

CITY OF ST. JOHNS
CITY COMMISSION MINUTES
JANUARY 23, 2023

The regular meeting of the St. Johns City Commission was called to order by Mayor Cocco at 6:00 p.m. at the Clinton County Courthouse, 100 East State Street, 2nd Floor, Suite #2200, St. Johns, Michigan.

COMMISSIONERS PRESENT: Eric Hufnagel, Jean Ruestman, Brad Gurski, Roberta Cocco, Scott Dzurka

COMMISSIONERS ABSENT: None

STAFF PRESENT: Dave Kudwa, City Manager; Mindy J. Seavey, City Clerk; Kristina Kinde, Treasurer; Justin Smith, Director of Public Services; Anne Seurnyck, Attorney

Mayor Cocco asked if any of the commissioners wished to discuss any of the items on the consent agenda.

Commission Gurski asked to move items e. & g. to New Business as items #8 & #9 ahead of commissioner comments.

Motion by Commissioner Dzurka seconded by Commissioner Gurski that the consent agenda be approved as amended.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

a. Approval of Minutes

Motion by Commissioner Dzurka seconded by Commissioner Gurski that the minutes of the December 12, 2022 regular meeting and January 5, 2023 special meeting be approved as presented.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

b. Approval of Warrants

Motion by Commissioner Dzurka seconded by Commissioner Gurski that warrants be approved as presented in the amount of \$2,697,276.15.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None
Motion carried.

c. Purchase of Vehicle - Falcon 4-ton Asphalt Hot Box Trailer

Motion by Commissioner Dzurka seconded by Commissioner Gurski that the city commission approve the purchase of the Falcon Hot Box Trailer in the amount of \$29,411.76 (this purchase was approved in the 22/23 budget and funds are available in line #661-270-977.067 of \$30,000).

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka
NAY: None
Motion carried.

d. Approval of Merit Bonuses

Motion by Commissioner Dzurka seconded by Commissioner Gurski that the city commission approve the merit bonuses as presented.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka
NAY: None
Motion carried.

f. 2023/2024 Budget Calendar

Motion by Commissioner Dzurka seconded by Commissioner Gurski that the city commission approve the 2023/2024 budget calendar as presented.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka
NAY: None
Motion carried.

AGENDA

Mayor Cocco asked if there were any additions or deletions to the agenda.

Commissioner Gurski asked to move item #3 under Persons Wishing to Present Testimony to item #2.

Mayor Cocco asked to add a conversation around the City Manager Review as New Business item #10 to the agenda.

Motion by Commissioner Dzurka seconded by Commissioner Ruestman that the city commission approve the agenda as amended.

AGENDA**A. OPENING:**

1. Invocation
2. Pledge of Allegiance
3. Consent Agenda

The staff proposes the following items for the Consent Agenda. If any Commissioner wishes to discuss any of these items, it should be placed on the regular agenda. The remaining items and recommendations may be approved en masse:

- a. Approval of Minutes
 - Regular meeting of December 12, 2022
 - Special meeting of January 5, 2023
- b. Approval of Warrants
 - In the amount of \$2,697,276.15
- c. Purchase of Vehicle - Falcon 4-ton Asphalt Hot Box Trailer
 - Staff recommends that the city commission approve the purchase of the Falcon Hot Box Trailer in the amount of \$29,411.76 (this purchase was approved in the 22/23 budget and funds are available in line #661-270-977.067 of \$30,000).
- d. Approval of Merit Bonuses
 - Staff recommends that the city commission approve the merit bonuses as presented.
- e. ~~Scott Road Water Main Project Bid~~
 - ~~-Staff recommends that the city commission approve acceptance of the bid from Miller Brothers Excavating to complete the Scott Road Watermain in the amount of \$318,275.00. This project was approved in the 22/23 Fiscal Budget and funds are available.~~
- f. 2023/2024 Budget Calendar
 - Staff recommends that the city commission approve the 2023/2024 budget calendar as presented.
- g. ~~Vehicle Purchases~~
 - ~~-Staff recommends that the city commission approve vehicle purchases as outlined in each specific department's approved budget.~~
4. Approval of Agenda:

B. PUBLIC HEARINGS:**C. PERSONS WISHING TO PRESENT TESTIMONY:**

1. Public comment - agenda & non-agenda items
2. Police Department Commendations
3. Audit Presentation – Jordan Smith, Maner Costerisan

