

A Regular Meeting of the Otsego City Commission was held on Monday, November 6, 2023.

The meeting was called to order by Mayor Withee at 7:00 p.m. with the following Commissioners present: Lauri Krueger, Jason Smith, Chuck Moore, and Wayne Rayburn. Absent: None. Also present: City Manager, Aaron Mitchell; Finance Director, Matthew Storbeck; and Fire Chief, Brandon Weber.

The audience joined the Commission in the Pledge of Allegiance.

On a motion by Commissioner Krueger, seconded by Commissioner Smith, the October 16, 2023, Regular Minutes were approved as submitted.

REMARKS FROM THE AUDIENCE REGARDING AGENDA ITEMS

None.

I. PRESENTATIONS:

A. PRESENTATION BY SIEGFRIED & CRANDALL OF THE 2022-2023 FISCAL YEAR AUDIT

Mr. Dan Veldhuizen from Siegfried & Crandall was in attendance to review the 2022-2023 Fiscal Year Audit.

He stated that he enjoys the long-term relationship that Siegfried and Crandall have with the City. Mr. Veldhuizen complimented the quality of Finance Director Storbeck's work. Mr. Veldhuizen stated that the City had received an unmodified opinion. He commented that it is very rare that no adjustments have to be made, and Finance Director Storbeck gets a lot of the credit for that. He summarized and reviewed the highlights of the audit with the Commission. He also indicated that the City has a fifty percent fund balance which is a good percentage. He commented that the fifty percent fund balance is not excessive, and that the typical healthy fund balance is about fifteen percent. He answered questions of the Commission. Mr. Veldhuizen thanked Finance Director Storbeck and commented that he should be proud. The Commission thanked Mr. Veldhuizen and Finance Director Storbeck.

B. UPDATE FROM COUNTY COMMISSIONER DUGAN

Commissioner Dugan gave an update on County activities.

II. PUBLIC HEARING:

III. PLANNING AND ZONING:

A. CONSIDERATION OF THE PLANNING COMMISSION'S RECOMMENDATION TO GRANT A SPECIAL LAND USE PERMIT FOR AN OUTDOOR MUSIC VENUE AT 129 EAST ALLEGAN STREET, MAUDE'S LLC

City Manager Mitchell gave an overview of the venue changes, with the main changes being the venue capacity increasing to 1,200; the amount of shows increasing to twenty-seven; and the addition of a bathroom trailer. He commented that there was no public comment at the Public Hearing. Commissioner Krueger moved to grant a Special Land Use Permit for an Outdoor Music Venue at 129 East Allegan Street, Maude's, seconded by Commissioner Moore. CARRIED UNANIMOUSLY

IV. ORDINANCES:

V. REQUESTS:

- A. CONSIDERATION OF A REQUEST FROM TOGETHER OTSEGO PROSPERS TO HOLD THE ANNUAL HOMETOWN CHRISTMAS EVENT, CLOSING M89 FROM FRANKLIN TO NORTH STREET FROM 5:00 P.M. UNTIL 7:00 P.M.; USE OF VARIOUS CITY STREETS, SIDEWALKS, PARKING LOTS; RIVERFRONT WALK, AND USE OF THE PAVILION - FROM 3:00 P.M. UNTIL 8:00 P.M. FOR THE LIGHTING OF THE CHRISTMAS TREE AND OTHER EVENTS AT VARIOUS TIMES THROUGHOUT THE DAY ON DECEMBER 2, 2023

City Manager Mitchell stated that TOP is taking over the Hometown Christmas Event and this year he was the Chairman of the Committee. He commented that the event will be similar to last year and the road closure will be limited to two hours. He stated that the parade will begin on Kalamazoo Street heading east to Fair Street to the pavilion area, for the lighting of the Christmas tree. Commissioner Moore moved to grant the request from Together Otsego Prospers (TOP) to hold the Annual Hometown Christmas Event, as requested, on December 2, 2023, seconded by Commissioner Rayburn. CARRIED UNANIMOUSLY

