

**CITY OF ST. JOHNS**  
**CITY COMMISSION MINUTES**  
**SEPTEMBER 23, 2024**

The regular meeting of the St. Johns City Commission was called to order by Mayor Dzurka at 6:01 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, Brad Gurski, Scott Dzurka, Chris Hyzer

COMMISSIONERS ABSENT: None

STAFF PRESENT: Chad Gamble, City Manager; Kristina Kinde, City Treasurer; Mindy J. Seavey, City Clerk; Justin Smith, Director of Public Services; Anne Seuryneck, City Attorney (Zoom)

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

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the consent agenda be approved as presented.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

a. Approval of Minutes

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the minutes of the August 26, 2024 regular meeting and September 10, 2024 special meeting be approved as presented.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

b. Receipt of Warrants

Motion by Commissioner Ruestman seconded by Commissioner Gurski that warrants be approved as presented in the amount of \$1,224,517.81.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

c. Set Halloween Trick-or-Treat Hours

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission set the Halloween trick-or-treat hours for Thursday, October 31, 2024 between the hours of 6:00 p.m. and 8:00 p.m. with the beginning and ending of the candy-gathering period to be signaled by the fire whistle.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

d. MML Property & Liability Insurance Renewal

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission approve renewal of the city's insurance with the Michigan Municipal League property and liability insurance pool in the amount of \$139,275 with a policy coverage period of October 1, 2024 through September 30, 2025.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

e. American Red Cross – Licensed Training Provider Agreement

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission approve the Licensed Training Provider Agreement with the American Red Cross.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

f. Wastewater Pump Building Heat Pump Replacement

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission approve the purchase and installation of a replacement heat pump from Hopkins Mechanical in the amount of \$43,688.00.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

g. Spicer Group Amended Contract

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Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission approve the amended Spicer Group contract for the additional \$30,000 to complete EGLE's CDSMI project and authorize Mayor to sign.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

### AGENDA

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

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

### 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 minutes of August 26, 2024
  - Special meeting minutes of September 10, 2024
- b. Receipt of Warrants
  - In the amount of \$1,224,517.81
- c. Set Halloween Trick-or-Treat Hours
  - Staff recommends the city commission set the Halloween trick-or-treat hours for Thursday, October 31, 2024 between the hours of 6:00 p.m. and 8:00 p.m. with the beginning and ending of the candy-gathering period to be signaled by the fire whistle.
- d. MML Property & Liability Insurance Renewal
  - Staff recommends the city commission approve renewal of the city's insurance with the Michigan Municipal League property and liability insurance pool in the amount of \$139,275 with a policy coverage period of October 1, 2024 through September 30, 2025.
- e. American Red Cross – Licensed Training Provider Agreement
  - Staff recommends the city commission approve the Licensed Training Provider Agreement with the American Red Cross.
- f. Wastewater Pump Building Heat Pump Replacement

-Staff recommends the city commission approve the purchase and installation of a replacement heat pump from Hopkins Mechanical in the amount of \$43,688.00.

g. Spicer Group Amended Contract

-Staff recommends the city commission approve the amended Spicer Group contract for the additional \$30,000 to complete EGLE's CDSMI project and authorize Mayor to sign.

4. Approval of Agenda:

**B. PUBLIC HEARINGS:**

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

1. Public comment - agenda & non-agenda items

**D. COMMUNICATIONS:**

**E. OLD BUSINESS:**

1. Consideration of Donation of Depot Rail Cars to the City from the Clinton County Arts Council

**F. NEW BUSINESS:**

1. Prevail Solar OPRA and Contribution Agreement
2. Sole Source Requests for Design Services for City Office Renovations
3. Discussion of the Sale of City Owned Property at Townsend Rd. and Old County Line Road
4. Downtown Parking Lots
5. City Manager Comments
6. Commissioner Comments

**G. ADJOURNMENT:**

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

PUBLIC HEARINGS

PERSONS WISHING TO PRESENT TESTIMONY

1. Public Comment

Mayor Dzurka asked if there were any public comments.

