

**CITY OF REED CITY
REGULAR COUNCIL PROCEEDINGS
January 16, 2018**

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

- Present** Mayor, Karen Lea McKinney. Council Members: James Anderlohr, Trevor Guiles, Roger Meinert, Dave Scharlow arrived at 7:34 P.M. and Carol Tillotson arrived at 7:08 P.M. Dan Burchett was absent. City Attorney, Cynthia Wotila and City Manager, Ron Howell, were also present. Department Heads, Chief Chuck Davis, Fire Chief Jeff Stein and Barbara Westerburg also attended. The meeting was opened with the pledge to the flag. There were citizens in the audience.
- Public Hearing** The Public Hearing to receive public comments on the establishment of a dog park was opened at 7:01 P.M. Resident, Brock Nummerdor, moved to Reed City from New Mexico this past year and commented they had a dog park where they use to live which they used and is one of the things they miss since moving to Reed City. He spoke in favor of the establishment a dog park within the city and encouraged council to seriously consider it. There were no other comments. The public hearing was closed at 7:02 P.M.
- Minutes** Motion by Anderlohr, seconded by Meinert, **CARRIED**, to accept the minutes of the December 18, 2017 regular meeting as presented. Affirmed by voice vote.
- Bills** Motion by Anderlohr, seconded by Guiles, **CARRIED**, to approve paying bills as presented for a grand total approved amount of \$203,230.15. Roll call vote. Voting yes were, Anderlohr, McKinney, Meinert and Guiles.
- Reports** Chief Stein, Fire Dept., Chief Davis, Police Dept, Rich Rehkopf, DPW, and Curt Brackenrich, WWTP, filed written reports.
- Barb Westerburg handed out a Revenue/Expenditure Report as of 12-31-2017.
- Council person Carol Tillotson arrived at 7:08 P.M.
- District Library** Motion by Meinert, seconded by Guiles, **CARRIED**, to approve accounting services for the District Library as presented by Treasurer, Barb Westerburg, and authorize Barb Westerburg to take on this responsibility. Affirmed by voice vote.
- Pumper/Tender** Motion by Guiles, seconded by Meinert, **CARRIED**, to approve the Resolution Approving Installment Purchase Agreement for City Fire Truck and authorize the Mayor and Clerk to sign. Roll call vote. Voting yes were, Meinert, McKinney, Guiles, Tillotson and Anderlohr.

**CITY OF REED CITY
OSCEOLA COUNTY, MICHIGAN
RESOLUTION APPROVING INSTALLMENT PURCHASE AGREEMENT
FOR CITY FIRE TRUCK
January 16, 2018**

At a regular (special) meeting of the City Council of Reed City, held on January 16, 2018, at the City Hall, which meeting was held in accordance with the Open Meetings Act of the State of Michigan, the following preamble and resolution were offered by Council Member Trevor Guiles, and supported by Council Member Roger Meinert:

WHEREAS, the City of Reed City determines it to be necessary for the public health, safety and welfare of the City and its residents and property owners to purchase a previously-owned fire truck to serve residents of the City; and,

WHEREAS, under the provisions of Act 99 of the Public Acts of Michigan of 1933, as amended, the City Council is authorized to enter into any contract or agreement for the purchase of property for public purposes to be paid for in installments over a period of not to exceed the useful life of the property, but no more than 15 years as determined by resolution of the City Council; and,

WHEREAS, the current outstanding balance of all such purchases by the City under said Act 99, exclusive of interest, does not exceed one and one-quarter percent (1-1/4 %) of the taxable value of the real and personal property of the City at the date of such contract or agreement of purchase; and,

WHEREAS, the purchase of the aforesaid fire truck pursuant to an Installment Purchase Agreement will not result in the outstanding balance of all such purchases to be in excess of the limitations contained within said Act 99 as above set forth; and,

WHEREAS, the City Council has entered into negotiations with Holland Charter Township (Seller) for the purchase of the fire truck for a purchase price of \$115,000.00, \$115,000 of which is to be paid through an Installment Purchase Agreement, subject to any change orders approved by the City; and,

WHEREAS, the City Council has determined that such acquisition and purchase price is reasonable and in the best interest of the City and its residents and property owners; and,

WHEREAS, funds have been pledged by the City for such acquisition except for the sum of \$115,000 of such purchase price which is proposed to be paid by Reed City in installment payments over a 5-year period, together with interest at 2.69% percent per annum on the unpaid balance; and,

WHEREAS, the City Council has reviewed a proposed Installment Purchase Agreement with the Seller for the acquisition of said fire truck, which appears reasonable and proper to accomplish such installment purchase;