- B. CONSIDERATION OF LONGEVITY BONUSES FOR NON-UNION EMPLOYEES

City Manager Mitchell stated that the longevity bonuses for Union Employees are built into their hourly wage unlike the Non-Union employees. He stated that this year the firefighters were included in the longevity bonuses. Commissioner Krueger moved to approve the longevity bonuses for the non-union employees, seconded by Commissioner Moore. CARRIED UNANIMOUSLY

- C. CONSIDERATION OF HOLIDAY TURKEYS FOR CITY EMPLOYEES

Commissioner Krueger moved to approve the purchase of holiday turkeys for City Employees, seconded by Commissioner Smith. CARRIED UNANIMOUSLY

VI. AGREEMENTS:

- A. CONSIDERATION OF LICENSE AGREEMENT WITH TOGETHER OTSEGO PROSPERS FOR THE HOMETOWN CHRISTMAS PARADE AND ACTIVITIES ON DECEMBER 2, 2023, AS PRESENTED

Commissioner Moore moved to authorize the Mayor and City Clerk to enter into a License Agreement with Together Otsego Prospers (TOP) for the Hometown Christmas Parade and activities on December 2, 2023, as presented, seconded by Commissioner Rayburn. CARRIED UNANIMOUSLY

- B. CONSIDERATION OF AN ADDENDUM TO CITY MANAGER AARON MITCHELL'S EMPLOYMENT AGREEMENT

Mayor Withee stated that the Commission recently went into Closed Session to discuss City Manager Mitchell's Performance Evaluation, which was extremely overdue. Mayor Withee commented that there were about seventeen questions that were discussed, along with the changes in City Manager Mitchell's duties. She mentioned the Fire Department millage, Mayor Trobeck's passing, the CPI adjustment; and him becoming a certified Zoning Administrator.

Commissioner Krueger commented that surrounding communities were researched and out of the fifteen, he was one the three lowest paid managers in the area. She also commented that City Manager Mitchell has done a lot on his own – referring to the implementation of the Summer Programs. She stated that salaries need to be increased to keep good people. Commissioner Smith commented that the research showed that a higher salary was needed. Commissioner Moore stated that we have a City Manager who loves our City. He thanked City Manager Mitchell and told him to keep up the good work. Commissioner Rayburn commented that he was not sure how to proceed and was glad that the Commission came to a decision. He stated that he liked the fact that the Commission and the City Manager sat down and talked. He commented that it was eye-opening for him to see how much lower our pay was compared to surrounding communities.

Commissioner Krueger moved to make an addendum to the City Manager Aaron Mitchell’s Employment Contract to increase his salary to \$115,000.00, beginning with the November 6, 2023, pay period, seconded by Commissioner Moore. CARRIED UNANIMOUSLY

VII. RESOLUTIONS:

A. CONSIDERATION OF RESOLUTION NO. 2023-19 - A RESOLUTION REQUESTING PERMISSION FROM THE MICHIGAN DEPARTMENT OF TRANSPORTATION TO CLOSE STATE HIGHWAY M-89 ON SATURDAY, DECEMBER 2, 2023

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

**CITY OF OTSEGO
ALLEGAN COUNTY, MICHIGAN
RESOLUTION NO. 2023-19**

**A RESOLUTION REQUESTING PERMISSION FROM THE
MICHIGAN DEPARTMENT OF TRANSPORTATION
TO CLOSE STATE HIGHWAY M-89 ON SATURDAY, DECEMBER 2, 2023**

WHEREAS, the City of Otsego hereinafter referred to as the "GOVERNMENTAL BODY" from time to time makes application to the Michigan Department of Transportation, hereinafter referred to as the "DEPARTMENT" for permits, hereinafter referred to as "PERMIT", to construct, operate, use and/or maintain utility or other facilities, or to conduct other activities, on, over, and under state trunkline right of way at various locations within and adjacent to its corporate limits.

