

**CITY OF REED CITY**  
**REGULAR COUNCIL PROCEEDINGS**  
**May 16, 2016**

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: David Bisbee, Marlene Fatum, Trevor Guiles, Roger Meinert, David Scharlow and Carol Tillotson. City Manager, Ron Howell and City Attorney, David Porteous were also present. Department Heads, Curt Brackenrich, Chief Chuck Davis, Barb Westerburg and Fire Chief Jeff Stein also attended. The meeting was opened with the pledge to the flag. Citizens were in the audience.
- Add/Deletions** Addition to the Agenda under Audience Presentations: Matt Biolette, Municipal Services Manager of Republic Services.
- Minutes** Motion by Fatum, seconded by Tillotson, **CARRIED**, to accept the minutes of the April 15, 2016 special meeting as presented. Affirmed by voice vote.
- Motion by Scharlow, seconded by Bisbee, **CARRIED**, to accept the minutes of the April 18, 2016 regular meeting as presented. Affirmed by voice vote.
- Motion by Scharlow, seconded by Fatum, **CARRIED**, to accept the minutes of the April 28, 2016 special meeting as presented. Affirmed by voice vote.
- Bills** Motion by Bisbee, seconded by Fatum, **CARRIED**, to approve paying bills as presented in the amount of \$172,514.29. Roll call vote. Voting yes were, Fatum, Tillotson, McKinney, Bisbee, Scharlow, Guiles and Meinert.
- Audience** Matt Deverney, 402 W. Lincoln, addressed the council regarding his basement leaking and backyard flooding since the new street and curbing was put in. Matt gave each council member a memo he had prepared explaining that a sub base underdrain was removed from his property at the time of the new street construction and he has problems with backyard flooding and his basement leaking since. City Manager will contact the Engineers for a solution and to see if there was a sub base underdrain removed.
- Matt Biolette, District Municipal Services Manager of Republic Services, presented a check in the amount of \$800.00 to Fire Chief Jeff Stein to be used for additional training for the Fire Department personnel.
- Reports** Chief Jeff Stein, Fire Department., Chief Chuck Davis, Police Department, Rich Rehkopf, DPW, and Curt Brackenrich, WWTP, filed written reports.
- Resolution** Motion by Fatum, seconded by Guiles, **CARRIED**, to approve Resolution Confirming Appointment of Member Representative to the Michigan Township Participating Plan appointing David W. Bisbee. Affirmed by voice vote.
- Resolution** Motion by Bisbee, seconded by Fatum, **CARRIED**, to approve Resolution to Amend the Charter of the City of Reed City Regarding Purchasing Requirements and for submission to the Governor for approval before being placed on the ballot. Roll call vote. Voting yes were, Scharlow, Bisbee, McKinney, Fatum, Tillotson, Guiles and Meinert.

RESOLUTION TO  
AMEND THE CHARTER OF THE CITY OF REED CITY  
REGARDING PURCHASING REQUIREMENTS

Minutes of a Regular Meeting of the City Council of the City of Reed City, held in the Council Chambers, Reed City Hall, 227 East Lincoln, Reed City, MI 49677, on May 16, 2016 at 7:00 p.m.

PRESENT: Councilpersons Karen Lea McKinney, David Bisbee, Marlene Fatum, Trevor Guiles, Roger Meinert, David Scharlow and Carol Tillotson.

ABSENT: Councilpersons None.

The following resolution was offered by Councilperson BISBEE and supported by Councilperson FATUM:

WHEREAS, the City Council of the City of Reed City has determined the necessity of amending the City of Reed City's procurement rules to reflect long-term inflation trends and to allow for the orderly operations of City government;

WHEREAS, Public Act 279 of 1909 empowers the City Council to initiate the charter amendment process through a resolution enacted by a 3/5 vote of its members-elect; and,  
IT IS THEREFORE RESOLVED by the City Council of the City of Reed City that it proposes, by a 3/5 vote, that Article 12, Section 12.1 of the Charter of the City of Reed City be amended to read as follows, effective May 1, 2016:

Section 12.1 [Purchase and Sale of Property]

The purchase and sale of property shall comply with the following requirements:

(a) The City Manager shall be responsible for the purchase and sale of all city property, subject to the restrictions of statutes and ordinances.

