

A Regular Meeting of the Otsego City Commission was held on Monday, December 4, 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; and Police Chief, Brad Misner.

The audience joined the Commission in the Pledge of Allegiance.

On a motion by Commissioner Krueger, seconded by Commissioner Moore, the November 6, 2023, Regular Minutes were approved as submitted.

REMARKS FROM THE AUDIENCE REGARDING AGENDA ITEMS

None.

I. PRESENTATIONS:

A. CANDIDATE CHRIS MACHIELA - ALLEGAN COUNTY DRAIN COMMISSION OFFICE

Mr. Machiela was in attendance to announce his candidacy for Drain Commissioner. He gave a brief overview of his experience in the Drain Commissioner's Office.

B. COUNTY COMMISSIONER DUGAN UPDATE

Commissioner Dugan gave an update on County activities.

II. PUBLIC HEARING:

III. PLANNING AND ZONING:

IV. ORDINANCES:

V. REQUESTS:

A. A. CONSIDERATION OF TRAFFIC CONTROL ORDERS #151 – ELEY STREET; #152 – SHERWOOD STREET; #153 – EAST RIVER STREET; #154 – N. NORTH STREET; #155 – BARTON STREET; AND #156 – GOODSSELL STREET

City Manager Mitchell stated that the Traffic Control Orders being considered are the last residential streets that were completed, by the statutory speed study. He commented that the Traffic Control Orders needed to be completed before January 1, 2024. He stated that the following changes are being considered: Eley Street 30 mph; Sherwood Street 30 mph; East River Street 35 mph; N. North Street 30 mph; Barton Street 30 mph; and Goodsell Street 30 mph. Commissioner Krueger moved to adopt the following Traffic Control Orders: #151 – Eley Street; #152 – Sherwood Street; #153 – East River Street; #154 – N. North Street; #155 – Barton Street; And #156 – Goodsell Street; seconded by Commissioner Moore. CARRIED UNANIMOUSLY

VI. AGREEMENTS:

VII. RESOLUTIONS:

A. CONSIDERATION OF RESOLUTION NO. 2023-21 - A RESOLUTION OF THE CITY OF OTSEGO RELATING TO PUBLIC ACT 152 OF 2011 – THE PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT

Commissioner Rayburn offered the following Resolution and moved for its adoption, supported by Commissioner Moore.

**CITY OF OTSEGO
ALLEGAN COUNTY, MICHIGAN**

RESOLUTION NO. 2023-21

A RESOLUTION OF THE CITY OF OTSEGO RELATING TO PUBLIC ACT 152 OF 2011 – THE PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT

WHEREAS, the Publicly Funded Health Insurance Contribution Act or Public Act 152 of 2011, (PA 152) mandated certain cost-sharing obligations for public employee health insurance premiums and costs for medical benefit plan coverage years beginning after January 1, 2012; and

WHEREAS, if the City of Otsego (City) fails to comply with the mandates of PA 152, then the state treasurer is required to reduce by 10% each City, Village, and Township Revenue Sharing (CVTRS) payment received under 2011 PA 63; and

WHEREAS, the City has modified its Health Insurance Plans in an effort to meet the hard cap requirements of PA 152; and

WHEREAS, effective January 1, 2012, the City and its employees moved to a “high deductible health insurance plan,” and all City employees contribute twenty percent of their health care premiums, effective July 1, 2012; and

WHEREAS, Section 8 of the Act permits the “governing body” of “a local unit of government (which includes a city) to exempt itself from the requirements of this act for the next succeeding year.”

WHEREAS, even though the City strives to meet the requirements of PA 152, to avoid any possibility of a 10% reduction of City, Village, and Township Revenue Sharing (CVTRS) payments, the City of Otsego does, by a vote of 2/3 of its members, exempt itself from the provisions of PA 152 for one year beginning January 1, 2024, and

THEREFORE, BE IT RESOLVED that the City exempt itself from the requirements of PA 152 for one year beginning January 1, 2024, and pursuant to the Act no exemption beyond December 31, 2024, is intended or implied by this resolution, and

THEREFORE, BE IT FURTHER RESOLVED, pursuant to the Economic Vitality Incentive Program (EVIP) provisions of Public Act 63 of 2011, the City of Otsego, did produce a plan for

implementing new compensation standards for, among other things, health insurance premium cost sharing by May 1, 2012, as required by Public Act 63.

