

## CITY OF ST. JOHNS

### CITY COMMISSION MINUTES

**MAY 23, 2022**

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

COMMISSIONERS PRESENT: Eric Hufnagel, Jean Ruestman, Bob Craig, Brad Gurski

COMMISSIONERS ABSENT: Tamara Kirschenbauer

STAFF PRESENT: Dave Kudwa, City Manager; Mindy J. Seavey, City Clerk; Kristina Kinde, Treasurer; Steven Martin, Director of Public Services

Mayor Hufnagel asked if any of the commissioners or persons present wished to discuss any of the items on the consent agenda.

Commissioner Craig asked that Wilson Center Lease be removed and moved to New Business (#2).

Motion by Commissioner Ruestman seconded by Commissioner Craig that the consent agenda be approved as amended.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

#### a. Approval of Minutes

Motion by Commissioner Ruestman seconded by Commissioner Craig that the minutes of the May 9, 2022 regular meeting be approved as presented.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

#### b. Approval of Warrants

Motion by Commissioner Ruestman seconded by Commissioner Craig that warrants be approved as presented in the amount of \$213,820.97.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

c. Traffic Control Order - #384-22 – Trucks leaving the driveway at 1300 E. Walker Road must turn right and travel westbound on Walker Road. Truck traffic turning left to travel eastbound on Walker Road is prohibited

Motion by Commissioner Ruestman seconded by Commissioner Craig that the city commission approve making temporary Traffic Control Order 384-22 permanent.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

d. Burnham & Flower Insurance Group – HSA Administrative Services Agreement

Motion by Commissioner Ruestman seconded by Commissioner Craig that the city commission ratify the agreement with Burnham & Flower conditional upon approval by the city attorney and authorize the city manager to sign.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

AGENDA

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

City Manager Kudwa asked to add Fire Truck Bid Opening to New Business (#3).

Motion by Commissioner Gurski seconded by Commissioner Craig 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 or person attending 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 May 9, 2022
- b. Approval of Warrants

-In the amount of \$213,820.97

- c. Traffic Control Order - #384-22 – Trucks leaving the driveway at 1300 E. Walker Road must turn right and travel westbound on Walker Road. Truck traffic turning left to travel eastbound on Walker Road is prohibited

-Staff recommends the city commission approve making temporary Traffic Control Order 384-22 permanent.

- d. Burnham & Flower Insurance Group – HSA Administrative Services Agreement

-Staff recommends the city commission ratify the agreement with Burnham & Flower conditional upon approval by the city attorney and authorize the city manager to sign.

- ~~e. Wilson Center Lease Agreement – DPMG Prime LLC~~

~~-Staff recommends the city commission ratify the agreement with DPMG Prime LLC to lease the Wilson Center gym and authorize the mayor and city clerk to sign.~~

- 4. Approval of Agenda:

**B. PUBLIC HEARINGS:**

- 1. Special Assessment Roll for the Principal Shopping District & Resolution #7-2022
- 2. Proposed 2022/2023 Budget & Resolution #8-2022

**C. PERSONS WISHING TO PRESENT TESTIMONY:**

- 1. Public comment - agenda & non-agenda items
- 2. Presentation of a Resolution of Appreciation – City Attorney John Salemi

**D. COMMUNICATIONS:**

**E. OLD BUSINESS:**

**F. NEW BUSINESS:**

- 1. Special Land Use and Site Plan Approval for 311 N. Clinton Avenue
- 2. Wilson Center Lease Agreement – DPMG Prime LLC
- 3. Fire Truck Bid Opening
- 4. Commissioner Comments

**G. ADJOURNMENT:**

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

PUBLIC HEARINGS

1. Special Assessment Roll for the Principal Shopping District & Resolution #7-2022

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the public hearing be opened.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

The public hearing was opened at 6:05 p.m.

Treasurer Kinde said this is the public hearing for the roll. She said this would rescind the prior special assessment and put the new one in place for the next 3 years. This will get the district in line with the DDA. She said commission has been provided with the assessment roll and the cost would go up \$25 each year of the assessment.

Mayor Hufnagel asked if anyone in the audience had any comments.