(b) The City Council shall adopt ordinances regulating the purchase and sale of city property to promote the City's best interests, including obtaining competitive pricing.

(b) Comparative prices shall be obtained for the purchase or sale in amount not in excess of \$2,500.00 of all materials, supplies and public improvements except (i) in the employment of professional services and (ii) when the City Manager shall determine that no advantage to the city would result.

(c) In all sales or purchases in excess of \$2,500.00

(i) The sale or purchase shall be approved by the Council,

(ii) Sealed bids shall be obtained for amounts in excess of \$10,000.00, (iii) bids for amounts from \$2,500.00 to \$10,000.00 may be received by electronic voice or mail or postal means and

(iii) The requirements of Section 12.2 shall be complied with.

No sale or purchase shall be divided for the purpose of circumventing the dollar value limitation contained in this section. The Council may authorize the making of public improvements or the performance of any other city work by any city agency without competitive bidding.

(d) Purchases in excess of \$2,500.00 shall be made from the lowest competent bidder meeting specifications unless the Council shall determine that the public interest will be better served by accepting a higher bid. Sales shall be made to the bidder whose bid is most advantageous to the city.

(f) All purchases and sales shall be evidenced by written contract or purchase order.

(c) The city may not sell any park, cemetery or any part thereof except in accordance with restrictions placed thereon by statute.

(d) The city may not purchase, sell or lease any real estate or any interest therein except by the affirmative vote of four or more members of the Council.

(e) The purchase and sale of all city property shall be subject to the provisions of Section 5.13.

(i) Detailed purchasing, sale and contract procedures shall be established by ordinance.

The existing section 12.1 of the City of Reed City Charter, which would be altered or abrogated by this proposal, currently reads:

Section 12.1 [Purchase and Sale of Property]

The City Manager shall be responsible for the purchase and sale of all city property, subject to the restrictions of statutes and ordinances.

Comparative prices shall be obtained for the purchase or sale in amount not in excess of \$2,500.00 of all materials, supplies and public improvements except (a) in the employment of professional services and (b) when the City Manager shall determine that no advantage to the city would result.

In all sales or purchases in excess of \$2,500.00 (a) the sale or purchase shall be approved by the Council, (b) sealed bids shall be obtained for amounts in excess of \$10,000.00, (c) bids for amounts from \$2,500.00 to \$10,000.00 may be received by electronic voice or mail or postal means and (d) the requirements of Section 12.2 shall be complied with. No sale or purchase shall be divided for the purpose of circumventing the dollar value limitation contained in this section. The Council may authorize the making of public improvements or the performance of any other city work by any city agency without competitive bidding.

Purchases in excess of \$2,500.00 shall be made from the lowest competent bidder meeting specifications unless the Council shall determine that the public interest will be better served by accepting a higher bid. Sales shall be made to the bidder whose bid is most advantageous to the city.

All purchases and sales shall be evidenced by written contract or purchase order.

The city may not sell any park, cemetery or any part thereof except in accordance with restrictions placed thereon by statute.

The city may not purchase, sell or lease any real estate or any interest therein except by the affirmative vote of four or more members of the Council.

The purchase and sale of all city property shall be subject to the provisions of Section 5.13. Detailed purchasing, sale and contract procedures shall be established by ordinance.

IT IS FURTHER RESOLVED that the proposed amendment be designated on the ballot as follows: This proposal would change Section 12.1 of the City Charter to require the City Council to adopt ordinances to regulate the purchase and sale of city property and remove the Charter's regulations setting the monetary thresholds requiring competitive bidding and procedural requirements for the same.

