

WORK SESSION - STURGIS CITY COMMISSION
WEDNESDAY, JANUARY 11, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:00 p.m.

Commissioners present: Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Austermann

Also present: City Manager, City Attorney, Assistant City Manager, Electric Department Superintendent, City Controller, City Engineer, City Clerk

City Manager Michael Hughes provided information regarding the history of a new Department of Public Services facility. Prior to the meeting, the City Commission toured the RAM Products building that was purchased for this purpose. Mr. Hughes went over the previous proposals and costs associated with this project. The City Manager and City Commission discussed the possible direction for the project. The City Manager recommended the hiring of an architectural firm to develop plans for the facility. City Staff will prepare a Request for Qualifications for architectural firms and bring additional information back to the Commission for their review.

The meeting was adjourned at 7:25 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, JANUARY 11, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Robert Keim, First United Methodist Church

Commissioners present: Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Austermann

Also present: City Manager, City Attorney, Assistant City Manager, Electric Department Superintendent, City Controller, City Engineer, DPS Supervisor, Wastewater Treatment Plant Supervisor, Human Resources Director, Deputy Fire Chief, City Clerk

Mayor Sisson read the following Proclamation:

23

WHEREAS, Dorothy Catt was born on December 25, 1905 in Greenfield, Indiana; and
WHEREAS, Dorothy grew up in the house her father built along with her parents, brother, and two sisters; and
WHEREAS, Dorothy and her family attended church every weekend and enjoyed Sunday dinners with many of the parishioners; and
WHEREAS, on September 12, 1923, Dorothy married Forrest VanDuyn and later gave birth to their son Richard and daughter Gladys; and
WHEREAS, Dorothy taught Sunday school for many years and also worked at a dime store in Greenfield; and
WHEREAS, Dorothy and Forrest escaped many winters by taking a trip in their travel trailer to California; and
WHEREAS, Dorothy moved to Sturgis over eighteen years ago to be close to her daughter and has been a resident of the Quail Run Apartments ever since.
NOW, THEREFORE, BE IT RESOLVED, as Mayor of the City of Sturgis, and on behalf of the Sturgis City Commission, I would like to wish Dorothy VanDuyn a very Happy 100th Birthday and hope that she will enjoy many more to come.

Deputy Fire Chief Scott Hopkins provided information to the City Commission about the recent dinner where Fire Department awards were presented, retirees met with current firefighters, and the induction of Rev. Robert Keim as the Department Chaplain. Rev. Keim thanked the City Commission and the Fire Department for the opportunity to serve. Deputy Chief Hopkins also introduced new paramedic Deonna Wells.

18

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of January 11, 2006 as presented.

9/12

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the December 19, 2005 regular meeting as presented.

B. Pay Bills

AUTHORIZE the payment of the City bills in the amount of \$704,337.04 as presented.

RATIFY the Hospital bills in the amount of \$2,961,446.31 as presented.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

City Manager Michael Hughes explained that although the Sewer Backup Policy was brought before the Commission some time ago, it was never officially adopted. Mr. Hughes also provided information as to how claims are typically handled.

9

City of Sturgis Administrative Policy Sanitary Sewer Backups

1. GENERAL POLICY

- 1.1. This policy provides guidelines for the review of claims related to sanitary sewer backup damage to private property. For definition purposes, "sewer(s)" refers to sanitary sewers and not to storm drains. For purposes of this policy, a city sewer line is defined as the full outside diameter of a main sanitary sewer, excluding external connections (e.g. wye's [Y's], tees [T's]) and sewer laterals.
- 1.2. The Public Service Department will promptly investigate any reported sewer backup. The claimant will be contacted and informed as to whether or not our line showed evidence of blockage so that they can contact a local plumber to alleviate the blockage if it is determined not to be in the city's sewer. The city employee then fills out the Sewer Complaint Record and submits it to the DPS Office. The DPS Office will create a work order, enter the information into the database and fax the Complaint Record to the Complaint Handler within 24 hours. The Complaint Handler mails a blank Written Notice of Claim to the Claimant immediately after receipt of the Complaint Record.
- 1.3. Any claim for damages must be filed with the City, in writing, on incident forms provided by the City for that purpose (attached) within 45 days after the date of occurrence. The forms shall include the claimant's name, address, date of occurrence, description, and the amount of damages claimed. Photocopies of invoices and receipts associated with the claim must be attached. All claims will be forwarded to the City's insurance carrier for review.
- 1.4. All claims will be subject to the limits set forth in Section 2 and exclusions set forth in Section 3 and according to the conditions set forth in Section 4.

2. LIMITS

- 2.1. Neither the City's insurance carrier nor the City will consider payment of a claim resulting from conditions outside the control of the City, i.e., an Act of God. Any judgments or decisions regarding liability or responsibility will be determined by guidelines outlined in Public Act 222, which became effective January 2, 2002. These guidelines include, but are not limited to, definitions, procedures, responsibilities, and time lines. All claims will be forwarded to the City's insurance carrier for review.
- 2.2. The City shall further review claims rejected by the insurance carrier based on Public Act 222. For any incident that occurs in the city main the City Manager may approve payment for clean up costs only as outlined in Section 2.4. The City will consider said payment a "Good-Faith Payment". Good- Faith Payment of claims will be administered as follows:
- 2.3. City Manager may authorize good-faith payment up to \$5,000.

- 2.4. Such payments shall be for cleaning, sanitizing or other means taken to make the environment safe for habitation. No payment for loss of personal property will be considered.

3. EXCLUSIONS

This policy shall not apply to:

- 3.1. Losses caused by the failure of water and sewer lines owned by the claimant or agent, or other private persons.
- 3.2. Water or sewage damages caused by negligence or failure to properly maintain the claimant or agent utility system.
- 3.3. Water or sewage damages caused by failure of the claimant or agent to take steps necessary to insure against further damage to the property once an incident has occurred.

4. CONDITIONS

- 4.1. If any insurance is available to the claimant or agent covering a loss claimed hereunder, the coverage provided in this policy shall be in excess of, and not contribute with, any such insurance. In the event that the claimant's insurance carrier does not cover such loss, a letter from the carrier will be needed denying the loss claimed hereunder.
- 4.2. A "Complaint Intake" form and "Notice of Claim" form must be filed with the City's Clerk's within 45 days from the date of occurrence. These forms will be reviewed in accordance with Section 2. If the City or its insurance company denies the claim, the claimant will be notified of such denial.
- 4.3. Full evaluation of the claim shall be completed within 60 days from the date the above information is received from the claimant.
- 4.4. The claimant must allow inspection of the property and examination of damage before any claim will be processed or paid.
- 4.5. All claimants must sign a release, either in form as required by the City's insurance carrier, or on a form provided by the City (attached), before any payment is released. The release will absolve the City from any and all liability arising from the sewer backup and release the City from any future claims related to the incident.
- 4.6. The total amount of good-faith payment for a single claim approved by the City will not exceed \$5,000.00 under the guidelines stated in section 2.4.
- 4.7. In the event of payment under this policy, the City shall participate with the claimant or agent on the exercise of all the claimant's or agent's rights of recovery against any person or organization liable therefore. The claimant or agent shall do nothing after the loss to prejudice such rights and shall do everything to secure such rights. Recoveries shall be applied first to reimburse the City for any amount that may have been paid, including any reasonable expenses incurred in processing the rights of recovery. Any recoveries above those amounts expended or obligated to be expended by the City will be provided to the claimant or agent.
- 4.8. Before payment of any claim involving either a sanitary, storm, or combined sewer can occur, the claimant's property shall be inspected for the existence of roof or footing drains that do not comply with the City's Sanitary Sewer Rules and Regulations or City Code. If a non-compliance drain is found, the property owner shall disconnect or correct the violation before consideration of the claim shall occur.

5. DEFINITIONS

- 5.1. Claimant or Agent: Claimant is the individual(s) filing a claim against the City of Sturgis seeking reimbursement for paid or obligated payment due to the operation of the City's Utility System. Agent shall be construed to mean a tenant or landlord of the claimant.
- 5.2. Ultimate Net Loss: This term means the sum paid in settlement of a claim for which the City agrees to pay after making deductions for all other recoveries, salvages, deductibles,

and insurances. "Ultimate Net Loss" does not include: (a) costs and expenses incurred by an insurer on behalf of the claimant or agent; (b) office costs or salaries and expenses of employees of the claimant or agent; or (c) retainer fees of counsel retained by claimant or agent.