Ron Dershem, 210 N. Spring, Maco Tool, was present. He said he has a letter he has typed up stating their stance on the special assessment. He said they are a manufacturing facility that has been in business for 50+ years at the same location. They have their own parking and are not retail. He said they would like to be exempt from the special assessment. He said they use nothing that the special assessment pays for.

Treasurer Kinde said she doesn't believe they can be exempted. She said they need to be in to be in line with our district.

Mr. Dershem said other places in the district that are exempt.

Treasurer Kinde said the only exempt ones are non-profits, government or residential properties.

Mr. Dershem said he doesn't understand why we would pay a special assessment if we are not using that.

Treasurer Kinde said you are a part of that district. We had a public hearing on the district previously.

Heather Hanover, PSD/DDA Director, said they are not a new property in the district and have been in the district for many years.

Mayor Hufnagel said he appreciated Mr. Dershem coming in and putting his comments in writing.

Motion by Commissioner Craig seconded by Commissioner Ruestman that the public hearing be closed.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

The public hearing was closed at 6:13 p.m.

Motion by Commissioner Ruestman seconded by Commissioner Craig that the city commission adopt Resolution #7-2022.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

2. Proposed 2022/2023 Budget & Resolution #8-2022

Motion by Commissioner Gurski seconded by Commissioner Craig that the public hearing be opened.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

The public hearing was opened at 6:14 p.m.

City Manager Kudwa said he couldn't be happier with the level of staff engagement over the last four months. He thanked Kristina for the process. He said she has done a really nice job of inviting department heads in to critically think. He said the budget took a long time this year. He thanked the personnel committee and finance committee. We are excited about the budget this year and our capital projects. He discussed what our staff does to have good relationships with the contractors. He discussed the evaluation of staff, classification and compensation program and said they spend a lot of time on that. He said the committee takes a lot of time to go through each person to make sure the compensation is correct. He said there is a 3% COLA this year. We made big changes to our healthcare this year; we weren't planning on doing that. He said they tried to bring equity to our defined contribution program

Treasurer Kinde discussed the budget highlights: millage rate decreasing due to Headlee Rollback; increase in property tax revenue; revenue sharing will increase about 5%;

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getting ARPA funding this year (2<sup>nd</sup> payment); capital expenditures; part-time accountant; major and local streets; Lansing Street project; Act 51 increase – local streets; last year of street millage – increase; first year of TIF plan for DDA; changes to garbage fund – reduced millage rate and increased special assessment for residential properties; water & wastewater – 3% increase in revenues; motor pool fund – just DPW equipment; PSD increase of \$25 per business; LDFA no major revenue changes, new entrance sign to industrial park.

Mayor Hufnagel asked if anyone in the audience wished to speak.

There was no one wishing to speak.

Motion by Commissioner Gurski seconded by Commissioner Ruestman that the public hearing be closed.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

The public hearing was closed at 6:25 p.m.

Motion by Commissioner Craig seconded by Commissioner Gurski that the city commission adopt the 2022/2023 Budget Resolution #8-2022.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

PERSONS WISHING TO PRESENT TESTIMONY

1. Public Comment

Heather Hanover said Steve Martin was outdoors all day watering our flowers downtown. He did a great job.

2. Presentation of a Resolution of Appreciation – City Attorney John Salemi

Mayor Hufnagel read the Resolution of Appreciation.

John Salemi, former city attorney, was present. Mr. Salemi said he appreciated this a lot. It's been a privilege to be a city attorney here in St. Johns. He said it was a unique experience to work with city commission and live in the city; you feel a little more pressure. He said it was a rewarding and gratifying experience and he really enjoyed

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working with our staff. They are good and dedicated people who are fun to work with. He said he worked in San Francisco, Alaska, for the State and Feds, private practice and local government and this is as rewarding as anything I have done. He thanked the city commission and said he looks fondly on the work he has done with city commission. He said he recognizes how hard you all work and how much time you put in. He said he thinks people would see local government differently if they knew this. He said he appreciates the good work you do.

### COMMUNICATIONS

#### OLD BUSINESS

#### NEW BUSINESS

##### 1. Special Land Use and Site Plan Approval for 311 N. Clinton Avenue

City Manager Kudwa said the planning commission has been working with Mr. Koneval for the last few months. He is proposing to redo the bar downstairs and apartments upstairs. We have been working with him on units and access and he appreciated Keith's efforts. He said the planning commission is recommending approval of the special land use. He said they utilized the revised portion of the ordinance, minimum 500 square feet. He said 2 units are over 500 and 1 unit is under that.