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

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

**B. CONSIDERATION OF RESOLUTION NO. 2023-22 - A RESOLUTION
REGARDING SCHEDULING THE 2024 MEETINGS OF CITY OF OTSEGO
CITY COMMISSION**

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

**CITY OF OTSEGO
ALLEGAN COUNTY, MICHIGAN**

RESOLUTION NO. 2023-22

**A RESOLUTION REGARDING SCHEDULING THE
2024 MEETINGS OF CITY OF OTSEGO CITY COMMISSION**

Whereas, pursuant to Section 5(2) of Act 266 of 1976, the Open Meetings Act, the Otsego City Commission must establish and post notice of its regularly scheduled meetings; and

Whereas, Regular City Commission meetings are held at 7:00 PM local time, on the first and third Monday nights in the City of Otsego Chambers located at 117 E. Orleans Street, Otsego, MI 49078, unless otherwise stated; and

Whereas, a regular meeting may be re-scheduled or a special meeting scheduled upon eighteen (18) hours posted notice; and

Whereas, questions regarding meetings should be directed to the City Clerk at 117 E. Orleans Street, Otsego, MI 49078, 269-692-3391;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

That the City of Otsego Commission Regular Meetings for 2024, are scheduled for the following dates:

| | |
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| January | 3 & 15 |
| February | 5 & 19* |
| March | 4* & 18 |

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| April | 1 & 15 |
| May | 6 & 20 |
| June | 3 & 17 |
| July | 1 & 15 |
| August | 5* & 19 |
| September | 3 & 16 |
| October | 7 & 21 |
| November | 4* & 11(Organizational Meeting) & 18 |
| December | 2 & 16 |

(*Meeting will be at an Alternate Location)

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

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

C. CONSIDERATION OF RESOLUTION NO. 2023-23 - A RESOLUTION TO PURCHASE, ACQUIRE AND CONSTRUCT IMPROVEMENTS WITHIN THE CITY AND TO PUBLISH NOTICE OF INTENT TO ISSUE LIMITED TAX, GENERAL OBLIGATION BONDS INTENT TO BOND

City Manager Mitchell explained the intent to bond for the Helen Avenue Project. He explained that it would include the road, water, sewer, replacing a culvert, and the project will require easements. He stated that he has been working closely with the City Attorneys regarding the bonding process. He answered questions of the Commissioners. He further explained that this resolution does not commit the City to anything.

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

CITY OF OTSEGO
ALLEGAN COUNTY, MICHIGAN

RESOLUTION NO. 2023-23

A RESOLUTION TO PURCHASE, ACQUIRE AND CONSTRUCT IMPROVEMENTS WITHIN THE CITY AND TO PUBLISH NOTICE OF INTENT TO ISSUE LIMITED TAX, GENERAL OBLIGATION BONDS

WHEREAS, the City Commission deems it to be in the best interest of the City of Otsego (the "City ") to purchase, acquire and construct certain capital improvements in the City: including, but not limited to: (1) street improvements in the City, including, but not limited to, acquisition

of right-of-way, street paving or repaving, installation or repair of curb, gutter and sidewalks, traffic signaling, signage and lighting; streetscape improvements, including but not limited to, replacement of light poles, installing utilities underground, landscaping, and other amenities; (2) water supply system improvements in the City, including, but not limited to, the installation and replacement of watermains, pumps and water storage facilities; (3) storm water drainage improvements in the City; and (4) sanitary sewer system improvements in the City, including, but not limited to, installation and replacement of sewer mains, pumping stations and force mains, and lining of sewer lines; the restoration of streets and rights of way affected by street and utility improvements; and all work necessary and incidental to these improvements (the "Improvements") for the benefit of the City and to finance the Improvements by the issuance of general obligation, limited tax, improvement bonds pursuant to Section 517 of Act 34 of the Public Acts of Michigan of 2001 ("Act 34") and/or pursuant to Act 94, Public Acts of Michigan, 1933 as amended ("Act 94"), as well as all work necessary or incidental to these improvements and to pay the costs of issuing the Municipal Securities and capitalized interest.; and

WHEREAS, the City may proceed with the Improvements prior to the issuance of the Bonds; and

WHEREAS, the City may incur substantial capital expenditures for the Improvements prior to the issuance of the bonds, and desires to be reimbursed for such expenditures from the bond proceeds, and

WHEREAS, pursuant to Section 517 of Act 34 and Section 33 of Act 94 it is necessary to publish a Notice of Intent to Issue Bonds for the Improvements

NOW, THEREFORE, BE IT RESOLVED THAT:

The City Commission hereby determines to purchase, acquire and construct the Improvements and to pay for the cost through the issuance of one or more series of limited tax, general obligation, improvement bonds, pursuant to Act 34 and/or Act 94, in an amount of not to exceed \$2,500,000 (the "Bonds").