5.3. Property Damage: This term means the loss of or direct damage to or destruction of tangible property.

5.4. Actual Cash Value (ACV): Generally defined as replacement cost less depreciation.

5.5. City Utility System: The full outside diameter of a main sanitary sewer, excluding external connections (e.g. wye's [Y's], tees [T's] and sewer laterals.

5.6. Claimant or Agent Utility System: The Water and Sanitary Sewer System located in or on the property of the claimant or agent.

5.7. Incident: An event, which causes property damage to the property of the claimant or agent, neither expected nor intended as the result of the operations of the City Utility System.

6. GENERAL INTERPRETATIONS OF CITY LIABILITY

6.1. The City may be liable for damages resulting from a sewer back up if all of the following conditions existed at the time of the event:

(a) The governmental agency was an appropriate governmental agency.

(b) The sewage disposal system had a defect (meaning construction, design, maintenance, operation, or repair defect).

(c) The governmental agency knew or in the exercise of reasonable diligence should have known, about the defect.

(d) The governmental agency, having the legal authority to do so, failed to take reasonable steps in a reasonable amount of time to repair, correct, or remedy the defect.(e) The defect was a substantial proximate cause of the event and the property damage or physical injury.

7. GENERAL CLAIMANT RESPONSIBILITIES

7.1. Reasonable proof of ownership and the value of the damaged personal property.

7.2. The claimant must comply with all conditions contained within section 19 of the act that outlines notification and documentation responsibilities.

The City will not pay non-economic damages as compensation for an event unless proof is provided showing that the incident caused death, serious impairment of body functions, or permanent serious disfigurement.

Moved by Comm. Haas and seconded by Comm. Mayer to approve the Sanitary Sewer Backup Policy as presented.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

City Manager Michael Hughes provided information regarding the efforts of the City, DDA, and Sturgis Neighborhood Program towards the rehabilitation of second and third story apartments in downtown Sturgis.

**16
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Moved by Comm. Fisher and seconded by Comm. Richards to set a Public Hearing for January 25, 2006 at 7:30 p.m. in the Wiesloch Raum of City Hall for the MSHDA 2006 Housing Resource Fund Application.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

DPS Supervisor Rick Miller provided information to the Commission regarding the previous purchase of a wheel loader and the details of the bids associated with a new one. The City Commission discussed the various options related to the wheel loader purchase. 31

Moved by Comm. Littman and seconded by Comm. Malone to approve the exercise of the buy back option and return the CAT 938G wheel loader to Michigan Cat for a rebate estimated between \$75,000.00 and \$80,000.00. 3

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Moved by Comm. Littman and seconded by Comm. Malone to approve the bid from Michigan CAT, Grand Rapids, MI, in the amount of \$109,359, with the buy-back option of \$52,500.00, contingent upon receipt of the Michigan CAT rebate. 3

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Electric Department Superintendent John Griffith explained the condition of the diesel plant generators during a power outage and the need to upgrade the facility. 17
29

Moved by Comm. Stephens and seconded by Comm. Mayer to approve the bid from Newkirk Electric Associates in the amount of \$19,500 to provide black start and standby capability for Generator Number 6 and the Memorial Park lift station. 3

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Electric Department Superintendent John Griffith explained that he met today with IMMUDA regarding the negotiations of the electric supply contract. Mr. Griffith provided details of the previous contract and the ongoing negotiations for the new long term contract. He also explained that there was an approximate 14% increase to wholesale rates in the six month interim contract which would translate into an approximate 6% to 8% increase to retail rates. 17

Interim Library Director Barbara Rowe explained that the District Library Planning Committee continues to meet every other week in preparation for the millage vote. 22

City Manager Michael Hughes distributed a proposed budget/planning calendar for the upcoming fiscal year. 12

City Manager Michael Hughes discussed the letter from MDOT regarding the U.S. 12 reconstruction project. Discussion followed. 15

City Manager Michael Hughes explained that the City Commission will hold work sessions next month on February 8, 2006 regarding the ambulance service and on February 22, 2006 regarding the airport. 1
9

The Mr. Sturgis Pageant will be held on February 4, 2006 at the Sturges-Young Auditorium and the City Manager will be one of the judges. 2

Discussion will be held soon regarding the location of the 2006 Gateway Festival and parade route.

Comm. Fisher explained that she received a letter from Sen. Brown regarding his continued pursuit on the US 131 project. 15

Mayor Sisson explained that Gateway Village will no longer offer subsidized apartments. He 21

suggested that City Staff facilitate a meeting with interested parties to address the needs of potential displaced residents.

Moved by Comm. Malone and seconded by Comm. Littman to adjourn the meeting.

9

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

The meeting was adjourned at 8:55 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, JANUARY 25, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Calvin Kolzow, Trinity Lutheran Church

Commissioners present: Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Austermann

Also present: City Manager, City Attorney, Assistant City Manager, Electric Department Superintendent, City Controller, City Engineer, Human Resources Director, EDC Director, City Clerk

Electric Department Superintendent John Griffith provided his department's Fiscal Year 2004-2005 Annual Report. Discussion followed. 17

City Engineer Tom Seymour provided information regarding work that Verizon will be doing around the City before the upcoming U.S. 12 reconstruction project begins. He also provided information on the 2005 Street Improvement Program. He detailed the streets that received a treatment of milling and resurfacing and those that received crack sealing. More street projects will be taking place this Spring. 11

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of January 25, 2006 as presented. 9
12

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the January 11, 2006 work session as presented.

APPROVAL of the minutes from the January 11, 2006 regular meeting as presented.

B. Pay Bills

AUTHORIZE the payment of the City bills in the amount of \$1,393,363.85 as presented.

RATIFY the Hospital bills in the amount of \$2,472,446.30 as presented.

C. Board Resignation

ACCEPT the resignation of Trisha Nelson from the DDA Board of Directors and send a letter of recognition for her service.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

City Manager Michael Hughes explained that Requests for Qualifications, for architects that would be used on the RAM Project, were sent out recently and will be due on January 30, 2006. He suggested that a committee be formed to review the qualifications. 13

Moved by Comm. Littman and seconded by Comm. Haas to appoint Commissioner Richards and Commissioner Mayer to the RAM Project Architect Committee. 27

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

City Manager Michael Hughes explained that Sturgis Township has inquired about the possibility of transferring land from the City to the Township for the purpose of building a township hall. The City Manager plans to work with the Township and bring the results of those discussions back to the City Commission. The Commission agreed that the relationship being built with Sturgis Township has been positive. Mr. Hughes explained that the City and Sturgis Township have held positive discussion regarding the provisions of the 425 agreements, given the mutual work being done on the I9-M66 corridor. 13

Moved by Comm. Fisher and seconded by Comm. Richards to direct the City Manager to work with Sturgis Township to develop a land transfer agreement for consideration by the City Commission. 13

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Assistant City Manager Todd Campbell explained that City Staff has reviewed a number of options for strengthening the downtown area. He explained that MSHDA has a grant program to provide funding for rental rehabilitation. Monica Smith, Sturgis Neighborhood Program, explained the process involved in obtaining the grants. She explained that downtown property owners have met and are aware of the effort. Discussion followed. 12

Mayor Sisson opened the Public Hearing regarding the MSHDA Rental Rehabilitation Grant. Mayor Sisson closed the Public Hearing. 12

Moved by Comm. Haas and seconded by Comm. Mayer to adopt the Resolution to apply for MSHDA Rental Rehabilitation funding as presented. 12

WHEREAS, the City of Sturgis approved a Housing Improvement Plan on September 26, 2001; and

WHEREAS, the Housing Improvement Plan determined a need for focused efforts in conserving and rehabilitating housing within Sturgis; and

WHEREAS, the Housing Improvement Plan also determined a need for affordable homeownership opportunities within the local housing market; and

WHEREAS, the Downtown Development Authority developed a Downtown Sturgis Master Plan in 2002; and

WHEREAS, the Downtown Master Plan recommended residential units on upper floors as part of a downtown revitalization strategy; and