D. COMMUNICATIONS:

E. OLD BUSINESS:

F. NEW BUSINESS:

1. Clinton Area Ambulance Authority Board Service Budget & Capital Improvement Budget
2. RV Storage - Alternate Surfaces & Backyard – Possible Referral to the Planning Commission
3. Resolution #1-2023 – Deficit Elimination Plan
4. City Commission Board and Committee Assignments
5. Plow/Dump Truck Replacement
6. Spray Park Water Recirculation Conversion
7. Creation of an Ad Hoc Communications Committee
8. Scott Road Water Main Project Bid
9. Vehicle Purchases
10. City Manager Review
11. Commissioner Comments
12. Ethics Ordinance Revision – Introduction of Ordinance
13. Closed Session to Discuss Attorney/Client Communications

G. ADJOURNMENT:

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

PUBLIC HEARINGS

PERSONS WISHING TO PRESENT TESTIMONY

1. Public Comment

Mayor Cocco asked if there were any public comments.

Tim Hulliberger, St. Johns Call-In Coalition, was present. He said they submitted their special event application for the Pride Festival on October 6th. He asked what stage that is at. They have food vendors that want to participate and need to schedule them out as well as notable advocates. He said they are still looking at the third Saturday in June for this event.

Mayor Cocco said this time isn't an opportunity for discussion. She said they will stay in touch.

Jeremy Blatt, Deputy Field Representative with Representative Elissa Slotkin's office, was present. He said they are excited to be working with all of you. He said to feel free to reach out to their office.

Ed Thelen, 110 W. Cass, was present. He discussed the ambulance board budget; the time and effort put into the budget and the increases into the per capita; the challenge of keeping people there; and they are now offering insurance. He discussed the city's audit; it looks like we are in great shape thanks to the city manager and treasurer. If possible, if one of you could ask the auditor to compare us to peer cities.

2. Police Department Commendations

Police Chief Kirk thanked the commission for the opportunity to make this presentation. He discussed the dynamic atmosphere our police officers operate in. He discussed the October 21, 2022 event and the officers multitasking in a chaotic environment. He said their measures were commendation worthy. He presented commendations to Auxiliary Officer Jonathan Helms; Lieutenant Eric Verlinde; Sergeant Nicholas Klaver; Sergeant Benjamin Helms and Officer James Mahar. He said Officer Eric Worrall wasn't able to make the presentation. He thanked the family members that came for the presentation.

Mayor Cocco said it's a pleasure, we appreciate the efforts you put in day in and day out.

3. Audit Presentation – Jordan Smith, Maner Costerisan

Jordan Smith, Principal with Maner Costerisan, was present. He thanked Dave and Kristina and the rest of the city staff. He discussed the audit report: page 9 – clean, unmodified opinion; a change in accounting principles – leases became effective; page 29 – revenues/expenditures: General Fund revenue up about 3%, expenditures were up 13% (recreation and culture, pension contributions, maintenance on equipment, capital outlay); \$89,000 increase to your fund balance; a bar graph (increasing fund balance over the last five years); General Fund revenues pie graph; General Fund expenditures pie graph; page 29 - \$2.95 million fund balance at the end of the year; page 29 – major streets and local streets – revenues increased for both of those, major street expenditures increased by less than 1%, local streets decreased from 2021; line graph – fund balance on local and major streets; page 32 – water & sewer fund, increase in revenue of \$400,000, operating expenses increased 12%, depreciation was higher, pension costs increased, motor pool rent; bar graph for water & sewer – net position is \$1.6 million – very healthy trend; large red bar is the recommendation of where it should be; page 117 – internal control over financial reporting, segregation of duties and lack of controls, street millage #2 capital projects fund – deficit elimination plan.

There was a discussion of:

- Recommended fund balance
- Page 29, local street deficit
- How we compare to other cities.
 - Treasury has F-65 reports on their website and you can compare different cities.

Motion by Commissioner Gurski seconded by Commissioner Ruestman that the city commission accept the 2022 audit presentation and place it on file.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

COMMUNICATIONS

OLD BUSINESS

NEW BUSINESS

1. Clinton Area Ambulance Authority Board Service Budget & Capital Improvement Budget

Commissioner Gurski said the Clinton Area Ambulance really had some tough times during the pandemic. He discussed: maintaining staff levels and keeping staff from burning out; per capita is scheduled to increase; make sure we are competitive; they have a very robust staff and capable administration team; continued conversation about growth with the authority (all but 3 townships in Clinton County participate); open conversations supporting our partners in the southern portion of the county (possibly have a space down there in the future, if need be); approved a rate increase related to our services; aggressive rate increase 50% in 2023 and again 50% in 2024, but it will have minimal impact to individuals.

