

# CITY COUNCIL MINUTES

City of Hillsdale  
December 16, 2024  
7:00 P.M.

Regular Meeting

## Call to Order and Pledge of Allegiance

Mayor Pro tem Joshua Paladino opened the meeting with the Pledge of Allegiance.

## Roll Call

Mayor Pro tem Josh Paladino called the meeting to order. Clerk Price took roll call.

Council Members present: Joshua Paladino, Mayor Pro tem  
R Greg Stuchell, Ward 1  
Jacob Bruns, Ward 1  
William Morrissey, Ward 2  
Matthew Bentley, Ward 2  
Gary Wolfram, Ward 3  
Bob Flynn, Ward 3  
Robert Socha, Ward 4

Council Members absent: None

Also Present: David Mackie (City Manager), Attorney Tom Thompson, Katy Price (City Clerk), Jason Blake (DPS Director), Kim Thomas (City Assessor), Sam Fry (City Economic Development Coordinator) Jake Hammel (BPU Electric Superintendent), Brandon Janes (IT), Nick Fox, CJ Toncray, Brandon Traxler, Shannon Gainer, Andrew Gelzer, Sam Knecht, Roxanne Vear, Kevin Vear.

## Approval of Agenda

Motion by Councilman Socha, support by Councilman Morrissey, to add to New Business item F. Hillsdale County Community Foundation Grant Approval.

All ayes. Motion carried.

Motion by Councilman Socha, support by Councilman Morrissey, to approve the agenda as amended.

All ayes. Motion carried.

## Public Comment

Shannon Gainer, ward four, commented on the Audit from last meeting.

Roxanne Vear, Spoke on the OPRA extension for the Keefer House Hotel, LLC.

Andrew Gelzer, ward four, spoke on the OPRA extension for Keefer House Hotel, LLC

## Consent Agenda

- A. Approval of Bills
  - 1. City and BPU Claims of November 14, 2024: \$834,163.09  
November 27, 2024: \$893,601.04
  - 2. Payroll of December 5, 2024: \$214,134.07
- B. City Council Minutes of December 2, 2024
- C. Finance Minutes of December 2, 2024
- D. 2025 Board/Committee Meeting Dates
- E. BPU Oxidation Ditch Bearing and Couplers
- F. BPU Replacement Tertiary Filters
- G. BPU Wells 4 and 5 Standby Generator
- H. BPU Water/Sewer/Electric Dump Trucks

Motion by Councilman Flynn, support by Councilman Morrisey, to approve the consent agenda.

All ayes. Motion carried.

**Communication/Petitions**

- A. 2024 Hillsdale Planning Commission Annual Report
- B. MRC Winter Newsletter
- C. REU Letter – Keith O’Neil
- D. Homeless Letter- Gerry Brown
- E. Ted Jansen Letter
- F. Flag Pole Discussion
- G. Leaf Collection Verbal Update – Jason Blake
- H. Hillsdale County Commissioner Update – Doug Ingles

Jason Blake, DPS director spoke on the process of the leaf collection, the equipment being used and reported collection was completed on schedule.

**Introduction and Adoption of Ordinances/Public Hearings**

**Old Business**

- A. Airport Hangar Lease Verbal Update

City Manager Mackie gave a brief report on the not being able to do the hangar lease due to specific regulations.

**New Business**

- A. Keefer House Hotel, LLC OPRA Amendment (Resolution)

On April 1, 2019, the City of Hillsdale approved Resolution #3372, granting Keefer House Hotel, LLC an Obsolete Property Rehabilitation Exemption Certificate (OPRA) for property located at 96, 100, 102, 104 N. Howell Street, Hillsdale, Michigan. This certificate was approved for a period of 12 years, beginning December 31, 2019, and ending December 30, 2032, pursuant to the provisions of Public Act 146 of 2000, as amended.

Resolution #3372 originally required that the rehabilitation of the facility be completed by December 31, 2021. Following its approval, the developer faced significant delays caused by the COVID-19 pandemic, labor and material shortages, cost increases, and major water/foundation issues. As a result, on August 19, 2024, Hillsdale City Council approved an amendment to extend the project’s completion date to December 31, 2024.

