

A Regular Meeting of the Otsego City Commission was held Monday, April 6, 2020. The Meeting was conducted on Zoom.

The meeting was called to order by Mayor Trobeck at 7:00 p.m. with the following Commissioners present via Zoom: Stacey Withee, Lauri Krueger, Brent Milhiem and Dustin McNees. Absent: None. Also present: City Manager Mitchell, Finance Director Storbeck, DPW Supervisor Bosch, WWTP Superintendent Keyzer and Fire Chief Weber.

The audience joined the Commission in the Pledge of Allegiance.

The March 2, 2020, Meeting Minutes were approved as submitted.

## **REMARKS FROM THE AUDIENCE REGARDING AGENDA ITEMS**

None.

### **I. PRESENTATIONS:**

#### **A. PRESENTATION OF 2020-2021 ANNUAL APPROPRIATIONS BILL - WATER FUND AND SEWER FUND**

Finance Director Matthew Storbeck presented the Water and Sewer Funds for the fiscal year 2020-2021. Anticipated revenue for the Water Fund is \$651,470, and anticipated expense is \$567,630. No capital improvement projects are planned. Anticipated revenue for the Sewer Fund is \$1,071,280, and anticipated expense is \$1,222,805. Sewer Fund capital improvement projects are planned in the amount of \$160,000. He noted that there is a proposed increase in the base Readiness to Serve Fee in the Sewer Fund from \$40.69 to \$42.72; and an increase in the commodity charge from \$7.96 to \$8.28/1,000 gallons; the Water Fund Base Readiness to Serve Fee will be increased from \$21.23 to \$21.65; and an increase in the commodity charge from \$2.20 to \$2.24/1,000 gallons. The Readiness to Serve Fees illustrated are based on 5/8"-3/4" residential service meters. Commissioner Milhiem asked if the budget included the cost of replacement of the lead services. Finance Director Storbeck indicated that the replacement of 10-12 services were included in the budget.

### **II. PUBLIC HEARING:**

#### **A. PUBLIC HEARING FOR THE APPROVAL OF AN APPLICATION FROM FEMA CORPORATION FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR A NEW FACILITY**

Mayor Trobeck opened the Public Hearing at 7:37 p.m. There being no comments, Mayor Trobeck closed the Public Hearing at 7:38 p.m.

### **III. PLANNING AND ZONING:**

### **IV. ORDINANCES:**

### **V. REQUESTS:**

## **VI. AGREEMENTS:**

### **A. CONSIDERATION OF ENTERING INTO AN AGREEMENT WITH SEISER CONCRETE FOR CONCRETE WORK AT 123 N GRANT STREET**

Commissioner McNees moved to authorize the City to enter into an agreement with Seiser Concrete for concrete work at 123 N Grant, Street, not to exceed \$14,805.00, seconded by Commissioner Withee. CARRIED UNANIMOUSLY

## **VII. RESOLUTIONS:**

### **A. CONSIDERATION OF RESOLUTION NO. 2020-08 – A RESOLUTION APPROVING THE APPLICATION FOR FEMA CORPORATION FOR INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR A NEW FACILITY**

City Manager Mitchell stated that this resolution is the City's last formal step before the certificate is sent to the State for final approval. John Pula, of FEMA, thanked the City Manager and the City Clerk for their assistance with the IFT application.

Commissioner Milhiem offered the following resolution and moved for its adoption, seconded by Commissioner Krueger.

#### **CITY OF OTSEGO ALLEGAN COUNTY, MICHIGAN**

#### **RESOLUTION NO. 2020-08**

### **RESOLUTION APPROVING APPLICATION OF FEMA CORPORATION FOR INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR A NEW FACILITY**

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on August 18, 2014, the Otsego City Commission by resolution established Otsego City Industrial Development District 25; and

WHEREAS, FEMA Corporation has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility to be acquired and installed within the Industrial Development District 25; and

WHEREAS, before acting on said application, the Otsego City Commission held a hearing on April 6, 2020, at the City of Otsego Commission Chambers, in Otsego, at 7:00 p.m., at which hearing FEMA, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before February 27, 2020, the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Otsego; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Otsego after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Commission of City of Otsego that:

1. The City of Otsego City Commission finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the City of Otsego, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Otsego.

2. The application from FEMA Corporation for an Industrial Facilities Exemption Certificate, with respect to a New Facility on the following described parcel of real property situated within the Industrial Development District 25, to wit: BEG AT S 1/4 COR TH W 493.50' TH N 1324.07' TH E 493.50' TH S 1323.93' TO POB SEC 22 T1N R12W (2015) be and the same is hereby approved.

3. That the Mayor and City Clerk be authorized to execute a Property Abatement Agreement with FEMA Corporation for the life of the certificate.

4. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 12 years.

YEAS: Commissioners: Cyndi Trobeck, Stacey Withee, Brent Milhiem, Lauri Kruger and Dustin McNees.

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

**B. CONSIDERATION OF RESOLUTION NO. 2020-09 – RESOLUTION TO TEMPORARY SUSPEND WATER AND SEWER BILL PENALTIES FOR NON-PAYMENT DUE TO THE COVID-19 PANDEMIC**

City Manager Mitchell stated that this is a formal resolution to waive the penalties set in the City's Charter, during this pandemic for the months of March, April, and May 2020. He also stated that the City has no water services that are shutoff for non-payment.

Commissioner McNees offered the following resolution and moved for its adoption, seconded by Commissioner Krueger.