WHEREAS, the City of Sturgis seeks application from the Michigan State Housing Development Authority MSHDA for Rental Rehabilitation; and

WHEREAS, the Rental Rehabilitation grant application requests \$170,100.00 in funding to provide funding assistance to committed property owners for the development of six (6) new affordable apartments; and

NOW, THEREFORE, BE IT RESOLVED, that the City of Sturgis City Commission hereby grants local authorization to the City of Sturgis administration to submit an application to MSHDA for Rental Rehabilitation; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the City of Sturgis City Commission hereby designates the Mayor as the person authorized to sign the Application Forms.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Electric Department Superintendent John Griffith provided information regarding the purpose of the request for an increase to the electric rates. He discussed the recent short term contract and the negotiations on a long term contract between the City and Indiana and Michigan Power. He explained that City Staff has met, notice has been placed in the media and will be placed in each of the electric bills, and a meeting will be held with the large industrial users. Glen Wrightson, Utilities Consulting Group, provided further information on the details of the short term contract as well as the long term contract and how that might affect rates. The Commission discussed the details of the rate increase and inquired how rates may be affected in the future. Mr. Griffith explained that long term contract for power will outline the terms and that it is possible that the rates will need to be adjusted each year based on that contract. Once the contract is completed, the City will commission a full study to ensure that the Electric Department's rates are properly aligned.

17

Moved by Comm. Haas and seconded by Comm. Malone to adopt the Resolution Regarding Retail Electric Rate Increase as presented.

WHEREAS, the City of Sturgis owns and operates an Electric Department which provides electric service to premises located within the City and certain townships; and

WHEREAS, the wholesale power supply contract between the City of Sturgis and American Electric Power Service Corporation ("AEPSC") expired December 31, 2005; and

WHEREAS, that contract has been superseded by an interim contract between the City of Sturgis and AEP for the period of January 1, 2006 through June 30, 2006; and

WHEREAS, this interim contract increases power supply costs by approximately 13.2 %; and

WHEREAS, to protect the financial viability of the Electric Department power revenues need to be increased to offset the increase in power supply costs;

NOW, THEREFORE, BE IT RESOLVED THAT, effective March 1, 2006:

1. The existing rate schedules remain in effect.
2. A ten (10) percent rider will be added to the existing electric rate schedules.
3. The Base Amount in the Power Cost Adjustment Factor Schedule (PCAF-1) will be increased from \$0.0382 to \$0.0438.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

City Controller Michael Vance explained that the District Library Committee met again and is working with Jim Seidel of the Woodlands Library Cooperative. 22

EDC Director John Hayes is targeting March 1, 2006 for a town hall meeting related to jobs. 16

City Attorney Roger Bird and SNP Director Monica Smith invited everyone to the Sturgis Neighborhood Program 15th Anniversary Celebration at the Auditorium on February 14, 2006 from 5 – 7 pm. 23

Comm. Fisher presented information she obtained from the USDA Rural Development Office related to home improvement grants for low-income property owners and seniors. SNP Director Monica Smith explained that in addition to the USDA program, St. Joseph County also has a similar program. 12

Moved by Comm. Littman and seconded by Comm. Mayer to adjourn the meeting. 9

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

The meeting was adjourned at 9:22 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, FEBRUARY 8, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Pastor Brian Poole, Sturgis Wesleyan Church

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, City Attorney, Assistant City Manager, City Controller, City Engineer, EDC Director, Deputy Fire Chief, City Clerk

Sturgis Hospital CEO Robert LaBarge, CFO Connie Downs, and Plante and Moran Auditor Pat Horan presented the Audited Financial Report for Fiscal Year 2004 – 2005. **12**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of February 8, 2006 as presented. **9**
12

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the January 25, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$526,818.74 as presented.
2. RATIFY the Hospital bills in the amount of \$2,230,407.07 as presented.

C. Board Resignation

ACCEPT the resignation of John Dobberteen from the Sturgis Housing Commission and send a letter of recognition for his service. **27**

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the Police Department received an award for Traffic Safety in School Zones. 18

The City will host a Town Hall Meeting related to jobs on March 1, 2006 from 7:00 – 8:30 pm in the Sturges-Young Auditorium. 9

Sturgis Neighborhood Program will be celebrating their 15th Anniversary at the Sturges-Young Auditorium on February 14, 2006 at 5:00 pm. 23

Moved by Comm. Littman and seconded by Comm. Mayer to adjourn the meeting. 9

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

The meeting was adjourned at 8:25 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

WORK SESSION - STURGIS CITY COMMISSION
WEDNESDAY, FEBRUARY 8, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 6:00 p.m.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, City Controller, Deputy Fire Chief, City Clerk

City Controller Michael Vance provided a presentation to the Commission on Ambulance Operations. Mr. Vance detailed billing procedures, monthly billings and collections, cash balances, accounts receivable, budget, service levels, and organization chart. Discussion followed.

City Manager Michael Hughes explained the City's desire to increase revenue at the Sturges-Young Auditorium through additional performances. He will be seeking approval, at the regular meeting, for a budget amendment that will allow for the expenditure of funds to bring in additional performances. The Commission discussed the risks and rewards of undertaking this venture.

The meeting was adjourned at 7:05 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, FEBRUARY 22, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Ross Gerber, Grace Christian Fellowship

Commissioners present: Austermann, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Richards

Also present: City Manager, City Attorney, Assistant City Manager, City Controller, Interim Library Director, EDC Director, City Engineer, Human Resources Director, Electric Department Superintendent, Director of Parks and Recreation, Deputy Police Chief, City Clerk

City Manager Michael Hughes explained that Sgt. Geoff Smith was the winner of the Mr. Sturgis Pageant. Officer Smith explained that although it was a lot of work, it was a lot of fun and very worthwhile. Larry Patterson, director of the pageant, thanked the Commission for all of their support. Mayor Sisson thanked Officer Smith and Mr. Patterson for all their help. **1**

Deputy Chief of Police David Ives provided an update to the Commission on the fundraising activities involved with the new K-9 unit. He explained that the department has so far achieved all of their fundraising goals. Officer Moore provided information regarding the activities of the K-9 unit. **18**

City Manager Michael Hughes gave a presentation to the Commission on the Organization Review Committee (ORC) Report. This process was to review current operations to analyze efficiencies, cost reductions, and revenue enhancement. The book "Price of Government" was used as a guide to provide an outline for the process. Mr. Hughes explained that the ORC Report is a good start as City Staff reviews benchmarks to ensure that there is constant improvement. Assistant City Manager Todd Campbell provided examples of improvements outlined in the report. **10**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of February 22, 2006 as presented. 9

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the February 8, 2006 work session as presented.

APPROVAL of the minutes from the February 8, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$1,463,270.45 as presented. 12

2. RATIFY the Hospital bills in the amount of \$1,343,234.49 as presented.

C. Board Resignation

ACCEPT the resignations of Michael Gay from the Parks and Cemetery Board and Jill Toner from the Sister City Committee and send a letter of recognition for their service. 27

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

Electric Department Superintendent John Griffith explained that after receiving bids on a pad mounted transformer, the department's experience in using the product of the apparent low bidder has been less than positive. Therefore, he is recommending the acceptance of the second low bidder. 17

Moved by Comm. Littman and seconded by Comm. Malone to accept the bid from Reed City Power Line Supply, Reed City, Michigan, bid for one (1) 300 kVA pad mounted transformer and one (1) fiberglass box pad in the amount of eight thousand nine hundred seventy dollars and thirty two cents (\$8,970.32). 3

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

Electric Department Superintendent John Griffith provided information on the street light materials that will be used in the US 12 reconstruction project. He explained that MDOT will be reimbursing the City for a large part of the project. 17

Moved by Comm. Austermann and seconded by Comm. Fisher to accept the material bids as recommended in the attached bid tabulation for US-12 Materials. 3

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

Assistant City Manager Todd Campbell provided information to the Commission on the bids related to a new front mower for the Parks Department. Tom Lyland, Salesman for Finnerman's, advocated the purchase of the John Deere mower. The City Commission discussed the attributes of the mowers and the location of the vendors. 3
28

Moved by Comm. Haas and seconded by Comm. Fisher to approve the John Deere 1445 31 HP Diesel Front Mower from Finnerman's, Centreville, MI, in the bid amount of \$22,254.77 with a guaranteed trade-in of \$3,800.00. 3