Keefer House Hotel, LLC has now submitted a letter dated December 4, 2024 requesting an additional extension of the completion date to September 30, 2025. The amendment would ensure the State Tax Commission does not revoke the OPRA certificate while the project remains ongoing, as OPRA’s are subject to State Tax Commission review after being approved at the local level.

Lengthy Council discussion ensued on why the extension would be necessary and the progress that has been made in the current time frame along with the numerous extensions requested.

Nick Fox, Project manager reported on the construction side and updated council on what has been done.

More discussion ensued.

Motion by Council Member Flynn, seconded by Council Member Wolfram moved to approve the OPRA resolution amendment as presented. **Resolution #3621.**

Roll Call:

Councilman Bruns	Nay
Councilman Flynn	Aye
Councilman Morrisey	Aye
Councilman Socha	Aye
Councilman Stuchell	Aye
Councilman Wolfram	Aye
Mayor Pro Tem Paladino	Aye

Councilman Bentley

Nay

Motion passed 6-2

B. 2025 Poverty Exemption Guidelines for Property Taxes (Resolution)

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.

Four (4) taxpayers submitted requests to the board of review for exemption from the 2024 property taxes due to poverty.

State Tax Commission Bulletin 17 of 2024 was issued on November 19, 2024 with the updated federal poverty guidelines from the U.S. Department of Health and Human Services to be used in determining eligibility for 2025.

Additional guidance and information regarding poverty exemptions can be found online at <https://www.michigan.gov/taxes/property/exemptions/povertyexemption/poverty-exemption>.

Motion by Council Member Socha, seconded by Council Member Morrissey, moved to approve the 2025 Poverty Exemption Guidelines for Property Taxes as presented. **Resolution #3622.**

By a voice vote, the motion passed unanimously.

C. Mowing Contract Extension

The current, expiring, mowing contracts were bid as a three-year contract with an optional fourth year extension at the third year price. The quality and pricing met staff expectations.

Contract #1 Bills Lawn Care – \$80,871 - Building and Grounds, Parking Lots and Traffic Islands, Parks, Roadsides and Field of Dreams mowing. (107.86 acres)

Contract #2 TKC Lawn, Snow and Wood. – \$57,980 - Oak Grove and Lakeview Cemetery. (Approximately 43.7 acres)

Motion by Council Member Flynn, seconded by Council Member Socha moved to approve the fourth year extension from Bills Lawn Care in the amount of \$80,871 and TKC Lawn, Snow and Wood in the amount of \$57,980.

By a voice vote, the motion passed unanimously.

D. 2025 City Council Meeting Dates

January	6 & 21
February	3 & 17
March	3 & 17
April	7 & 21
May	5 & 19
June	2 & 16
July	7 & 21
August	4 & 18
September	2 & 15
October	6 & 20
November	3 & 17
December	1 & 15

January 21, 2025 and September 2, 2025 Council meetings would be held on Tuesday for the Martin Luther King, Jr. and Labor Day holidays.

Motion by Council Member Morrissey, seconded by Council Member Socha to approve the 2025 City Council meeting dates as presented.

E. Dial-A-Ride Fare Increase

In efforts to lower the General Fund contribution to the proposed 25-26 FY Dial-A-Ride budget, Mayor Pro Tem Paladino inquired about a possible Fair Rate increase, not to exceed \$2.50 per fare. A \$2.50 Fare rate increase would generate an additional \$68,162.50 to reduce the General Fund contribution of \$96,253.00 to \$28,090.50.

Motion by Council Member Flynn, seconded by Council Member Bruns to send the proposed fare rate increase to the Dial-A-Ride Local Advisory Committee for review and approval.

By a voice vote, the motion passed unanimously.