Jim Gunther, 1221 LaValle Court, was present. He said he is President of the Clinton County Arts Council. He said he was present at the meeting regarding railcars and hopes the commission will be in agreement with us regarding the discussion.

Mayor Dzurka thanked him for his comments and his work on the arts council.

COMMUNICATIONS

OLD BUSINESS

1. Consideration of Donation of Depot Rail Cars to the City from the Clinton County Arts Council

City Manager Gamble discussed the assets that surround the depot: railcars and railroad museum inside the depot. He said the Clinton County Arts Council does a tremendous job of sponsoring events & activities. One of their responsibilities is the maintenance and upkeep of the railcars and staffing of the railroad museum room. Due to some turnover and limitations of members, it has been a struggle for them to have the time and energy. He said they met with them on August 27<sup>th</sup> and discussed concerns, opportunities and plans to consider. He said the structures are becoming very deteriorated and we want to make sure this area sparkles. The city is in a position to take ownership of the railcars to leverage our efforts and funds of \$14,000 from the arts council. There is a possible sale of some of the cars and we could use the funds to improve the remaining cars. We would work with the council on returning items in the museum to the original owners, have some of those items on display in the main room, and/or at the Wilson Center. He said some items would have to be returned or sold. We are putting together a plan on how to approach this project.

Mayor Dzurka thanked the arts council for their work. This body recognized the importance to share our history and the importance and significance of the area. He said he is glad we can do it with the council moving forward.

Commissioner Hufnagel said we have a history in respect of the rail line and history of dedication from the McCampbell's and others. He said a lot of work was done to bring the railcars here and it was a heavy lift. He said he hopes we can do in a cost neutral way and have it for years to come for the community to enjoy.

City Manager Gamble said the public services department has been involved at least a dozen times in the past years for emergency repairs, mostly due to vandalism.

Motion by Commissioner Ruestman seconded by Commissioner Hufnagel that the city commission approve the city to take ownership of the railcars.

There was a discussion of an amendment to the motion.

Motion amended by Commissioner Ruestman seconded by Commissioner Hufnagel that the city commission direct the city manager to work with our attorney to take ownership of the railcars from the Clinton County Arts Council.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

### NEW BUSINESS

#### 1. Prevail Solar OPRA and Contribution Agreement

City Manager Gamble said the city has been working with the Prevail Solar team for approximately 9 months. He discussed the great leadership of LEAP, a key catalyst in conversations, especially over the last couple of months; efforts of the key shareholder; efforts beneficial in moving this project at light speed. He discussed what an OPRA is. He said the DDA district was extended and included the old Federal Mogul site and the Wilson Center. He said we reached out to Prevail Solar regarding an agreement for additional funds directed for expenditure within the DDA district. He said Prevail wants this to be a positive relationship and they were understanding of this ask.

Treasurer Kinde discussed the OPRA calculation, unique circumstance, significant number of jobs, and the recommendation of 12 years vs. the 10 years.

City Manager Gamble introduced Keith Lambert, COO, LEAP, for an overview of the project.

Mr. Lambert discussed the scope of the project; solar panels; creating jobs at home; and excited about what this building could look like.

Mr. Mike Zhao, Prevail Solar, was present. He shared information regarding the company; mission; goal; 180 people for 3 production lines; market and analysis; scale and plan; financial plan; local hiring and training.

Mr. Lambert discussed local engineering companies. He said the OPRA is a big deal. The company is very open and interested in partnering regarding the DDA.

Mark Holden was present. He said he is the property manager of the Federal Mogul property. He said Mr. Zhao is the most hardworking person he has ever seen in his life and his dedication to this project is unbelievable. He said it is going to be a great operation. He said they are committed to this project and to our community and he has been with him for over a year and a half. He said it is tough to get an old building like this back up and running and it will be an amazing thing for this town.