IT IS FURTHER RESOLVED that the city clerk shall transmit a copy of the proposed amendment to the Governor of the State of Michigan for approval, and transmit a copy of the foregoing statement of purpose of such proposed amendment to the Attorney General of the State of Michigan for approval, as required by law.

IT IS FURTHER RESOLVED that proposed charter amendment be submitted to the electors of this city at the next regular election held no sooner than 60 days after the adoption of this resolution, the approval by the Governor, and the approval by the Attorney General. The city clerk is directed to give notice of the election and notice of registration in the manner prescribed by law.

IT IS FURTHER RESOLVED that the proposed amendment be submitted to the electors in the following format: PROPOSED AMENDMENT TO SECTION 12.1 OF THE CHARTER OF THE CITY OF REED CITY TO MODIFY SECTION 12.1 CONCERNING BIDDING REQUIREMENTS AND PROCEDURE This proposal would change the City Charter. It would require the City Council to adopt ordinances to regulate the purchase and sale of city property and remove the Charter's regulations concerning the same.

Shall section 12.1 of the Charter of the City of Reed City be amended as described above?

[YES] [NO]

IT IS FURTHER RESOLVED that the proposed amendment be published in full together with the existing charter provision to be altered or abrogated by the amendment once in the Pioneer, according to the rules that govern the publication of proposed ordinances under the City of Reed City Charter.

IT IS FURTHER RESOLVED that the canvass and determination of the votes of this question shall be made in accordance with the laws of the State of Michigan and the City of Reed City Charter.

AYES: Councilpersons Scharlow, Bisbee, McKinney, Fatum, Tillotson, Guiles and Meinert.

NAYS: Councilpersons None.

RESOLUTION DECLARED ADOPTED.

- Memorial City Manager, Ron Howell, reported he had met with the Osceola County Director of Veteran's Services, Ed Maldonado, and they feel it should be advertised that the City Council supports the concept of a Veteran's Memorial Park and ask for public interest in seeking a site for this memorial park. Ron was directed to contact the local groups and see if they have an interest in this project.
- Cleaning Motion by Fatum, seconded by Bisbee, **CARRIED**, to approve All Clean Janitorial Service bid in the amounts of \$74.00 a month for cleaning the Fire Station and \$92.00 a month for cleaning City Hall effective July 1, 2016 for one year. Roll call vote. Voting yes were, Bisbee, Fatum, Guiles, McKinney, Meinert, Scharlow and Tillotson.
- Engine #3 Motion by Meinert, seconded by Bisbee, **CARRIED**, directing the Fire Chief Stein to present 4, 5, 6 options, i.e., repair, lease, used, new and financing ideas on the issue of Engine No. 3 for Council to consider. Affirmed by voice vote.

Traffic Map Motion by Bisbee, seconded by Scharlow, **CARRIED**, to approve Traffic Control Order Number 05-16, the updated Road System Map, Speed Limits and Stop Signs, designed by Wade Trim in May 2016. Affirmed by voice vote.

Dave Scharlow left the council chambers at 8:18 P.M.  
 Dave Scharlow return to the council chambers at 8:19 P.M.

Depot Motion by Meinert, seconded by Scharlow, **CARRIED**, authorizing the Reed City Area Chamber of Commerce the use of the land east of the Depot for an Outdoor Vintage Artisan Market on July 15, 2016. Affirmed by voice vote. Fatum voted no.

Patrol Cars Motion by Scharlow, seconded by Guiles, **CARRIED**, to authorize the Police Department to seek bids for the sale of the 2001 Ford Crown Vic and the 2004 Ford Crown Vic. Affirmed by voice vote.

Budget Amend Motion by Bisbee, seconded by Fatum, **CARRIED**, to approve Budget Amendments as presented by the City Treasurer. Roll call vote. Voting yes were, Meinert, Scharlow, Fatum, McKinney, Guiles, Tillotson and Bisbee.

