

CITY COUNCIL MINUTES

City of Hillsdale
January 18, 2022
7:00 P.M.

Regular Meeting

Call to Order and Pledge of Allegiance

Mayor Adam Stockford opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Adam Stockford called the meeting to order. Clerk Price took roll call.

Council Members present:	Adam Stockford, Mayor
	R Greg Stuchell, Ward 1
	William Morrissey, Ward 2
	Cynthia Pratt, Ward 2
	Bruce Sharp, Ward 3
	Bill Zeiser, Ward 3
	Robert Socha, Ward 4
	Raymond Briner, Ward 4

Council Members absent:	Anthony Vear, Ward 1
-------------------------	----------------------

Also Present: David Mackie (City Manager), Attorney Tom Thompson, Katy Price (City Clerk), Scott Hephner (HCPD/HCFD), Jake Hammel (DPS Director), Penny Swan, Lance Lashaway, Doug Ingles, Sheri Ingles, Mike Prince, Stephanie Myers, Margaret Braman, Darin Spieth, Mary Wolfram, Maya Toman, and Sofie Kellar.

Approval of Agenda

City Manager Mackie requested that New Business Item F. Industrial Park Purchase Agreement- 152 acres to be added to the agenda.

Motion by Council Member Morrissey, seconded by Council Member Socha to add New Business Item F. Industrial Park Purchase Agreement- 152 acres to the agenda as requested.

By a voice vote, the motion passed unanimously.

Motion by Council Member Morrissey, seconded by Council Member Pratt to approve the agenda as amended.

Roll call:

Council Member Stuchell	Aye
Council Member Morrissey	Aye
Mayor Stockford	Aye
Council Member Socha	Aye
Council Member Zeiser	Aye
Council Member Sharp	Aye
Council Member Briner	Aye
Council Member Pratt	Aye

Motion passed 8-0

Public Comment

Mary Wolfram, commented on TIFA Board appointment (Doug Ingles) stated that Ingles was doing a great job as a county commissioner, Wolfram said that there wasn't an open seat on the board. He would be taking her seat on the board, she mentioned she feels like she is being removed without cause. A resolution was drawn up and approved by the TIFA board at the meeting prior to have Wolfram continue to serve the board. She asked Council to table the vote and ask some questions on why she isn't being reappointed.

Jack McLain, commented that boards and committees have terms that expire and rules are rules and should be followed. TIFA board members should be members that are in the TIFA district. Interested parties should have to file an application to show interest in a board.

Penny Swan, commented she was in favor of term limits and Ingles being appointed to the TIFA board.

Margaret Braman comment that Wolfram should continue to serve on the TIFA board as she has been very active, diligent and hard working. Wolfram started the Dawn Theater and Keefer House projects and Braman doesn't feel anything needs to change until the completion of both projects.

Consent Agenda

- A. Approval of Bills
 - 1. City and BPU Claims of December 22, 2021: \$285,913.54 January 6, 2022: \$295,528.63
 - 2. Payroll of December 22, 2021: \$181,598.23 January 6, 2022: \$187,139.78
- B. City Council Minutes of December 20, 2021
- C. Operations and Governance Minutes of August 26, 2021 & October 14, 2021
- D. Finance Minutes of November 15, November 29 and December 13, 2021
- E. Board of Review Minutes of December 14, 2021
- F. LAC Minutes of January 12, 2022
- G. 2021 Annual Code Enforcement Report

Motion by Council Member Morrisey, seconded by Council Member Stuchell to approve the Consent agenda as presented.

Roll call:

Council Member Stuchell	Aye
Council Member Morrisey	Aye
Mayor Stockford	Aye
Council Member Socha	Aye
Council Member Zeiser	Aye
Council Member Sharp	Aye
Council Member Briner	Aye
Council Member Pratt	Aye

Motion passed 8-0

Communications/Petitions

- A. Mitchell Research Center December 2021 Newsletter

All items presented for the purpose of information only.

Introduction and Adoption of Ordinances/Public Hearings

None

Old Business

- A. 2022 Council Goals

Mayor Stockford led discussion on the upcoming goals of Council.

1. STREETS

Update – 2018 streets in good condition 2%, 2020 streets in good condition 20%, with projects slated for this upcoming year street conditions will be at 30% by the end of the year based on the Pacer Rating. There is a plan of all streets to be fixed in a 5 to 10 years mark.