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

City Manager Michael Hughes and City Controller Michael Vance explained the details of the proposed purchasing policy for the City. Mayor Sisson requested that the policy include a section that would allow “whistle blower” protection and a method to report improper purchases. City Manager Michael Hughes explained that such a process already exists in the employee handbook and other documents and that a reference can be made in the Purchasing Policy. 9

Moved by Comm. Haas and seconded by Comm. Austermann to approve the Purchasing Policy as amended. 9

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

Mayor Sisson reopened the discussion regarding the District Library Lease from the earlier work session. Vice-Mayor Mayer proposed that the budget for the District Library be limited to one that could be supported through one mill. The City Commission discussed possible lease rates, possible use of the space by the City, adequate compensation for services, and other related items. 22

Moved by Comm. Haas and seconded by Comm. Malone that the City Commission use the draft lease presented at the work session as the initial proposal to the District Library Formation Committee. 22

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

City Manager Michael Hughes explained that the City of Sturgis received the Leonard Eishen Housing Advocacy Award from Sturgis Neighborhood Program. 23

The City Commission will hold their annual Planning Session on March 15 and March 29, 2006. 9

Moved by Comm. Malone and seconded by Comm. Haas to go into closed session for the purpose of discussing the potential pending litigation. 9

Voting yea: Austermann, Stephens, Fisher, Malone, Haas, Littman, Mayer, Sisson
Voting nay: None Absent: Richards MOTION CARRIED

The meeting recessed at 9:50 p.m.
The meeting reconvened at 10:05 p.m.

Moved by Comm. Littman and seconded by Comm. Haas to adjourn the meeting. 9

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

The meeting was adjourned at 10:06 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, MARCH 8, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Lorraine Bolley, Gateway River of Life

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant to the City Attorney, Assistant City Manager, City Controller, Interim Library Director, EDC Director, City Engineer, Human Resources Director, Electric Department Superintendent, Wastewater Supervisor, Director of Public Safety, DPS Supervisor, DDA Director, Deputy Police Chief, City Clerk

City Manager Michael Hughes introduced Mark Beauchamp and Dawn Lund from Utility Financial Solutions who presented a summary of the City of Sturgis Water, Wastewater, and Connection Fee Cost of Service and Rate Study that was presented in detail during the earlier work session. They explained the utility basis for accounting, financial statements, cash flow and reserves, debt coverage, consumption, customers, and necessary rate adjustments. **12**

Carol Wallman, representing the Sturgis Library Board and the District Library Formation Committee, presented the Mission and Vision Statements developed by the Library Board. She explained some of the goals and visions for the library and their hopes for the acceptance of the District Library. She explained the formation committee is completing a budget, finalizing an agreement which will be submitted to the City, three participating townships, and the State Librarian. The millage vote will take place on August 8, 2006. **22**

Assistant City Manager Todd Campbell presented the U.S. 12 Reconstruction Project Marketing Program to the City Commission. He and DDA Director Kim Musolff introduced “Buddy Bear, Your Construction Buddy”. They provided information on available resource centers, newsletters, and information in the newspaper. The groundbreaking for the project will take place at Free Church Park on March 23, 2006 at 2:00 p.m. **13**
16

Director of Public Safety Chief David Northrop presented the 2005 Police Department Annual Report. He explained that the Department received the MCRUD Award for making students aware of the dangers of mixing alcohol and prom. They also received awards for traffic safety. He provided statistics on the various activities in the area. Discussion followed. **18**

Assistant City Manager Todd Campbell detailed the City department vehicles proposed for purchase by the Motor Vehicle Committee and the bids that were received in conjunction with the purchases. Discussion followed. City Mechanic Craig Crabill explained some of the features of the proposed vehicles.

3

Moved by Comm. Stephens and seconded by Comm. Richards to approve the purchase of the list of vehicles as recommended by the Motor Vehicle Committee and authorize the City Controller to sign all necessary documents.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Fisher and seconded by Comm. Austermann to appoint Priscilla Hoopingarner to the Sturgis Housing Commission to fill the unexpired term of John Dobberteen through May 2007.

27

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Littman and seconded by Comm. Haas to adjourn the meeting.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 9:00 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

WORK SESSION - STURGIS CITY COMMISSION
WEDNESDAY, MARCH 8, 2006
LARGE CONFERENCE ROOM - CITY HALL

Mayor Sisson called the meeting to order at 6:00 p.m.

Commissioners present: Austermann, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Richards

Also present: City Manager, Assistant City Manager, City Controller, Wastewater Supervisor, City Engineer, City Clerk

City Manager Michael Hughes introduced Mark Beauchamp and Dawn Lund from Utility Financial Solutions who presented the City of Sturgis Water, Wastewater, and Connection Fee Cost of Service and Rate Study. They explained the utility basis for accounting, financial statements, cash flow and reserves, debt coverage, consumption, customers, and necessary rate adjustments. The City Commission discussed the various effects on the systems and impact on the customers.

Comm. Richards entered the meeting at 6:15 p.m.

The meeting was adjourned at 7:25 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
MONDAY, MARCH 20, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Kirk Proctor, Sturgis Wesleyan Church

Commissioners present: Austermann, Richards, Stephens, Malone, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Fisher, Haas

Also present: City Manager, City Attorney, Assistant City Manager, EDC Director, City Engineer, Wastewater Plant Superintendent, Interim Library Director, Electric Department Superintendent, City Clerk

Mayor Sisson presented the 2006 Good Landlord Award to Jamie Crites. **21**

Mike Stiles presented a report to the Commission on the activities of the Auditorium Board over the past year. **2**

City Manager Michael Hughes explained that the City contracted with Fleis and Vandenbrink to develop plans for the State Revolving Fund/Drinking Water Revolving Loan Fund. **15**
Representatives from Fleis and Vandenbrink provided details on the alternatives for the draft project plans for the loans. Discussion followed.

Tom Morris, Vice-President Sturgis Toy Run, provided information to the Commission on the activities of their group. Mr. Morris and Cathi Abbs, Director of the Chamber of Commerce, inquired as to whether the Commission would be amenable to City Staff working with the Sturgis Toy Run organizers to see if there is a piece of property within City limits that could be used for the Toy Run. The City Commission gave consensus to engage City Staff to work with the Toy Run organizers to explore **23**

Mayor Sisson introduced Sgt. Brian Cooper and commended him on conducting the City's first CCW class, which was attended by seventeen people. **18**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of March 20, 2006 as presented with the removal of Item E. 9

Action of Minutes of Previous Meetings

APPROVAL of the minutes from the March 8, 2006 work session as presented.

APPROVAL of the minutes from the March 8, 2006 regular meeting as presented.

APPROVAL of the minutes from the March 15, 2006 work session as presented.

B. Pay Bills

AUTHORIZE the payment of the City bills in the amount of \$1,691,018.60 as presented. 12

RATIFY the Hospital bills in the amount of \$1,695,407.10 as presented.

C. Public Hearing

CHANGE the public hearing from Monday, April 24, 2006 to Wednesday, April 26, 2006 in the Wiesloch Raum of City Hall at 7:30 p.m. for consideration of a State Revolving Fund/Drinking Water Revolving Fund Project Plan. 15

D. Trinity Evangelical Lutheran Church Cross Walk

APPROVE the request from the Trinity Evangelical Lutheran Church to hold their annual Cross Walk on the streets as stated in their application request to be held on Good Friday, April 14, 2006 beginning at noon. 23

Voting yea: Seven Voting nay: None Absent: Fisher, Haas MOTION CARRIED

Moved by Comm. Malone and seconded by Comm. Austermann to approve the Resolution Supporting Local Control of Cable Franchising as presented. 33

WHEREAS, cities/villages have a long and very successful history of supporting the introduction of cable services by the cable industry, a successful deployment made possible in large part by the current system of local cable franchising, and

WHEREAS, AT&T and Verizon have been actively advocating across the country that local franchise agreements be eliminated, and

WHEREAS, Local government participation in the cable franchising process ensures build-out requirements so that all residents irrespective of age, race, education, or income level, receive the same service, and

WHEREAS, equal access to telecommunications services such as broadband and cable is essential for economic growth, and

WHEREAS, franchise fee revenue assists cities/villages in providing essential services, maintaining the rights-of-way; supporting public education and government channels and critical institutional networks that support public safety; now

THEREFORE BE IT RESOLVED, that the City Commission hereby affirms its support for the current local cable franchise agreement system.