CITY OF OTSEGO  
ALLEGAN COUNTY, MICHIGAN  
RESOLUTION NO. 2020-09

RESOLUTION TO TEMPORARY SUSPEND WATER AND SEWER BILL PENALTIES  
FOR NON-PAYMENT DUE TO THE COVID-19 PANDEMIC

WHEREAS, the novel coronavirus (COVID-19) is a respiratory disease that can result in serious illness or death. It is caused by a new strain of coronavirus not previously identified in humans and easily spread from person to person. Older adults and those with chronic health conditions are at particular risk, and there is an increased risk of rapid spread of COVID-19 among persons in close proximity to one another. There is currently no approved vaccine or antiviral treatment for this disease; and

WHEREAS, in response to protecting human life and the prevention of the spread of COVID-19 within the State of Michigan, Governor Whitmer signed Executive Order No. 2020-21 “Temporary requirement to suspend activities that are not necessary to sustain or protect life” on March 23, 2020. Which created a great unprecedented interruption to almost every employer in the state. Putting paychecks and jobs in substantial jeopardy, thus potentially putting city water and sewer customers in a difficult position to make timely payments under these temporary unique circumstances; and

WHEREAS, Governor Whitmer signed Executive Order 2020-28 “Restoring water services to occupied residences during COVID-19 pandemic” on March 28, 2020 demonstrating the importance of having running water readily available to participate in proper hygiene techniques during the COVID-19 pandemic; and

WHEREAS, the City of Otsego Code of Ordinances Section 78-167 requires for a 10% penalty to be applied for all any and all non-payment of due water/sewer accounts; and

WHEREAS, the City of Otsego Code of Ordinances Section 78-31(d) and Section 78-181(b) provide for the City Commission the ability to take action as needed considering all of the circumstances within the city environment; and

WHEREAS, the temporary forgiveness of penalties would help customers during these difficult financial times. The level of financial uncertainty is significant for the foreseeable months to come and the suspension of penalties for non-payment will ease some anxiety for customers; and

WHEREAS, the billing cycle for the City of Otsego is quarterly and in efforts of treating all accounts equally all accounts would have to be offered the same opportunities. Making any penalty forgiveness granted would have to be granted to all accounts, not just those due in the midst of this immediate crisis;

THEREFORE, BE IT RESOLVED, that the Otsego City Commission hereby approves the forgiveness of penalties for non-payment for accounts within the months of March, April and May of 2020.

YEAS: Commissioners: Cyndi Trobeck, Stacey Withee, Brent Milhiem, Lauri Kruger and Dustin McNees.

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

## **VIII. APPOINTMENTS:**

## **IX. DISCUSSION ITEMS:**

### **MANAGER'S REPORT**

1. He gave updates on the following: Otsego Public Schools distributing food to children and families & our employees are assisting; PPE being offered to the City from Home Depot and community members; Transfer Station is open for leaves and brush only; and the May 5, 2020, all Absent Voter Ballot election.
2. Commissioner Krueger asked if applications for an Absentee Ballot would be mailed to all voters. Clerk Cronen indicated that all registered voters will be receiving an application with a postage paid return envelope.
3. He asked for further questions or comments regarding his written Manager's Report submitted to the Commission in their weekly packet.

### **COMMUNICATIONS**

None.

### **REMARKS FROM THE AUDIENCE**

John Pula, of FEMA – he thanked the City for their assistance with the IFT process. He stated that FEMA is excited to get started.

### **COMMISSIONERS' COMMENTS**

Commissioner Krueger – she thanked Clerk Cronen for putting together the Zoom Meeting. She thanked Finance Director Storbeck for his presentation. She stated that she is super excited for FEMA to come to Otsego. She expressed her heartfelt thank you to each and every First Responder, Police Officer and the essential employees. She commented that she is very proud of her community.

Commissioner McNees – he thanked City Manager Mitchell, Clerk Cronen, and Finance Director Storbeck for putting together the resolution regarding penalties, it is awesome and common sense. He thanked Clerk Cronen for assembling the Zoom Meeting. He thanked WWTP Supervisor Keyzer for answering the questions during the meeting. He thanked Home Depot for their PPE donation. He also thanked Otsego Public Schools for distributing the food to the children. He welcomed FEMA and commented that this is huge for our community. He thanked his fellow Commissioners and all of the employees at the City- the ones working from home and the ones going to work every day.

Commissioner Milhiem – he welcomed and thanked FEMA. He thanked Finance Director Storbeck for his presentation. He commented that he feels that the systems are set for the future and we are doing our due diligence. He expressed his appreciation to City Manager Mitchell for holding down City Hall and for all that he does. He thanked the front line workers – doctors, nurses, First Responders, and all City employees.

Commissioner Withee – she thanked Finance Director Storbeck for his presentation. She thanked every City employee as they are going above and beyond and she appreciates it. She welcomed FEMA.

Mayor Trobeck – she thanked Finance Director Storbeck for all of the time, effort and thought that goes into his presentation – wonderful job. She thanked all City employees, City Manager Mitchell and asked that DPW Supervisor Bosch and Superintendent Keyzer thanks their teams. She also thanked the front line workers. She thanked FEMA for choosing Otsego to expand their facility. She thanked and commended Clerk Cronen for organizing the Zoom meeting and commented that the meeting went smoothly. She asked everyone to stay home and stay safe.

The meeting was adjourned on a motion by Commissioner McNees, seconded by Commissioner Withee. CARRIED – 7:57 p.m.

Angela M. Cronen, MMC  
City Clerk