Mr. Koneval said he would like to do a wine bar. He said he was able to secure parking with Jason Butler for the apartments and was able to work with St. Johns Internal Medicine on the dumpster. He said they are redoing the whole building from top to bottom.

Commissioner Craig thanked Mr. Koneval; it is not easy.

Commissioner Gurski thanked him for taking on the project.

Commissioner Ruestman said she was happy you were able to come to an agreement on the parking and trash.

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission approve the special land use for 311 N. Clinton.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

Motion by Commissioner Craig seconded by Commissioner Gurski that the city commission approve the site plan for 311 N. Clinton.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

### 3. Wilson Center Lease Agreement – DPMG Prime LLC

City Manager Kudwa said we have been using the Wilson Center without a formal agreement.

Commissioner Craig said he is very supportive of what has been going on. There has been discussion that the city might not just lease it, but may buy it. Can you have a re-opener clause. If we buy it, are we going to have to pay a lease payment?

Recreation Director Schafer said this agreement has been going on for a while and just happened to come to this meeting. He said he is sure they are willing to work with us on it.

Mayor Hufnagel said his assumption is if we purchase it then it would be a provision to void a lease.

Motion by Commissioner Craig seconded by Commissioner Ruestman that the city commission ratify the agreement with DPMG Prime LLC to lease the Wilson Center gym and authorize the mayor and city clerk to sign.

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

### 3. Fire Truck Bid Opening

City Manager Kudwa said our bid opening was today, but we only received one bid.

There was a discussion of opening the bid.

The city commission directed the clerk to open the bid.

Clerk Seavey opened and read the bid: Spencer Manufacturing, bid in the amount of \$634,982.00 and an additional \$66,732 if we want the CAFS system.

Commissioner Craig asked what we asked for.



Fire Chief Whitford said they formed a committee and set our needs. They generated a list and contacted four manufacturers and then began sitting down with each manufacturer and laying out their wants and needs. He said they got the four manufacturers on the same page. The 1<sup>st</sup> of May we went out for bid with 120-page bid specs. He said they all had drawings put together and he was surprised we just got the one bid back.

Commissioner Ruestman asked if the specs. were proprietary.

Chief Whitford said the specs. were as general as they could be. He discussed the optional pump and what that is.

Staff will review the bid and come back with a recommendation.

#### 4. Commissioner Comments

Commissioner Gurski said the ambulance board did an official dedication of the building last Thursday and everything went well. He said it was a formal presentation to those that helped complete that building a couple of years ago. He said things are going well with money. They are looking for an additional used ambulance and they are looking for donations from local vendors. They are targeting the \$75,000 range right now for a used ambulance. He said they had one on order for over for over a year and don't have a real solid date on that. They have 3 ambulances in service. He said they have moved forward with benefits for folks and are trying to recruit staff. He said they seem to be pretty competitive and have a good director.

Commissioner Ruestman said we talked a while back about moving to monthly commission meetings.

City Manager Kudwa said we are working with Mike Homier on that ballot language.

Clerk Seavey said approved ballot language is due to the county clerk in mid-August for placement on the November ballot.

Attorney Homier said they will get the language pre-approved through the Attorney General's office.

Commissioner Craig said he is pleased the budget was approved; everyone has worked really hard on that. Last week, he attended the Mid-Michigan Trail Authority meeting. He said he filled in for the secretary, and he appreciates the work the clerk does. He said they had an annual clean up and got more volunteers than normal. The St. Johns Lion

Club has volunteered to do a weekly clean up in May and maybe June. The trail is looking very nice. He said he talked with John Salemi in terms of the maintenance agreement. He had contact with a DNR rep. and hopes we can get that wrapped up soon.

Attorney Salemi said he talked to Jill from the DNR and Barry Collum, trail manager.

ADJOURNMENT

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

YEA: Hufnagel, Craig, Ruestman, Gurski

NAY: None

Motion carried.

The meeting was adjourned at 6:57 p.m.