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The Act 99 Installment Purchase Agreement attached hereto with Seller is hereby approved, and the Manager and Mayor are hereby authorized and directed to execute the same on behalf of the City.
2. The useful life of the fire truck is hereby determined to be at least 15 years.
3. The Manager and Mayor are further hereby authorized and directed to execute any additional documents as shall be necessary to effectuate the closing of the Installment Purchase Agreement.
4. The City hereby agrees to include in its budget for each year during the period of the within Installment Purchase Agreement a sum sufficient to pay the principal and interest coming due under said Installment Purchase Agreement before the beginning of each fiscal year pertinent to such installment payments. In addition, the City Council hereby pledges its limited full faith and credit for the payment of the installments due under such purchase agreement.
5. The City hereby designates its obligations under the Agreement as "qualified tax exempt obligations" for purposes of the deduction of interest due under said Installment Purchase Agreement from income tax liability pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
6. The City Council covenants that to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest component of the payments due under the aforesaid Installment Purchase Agreement from adjusted gross income for general federal income tax purposes under the aforesaid Internal Revenue Code including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of proceeds of the Agreement, and to prevent such proceeds from being or becoming "private activity bonds" as the term is used in Section 141 of said Internal Revenue Code.
7. The acquisition of the aforesaid fire truck and the approval of the Installment Purchase Agreement therefore are hereby found and declared to be for a valid public purpose and in the best interest of the health and welfare of the residents and property owners of the City of Reed City.
8. All resolutions or parts of resolutions insofar as they conflict with the provisions of the within Resolution are hereby rescinded to the extent of any such conflict.

Upon roll call vote the following voted "aye:" Roger Meinert, Karen Lea McKinney, Trevor Guiles, Carol Tillotson and James Anderlohr.

The following voted "nay:" None.

The Mayor declared the Resolution duly adopted.

- Pumper/Tender Motion by Anderlohr, seconded by Meinert, **CARRIED**, to approve the Act 99 Installment Purchase Agreement for Fire Truck and authorize the Mayor and City Manager to sign. Roll call vote. Voting yes were, McKinney, Meinert, Guiles, Anderlohr and Tillotson.
- Motion by Anderlohr, seconded by Meinert, **CARRIED**, to approve the Assignment Agreement of Obligation of City of Reed City to the Charter Township of Holland for the Fire Truck and authorize the Mayor and City Manager to sign. Roll call vote. Voting yes were, Anderlohr, Tillotson, Guiles, Meinert and McKinney.
- WWTP pickup Motion by Meinert, seconded by Anderlohr, **CARRIED**, to approve the bid from Michael Saez, Reed City Towing LLC, in the amount of \$2,200.00 for the W.W.T.P. 2003 GMC Pickup truck with Western plow, contingent upon Mike Saez paying in full his outstanding balance to the City. Roll call vote. Voting yes were, McKinney, Tillotson, Guiles, Meinert and Anderlohr.
- Rec Plan Motion by Anderlohr, seconded by Meinert, **CARRIED**, to approve the proposal from Williams and Works, Inc., in the amount of \$11,320.00, for professional services to conduct a Recreation Survey and update the Reed City Recreation 5-Year Plan and direct the City Manager contact DDA to inquire if they can help support this project and amend the Budget if needed. Roll call vote. Voting yes were, Meinert, Guiles, Anderlohr, Tillotson and McKinney.
- Ordinance Motion by Anderlohr, seconded by Meinert, **CARRIED**, to table discussion and action on Ordinance No. 01-2018 sewer line replacement until questions are resolved. Affirmed by voice vote.
- Motion by Guiles, seconded by Anderlohr, **CARRIED**, to introduce Ordinance 02-2018 an ordinance to amend the code Governing General Provisions, Definitions. Affirmed by voice vote.
- Motion by Guiles, seconded by Meinert, **CARRIED**, to introduce Ordinance 03-2018 an ordinance to amend the code Governing R-3 Single Family Residential District – High Density, Special Land Use Permits. Affirmed by voice vote.
- Motion by Guiles, seconded by Anderlohr, **CARRIED**, to introduce Ordinance 04-2018 an ordinance to amend the code Governing Special Land Uses. Affirmed by voice vote.
- Business Form Motion by Anderlohr, seconded by Meinert, **CARRIED**, to approve the Business Emergency Contact form as presented. Affirmed by voice vote.
- Councilman Dave Scharlow arrived at 7:34 P.M.
- Dog Park Motion by Anderlohr, seconded by Tillotson, **CARRIED**, to explore what it will take to have a dog park within the City and have the City Manager check with DDA to see if they can assist with the cost of this project. Affirmed by voice vote.
- Sewer Line Motion by Anderlohr, seconded by Guiles, **CARRIED**, to approve reimbursement to Darlene Fuller in the amount of \$8,545.00 for 50% of the cost of the sewer line replacement at 102 W. Upton Avenue. Roll call vote. Voting yes were, Meinert, Scharlow, McKinney, Guiles, Tillotson and Anderlohr.
- Councilman James Anderlohr left Council Chambers at 7:39 P.M.
Councilman James Anderlohr returned to Council Chambers at 7:40 P.M.
- Drug Policy Motion by Guiles, seconded by Scharlow, **CARRIED**, to approve the addition of the DOT expanded drug testing panel to city policy as presented. Affirmed by voice vote.