A Notice of Intent to Issue Bonds be published in accordance with Section 517 of Act 34 and Section 33 of Act 94, and the City Clerk is authorized and directed to publish the Notice of Intent to Issue Bonds in the *Union Enterprise* newspaper of general circulation in the City, determined to be the newspaper reaching the largest number of persons to whom such Notice is directed, which Notice shall be substantially in the form as set forth on **Exhibit A** attached hereto, and shall be at least one-quarter (1/4) page size in the newspaper.

The City may proceed to acquire and construct the Improvements using available funds of the City, from the Water and Sewer Fund, and other funds of the City.

At such time as the City issues the Bonds for the long-term financing of the Improvements, the City shall be reimbursed for its expenditures for the Improvements out of the proceeds of the Bonds.

The maximum amount of capital expenditures for which the City will seek reimbursement from the bond proceeds is \$2,500,000.

This resolution and the expression of intent to seek reimbursement from future bond proceeds is intended to satisfy the requirements of Section 150 of the Internal Revenue Code of 1986, as amended.

The firm of Clark Hill, PLC is hereby employed as bond counsel to the City to prepare the documents for the issuance of Bonds for financing acquisition of the Improvements, and the firm of MFCI is hereby employed as financial advisor for the bond issue.

All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

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

NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: None.

RESOLUTION DECLARED ADOPTED.

IX. DISCUSSION ITEMS:

MANAGER'S REPORT

The City Manager commented and gave updates on the following:

- Re-cap of the Hometown Christmas event.
- Announced that Fire Chief Brandon Weber resigned today. He thanked Brandon for his twenty-five years of service and noted that he had accomplished a lot.

COMMUNICATIONS

None.

REMARKS FROM THE AUDIENCE

David Fouch, 359 W. Franklin – he asked what newspaper source the City will use to publish the Intent to Bond. City Manager Mitchell stated that it would be in the Union Enterprise.

COMMISSIONER'S' COMMENTS

Commissioner Moore – he stated that he had heard that the Hometown Christmas event went really well. He commented the he enjoyed hearing the City Manager announcing at the parade. He thanked the following for attending: the audience, County Commissioner Dugan, and Chris Machiela.

Commissioner Rayburn – he thanked the following: the audience for attending, Chief Misner for taking on extra duties for a while, County Commissioner Dugan for this report, and City Manager Mitchell for all he does. He commented that the City needs money for the Helen Street Project and we will do our best to keep the costs down.

Commissioner Smith – he thanked Chris Machiela for attending, and County Commissioner Dugan for the updates. He commented that Hometown Christmas was a good, safe event, and everyone had a good time. He thanked everyone that put time into the planning of the event. He gave a special thank you to City Manager Mitchell for his leadership and planning of Hometown Christmas. He thanked Brandon Weber for his twenty-five years of service.

Commissioner Krueger – she thanked everyone for attending the meeting, Chris Machiela for attending the meeting, County Commissioner Dugan for his report. She commented that the Hometown Christmas Event was beautiful. She gave a big thank you to the DPW for making the downtown and pavilion beautiful. She commented that there were hundreds of people downtown and the parade was well attended. She thanked the Community, Jenny from the Chamber of Commerce, and the many volunteers. She stated that she heard good comments about the event. She concurred with Commissioner Smith’s comments. She thanked Brandon Weber for his twenty-five years of service. She wished everyone Happy Holidays and Merry Christmas.

Mayor Withee – she thanked everyone that helped with Hometown Christmas. She commented that it takes a village to put on an event like Hometown Christmas. She stated that this was the first year that Together Otsego Prospers had taken on the event with community partners. She thanked all of the sponsors. She thanked Brandon Weber for his twenty-five years of service. She wished everyone a Happy Holiday.

ADJOURN

The meeting was adjourned on a motion by Commissioner Smith, seconded by Commissioner Rayburn. CARRIED – 7:35 p.m.

Angela M. Cronen, MMC
City Clerk