2. SOUND SYSTEM (in Council Chambers)

Getting an updated sound system to continue to be more transparent for residents.

3. MITCHELL RESEARCH CENTER

Lovely addition to the community, it is a treasure that the community takes pride in, but ultimately it doesn't create revenue and is an expense on the city budget for upkeep and other items. Unaware at this time on what to do with the Center but Council will take a look and see if there is a way to alleviate the financial burden on the City.

4. SCHOOL RESOURCE OFFICER

Idea is in the infancy stage. The safety at schools is a concern of the community. Stockford would like to explore ideas to help aid public safety, setting a presence in schools in the community where police officers visit the school campuses regularly, etc.

5. ECONOMIC DEVELOPMENT- INDUSTRIAL LAND SALE

Continue to work on selling city owned property to the private sector.

Motion by Council Member Sharp, seconded by Council Member Pratt to approve the 2022 Council goals as presented.

By a voice vote, the motion passed unanimously.

New Business

A. Culvert and Bridge Inspections

Jake Hammel, DPS Director reviewed the request for inspections. The City Engineer, in cooperation with the Director of Public Services, developed a Request for Proposal (RFP) for Engineering Services associated with inspections of the City's 18 culverts and 1 bridge. Work related to the culverts will include the gathering of inventory and condition data on the 18 culverts throughout the city. Work related to the new bridge installed on E Fayette Street will be in accordance to the National Bridge Inspection Standards and will include the required registration with the Michigan Department of Transportations (MDOT) MIBRIDGE System. It is anticipated that following the initial inspections and condition ratings on the culverts additional structural analysis may be required due to their age and condition. Should additional structural analysis be required city staff will negotiate additional pricing for this analysis. Inspections are intended to be completed prior to June 30, 2022.

Motion by Council Member Morrisey, seconded by Council Member Socha to award the inspection work to Rowe Professional Services of Flint, MI in the amount of \$7,520.00. Funds for these inspections were budgeted in the current FY Budget. Should additional structural analysis be required on any culverts City Council grants permission for city staff to negotiate additional fees for this work, with Rowe, not to exceed the funds budgeted for this work and with approval of the City Manager.

Roll call:

Council Member Stuchell	Aye
Council Member Morrisey	Aye
Mayor Stockford	Aye
Council Member Socha	Aye
Council Member Zeiser	Aye
Council Member Sharp	Aye
Council Member Briner	Aye
Council Member Pratt	Aye

Motion passed 8-0

B. 2022 Guidelines for Poverty Exemption from Property Taxes (Resolution)

Kim Thomas, City Assessor reviewed guidelines and assessment qualifications for poverty exemption. She stated City Council is required to annually adopt guidelines to be followed by the Board of Review in determining eligibility for exemption from property taxes for reasons of poverty as provided for in Michigan Compiled Laws (MCL), Section 211.7u.

State Tax Commission Bulletin 17 of 2021 was issued on November 16, 2021 with the updated federal poverty guidelines from the U.S. Department of Health and Human Services to be used in determining eligibility for 2022.

The Assessing department has reviewed the amended statute with the Board of Review members to develop clear guidelines for recommendation to Council as detailed in the resolution.

Motion by Council Member Stuchell, seconded by Council Member Socha to approve the 2022 guidelines for poverty exemption from property taxes. **Resolution #3485.**

By a voice vote, the motion passed unanimously.

C. Resolution to Revoke Industrial Facilities Exemption Certificate Numbers 2012-298, 2014-489 issued to General Automatic Machine Products Company (GAMPCO)

Kim Thomas, City Assessor reviewed the revocation of the IFT certificates for GAMPCO.

CAMPOC notified the assessing department that they had ceased operations at the location of 266 Industrial Drive as of December 31, 2021.

Section 15(2) of Public Act 198 of 1974 (Michigan Compiled Laws Section 207.565) grants authority to the legislative body of a local unit of government to request revocation of a certificate issued under Act 198 of 1974 if the purposes for which the certificate was issued are not being fulfilled as a result of a failure of the holder to proceed in good faith with the operation of the facility.