- Interest Form Motion by Anderlohr, seconded by Meinert, **CARRIED**, to approve the addition of “Ever convicted of a felony? If yes, please explain” to the current Interest Indicator for Service on Municipal Advisory Boards & Commissions form and to have the City Attorney look into it to make sure adding this language is legal. Affirmed by voice vote.
- Consent Motion by Anderlohr, seconded by Guiles, **CARRIED**, to accept the Consent Agenda as presented. Affirmed by voice vote.
- Committee Councilman Trevor Guiles has not had a chance to contact the email provider yet regarding the cost of adding city council email accounts, and will report back at the next regular council meeting.
- City Manager Ron Howell reported on the following:
- As Purchasing Agent for the City, Ron questioned authorizing a Purchase Order from the Fire Department for gold leaf lettering on the pumper/tender that is in the process of being purchased. Chief Stein explained it is imitation gold leaf lettering and will match the rest of the fire trucks.
 - Ron phoned Mike Dailey, owner of White Birch Estates, and they reviewed the utility billing process for the trailer park. The water comes from Mr. Dailey’s private well at the trailer park but the water rates are based on the city system. It was the consensus of the council for Ron to contact Mike Dailey regarding billing for his own water.
 - Ron advised members he had contacted Lincoln Township regarding keeping GRCARA going but the Township discussed it and voted that they were not interested in participating. Ron will contact Richmond Township and see what they want to do.
 - Presented for review, was Ron’s Unfinished Items List which he updated to include a list of Longer Range Projects.
- Fire Dept. Motion by Guiles, seconded by Anderlohr, **CARRIED**, to approve Invoice # 440793 from Halt Fire in the amount of \$1,488.77 for gold leaf lettering for the pumper/tender. Roll call vote. Voting yes were, Tillotson, Scharlow, McKinney, Guiles, Anderlohr and Meinert.
- ZBA Motion by McKinney, seconded by Tillotson, **CARRIED**, to re-appoint Jim White to Zoning Board of Appeals term ending 1/18/2021. Affirmed by voice vote.
- Motion by Anderlohr, seconded by Meinert, **CARRIED**, to re-appoint Garry Ruttle to Zoning Board of Appeals term ending 1/18/2021. Affirmed by voice vote.
- Bills Mayor McKinney appointed councilperson James Anderlohr to review bills prior to the next meeting.
- City Attorney Attorney Wotila reviewed information on legislation on the drone ordinance and Chief Davis spoke on how it is important that the City have a local one in place to protect the residents. Due to the Council not taking any action on the Medical Marihuana, Attorney Wotila advised the Council should respond to Mr. Hensel so he knows the status. Drone Ordinance – new FAA Standards, is working on a draft of a Rental Ordinance, and Weavers-Reed City Institutional Controls Close Out Agreement.
- Med. Marihuana Motion by Anderlohr, seconded by Tillotson, **CARRIED**, to send a response to Marvin Hensel Jr. and all others who inquire, the City does not wish to move forward with any medical marihuana within the City at this time. Affirmed by voice vote.
- DDA Loan Motion by Anderlohr, seconded by Meinert, **CARRIED**, to have the DDA collect payments until June 30, 2018 from David DeWinter on his DDA Loan, and City will address collection after that time. Roll call vote. Voting yes were, Anderlohr, Guiles, McKinney, Meinert, Scharlow and Tillotson.

Comments Mayor McKinney read a letter from Dan Burchett, Lyndsey Eccles and Ayden Eccles expressing their gratitude to the Reed City Fire Department and Police Department for their quick response and helpful assistance with their garage fire on Christmas Eve.

Adjourn Mayor McKinney adjourned the meeting at 8:23 P.M.

Jacalyn R. Beam
City Clerk