BE IT FURTHER RESOLVED, that the City of Sturgis urges federal and state policymakers to only support legislation that:

1. Maintains local control of the cable franchise process;
2. Ensures build-out requirements so that providers are not able to “cherry-pick” customers;
3. Preserves local governments’ ability to manage the public rights-of-way;
4. Ensures no reduction in direct revenues and that Michigan’s Metro Act is preserved.

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to our Congressional representatives in Washington, D.C., our state legislators in Lansing, Governor Granholm and the Michigan Municipal League.

**Voting yea: Six
Absent: Fisher, Haas**

Voting nay: None

**Abstain: Littman
MOTION CARRIED**

City Manager Michael Hughes provided details on the PA 425 process, the municipal islands in the City, and the water main problems surrounding the Arden Park area. 13

The Mayor opened the Public Hearing related to Fawn River Township PA 425 Agreement #4. 13
The Mayor introduced Fawn River Township Supervisor Richard Yesh, Clerk Judith Quirin, and Treasurer Nancy Inman.
There was no public comment.
The Mayor closed the Public Hearing related to Fawn River Township PA 425 Agreement #4.

City Manager Michael Hughes provided a summary of information to the Commission on the contract with MDOT. 15

Moved by Comm. Littman and seconded by Comm. Richards to approve the City of Sturgis contract with MDOT, 05-5484, for the reconstruction of U.S. 12 as presented and authorize the Mayor and City Manager to sign the contract. 15

Voting yea: Seven Voting nay: None Absent: Fisher, Haas MOTION CARRIED

Electric Department Superintendent John Griffith provided information related to the street lighting that will be installed on East U.S.12 as part of the reconstruction project. 17

Moved by Comm. Austermann and seconded by Comm. Malone to accept the low bid from J. Ranck Electric, Incorporated, Mount Pleasant, MI for the US-12 East Street Light Project in the amount of \$99,999.00. 3

Voting yea: Seven Voting nay: None Absent: Fisher, Haas MOTION CARRIED

Electric Department Superintendent John Griffith provided information related to the residential street light materials that will be needed as part of the previously approved residential plan. 17

Moved by Comm. Richards and seconded by Comm. Littman to accept the PVC bid from RESCO, Middleton WI in the amount of \$6,422.70 and the fixture bid from Reed City Power Line Supply, Reed City, Michigan in the amount of \$13,050.00. 3

Voting yea: Seven Voting nay: None Absent: Fisher, Haas MOTION CARRIED

Assistant City Manager Todd Campbell explained that in an effort to curtail repeat offenses for code violations, that the penalties would be increased with subsequent violations. 14

Moved by Comm. Stephens and seconded by Comm. Malone to consider this the first reading and introduction to the General Provision – Continuing Violations Ordinance amendment to Chapter 1, Section 1-7 (g). 14

Voting yea: Seven Voting nay: None Absent: Fisher, Haas MOTION CARRIED

The District Library Formation Committee has completed a draft of the agreement between the District Library Board and the City of Sturgis. The Commission will need to appoint two citizens to the District Library Board at the next Commission meeting. 22

Moved by Comm. Littman and seconded by Comm. Malone to adjourn the meeting. 9

Voting yea: Seven Voting nay: None Absent: Fisher, Haas MOTION CARRIED

The meeting was adjourned at 8:45 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

WORK SESSION - STURGIS CITY COMMISSION
MONDAY, MARCH 20, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:00 p.m.

Commissioners present: Austermann, Richards, Stephens, Malone, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Fisher, Haas

Also present: City Manager, City Attorney, Assistant City Manager, EDC Director, City Clerk

City Manager Michael Hughes introduced City Building Official/Zoning Administrator George Musolff. Mr. Musolff presented information to the City Commission on the Master Plan, Future Land Use Map, Zoning Map, and the processes related to zoning ordinances and enforcement. Discussion followed.

The meeting was adjourned at 7:25 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, APRIL 12, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Scot Jefferies, Simply Christian Church

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, City Controller, Electric Department Superintendent, Parks and Recreation Director, City Clerk

Mayor Sisson presented the following Arbor Day Proclamation:

23

“2006 ARBOR DAY”

WHEREAS, In 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and

WHEREAS, Arbor Day is now observed throughout the nation and the world, and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife, and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products, and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community, and

WHEREAS, trees are a source of joy and spiritual renewal, and

WHEREAS, the City of Sturgis has been recognized as a TREE CITY USA by the National Arbor Day Foundation and desires to continue its tree-planting ways,

NOW, THEREFORE, I, Robert C. Sisson, Mayor of the City of Sturgis, do hereby proclaim Friday, April 28, 2006 as

ARBOR DAY

in the City of Sturgis, and I urge all citizens to support efforts to care for our trees and woodlands and to support our City's community forestry program, and

FURTHER, I urge all citizens to plant trees to gladden the hearts and promote the well being of present and future generations.

Mayor Sisson presented Jan Hendricks with the following Child Abuse Prevention Awareness Proclamation:

23

CHILD ABUSE PREVENTION MONTH

WHEREAS, child abuse prevention is a community problem and finding solutions depends on involvement among people throughout the community; and

WHEREAS, statistics of children who are abused and neglected escalate each year; and

WHEREAS, the effects of child abuse are felt by whole communities, and need to be addressed by the entire community; and

WHEREAS, effective child abuse prevention programs succeed because of partnerships created among social service agencies, schools, religious organizations, law enforcement agencies, and the business community; and

WHEREAS, youth-serving prevention programs offer positive alternatives for young people and encourage youth to develop strong ties to their community; and

WHEREAS, all citizens should become more aware of child abuse and its prevention within the community, and become more involved in supporting parents to raise their children in a safe, nurturing environment; and

NOW, THEREFORE, BE IT RESOLVED, as Mayor of the City of Sturgis, and on behalf of the Sturgis City Commission, I hereby proclaim that the entire month of April shall be observed as Child Abuse Prevention Month, and call upon all citizens, community agencies, religious organizations, medical facilities, and businesses to increase their participation in our efforts to prevent child abuse, thereby strengthening the communities in which we live.

Chairman Rick Mahler presented the Cemetery and Parks Board Report to the City Commission. Mr. Mahler explained that a special plaque will be installed at the cemetery honoring Congressional Medal of Honor recipient Phillip Schlacter. Mayor Sisson thanked him for his report and his service on the board.

City Controller Michael Vance and Michael Wilson of Norman and Paulsen presented the City of Sturgis Fiscal Year 2004 – 2005 Audit. Mr. Wilson was able to provide a clean opinion of the City of Sturgis Financial Statements. The General Fund Balance increased by \$69,271.

12

Earl Arend, Co-Chairman of the Sturgis CROP Walk, invited each of the City Commissioners to participate this year on Sunday, April 30, 2006.

23

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of April 12, 2006 as presented. 9

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the March 20, 2006 work session as presented.

APPROVAL of the minutes from the March 20, 2006 regular meeting as presented.

APPROVAL of the minutes from the March 29, 2006 work session as presented.

B. Pay Bills 12

AUTHORIZE the payment of the City bills in the amount of \$1,089,682.69 as presented.

RATIFY the Hospital bills in the amount of \$2,822,150.25 as presented.

C. Board Resignations 27

ACCEPT the resignation of William Boersma from the Sturgis Economic Development Corporation and Brownfield Redevelopment Board and Julianne Davis from the DDA Board of Directors and send a letter of recognition for their service.

D. Resolution Supporting an Increase to Statutory Revenue Sharing 12

APPROVE the Resolution Supporting an Increase to Statutory Revenue Sharing as presented.

Voting yea: Nine Voting nay: None MOTION CARRIED

Mayor Sisson asked for nominations to the District Library Board. 22

For the Two Year term ending April 30, 2008:

Comm. Littman nominated Caralee Mayer and was seconded by Comm. Malone.

Comm. Stephens nominated Carol Rueckert and was seconded by Comm. Austermann.