Mayor Dzurka asked about the hiring process and skills that are going to be necessary.

Mr. Lambert discussed working in connection with LCC and MSU. He said they will need a lot of technician level talent and some engineering. He said they will be making sure the robotics are working the way they should be. He said it will operate 24/7 eventually; there won't be a lot of trucking in and out. He said there is a lot of interest in working with the K-12 schools. They are looking at hiring as soon as Q1 of 2025. The building will take a lot of investment.

There was a discussion of:

- The higher tech field in manufacturing.
- MEDC support.
- Water usage.
- Their preliminary IPP application.

City Manager Gamble thanked them for being here. If the commission views this as an application they would support, we recommend a special meeting. This application is due to the state on October 31<sup>st</sup>. We would hold the required public hearing for the application and present the finalized contribution agreement we are currently in negotiations with.

There was a discussion of setting a special meeting.

Motion by Commissioner Ruestman seconded by Commissioner Gurski that the city commission set a public hearing for October 14<sup>th</sup> at 5:30 p.m. for the OPRA application at 511 North Mead.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

## 2. Sole Source Requests for Design Services for City Office Renovations

City Manager Gamble said there was a budget appropriation for the remodeling of city offices. The design is necessary to be completed. He said we met a couple of times with

the county. We would like to increase the size of the election room; have a secure entryway for staff; and a cost-effective way to perform activities. He said it would be advantageous to include improvements of the office space along with bids for the build-out of the Wilson Center. He said it would be beneficial to have the same consultant and architect on that. Studio Intrigue has been engaged with space studies and office space discussions with us in the past. Our recommendation is to designate Studio Intrigue for a sole source vendor for renovation of the city offices. If the quote is less than \$25,000, authorize the mayor to sign the contract.

Commissioner Hufnagel said thank you for thinking about efficiencies.

Motion by Commissioner Hufnagel seconded by Commissioner Gurski that the city commission approve Studio Intrigue as a sole source vendor for the purposes of design and construction related services for the renovation of the City Office space in the County Courthouse Building and if the quote is less than \$25,000 authorizes the mayor to sign the contract upon City Attorney review and approval.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

### 3. Discussion of the Sale of City Owned Property at Townsend Rd. and Old County Line Road

City Manager Gamble corrected it to County Farm Road. He said there has been some increased interest in multiple properties throughout the city, including this parcel. He said this is an opportunity to consider a proposal-based development request. He said it could be an RFP that could include the commission's desires of what they would like to see be developed on this parcel. He said we would work to ensure a process that would yield a development that would come to fruition in the end. He said we are trying to see the interest from the commission.

There was a discussion of:

- There was talk before about aligning County Farm Road.
  - Road alignment might be what the city brings to the table.
- How prescriptive we want to be.
- We need middle income housing.
- Gaps in housing in our community.
- Previous project was memory care units with ability of phase 2 pod-style residential housing.
  - Question of zoning.
- Alignment of the road is a safety issue.



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- May not be a concern. There are a lot of vehicles on County Farm with the soccer traffic and no accidents there in a number of years.
  - Issue of visibility on Townsend Road, coming from the North.
  - We don't have a ton of space.
  - Engineering study on that intersection?
    - Want to avoid centerline offsets from streets tying into same one that are too close.
    - Peak hour concern.
  - Current use of church property (soccer) compared to the future.
    - Recent conversations about the church property and soccer fields and don't foresee any changes coming with the church soon.
  - Pedestrian safety.
  - Traffic circle.
  - Potential for growth on County Farm Road.

City Manager Gamble said the property can be rezoned. There is R-3 to the east and the south. He said there are developers he has spoken with regarding the development of single-family homes in an affordable way; a little bit denser development; he could have a discussion with Mr. Khorey and make some recommendations to the commission on some options; if the commission supported, we could go through the rezoning process and if not, we could market the property for R-1.