There was a discussion of:

- Clarification on who pays for the increases.
 - More for the private insurers; for private individuals, the Medicare rate will be what they charge.
- Struggle to expand revenues and make proactive changes.
- The spirit of all the partners has been positive.
- Comfortable and confident in the ambulance staff.
- Staff retention concern

Mayor Cocco gave a shoutout to Lynn and Jen at Clinton Area Ambulance; the city is fortunate to have this service.

Motion by Commissioner Gurski seconded by Commissioner Dzurka that the city commission approve the 2023/24 Clinton Area Ambulance Authority budget (operating budget).

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

2. RV Storage - Alternate Surfaces & Backyard – Possible Referral to the Planning Commission

City Manager Kudwa said we received a few requests from residents. He said with Ordinance #645, the city thought it would be good to give clarity on the storage of RV's and what surface they could be stored on. He said during the seasonal time they can park on grass, but to store year-round it has to be a hard surface such as concrete or asphalt. We request the Planning Commission take a look at modifying that surface: crushed concrete, gravel, or pavers. He said others are asking if we would allow storage in the back yard. We think these are reasonable requests.

There was a discussion of Ordinance #645.

Motion by Commissioner Ruestman seconded by Commissioner Hufnagel that the city commission refer the request to the Planning Commission for their review and recommendation.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

3. Resolution #1-2023 – Deficit Elimination Plan

Treasurer Kinde said this is a housekeeping item we have annually related to the street millage fund. Our tax revenues don't come in until July and August and we want to start work on the streets in the spring and summer. She said we start spending money before the tax money comes in. She said this is the last year of this plan so our fund balance will be \$0 on the street millage #2 fund.

Motion by Commissioner Dzurka seconded by Commissioner Hufnagel that the city commission adopt Resolution #1-2023 – Deficit Elimination Plan.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None
Motion carried.

4. City Commission Board and Committee Assignments

Mayor Cocco said all commissioners have received their assignments. She said prior to that, she reached out to get their preferences. She said she would like to request support on the recommendations.

Commissioner Ruestman discussed her concern regarding the newest members of the city commission being assigned to the planning commission.

Motion by Commissioner Dzurka seconded by Commissioner Gurski that the city commission approve the assignments as presented.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

5. Plow/Dump Truck Replacement

Director Smith said in 2024 we are scheduled for the replacement of a plow dump truck. He said the vendor is the MiDEAL representative and right now trucks are 12-14 months out from the date of order. We are asking for approval to put our name on the order. He said it is not contractual and there is no money down. If this is not approved in the 23/24 budget, we are not required to take the truck.

There was a discussion of:

- The request
- The 2023/2024 budget
- MiDEAL

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission approve staff to enter a purchase order with D&K Truck Company in alignment with the city's equipment replacement schedule.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

6. Spray Park Water Recirculation Conversion

Recreation Director Schafer said we are planning to convert the spray park to a recirculating system and want approval to use ARPA funding. He said the recirculation system is in our capital improvement plan.

There was a discussion of:

- This project was approved as a part of the capital improvement plan.
- Two bids were received.
- Why this wasn't done as an original part of the project.
- Installation and the cost of maintenance.
- EGLE
 - Regulated by EGLE.
 - We would have a permit and samples would be taken.
 - The system would need to be approved by EGLE.
- ARPA (American Rescue Plan Act)
 - List of ARPA projects.
 - Treasurer Kinde said this wasn't approved on the APRA list for this year, but it does fall in line with the other items. She said it is significantly more than originally budgeted. The other option would be to have that money come from our fund balance. Our unrestricted fund balance is at about 27%.
 - Balance for ARPA: we brought in \$835,000 and we have around \$560,000 left and not set aside for any projects.
- Useable life on this system.
- Bring back to the commission at the February 27th regular meeting.

City Manager Kudwa said all the equipment can come in, but we will have to shut it down for a little bit. When the spray park was built the thought was to come in and do this. He said to clarify, the commission is requesting information on engineering quotes, the maintenance, and life cycle for this.