NOW THEREFORE, in consideration of the DEPARTMENT granting such PERMIT the GOVERNMENTAL BODY agrees that:

1. It will faithfully fulfill all permit requirements and will indemnify, save harmless, represent and defend the State of Michigan, Michigan Transportation commission, the DEPARTMENT, and all officer, agents, and employees thereof and those governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract from any and all claims of every kind for injuries to, or death of any and all persons and, for loss of, or damage to property, and environmental damage or degradation, and from attorney's fees and related costs arising out of, under, or by reason of the presence of the GOVERNMENTAL BODY'S facilities

and/or its installation, construction, operation, maintenance, or other activities which are being performed under the terms of the PERMIT on, over, and/or under the State trunkline right of way, except claims resulting from the sole negligence or willful acts or omissions of said DEPARTMENT, its officers, agents, employees, and contracting governmental bodies and officers, agents, and employees thereof, performing permit activities.

2. The DEPARTMENT shall not be subject to any obligations or liabilities by vendors and contractors of the COMPANY, or their subcontractors or any other person not a party to the PERMIT without its specific prior written consent and notwithstanding the issuance of the PERMIT.
3. It will, by its own volition and/or request by the DEPARTMENT, promptly restore and/or correct physical or operating damages to any State trunkline right of way resulting or arising out of the installation, construction, operation, and/or maintenance of the GOVERNMENTAL BODY'S facilities pursuant to a PERMIT issued by the DEPARTMENT.
4. The incorporation by the DEPARTMENT of this Resolution as part of a PERMIT does not preclude the DEPARTMENT requiring additional performance security or insurance when deemed necessary by the DEPARTMENT.
5. This Resolution shall continue in force from the date hereof until cancelled by the GOVERNMENTAL BODY or the DEPARTMENT with no less than thirty (30) days prior written notice to the other party. It will not be cancelled or otherwise terminated by the GOVERNMENTAL BODY with regard to any PERMIT which has already been issued or activity which has already been undertaken.

BE IT FURTHER RESOLVED, that the City Manager or City Clerk of the City of Otsego are hereby authorized to make application to the Michigan Department of Transportation for the necessary permit to work within state trunkline rights of way on behalf of the GOVERNMENTAL BODY.

YEAS: Commissioners: Stacey Withee, Lauri Krueger, Jason Smith, Wayne Rayburn, Chuck Moore.

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED APPROVED.

B. CONSIDERATION OF RESOLUTION NO. 2023-20 - A RESOLUTION DESIGNATING SOCIAL DISTRICTS CONTAINING COMMONS AREAS AND ADOPTING A MANAGEMENT AND MAINTENANCE PLAN IN ORDER TO ALLOW CERTAIN ON PREMISES LIQUOR LICENSEES EXPANDED USE OF SHARED AREAS FOR CONSUMPTION OF ALCOHOL PURSUANT TO

PUBLIC ACT 124 OF 2020 FOR A SPECIAL ANNUAL HOMETOWN
CHRISTMAS EVENT ON SATURDAY, DECEMBER 2, 2023

Commissioner Moore offered the following resolution and moved for its adoption, seconded by
Commissioner Smith.

CITY OF OTSEGO
ALLEGAN COUNTY, MICHIGAN
RESOLUTION NO. 2023-20

**A RESOLUTION DESIGNATING SOCIAL DISTRICTS CONTAINING
COMMONS AREAS AND ADOPTING A MANAGEMENT
AND MAINTENANCE PLAN IN ORDER TO ALLOW CERTAIN ON
PREMISES LIQUOR LICENSEES EXPANDED USE OF
SHARED AREAS FOR CONSUMPTION OF ALCOHOL
PURSUANT TO PUBLIC ACT 124 OF 2020
FOR A SPECIAL ANNUAL HOMETOWN CHRISTMAS EVENT ON
SATURDAY, DECEMBER 2, 2023**

WHEREAS, the Michigan Liquor Control Code was recently amended by 2020 Public Act 124 (the Act) to allow the governing body of a local governmental unit to designate social districts and commons areas which may be used by qualified licensees to obtain a social district permit from the Michigan Liquor Control Commission (MLCC) to utilize expanded areas for the consumption of alcohol; and