**RESOLUTION FOR BUDGET AMENDMENTS**

DATE: May 16, 2016

Resolution by the City Council to Amend the 2015/16 fund/department budgets as follows:

<u>FUND/ACCOUNT DESCRIPTION</u>	<u>PRESENT BUDGET</u>	<u>ACTUAL TO DATE</u>	<u>ESTIMATED YEAR END</u>	<u>AMENDED BUDGET</u>	<u>INCREASE (DECREASE)</u>
1. <b>#590 Sewer Fund</b>					
<u>Expenditures (by Department)</u>					
<u>Dept. 549 Transmission Sewer</u>	<u>112,000</u>	<u>51,631</u>	<u>137,000</u>	<u>137,000</u>	<u>25,000</u>
				<u>-</u>	<u>-</u>
<u>Total Increase in Expenditures</u>					<u>\$ 25,000</u>
<u>Revenues (by account)</u>					
<u>Acct. 691 Fund Reserve</u>	<u>296,783</u>	<u>52,975</u>	<u>314,783</u>	<u>314,783</u>	<u>18,000</u>
<u>Acct. 631 Sewer Surcharges</u>	<u>330,000</u>	<u>316,852</u>	<u>337,000</u>	<u>337,000</u>	<u>7,000</u>
<u>Total Increase in Revenues</u>					<u>\$ 25,000</u>

Reason:  
 Adjust budget for additional costs associated with sewer reconstruction on S. Chestnut between Todd and Slosson Ave. Contract awarded to Pete's Contracting with paving to be done by Rieth-Riley.

2. <b>#202 Major Street</b>					
<u>Expenditures (by Department)</u>					
<u>State Trunkline Contract</u>				<u>-</u>	<u>-</u>
<u>Dept. 488-503 Trunkline Maintenance</u>	<u>30,143</u>	<u>24,221</u>	<u>33,500</u>	<u>33,500</u>	<u>3,357</u>
<u>Total Increase in Expenditures</u>					<u>\$ 3,357</u>
<u>Revenues (by account)</u>					
<u>#577.200 State Shared Rev --</u>	<u>30,143</u>	<u>24,221</u>	<u>33,500</u>	<u>33,500</u>	<u>3,357</u>
<u>State Trunkline</u>				<u>-</u>	<u>-</u>
<u>Total Increase In Revenues</u>					<u>\$ 3,357</u>

Reason:  
 Adjust State Trunkline maintenance costs for paving of Chestnut Street approved by MDOT.

- Consent            Motion by Scharlow, seconded by Fatum, **CARRIED**, to accept the Consent Agenda as presented. Affirmed by voice vote.
- Committee        No committees have met.
- Housing           Motion by McKinney, seconded by Bisbee, **CARRIED**, to re-appoint Patricia Morrone as resident Reed City Housing Commissioner term ending March 31, 2021. Affirmed by voice vote.
- DDA                Motion by Bisbee, seconded by Scharlow, **CARRIED**, for the Downtown Development Authority to die a natural death as of December 31, 2017. Roll call vote. Voting yes were, Bisbee, Fatum, Guiles, McKinney, Scharlow and Tillotson. Meinert voted no.
- Bills                Mayor McKinney appointed Carol Tillotson to review bills prior to the next meeting.
- Council            Dave Scharlow commented it is Police Appreciation Week and also that a local 4H Group was up at the cemetery helping to clean it up. Marlene Fatum reported the DNR had cleaned out all of the branches and debris under the covered bridge and it looks much better. David Bisbee announced the new District Library at 829 S. Chestnut Street will be finished and open for business June 11th.
- COPS Grant        Motion by Meinert, seconded by Scharlow, **CARRIED**, to authorize the Police Chief to apply for the COPS Grant. Affirmed by voice vote.
- Adjourn            Motion by McKinney, seconded by Fatum, **CARRIED**, to adjourn the meeting at 8:48 P.M.

Jacalyn R. Beam  
City Clerk