#### 4. Downtown Parking Lots

Director Smith said we were approached quite a while back from Mr. & Mrs. Kossaras, majority property owners, to do something with that parking lot. We worked with our attorney and came up with easements and worked through many of those. Unfortunately, we were not able to secure easements from everyone involved. We can't do the project without everyone being on board with easements. Instead, we have proposed lots 6 & 7 on Walker Street. He said the project would be a simple mill and fill. Jeremy did a great job with estimating on those. We are going to be right on Brush Street anyways and with these lots they are structurally good, and the drainage is good. We propose a design on lot 4.

There was a discussion of:

- Lot #7.

Director Smith said with approval we could also work on Lot #4. We would like to look at storm sewer issues there. We have \$334,400 of ARPA monies dedicated to lot #5. It would cost around \$200,000 to complete lot 6, 7 & 4.

Commissioner Ruestman discussed lot #4 and the library renovation and community fund.

Treasurer Kinde said to clarify, it is not ARPA funds but surplus fund balance we have because of ARPA.

There was a discussion of:

- Commending Chad and Justin on the time spent with those businesses.
- Any issues with other lots (4, 6 & 7).
  - These lots are wholly city-owned.
- Mill & fill
  - The base is good, and it will be a 1½ mill & fill.

Motion by Commissioner Ruestman seconded by Commissioner Hufnagel that the city commission utilize funds appropriated for Parking Lot 5 to mill and fill lots 6 and 7 this year and create a set of construction plans for reconstruction of Lot 4 in the Spring of 2025.

YEA: Hufnagel, Ruestman, Gurski, Dzurka

NAY: Hyzer

Motion carried.

## 5. City Manager Comments

City Manager Gamble discussed:

- Thank you again to all the Sr. Staff members for their efforts in working on the Annual Report. Please provide feedback as we begin thinking on changes and improvements to the next one. Will be available online.
- Update on Parking Lot at the corner of Higham and Brush Street.
- Cork and Bottle ZBA meeting reminder – 5:30 p.m. on October 16, 2024.
- Fantasy Forest 2.0 update
  - Letters were sent to the Supervisors of the surrounding 9 Townships of the City. I have given the Commissioners a copy of one of the letters.
  - Bids are now on the street for the playscape and other site furnishings.
  - Pre-bid meeting is tomorrow. Bids are due October 10<sup>th</sup>. We are getting a fair number of questions related to the bid package which means there is a lot of interest.
  - FFCT is set to meet on Tuesday October 15<sup>th</sup> at 6:00 p.m.
- We had a great visit and tour with Ms. Junko Takami, a delegate of Konan City of the Shiga Prefecture of Japan. Formal gifts were presented to her and a gift for her to present to the Mayor of Konan upon her return.

- The Downtown Parking Survey is underway led by the DDA and is open until September 25 after which we will work with them to compile the information and present the feedback and recommendations at the October meeting.

#### 6. Commissioner Comments

Commissioner Hufnagel thanked staff for putting together the annual report. He said he is looking forward to building on that in the future and how we can get information out to the public.

Commissioner Gurski said with leaf season coming up soon, we need to keep the message diligent on where they should be placed and not placed. Hopefully, the weather cooperates. With the storm, we need to stay diligent on our tree removal program and replacement. We got lucky on some of them that missed structures and there are some from the previous storm that need to be taken down. This is important with an ageing tree population.

Mayor Dzurka said we talked about trees a few times. He commended Chad and Kristina for working with Prevail Solar, especially on the DDA contribution. He said it was wise using negotiation skills. He wanted to recognize a successful Fall Festival on Saturday and thanks to Brent & Megen at Oh Mi Organics. He thanked everyone on this body that made phone calls and contacts over the years on M-21. Also, Chad, Justin, the county road commission as well as Senator Sam Singh, we got something done there and look forward to 2029 for the full road reconstruction. He said it is a much better surface to traverse these days.

#### ADJOURNMENT

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

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

The meeting was adjourned at 7:43 p.m.