

CITY OF ST. JOHNS

CITY COMMISSION MINUTES

OCTOBER 22, 2024

The special meeting of the St. Johns City Commission and Bingham Township Board was called to order by Mayor Dzurka at 5:34 p.m. at the Clinton County Courthouse, 100 East State Street, 1st Floor, Conference Room C, St. Johns, Michigan.

CITY COMMISSIONERS PRESENT: Eric Hufnagel, Jean Ruestman, Brad Gurski, Scott Dzurka, Chris Hyzer
CITY COMMISSIONERS ABSENT: None
STAFF PRESENT: Chad Gamble, City Manager; Mindy J. Seavey, City Clerk; Kristina Kinde, City Treasurer; Justin Smith, Director of Public Services; Michael Homier, Attorney (arrived at 5:52 p.m.)
BINGHAM TOWNSHIP: Eric Silm, Jessica Smith, Amy Wirth, Eric Harger, Tony Hufnagel

Agenda

Bingham Township Board approved their agenda.

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

Motion by Commissioner Hyzer seconded by Commissioner Ruestman that the city commission approve the agenda as presented.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

Review of Roadmap Discussion at the September 10, 2024

Bingham Supervisor Silm asked City Manager Gamble to recap the previous meeting.

City Manager Gamble discussed: a culmination of many years in the making; excited about both groups being together; great conversations at our last meeting; objectives from the last meeting; (two step solution became difficult to do); fears discussed at the last meeting; agreement options; pros/cons of UCA and authority. He said Supervisor Silm and he met via zoom with Attorney Homier last Friday. There is an 8-page draft agreement that is a framework for discussion. He said the major points we want to be able to work out.

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Supervisor Silm said Mike is very good at letting us work through all of these things on our own. He has lots of experience with lots of municipalities that have been down the same road. He said don't be afraid to ask him what he has done in previous instances.

Mayor Dzurka said with staff, there is an understanding there is flexibility here, it doesn't mean everyone becomes an employee of the authority. He said there is a pretty solid system built already, and an authority would become the governing body.

Supervisor Silm said this is a boilerplate agreement until we add unique pieces.

Overview of Progress and Activity Since Last Meeting

The Bingham Township Trustees and St. Johns City Commission reviewed the draft agreement provided by Attorney Homier.

Mayor Dzurka said the general powers seem pretty vague.

Commissioner Gurski said the by-laws would be tighter, but not so much the articles.

Attorney Homier arrived at 5:52 p.m.

Commissioner Hufnagel said it would be helpful to have the statute to look at.

Introduction of 1st Draft of Proposed Collaboration Agreement

Attorney Homier said one of the big issues is the city acting as the contractor for operations and maintenance. That would not require the city to transfer employees. He said water/sewer is never used as a profit center. It could be a separate contract between the authority and the city.

There was a discussion of:

- Article 13.
- Protections regarding out clauses.
- Long term contract & approval of articles.
- Allocation of utilization of capacity at the plant.
- The current design flow is 1.9 million g.p.d. (gallons per day).
 - The current average flow of 1.14 million g.p.d. to WWTP.
 - Current agreement that allows township 200,000 g.p.d.

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- Nothing within that current agreement that provides the purchase of that capacity.
 - Users are paying for the usage/service.
- Expansion and taking on debt or having savings to pay for expansion.
- Capacity buy-in or tiered rate structure.
- SCCMUA (Southern Clinton County Municipal Utility Authority).
- Grants.

City Manager Gamble introduced Chris Khorey, McKenna. He is our planner and involved in re-doing our 5-year master plan.

Mr. Khorey said the joint future land use map and utility service boundary is important. He said it was put together in 2019/2020 and they could put future growth numbers together for this group.

There was a discussion of:

- Current land use.
 - A large part of the area is under contract for solar.
 - Discussion of areas for possible solar.
- The draft articles.
 - Article 3.
 - Attorney Homier asked if the district would include all of the township or just the area in the planning map.
 - Discussion of township being the boundary.
 - Discussion of assets: pipe and plant.
 - Discussion of if only new township customers would have to hook up.
 - Act 124.284(D)
 - Article 6.
 - Fiscal year: don't know if it is necessary to be clear on that?
 - Article 7.
 - Odd number of board members?
 - Everyone gets 1 and the remainder get them proportionally?
 - 1/6 or 1/7
 - 7 total; 5/2 split.
 - Length of term?
 - Annual.
 - Alternate?
 - Get rid of alternate.

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- Can elected officials be on the authority?
 - Conflict.
- Article 9.
 - Special meetings, 2nd paragraph.
 - “to the members”.
 - Meeting monthly is excessive.
 - Minimum of quarterly.
- Article 10.
 - “May” language.
 - Part of administrative responsibilities.
 - Replace with employees, consultants, etc.
- Article 11.
 - Second half, money should be in by-laws.
- Article 12
 - Loan or ability to bond?
 - Included in statute.
- Article 14
 - Independent audit.
- Article 15
 - Reference to having insurance.
 - Could be in by-laws.
- Article 16 & 17
 - Discussion of flipping the order of dissolution and withdrawals.
 - Attorney Homier will re-draft.
- Article 18
 - Is there a better solution than population?
 - Billable flow.
 - Rate structure.
 - Attorney Homier said this section should never be used; it should be a self-generating revenue system.
- Article 19
 - 21 days is not enough; 60 is reasonable.
 - Board instead of Executive Director.

Initial Feedback and Discussion of 1st Draft of Collaboration Agreement

City Manager Gamble said he and Supervisor Silm and Attorney Homier need to go through that.

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Review of Timeline

Mayor Dzurka said our next joint meeting is scheduled for December 3rd.

Setting Objectives for Next Meeting

Mayor Dzurka discussed possibly having the draft by-laws, articles and collaboration agreement back for our December 3rd meeting.

Mr. Khorey said they can have the build-out ready for the December 3rd meeting.

Public Comments

Mayor Dzurka asked if there were any public comments.

James Terpening was present. He said you have a millage proposal on the ballot. In the language, you start with Headlee and the rollback and you hide that it's new and perpetual for forever. Why put a new millage on the ballot without stating new? How did you all agree to this? He said he filed a lawsuit against the city over the ballot. He can't personally serve it to you or your attorney. He asked if there were any non-city council members here that would take the lawsuit for him and hand it to the mayor or city attorney at this time.

Attorney Homier said you can contact his office and ask if the city will allow service. He said to send him a copy of the summons and complaint and then he will decide if we will accept service.

Mayor Dzurka said to work with our city attorney. He said he thinks it is a misunderstanding regarding Headlee.

There was a discussion of Headlee and using King Media to get information out regarding the Headlee proposal.

Adjournment

Motion by Commissioner Hyzer seconded by Commissioner Gurski that the city commission adjourn their meeting.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

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The meeting was adjourned at 7:50 p.m.