GAMPCO signed agreements with the City of Hillsdale prior to issuance of the certificate. Both agreements provide that, should the company default, the City may request that the State Tax Commission revoke the remaining term of the IFT certificates and recapture the total amount of taxes abated pursuant to the certificates plus interest.

Motion by Council Member Sharp, seconded by Council Member Socha to approve the resolution to revoke Industrial Facilities Exemption certificate numbers 2012-298, 2014-489 issues to General Automatic Machine Products Company. **Resolution# 3486.**

By a voice vote, the motion passed unanimously.

D. Grant Accounting and Administration Policy

City Manager Mackie reported policy was prepared by the Finance Director to address a material weakness identified during our year end June 30, 2021 audit. The auditor's finding recommended, "The City should update its procedures over cash management over grants to ensure that: 1) all eligible expenses are properly reimbursed, 2) all receivables and revenues are recorded into the correct reporting period, and 3) all expenses are reported and submitted for reimbursement within the allowable and reasonable timeframe to minimize the amount of time that lapses between the expenditure and reimbursement of City funds."

This policy addresses the auditors concerns and would apply to grants over \$10,000 and ALL federal grants.

Motion by Council Member Socha, seconded by Council Member Stuchell to approve the Grant Accounting and Administration Policy.

By a voice vote, the motion passed unanimously.

E. Dial-a-Ride Annual Funding (Resolution)

Jake Hammel DPS Director reported that each February the City of Hillsdale submits an application to the State of Michigan Department of Transportation (MDOT) to apply for financial assistance under Act 51 for public transportation known as Dial-A-Ride Transit (DART). The resolution of intent required by MDOT as part of the application process. The resolution outlines the anticipated balanced budget for the 2022-2023 fiscal year of \$379,189 and projected funding sources. This budget is similar but not necessarily identical to the budget Council will approve in June as it covers a different fiscal year (October 1, 2022-September 30, 2023). It is anticipated that the City will receive 18.0% of operational costs from federal sources and 37.5350% from the state. The remaining 44.46450% will come from local sources (ticket fares and general fund). This resolution also appoints Hammel, Public Services Director, as the Transportation Coordinator.

Motion by Council Member Stuchell, seconded by Council Member Briner to approve the Dial-a-Ride Annual Funding resolution. **Resolution #3387.**

Roll call:

Council Member Stuchell	Aye
Council Member Morrissey	Aye
Mayor Stockford	Aye
Council Member Socha	Aye
Council Member Zeiser	Aye
Council Member Sharp	Aye
Council Member Briner	Aye
Council Member Pratt	Aye

Motion passed 8-0

F. Industrial Park Land Purchase Agreement

City Manager Mackie reported that the purchase agreement was received from a developer to purchase around 152 acres in the industrial park for \$5000 an acre. With this sale along with Stoll's 30 acres purchased recently, all the industrial park vacant land will be sold. It has been reviewed by legal counsel and it will have to be approved by Council to consummate the agreement..

Mayor Stockford stated that this is the biggest land deal that the City has had. Stated it is great news for the City.

Council member Sharp asked Manager Mackie if he knew what the developer's plans are. Mr. Mackie stated he is unaware but developer would have to follow current zoning and planning ordinances, etc.

Motion by Council Member Morrissey, seconded by Council Member Socha to sell the 152 acres to the developer, Dick Suwyn.

Roll call:

Council Member Stuchell	Aye
Council Member Morrissey	Aye
Mayor Stockford	Aye
Council Member Socha	Aye
Council Member Zeiser	Aye
Council Member Sharp	Aye
Council Member Briner	Aye
Council Member Pratt	Aye

Motion passed 8-0

Miscellaneous Reports

A. Proclamation – None

B. Appointments—Doug Ingles – TIFA Board, Joshua Paladino- Library Board

Discussion on Doug Ingles to TIFA board arose.

Council Member Stuchell submitted a TIFA Board resolution recently approved by TIFA from their morning meeting that is in favor of retaining Mary Wolfram as a TIFA board member. Requests that she is reappointed for a minimum of two years term to expire on July 2023. Stuchell stated that there is nothing against County Commissioner Ingles as he has done a great job, the board's concern is that the County Commissioners would have a voting right on the board. Stuchell mentioned that the County Commissioners can come to any meeting and voice opinion, not sure why they would need to be on the board.

