and filed with the Bank, (collectively the "Authorized Signatories" and individually an "Authorized Signatory") are hereby authorized to act individually on behalf of the Public Entity and in its name to:
  - a. sign checks, drafts, notes, bills of exchange, acceptances, or other orders for payment of funds from any account maintained by the Public Entity;
  - b. indorse checks, drafts, notes, bills, certificates of deposit, or other instruments owned or held by the Public Entity for deposit in any such account, or for collection or discount by the Bank;
  - c. identify, approve and guarantee the indorsements of any and all checks and drafts drawn by the Public Entity;
  - d. waive demand, protest, and notice of protest, or dishonor of any check, draft, note, bill, certificates of deposit or other instruments made, drawn, or indorsed by the Public Entity;
  - e. act for the Public Entity in the transaction of all other business (whether or not it is of the kind, nature or character specified in this certificate) on the Public Entity's behalf with the Bank, including but not limited to executing contracts and delegating person to engage in transaction in connection with such contracts;
  - f. open and maintain an account in the name of the Public Entity (any account so opened shall be bound by the provisions of this certificate);
  - g. certify to the Bank the names of the Authorized Signatories and shall certify such change to the Bank, and the Bank shall be fully protected in relying on such certification, or refusing to honor the signature of any individual not so certified;
  - h. delegate other person(s) to perform any of the foregoing acts;

(iv) Names or Titles of Authorized Signatories:

Jacalyn R Beam

Barbara J Westerburg

Trevor Guiles

Dan Burchett

(When only titles are used, this resolution must be accompanied by an Incumbency Certificate)

FURTHER RESOLVED, that:

(i) the Bank is authorized to honor, receive, certify, or pay all instruments signed in accordance with this certificate even though drawn or indorsed to the order of any Authorized Signatory signing the same, tendered for cash, or in payment of a personal obligation or for deposit into a personal account of said Authorized Signatory and the Bank is not required or obligated to inquire into the circumstances of the issuance or use of any instrument signed in accordance with this certificate, or the application, or disposition of such instrument, or the proceeds thereof;

(ii) overdrafts, if any, shall not be considered to be a loan; and

(iii) the provisions of this certificate shall remain in full force and effect until written notice of its amendment or rescission shall have been received by the Bank and the Bank has a reasonable amount of time to act upon such notice, and that receipt of such notice shall not affect any action taken by the Bank prior thereto.

FURTHER RESOLVED, that the undersigned be, and hereby is, authorized and directed to certify to the Bank the foregoing resolutions and that the provisions thereof are in conformity with the laws and regulations governing the Public Entity.

I further certify that there is no provision in the law or regulations governing the Public Entity which limits the power of the Public Entity to pass the foregoing resolutions and that the same are in conformity with the law and regulations governing the Public Entity, have not been modified or rescinded and are in full force and effect.

- City Manager Council discussed the pros and cons of a full time city manager. It was the consensus of council members to table discussion.
- Consent Motion by McKinney, seconded by Tillotson, **CARRIED**, to accept the Consent Agenda as presented. Affirmed by voice vote.
- Committee There were no committee reports.
- City Manager Ron reported on the following:
- Ron spoke with the Attorney for the Estate of Florence Diak and clarified the donation from the estate is restricted for maintenance and care of the Reed City Rails to Trail only and not to be used to replace the covered bridge.
  - Presented a quote for a portable stage. Members ask Ron to scale back and get a quote on a simple trailer in which one wall opens up to a stage.
  - Reviewed the list of dangerous buildings and status of each. Ron explained the owner of the home at 148 E. Lincoln had passed away and he will be getting in touch with the family to see if the estate will be processing the burned out home. Ron will bring back an update at the January meeting.
  - Reviewed the letter from the State Tax Commission dated November 27, 2018 and the Official Order dated November 20, 2018.
  - Presented a list of utility customers who reported backups in their home during the sewer main line cleaning.
  - Presented an updated Uncompleted Items List and Longer Range Projects update.
- Scharlow left the council chambers at 10:06 P.M.  
Scharlow returned to the council chambers at 10:08 P.M.
- Sewer Backups Motion by Meinert, seconded by Burchett, **CARRIED**, to approve a \$125.00 credit on the utility accounts for the individuals as presented on the Sewer Back Up List, who had sewer backups in their homes during the sewer main line cleaning. Roll call vote. Voting yes were, Burchett, Tillotson, Guiles, Meinert, Scharlow and McKinney. Abstaining vote was, Bailey.
- Cemetery Motion by Tillotson, seconded by Burchett, **CARRIED**, to re-appoint Dianne Agler to the Cemetery Board term ending 1/1/2020. Affirmed by voice vote.

- Boards/Comm Motion by Meinert, seconded by Burchett, **CARRIED**, to re-appoint Dave Scharlow to Zoning Board of Appeals, term ending 1/18/2022, Marlene Fatum to Planning Commission, term ending 1/03/2022, Jim Murnik to Planning Commission, term ending 1/03/2022, Jim Brodoski to Board of Review, term ending 12/31/2021 and Kylene Nix to District Library Board, term ending 12/31/2023. Affirmed by voice vote.
- Bills Mayor Guiles appointed Nate Bailey to review bills prior to the next meeting.
- City Attorney Cindy Wotila submitted her attorney report and updated council on the corrective action plan with the State Tax Commission. CSZ Services has already submitted his monthly report to the State Tax Commission. Cindy presented the draft of the Ordinance to amend the code to add Adult Day Care Centers. The Vaping Ordinance has been amended to add “vape free” school zones. Cindy distributed a rough draft of the Social Media Use Policy for council to review.
- Ordinance Mayor Guiles introduced Ordinance amendments to the code to include Adult Day Care Centers in R-1, R-2 and R-3 Districts by Special Land Use Permits, and, C-1, C-2 and C-3 District to include Adult Day Care Centers by Principle Uses Allowed by Right.
- Ordinance Councilperson Tillotson introduced the Tobacco and Vaping Ordinance.
- Comments Nate Bailey commented he would like discussion at the next council meeting of the live streaming of council meeting. Roger Meinert commented to City Manager Ron Howell, when he talks with the Chief of Police regarding the Higbee/Todd intersection, to also discuss the Sears and Upton Courthouse diagonal parking and Park and Upton Courthouse diagonal parking blocking vision to pull out into the intersection. Dan Burchett wished everyone Merry Christmas and a good holiday. Trevor Guiles announced the Smithsonian will bring the Crossroads Exhibit to the Depot in February of 2020. Trevor also commented he had signed a letter to the MEDC supporting the expansion of a new business in Reed City.
- Adjourn Mayor Guiles adjourned the meeting at 10:45 P.M.

Jacalyn R. Beam  
City Clerk