Voting for Mayer: Malone, Richards, Haas, Fisher, Littman, Mayer, Sisson

Voting for Rueckert: Stephens, Austermann

For the Four Year term ending April 30, 2010:

Comm. Fisher nominated Karen Stephens and was seconded by Comm. Richards.

Comm. Stephens nominated Carol Rueckert and was seconded by Comm. Austermann.

Comm. Mayer nominated Carol Wallman and was seconded by Comm. Haas.

Voting for Stephens: Fisher

Voting for Rueckert: Malone, Stephens, Austermann

Voting for Wallman: Richards, Haas, Mayer, Littman, Sisson

City Manager Michael Hughes explained the tax implications to City residents assuming the millage is passed in August.

Moved by Comm. Haas and seconded by Comm. Austermann to approve the Resolution for the Sturgis District Library Agreement as presented and to appoint Caralee Mayer to the term ending April 30, 2008 and Carol Wallman to the term ending April 30, 2010 to the Sturgis District Library.

Voting yea: Nine Voting nay: None MOTION CARRIED

City Manager Michael Hughes presented the proposed Water and Sewer rates and provided a summary of the recent rate study.

12

Moved by Comm. Haas and seconded by Comm. Malone to approve the Resolution to Increase Water/Sewer Rates as Presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Assistant City Manager Todd Campbell presented the Amendment to General Provisions – Continuing Violations in the City of Sturgis Code of Ordinances.

14

Moved by Comm. Stephens and seconded by Comm. Fisher to consider this the second reading and approve the General Provision – Continuing Violations Ordinance amendment to Chapter 1, Section 1-7 (g) effective May 5, 2006.

AMENDMENT TO PART II – CHAPTER 1
OF THE ORDINANCES OF THE CITY OF STURGIS

An ordinance to amend Part II – Chapter 1 of the ordinances of the City of Sturgis by amending Section 1-7(g) regarding code violations constituting a misdemeanor.

WHEREAS, the City Commission has determined that it is in the best interest of the residents of the City to provide for certain code violations to constitute a misdemeanor;

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan ordains:

Part II – Chapter 1, Section 1-7(g) is hereby amended to provide as follows effective as of May 5, 2006:

Sec. 1-7. General penalty; continuing violations.

...
(g) A failure to pay any fine imposed by a court or city agency of competent jurisdiction within any specified time period **or a second violation of the same section of this code within a ninety (90) day period** shall be a misdemeanor.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes presented the U.S. 12 Reconstruction Project Fund Allocations and the loans to the Water Fund and DDA for portions of the project.

15

16

Moved by Comm. Richards and seconded by Comm. Fisher to approve the Resolution authorizing fund allocations for the U.S. 12 Reconstruction Project and the Internal Loaning of Funds from the Electric Fund to the Water Fund and the Downtown Development Authority (DDA) fund as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Electric Department Superintendent John Griffith and Jack Madden of GDS Associates presented the details of the new Power Supply Contract and the current electric market. Discussion followed.

17

Moved by Comm. Littman and seconded by Comm. Austermann to approve the formula based power supply contract between the City of Sturgis and Indiana Michigan Power Company as presented by GDS Associates, Marietta, Georgia subject to final approval by the City Manager and City Attorney.

17

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Mayor Sisson explained that he felt it would be prudent to form a citizen's committee to study the issue of recycling given the proposed removal of the County's recycling bins. 15

Moved by Comm. Haas and seconded by Comm. Austermann to notice the formation of a recycling committee soliciting interested residents for appointment.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes provided information on the proposed Michigan Week Parade route. 23

Moved by Comm. Fisher and seconded by Comm. Richards to approve the Michigan Week Parade Route as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes presented information on the Domestic Assault Shelter Coalition funding request. The City Commission explained that given the cuts that have been made to City services in this budget, it would not be prudent to fund non-City agencies. 23

Moved by Comm. Austermann and seconded by Comm. Malone to deny the agreement to provide services from the Domestic Assault Shelter Coalition as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Electric Department Superintendent John Griffith presented the details of the upgrade to the underground conductor for the Penguin LLC Expansion. Discussion followed. 17

Moved by Comm. Littman and seconded by Comm. Richards to approve a bid waiver in the amount of \$20,000 to Balos Engineering and Electric to upgrade the underground conductor accommodating the expansion of Penguin, LLC. 3

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Senator Cameron Brown addressed the City Commission and updated everyone on a number of issues including the Public Services Commission, the state of the Michigan economy, the unemployment rate, the efforts to change the Single Business Tax, and efforts to alter the gas tax. 15

Interim Library Director Barbara Rowe thanked the Commission and City Staff for their efforts with the District Library. 22

Moved by Comm. Littman and seconded by Comm. Malone to adjourn the meeting. 9

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 9:40 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

WORK SESSION - STURGIS CITY COMMISSION
WEDNESDAY, APRIL 12, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 6:00 p.m.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, City Controller, Electric Department Superintendent, City Clerk

Electric Department Superintendent John Griffith introduced Cheryl Johnson of CTC, Communication Engineering & Analysis for the Public Interest. Ms. Johnson gave a presentation on the cable television environment and a potential franchise renewal. Discussion followed.

The meeting was adjourned at 6:55 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, APRIL 26, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Father Richard Altine, Holy Angels Church

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, Electric Department Superintendent, City Engineer, Deputy Police Chief, DPS Supervisor, City Clerk

Mayor Sisson presented the following Victims' Rights Proclamation:

Whereas, victims of crime across America need and deserve support and assistance to help them cope with the consequences of crime; and

Whereas, National Crime Victims' Rights Week—April 23 to 29, 2006—offers us all the opportunity to promote strength in unity in helping victims and survivors of crime, and recognizing their rights as victims; and

Whereas, victims and survivors of crime can gain strength from the wide range of supportive services offered by over 10,000 community- and justice system-based programs, and the more than 32,000 federal and state statutes that define and protect their rights; and

Whereas, America has demonstrated its caring and compassion for victims of crime, from individuals who provide support to a victim in need, to community collaborations that result in comprehensive services for victims of violence against men, women and children, to our entire nation's response to the victims of the terrorist attacks on Oklahoma City and on September 11, 2001; and

Whereas, by being united against crime and for victims' rights and services, we gain strength as individuals, as communities, and as a nation as a whole, and offer strength to victims who seek to recover in the aftermath of crime; and

Whereas, we must remain united in our commitment to ensure that all crime victims and survivors are treated with compassion and respect, recognized as key participants within our systems of justice, and afforded services that provide help and hope to them; and

Whereas, America has joined together annually each April since 1981 to recognize the needs and rights of crime victims and survivors during National Crime Victims' Rights Week; therefore, be it

Resolved, that the Sturgis City Commission proclaims the week of April 23 to 29, 2006, to be Crime Victims' Rights Week in the city of Sturgis, and honors crime victims and those who serve them during this week and throughout the year; and be it further

Resolved, that we stand united in our commitment to victim justice as individuals, communities and a Nation; and be it further

Resolved, that a suitably prepared copy of this proclamation be presented to the Victim Rights Unit

of the Prosecuting Attorney, St. Joseph County, on April 26, 2006.

St. Joseph County Commissioner John Dobberteen presented the report from the Sister City Committee. He provided information regarding the student as well as the upcoming adult exchange with Wiesloch, Germany.

Comm. Dobberteen also provided information to the City Commission regarding the County's efforts towards curbside recycling. He explained that the recycle dumpsters throughout the county will be removed by April 1, 2007. Currently, Colon Village and Township are participating in a pilot curbside recycling program.

Moved by Comm. Littman and seconded by Comm. Haas to approve the Consent Agenda of April 26, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the April 12, 2006 work session as presented.

APPROVAL of the minutes from the April 12, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$632,629.56 as presented.

2. RATIFY the Hospital bills in the amount of \$1,338,938.25 as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Mayor Sisson opened the Public Hearing related to adopting a final project plan for wastewater and water system improvements.

Randy Kriscunas of Fleis and Vanderbrink presented detailed alternatives that were involved in the final project plans for wastewater and water system improvements and an overview of the wastewater and water systems. Discussion followed.

Moved by Comm. Haas and seconded by Comm. Austermann to approve the Resolutions adopting a final project plan for wastewater and water system improvements as presented.