F. Hillsdale County Community Foundation Grant Approval

To assist in underground survey work in portions of Lakeview and Oak Grove Cemetery in addition to locating underground utilities throughout the city, the Dept. of Public Services, with Cemetery Board approval, applied in October 2024 for a Grant through the Hillsdale County Community Foundation for one ground penetrating radar unit. The Grant is in the amount of \$24,545 and would cover 100% of the purchase in addition all applicable software.

Notice of Grant approval from the Hillsdale Community Foundations was received on December 10, 2024. Special conditions of the grant include that equipment must be available for county wide use at a reasonable operating rate, as the need for the radar unit is needed in other cemeteries located within the county.

Motion by Council Member Socha, seconded by Council Member Flynn to approve the Hillsdale County Community Grant Agreement, #009104, and authorize DPS Director, Jason Blake, to sign the agreement on behalf of the City.

By a voice vote, the motion passed unanimously.

Miscellaneous Reports

A. Proclamations – None

B. Reappointments- Election Commission – Ginger Novak, Bill Mullaly, Michael Hendershot  
TIFA Board- Mary Margaret Spiteri, Felicia Finch, Margaret Braman  
Board of Review – Becki Jaeger, Kerry Laycock

Motion by Council Member Socha, seconded by Council Member Flynn to approve reappointment of Ginger Novak, Bill Mullaly & Michael Hendershot to the Election Commission.

By a voice vote, the motion passed unanimously.

Motion by Council Member Socha, seconded by Council Member Stuchell to approve reappointment of Mary Margaret Spiteri, Felicia Finch & Margaret Braman to the TIFA Board.

By a voice vote, the motion passed unanimously.

Motion by Council Member Morrisey, seconded by Council Member Socha to approve reappointment of Becki Jaeger & Kerry Laycock to the Board of Review.

By a voice vote, the motion passed unanimously.

General Public Comment

Roxanne Vear, ward three, Spoke on the Keefer House progress and would like to see barriers for success from Council.

Sam Knecht, ward one, commented on a Hillsdale Collegian article specifically the interview with Mayor Pro tem Paladino and the fluoride discussion. Asked Council to continue to have fluoride in the water and look at all the proper reports for the experts.

Shannon Gainer, ward four, commented on the audit, city funds, leaf collection, streets and special assessment districts. Gainer mentioned that Council would not pay any special assessment for their roads.

Brandon Traxler, ward four, commented on Barry Street and the Special Assessment District petition that he saw and letter he signed not in favor of the assessment. He asked council to look at other possible avenues for funding.

Jack McLain, Hillsdale Twp., spoke on Keefer House, taxes on West St, leaf pickup and holiday decorations.

### **City Manager Report**

Thanked Operation Good Cheer organization for flying in to the Airport with gifts for children.

BPU Best Decorated Home and Business Light contest is open.

City & BPU Office Hours will be closed Tuesday, December 24<sup>th</sup> and Wednesday, December 25<sup>th</sup> for the holidays.

Christmas Tree Collection will be on Monday January 13<sup>th</sup> have natural trees out by 7:00 a.m.

Special Assessment District plan construction costs for Monroe St. Arch Ave., and Barry St. construction plans will be presented. Public hearing will be at another meeting follow where residents on the streets will be sent notification and letters about the hearing.

### **Council Comment**

Mayor Pro tem Paladino stated that there are two council members that will or have paid for their special assessment for their streets and Councilmen Morrisey and Socha have also contributed to the fund.

Councilman Flynn asked council and staff to look at parking for the Keefer House Hotel.

City Manager Mackie stated staff has been looking at the parking item.

Councilman Bentley asked about left turn lanes on Broad St.

### **Adjournment**

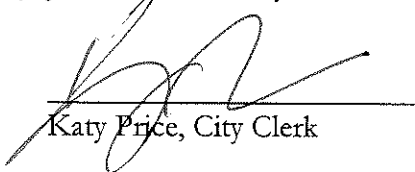
Motion by Councilmember Socha, seconded by Councilmember Flynn to adjourn the meeting.

By a voice vote, the motion passed unanimously.

The meeting Adjourned at 9:28 p.m.



Josh Paladino, Mayor Pro-Tem



Katy Price, City Clerk