Council Member Socha stated that if Mrs. Wolfram and Mr. Bahash would be willing to serve another term it should be continued as they both have been valuable members of the TIFA board.

Council Member Sharp mentioned that it is the Mayor's right to appoint who he wants to the TIFA board. Mayor Stockford stated that it is with Council's approval.

Council Member Morrissey asked the attorney if Council can reinstate Mary Wolfram or if it is to exclusively appoint Mr. Ingles.

City Attorney Thompson stated that it is for Mr. Ingles. It is the Mayor's appointment which is subject to Council's approval which Council can approve or reject the appointment of Mr. Ingles.

Mayor Stockford gave history on the appointment of Wolfram. Her term expired July 2021 but was asked to let her continue by the TIFA board until the Dawn Theater was completed as she was a driving force on that project, and he agreed.

Council Member Briner mentioned in his opinion Mary has done a wonderful job on the TIFA board. She was able to get grants and help rehab the Dawn Theater and Keefer House Hotel projects. Nothing against Mr. Ingles he does a great job at the county level but normally the Mayor/Council gets an opinion if board members want to be reappointed first.

Further discussion ensued.

Motion by Council Member Stuchell, seconded by Council Member Morrissey to table the appointment for Doug Ingles to the TIFA Board.

Library Board appointment – Joshua Paladino

The Library board gave recommendation to Mayor Stockford for Paladino.

Motion by Council Member Morrissey, seconded by Council Member Socha to appoint Joshua Paladino to the Library board.

By a voice vote, the motion passed unanimously.

C. Other – None

General Public Comment

Jack McLain, commented that business owners in the downtown TIFA district should be appointed. McLain asked if all the Industrial Park land was sold after the purchase agreement. He mentioned that it was a good idea to table Ingles appointment. He had questions on the TIFA information meetings. He had questions on the limited TIFA business grant funds and where in the TIFA budget the funds were for the Heritage Association's \$15000 grant which was used to finish off the stenciling project at the Dawn Theater.

Penny Swan, commented on the TIFA board appointment and that there was a resolution drafted by TIFA during the meeting they held in the morning. She didn't see that posted on the agenda or would have come to the meeting.

City Manager's Report

Manager Mackie thanked the New Year's Eve Committee for their hard work on the event as it was a success had 1500 people in attendance.

The EDC Gift Card included 39 businesses participated and sold 888 gift cards. EDC put \$8880 into the program. In total an amount of \$31,000 went into our local economy.

The Operations & Governance board will hold a meeting on January 26, 2022 at 6:00 p.m. to discuss the sanctuary city for the unborn.

Transportation Asset Management event was presented to Council for officials if interested.

The Library is on curbside pickup only due to Covid-19 and shortage of staff.

Junior Achievement is looking for business sponsors for their Crazy Bowl event.

City will be kicking off the new year budget process January 27, 2022 with department heads and finance director and then will presented to Council on April 4, 2022.

City has a fair amount of land and lots outside of the industrial park available. Assessor is putting report together.

Council Comments

Council Member Morrissey stated the Operations and Governance will hold a meeting on January 26, 2022 at 6:00 p.m. at city hall to address the sanctuary city for the unborn.

Council Member Pratt asked Council Member Sharp about 65 and 69 Westwood St. lots.

Council Member Sharp stated that the lots are great and then thanked Mayor Stockford for conducting himself professionally over the TIFA board appointment discussion.

Mayor Stockford stated that the New Year's Eve event was a great event and thanked everyone involved.

Council Member Socha has questions for assessments on not for profit businesses.

City Manager Mackie stated that the assessment guidelines are established at the state level and not the at City level.

City Attorney Thompson mentioned that all assessment guidelines are handled by statute through the General Property Tax Act and Michigan Tax Tribunal Act.

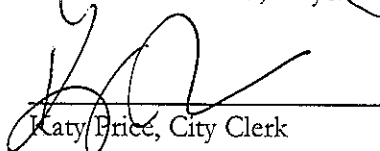
Adjournment

Motion by Council Member Sharp, seconded by Council Member Socha moved to adjourn the meeting.

By a voice vote, the motion passed unanimously.

The meeting adjourned at 8:42 p.m.


Adam L. Stockford, Mayor


Katy Price, City Clerk