

CITY OF ST. JOHNS
CITY COMMISSION MINUTES
SPECIAL MEETING
DECEMBER 3, 2024

The special meeting of the St. Johns City Commission and Bingham Township Board was called to order by Mayor Dzurka at 5:30 p.m. at the Clinton County Courthouse, 100 East State Street, 2nd Floor, Room #2200, St. Johns, Michigan.

CITY COMMISSIONERS PRESENT:	Eric Hufnagel, Brad Gurski, Scott Dzurka, Chris Hyzer, Chris DeLiso
CITY COMMISSIONERS ABSENT:	None
STAFF PRESENT:	Chad Gamble, City Manager; Mindy J. Seavey, City Clerk; Justin Smith, Director of Public Services; Michael Homier, Attorney; Chris Khorey, McKenna
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 Hufnagel that the city commission approve the agenda as presented.

YEA: Hufnagel, Gurski, Dzurka, Hyzer, DeLiso

NAY: None

Motion carried.

Review of Progress from October 22, 2024

Mayor Dzurka welcomed the new commissioner, Chris DeLiso, to the joint meeting.

City Manager Gamble and Supervisor Silm discussed progress on the draft agreement since the last meeting on October 22nd. Changes were made to the document regarding onboarding new communities and board separation.

Mayor Dzurka asked for comments, questions, concerns.

**CITY COMMISSION & BINGHAM TOWNSHIP BOARD
SPECIAL JOINT MEETING MINUTES**

DECEMBER 3, 2024

PAGE 2

Introduction of 2nd Draft of Proposed Collaboration Agreement

Attorney Homier said you have a red-lined version in front of you. He said hopefully this incorporated the revisions the way you articulated them.

- **Discussion on Withdrawal and Dissolution Process**

Attorney Homier explained the revised process for withdrawal and dissolution, emphasizing the financial obligations of withdrawing municipalities and the division of assets upon dissolution.

- **Clarification on Articles 10 and 15**

There was a discussion about potential conflicts between Articles 10 and 15 regarding the hiring of personnel and the role of the Board of Trustees.

- **Metering and Contributions**

The discussion focused on how contributions to finance and operating expenses should be metered, whether through a singular master meter or multiple meters. The flexibility of metering systems and the potential costs for townships to upgrade their systems were also considered.

- **Authority Structure and Contributions**

The conversation revolved around the structure of the authority, how contributions are determined, and the potential financial obligations of municipalities. The need for clarity on asset ownership and debt transfer was highlighted.

- **Trustee Appointments and Conflicts of Interest**

The group discussed the appointment of trustees, the potential conflict of interest for elected officials, and how other authorities manage similar situations. The importance of communication between the authority and municipalities was emphasized.

- **Capital Improvement and Asset Management**

The need for a capital improvement budget and asset management plan was discussed. The importance of including these requirements in the articles rather than bylaws was emphasized to ensure long-term compliance.

- **Funding Mechanism**

The discussion focused on the need for a clear funding mechanism for capital improvement plans and annual budgets. Participants debated whether to have separate budgets for operating and capital expenditures and the importance of a long-term financial plan.

- **Capacity and Asset Management**

**CITY COMMISSION & BINGHAM TOWNSHIP BOARD
SPECIAL JOINT MEETING MINUTES**

DECEMBER 3, 2024

PAGE 3

The conversation revolved around managing current and future capacity needs, including the potential transfer of assets to an authority and the implications for debt obligations. The need for a study to assess capacity and future expansion was highlighted.

- **Integration of Systems**

The discussion focused on integrating two water systems into one to improve efficiency and reduce redundancy. The need for asset management, reliability studies, and a feasibility study was emphasized. The goal is to create a unified system with a single WSSN number.

- **Asset Management and CIP Plan**

The meeting highlighted the importance of developing an asset management plan and a Capital Improvement Plan (CIP). These plans are crucial for managing water and sewer systems effectively and preparing for future integration.

- **Feasibility Study and Engineering Assistance**

A feasibility study is needed to provide a roadmap for integrating the systems. Engineering assistance is required for reliability studies and asset management. The study will help in understanding the system's current state and future needs.

- **Timeline and Funding for Projects**

The timeline for completing the integration and related studies is estimated to be 9-12 months. There is a need to allocate and utilize funds efficiently, considering the constraints of grant timelines and building seasons.

- **Legal and Financial Agreements**

The discussion included the need for legal agreements to formalize the integration process. Contributions and buy-in from stakeholders were mentioned as critical components. Legal and financial advisors may be consulted to draft these agreements.

- **Stakeholder Communication and Transparency**

Ensuring transparency and communication with stakeholders is essential. The meeting emphasized the need for clear communication to avoid surprises and ensure all parties are informed about the integration process.

Review of Roadmap Objectives and Timeline

Mayor Dzurka said our overall hope is a utility agreement that is a win/win for both sides. He said it would be helpful to discuss pieces and asked Chad to at least start a list.

City Manager Gamble discussed:

**CITY COMMISSION & BINGHAM TOWNSHIP BOARD
SPECIAL JOINT MEETING MINUTES**

DECEMBER 3, 2024

PAGE 4

- Detailed use of city personnel.
- Addressing capacity issues (buy-in).
 - Who puts that together? Someone outside?
 - Financial agencies that can come in and assist.
 - Future capacity needs.
 - Development in township, city and township rates go up.
- Debt.
- Additional contribution amount.
- 7 city pump stations; 6 township pump stations.
 - Additional staff.
- Integration of the systems (SCADA).
- If different agreement, one holistic system or two separate systems (water).
 - One system is not a quick process.
- Timing necessary for M-21 corridor.
- Payment of outstanding debt.
- Dissolution.

There was a discussion about having Brian House from Spicer possibly coming to the January 7th meeting and a financial advisor that has done this throughout state (Bendzinski and Company).

Setting Objectives for Next Meeting

- **Meeting Scheduling**

The participants discussed scheduling meetings for February 10th and March 11th, considering time and location preferences. They aimed to coordinate with other meetings and ensure room availability.

Public Comments

Mayor Dzurka asked if there were any public comments.

There were none.

Adjournment

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

**CITY COMMISSION & BINGHAM TOWNSHIP BOARD
SPECIAL JOINT MEETING MINUTES**

DECEMBER 3, 2024

PAGE 5

YEA: Hufnagel, Gurski, Dzurka, Hyzer, DeLiso

NAY: None

Motion carried.

The meeting was adjourned at 7:10 p.m.