A RESOLUTION ADOPTING A FINAL PROJECT PLAN FOR WATER SYSTEM IMPROVEMENTS AND DESIGNATING AN AUTHORIZED PROJECT REPRESENTATIVE
WHEREAS, the City of Sturgis recognizes the need to make improvements to its existing water treatment and distribution system; and
WHEREAS, the City of Sturgis authorized Fleis & VandenBrink Engineering, Inc. to prepare a Project Plan, which recommends the construction of water transmission and watermain improvements; and
WHEREAS, said Project Plan was presented at a Public Hearing held on April 26, 2006 and all public comments have been considered and addressed;
NOW THEREFORE BE IT RESOLVED, that the City of Sturgis formally adopts said Project Plan and agrees to implement the selected alternative (Alternative I).
BE IT FURTHER RESOLVED, that the City Manager, a position currently held by Mr. Michael Hughes, is designated as the authorized representative for all activities associated with the project referenced above, including the submittal of said Project Plan as the first step in applying to the State of Michigan for a Drinking Water Revolving Fund Loan to assist in the implementation of the selected alternative.

A RESOLUTION ADOPTING A FINAL PROJECT PLAN FOR WASTEWATER SYSTEM IMPROVEMENTS AND DESIGNATING AN AUTHORIZED PROJECT REPRESENTATIVE
WHEREAS, the City of Sturgis recognizes the need to make improvements to its existing wastewater treatment and collection system; and
WHEREAS, the City of Sturgis authorized Fleis & VandenBrink Engineering, Inc. to prepare a Project Plan, which recommends upgrading & improving the wastewater interceptor system; replace existing forcemain; improve biosolids and biological processes at the existing wastewater treatment facility (WWTF); and provide standby power at the proposed main lift station and at the WWTF; and
WHEREAS, said Project Plan was presented at a Public Hearing held on April 26, 2006 and all public comments have been considered and addressed;
NOW THEREFORE BE IT RESOLVED, that the City of Sturgis formally adopts said Project Plan and agrees to implement the selected alternative (Alternative C).
BE IT FURTHER RESOLVED, that the City Manager, a position currently held by Mr. Michael Hughes, is designated as the authorized representative for all activities associated with the project referenced above, including the submittal of said Project Plan as the first step in applying to the State of Michigan for a State Revolving Fund Loan to assist in the implementation of the selected alternative.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained the details of the Indiana/Michigan Regional Marketing Group.

Moved by Comm. Fisher and seconded by Comm. Stephens to appoint Michael Hughes and Cathi Abbs to the Indiana/Michigan Regional Marketing Group.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Electric Department Superintendent John Griffith explained the details of the Transmission Service Agreement between the City of Sturgis and AEP as required by the Federal Energy Regulatory Commission. Discussion followed.

Moved by Comm. Richards and seconded by Comm. Malone to approve the Interconnection and Local Delivery Service Agreement (ILDSA) as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

DPS Supervisor Rick Miller explained that there are two City dump trucks due for replacement this year. Mr. Miller explained the condition of the current vehicles and the potential financial impacts of delaying a purchase. Discussion followed.

Moved by Comm. Austermann and seconded by Comm. Richards to approve the request for a bid waiver for the purchase of two (2) 2006 Diamond SPEC 7400 SFA 4x2 (SA525) truck chassis from Wier International (contract #071B620086) in the amount of \$107,348 and for the outfitting of the two (2) truck chassis to Truck & Trailer Specialties in the amount of \$93,154 with the total cost not to exceed \$200,502 and to authorize the City Controller to sign all necessary documents.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the DDA has been working on dumpster locations for downtown businesses in the municipal parking lots.

Moved by Comm. Stephens and seconded by Comm. Fisher to approve the downtown dumpster locations as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Fisher and seconded by Comm. Mayer to appoint Eric Eishen to the EDC Board of Directors to fill the unexpired term of William Boersma through May 2011.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the Airport Advisory Committee has recommended expanding the board to seven to create an odd number of members.

Moved by Comm. Austermann and seconded by Comm. Fisher to approve expansion of the Airport Advisory Committee from six (6) to seven (7) members.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes described how the U.S. 12 reconstruction project has been progressing. He explained that one discovery as part of the project is that a water main under U.S. 12 has been affected by the reconstruction. The recommendation is to add replacement of several blocks of water main be replaced now while the road is open.

Moved by Comm. Littman and seconded by Comm. Malone to amend the Resolution approved on April 12, 2006 Authorizing Fund Allocations for the U.S. 12 Reconstruction Project and the Internal Loaning of Funds from the Electric Fund to the Water Fund to reflect a project cost for the water main in the amount of \$575,000.00

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Deputy Police Chief David Ives explained that Executive Secretary Ericka Kruska was awarded the Administrative Professional of the Year by the Sturgis Area Chamber of Commerce.

City Manager Michael Hughes explained that he attended the Fawn River Township meeting and it went well in regards to the transfer of properties to the City in the Arden Park neighborhood, which would occur in approximately fifteen years.

Moved by Comm. Littman and seconded by Comm. Malone to adjourn the meeting.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 9:20 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**WORK SESSION - STURGIS CITY COMMISSION
WEDNESDAY, APRIL 26, 2006
WIESLOCH RAUM - CITY HALL**

Mayor Sisson called the meeting to order at 7:00 p.m.

Commissioners present: Austermann, Stephens, Fisher, Malone, Haas, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Richards, Littman

Also present: City Manager, Assistant City Manager, DPS Supervisor, City Clerk

DPS Supervisor Rick Miller gave a demonstration of the City's new street sweeper and emulsion tank. Discussion followed.

The meeting was adjourned at 7:25 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING – STURGIS CITY COMMISSION

WEDNESDAY, MAY 10, 2006

WIESLOCH RAUM – CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Capt. Bill Brubaker, Salvation Army

Commissioners present: Austermann, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Comm. Richards

Also present: City Manager, Assistant City Manager, EDC Director, Electric Department Superintendent, City Engineer, Deputy Police Chief, DPS Supervisor, Deputy City Clerk

Greg Hackman presented the Sturgis Housing Commission Report. He gave a brief summary of the history of Maple Towers, and updated the commissioners on recent events.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of May 10, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the April 26, 2006 work session as presented.

APPROVAL of the minutes from the April 26, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$1,942,801.63 as presented.

2. AUTHORIZE the payment of the City Retirement System bills in the amount of \$167,701.85.

3. RATIFY the Hospital bills in the amount of \$1,842,329.94.

C. Set Public Hearing for Fawn River Township P.A. 425 Agreement #4

SET a public hearing for the Fawn River Township P.A. 425 Agreement #4 for May 24, 2006 at 7:30 p.m. in the Wiesloch Raum of City Hall.

D. Request to Hold Michigan Antique Model Airplane Club

APPROVE the request from the Michigan Antique Model Airplane Club to hold their Summer Contest on Saturday, June 17th and Sunday, June 18th at the Kirsch Municipal Airport, subject to the four conditions listed in the Sturgis Airport Advisory Committee minutes of April 17, 2001.

Voting yea: Eight

Voting nay: None

Absent: Richards

MOTION CARRIED

Commissioner Richards present.

Comm. Richards reported on the Sturgis Ambulance service. He stated that the current service is appropriate, however, it is not a self-supporting system and it would be beneficial to partner with neighboring entities.

Moved by Comm. Austermann and seconded by Comm. Richards that the City Commission approve the recommendation of the Ambulance Service Review Committee as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Assistant City Manager Todd Campbell reported on the Parking Ordinance Amendment.

Moved by Comm. Haas and seconded by Comm. Austermann that the Sturgis City Commission consider this the first reading and introduction of an amendment to the Sturgis Code of Ordinances, Part II, Article I, Section 58-6 (g), Parking Restrictions.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes reported on the Retirement System Ordinance Amendment.

Moved by Comm. Fisher and seconded by Comm. Littman that the Sturgis City Commission consider this the first reading and introduction of an amendment to the Sturgis Code of Ordinances, Part II, Article III, Division 2, Retirement System Indemnification.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the Sturgis Housing Commission members would be attending a training session conducted by HUD officials, therefore, it was important to fill the position of the resident board member before the next regular meeting so the member would be available for the training.