7. Creation of an Ad Hoc Communications Committee

Mayor Cocco said she spoke to commissioners individually about this committee and there was a lot of support for this. She said she wants to evaluate our website, what we want to communicate, what we aren't communicating, and who might be communicating best. She said she wanted to bring this to the commission and ask for support to go ahead and draft that. She said there is a need for the residents to be part of this and potentially one or two commissioners.

There was a discussion of:

- Having a description of what the charge of the committee would be.

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- More details on the scope of the committee.
 - King Media was going to have a report on their recommendations; that might give us some guidance.
 - The report could be several weeks out.

Mayor Cocco said she understands we have access to Basecamp. She said if they are going to look to broaden the scope, she asked that commissioners have access to Basecamp.

There was a discussion of meeting 15 minutes earlier for the special meeting on February 1st to discuss this.

8. Scott Road Water Main

Commissioner Gurski asked how we went about bidding the project out.

Director Smith said an RFP was sent out to the three contractors listed on the memo and a formal bid opening was done.

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission accept the bid from Miller Brothers Excavating to complete this project.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

9. Vehicle Purchases

Commissioner Gurski said typically we need to know where the vehicles are coming from instead of just a blanket approval. He said he was curious about the intent.

There was a discussion of:

- Looking at different options and possibly finding used vehicles and being able to act on it quickly.
- Maximum dollars are listed.
- Similar to the process with the utility tractor.
- Staff is looking at cost saving measure, such as off lease or used vehicles.

Motion by Commissioner Gurski seconded by Commissioner Ruestman that the city commission authorize the city manager to approve the vehicle purchase as outlined.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

10. Discussion of City Manager Review

Mayor Cocco discussed the city manager review and having the commission consider that we take steps to have an HR consultant come in and help to expedite this. Potentially, to even have something set up for reviews and have a clear policy and procedure around that.

There was a discussion of:

- The history of the review process for city manager.
- The last review that was done and the process.
- The current review document.

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission give the personnel advisory committee (Cocco & Hufnagel) some oversight to begin searching for HR and developing this to expedite it.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

11. Commissioner Comments

Commissioner Hufnagel recognized the officers who were here today. He said he was pleased to collectively recognize them. He thanked them for doing us proud in respect to their professional conduct.

Commissioner Dzurka acknowledged the passing of Dan Redman, who was a great supporter of the downtown, and said condolences to his family. He gave a lot back to the city. He said he had a chance to visit Representative Penelope Tsernoglou on Friday. He said she was pleased to have some of us there and she had Hanover Mints there.

Mayor Cocco said she appreciated the commissioners' support for an ad hoc communication committee and agreeing to come 15 minutes early to the special meeting. She asked staff to open up Basecamp so we can all be prepared for what has been done. She said she talked to the city manager and January 31st they are going to do "Tuesdays are Terrific" with the mayor. She said this is an opportunity to connect with the community and listen to our residents. It will be held at 6:30 p.m. with the location to be announced. They are looking at doing this on a monthly basis.

12. Ethics Ordinance Revision – Introduction of Ordinance

Attorney Seurnyck said some of the changes are just clarifications. She discussed making sure none of the decisions conflict with the charter, Michigan law, or collective bargaining agreements. This clarified who the Board reviews and officials who report to the city manager; the process followed which may end up in the Board of Ethics or City Commission. She said a lot of this is the same as you had before, but it clarified the process for each.

Motion by Commissioner Dzurka seconded by Commissioner Hufnagel that the city commission introduce the amended ethics ordinance.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

13. Closed Session to Discuss Attorney/Client Communications

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission go into closed session to discuss a written attorney/client communication.

Roll call vote:

YEA: Dzurka

YEA: Gurski

YEA: Hufnagel

YEA: Ruestman

YEA: Cocco

Motion carried.

The commission went into closed session at 7:32 p.m.

Motion by Commissioner Dzurka seconded by Commissioner Hufnagel that the city commission go into open session.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

The meeting went back into open session at 7:42 p.m.

Attorney Seurnyck suggested a motion to authorize the attorney to contact the complainant to give the results of the investigation.

Motion by Commissioner Dzurka seconded by Commissioner Ruestman that the city commission authorize the attorney to contact the complainant to give the results of the investigation.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

ADJOURNMENT

Motion by Commissioner Gurski seconded by Commissioner Ruestman that the meeting be adjourned.

YEA: Hufnagel, Ruestman, Gurski, Cocco, Dzurka

NAY: None

Motion carried.

The meeting was adjourned at 7:42 p.m.