WHEREAS, if the governing body of a local governmental unit designates a social district that contains a commons area, the governing body must define and clearly mark the commons area with signs, establish local management and maintenance plans including, but not limited to, hours of operation for submittal to the MLCC, and maintain the commons areas in a manner that protects the health and safety of the community; and

WHEREAS, the City Commission finds that designating social districts and commons areas pursuant to the Act is in the best interests of the citizens of the City of Otsego;

NOW, THEREFORE, BE IT RESOLVED that the City Commission designates the social districts and commons areas as provided on the attached maps, establishes the attached management and maintenance plan, and authorizes the City Manager or his designee to take all such other actions necessary in order to implement this Resolution and comply with the Act.

BE IT FURTHER RESOLVED that the Social District boundaries proposed in the attached map will be for December 2, 2023, during the annual Hometown Christmas Event, and revert back to the original Social District boundaries on Sunday, December 3, 2023.

BE IT FURTHER RESOLED that the City Clerk is authorized and directed to forward this Resolution and the attached maps and management and maintenance plans to the MLCC as required by the Act together with this Resolution.

YEAS: Commissioners: Stacey Withee, Lauri Krueger, Jason Smith, Wayne Rayburn,
Chuck Moore.

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

VIII. APPOINTMENTS:

A. CONSIDERATION OF THE MAYOR'S RE-APPOINTMENT OF JASON BOHL AND BEN DOTTERER TO THE PLANNING COMMISSION, TERM ENDING NOVEMBER 2026

Commissioner Krueger moved to re-appoint Jason Bohl and Ben Dotterer to the Planning Commission, term ending November 2026, seconded by Commissioner Smith. CARRIED UNANIMOUSLY

IX. DISCUSSION ITEMS:

MANAGER'S REPORT

The City Manager commented and gave updates on the following:

- He thanked the Commission and stated that “he will do you proud.”
- Otsego Girls Cross County finished 2nd in the State and there was a parade when they returned to town.
- A Metro Contract was signed for 123.net – by Ordinance the City Manager signs the contract. County Commission Dugan commented.
- Hometown Christmas – December 2nd.
- Flag ceremony and celebration at the Historical Museum at 1:30, on November 11th. He commented that he will be speaking at the event.

COMMUNICATIONS

None.

REMARKS FROM THE AUDIENCE

None.

COMMISSIONER'S' COMMENTS

Commissioner Krueger – she thanked everyone for attending the meeting. She congratulated Finance Director Storbeck on a stellar audit. She commented that she is not looking forward to Finance Director Storbeck's retirement. She stated that it was good that the Commission and City Manager Mitchell were able to meet together and have a discussion regarding his evaluation. She stated that City Manager Mitchell's raise was well deserved and hopes that he stays here until his retirement. She wished everyone a Happy Thanksgiving and Happy Hunting.

Commissioner Smith – he thanked County Commissioner Dugan for his report. He commended Finance Director Storbeck for a job well done. He stated that he is looking forward to the

concerts next summer and is also excited about Hometown Christmas. He thanked City Manager Mitchell for a job well done and expressed that his raise was well deserved.

Commissioner Moore – he concurred with his fellow Commissioner’s comments. He stated that City Manager Mitchell has set the bar high and he hopes that this will help encourage him to stay at our City.

Commissioner Rayburn – he thanked the following: Finance Director Storbeck for having a remarkable audit; County Commissioner Dugan for his report; and the audience for attending. He congratulated the three full-time firefighters, as we can’t do any better than saving lives. He expressed to City Manager Mitchell – Good Job. He commented that it was nice to sit down and have an open honest conversation.

Mayor Withee – she thanked her fellow Commissioners as the City Manager’s Evaluation process was a collaborative effort which took a lot of time. She thanked them for making the time to talk to her individually. She thanked Finance Director Storbeck and commented that she admires him as he provides good guidance and has great internal controls.

ADJOURN

The meeting was adjourned on a motion by Commissioner Smith, seconded by Commissioner Rayburn. CARRIED – 7:56 p.m.

Angela M. Cronen, MMC
City Clerk