Mayor Sisson opened nominations for appointment to the Sturgis Housing Commission.

Comm. Malone nominated Myra Bowser.

Comm. Littman seconded the nomination.

Moved by Comm. Haas and seconded by Comm. Malone to close the nominations and to cast a unanimous vote to appoint **Myra Bowser** to serve on the Sturgis Housing Commission as its resident board member through May, 2011.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

EDC Director John Hayes informed the commission that John Bedz, Director of Michigan Small Tech Association, would be speaking at the Sturges-Young Auditorium on Wednesday, May 24th at 11:45 a.m..

City Manager Michael Hughes announced that the Memorial Day Parade would be held on Monday, May 29th at 10:30 a.m. Due to the construction, the parade will start at the VFW Post on W. Fawn River Road and proceed to Oaklawn Park.

City Manager Michael Hughes informed the commission that May 15th through May 19th is EMS Week. The Fire Department will hold an open house on May 19th from 4:00 p.m. to 8:00 p.m.

Comm. Haas announced that Ray Dresser will be receiving the first ever Community Foundation Donor Award for Philanthropy. Governor Jennifer Granholm, First Gentleman Daniel Mulhern and actor Jeff Daniels will be presenting the award at the 2006 Governor's Service Awards Ceremony on May 20th at 7:00 p.m. at the Fox Theater in Detroit, Michigan. Mayor Sisson suggested that the commission follow up with a resolution.

Comm. Richards commented on the current mowing situation with city properties.

Discussion followed.

It was suggested that the City and local service clubs could implement an "Adopt-a-Park" program to help keep up with the mowing and maintenance of city properties.

Comm. Fisher commended Assistant City Manager Todd Campbell on his efforts in keeping the public informed during the US-12 construction project.

Mayor Sisson appointed Comm. Malone, Comm. Haas, and Vice-Mayor Mayer to an Ad Hoc committee to meet with the School Board.

Moved by Comm. Littman and seconded by Comm. Richards to adjourn the meeting.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 8:12 p.m.

Mary M. Stoddard, City of Sturgis, Deputy Clerk

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, MAY 24, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Calvin Kolzow, Trinity Lutheran Church

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, Parks and Recreation Department Superintendent, City Engineer, Deputy Police Chief, DPS Supervisor, Human Resources Director, City Clerk

DDA Director Kim Musolff provided a report on the activities of the Downtown Development Authority including the events to promote the downtown during the construction, merchant façade rebates, a downtown restaurant, and Fun Fridays.

Mayor Sisson described the honor received by Ray Dresser from the Council of Michigan Foundations. Mayor Sisson intends to present a proclamation commemorating the Community Foundation Philanthropy Award for 2006 to Mr. Dresser at a later date.

City Controller Michael Vance explained the process to date in regards to the development of plans for the former Ram Products building for use as a new Department of Public Services complex. A committee reviewed a number of qualifications and sent out a request for proposals to five architectural firms. The committee invited representatives from Fishbeck, Thompson, Carr, and Huber, Inc. to be interviewed. Daniel Durkee and Jeffrey Chick provided details regarding their experience, similar projects, and approach to the proposed DPS facility. Mr. Durkee and Mr. Chick explained a recent project in Marshall which was similar to the project here which included an existing structure, a tight budget, and a no-frills building.

Mayor Sisson introduced Paul Reickert from the Boy Scouts of America who was with Scout Denny Halpert who is attending a City Commission meeting as part of his efforts towards earning a communications merit badge.

Moved by Comm. Littman and seconded by Comm. Austermann to approve the Consent Agenda of May 24, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the May 10, 2006 regular meeting as presented.

B. Pay Bills

AUTHORIZE the payment of the City bills in the amount of \$1,567,526.45 as presented.

RATIFY the Hospital bills in the amount of \$1,515,312.03 as presented.

C. Parking Ordinance Amendment

CONSIDER this the second reading and approval of an amendment to the Sturgis Code of Ordinances, Part II, Article I, Section 58-6 (g), Parking Restrictions.

AMENDMENT TO PART II – ARTICLE I OF THE ORDINANCES OF THE CITY OF STURGIS

An ordinance to amend Part II – Article I, of the Ordinances of the City of Sturgis pertaining to pedestrians and vehicular traffic in certain public areas and to provide for an effective date of this Ordinance.

WHEREAS, the City of Sturgis has determined that it is in the best interest of the residents of the City to amend the Ordinances regulating pedestrians and vehicular traffic in certain public areas;

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan, ordains:

Part II – Article I, is hereby amended by adding an exception to Sec. 58-6 (g), as follows, effective as of June 15, 2006:

Sec. 58-6. Pedestrians and vehicular traffic in certain public areas

g) Parking restrictions. No person shall park or store any motor vehicle with improper or expired registration plates; in any place where official signs prohibit parking; in any space clearly identified by official sign as being reserved for the handicapped; in any space identified by official sign for public safety vehicles; or for more than 48 consecutive hours in any park, cemetery, shopping center parking lot, or any parking lot owned by the city or any school district or other public corporation or quasi-corporation. Members of the police department are authorized to remove any motor vehicle so parked or stored to the nearest garage or other place of safety designated or maintained by the police department, and the disposition of such vehicle shall thereupon be governed by the procedure set forth in the Uniform Traffic Code adopted in section 58-5.

(Code 1969, § 73.02)

Notwithstanding the foregoing, any resident of a legal dwelling unit or a registered rental unit located in the BC District may park or store a motor vehicle registered to the resident in a designated long term parking space for a period not to exceed ten (10) business days, if prior notice thereof is provided to the Sturgis Police Department.

D. Retirement System Ordinance Amendment

CONSIDER this the second reading and approval of an amendment to the Sturgis Code of Ordinances, Part II, Article III, Division 2, Retirement System Indemnification.

AMENDMENT TO PART II – ARTICLE III, DIVISION 2 OF THE ORDINANCES OF THE CITY OF STURGIS

An ordinance to amend Part II – Article III, Division 2 of the Ordinances of the City of Sturgis pertaining to the regulation of the City of Sturgis Retirement System and to provide for an effective date of this Ordinance.

WHEREAS, the City of Sturgis has determined that it is in the best interest of the residents of the City to amend the Ordinances regulating the Retirement System for the City's employees by adding a provision for the indemnification of the Trustees serving on the Board of Trustees and officers of the City Retirement System;

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan, ordains:

Part II – Article III, Division 2 is hereby amended by adding: Sec. 2-122 Indemnification; as

follows, effective as of June 15, 2006:

Sec. 2-122. Indemnification.

(a) The City will, to the fullest extent now or hereafter permitted by law, indemnify any Trustee or officer of the City Retirement System who was or is a party to, or threatened to be made a party to any threatened, pending, or completed action, suit or proceeding by reason of the fact that the person is or was a Trustee or officer of the City Retirement System, against expenses, including attorneys' fees, (which expenses may be paid by the City in advance of a final disposition of the action, suit or proceeding), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person acted (or refrained from acting) in good faith and in a manner the person reasonably believed to be within the scope of his or her authority. The City may compromise, settle and pay the claim before or after the commencement of a civil action. Whenever a Judgment for damages is awarded against a Trustee or an officer of the City Retirement System as a result of a civil action for damages caused by the Trustee or officer while acting in good faith and within the scope of his or her authority, the City shall indemnify the Trustee or officer or pay, settle, or compromise the Judgment. When a criminal action is commenced against a Trustee or officer of the City of Sturgis Retirement System based upon the conduct of the Trustee or officer while acting on behalf of the City of Sturgis Retirement System, if the Trustee or officer had a reasonable basis for believing that he or she was acting in good faith and within the scope of his or her authority at the time of the alleged conduct, the City shall pay for, engage or furnish the services of an attorney to advise the Trustee or officer as to the action, and to appear for and represent the Trustee or officer in the action.

(b) The indemnification as set forth in subparagraph (a) of this section will continue as to a person who has ceased to be a Trustee or officer of the City of Sturgis Retirement System. Any indemnification of a person who was entitled to indemnification after such person ceased to be a Trustee or officer of the City of Sturgis Retirement System will inure to the benefit of the heirs and personal representatives of that person.

E. Board Resignations

ACCEPT the resignations of the following individuals from the City's Boards and Commissions and SEND a letter of recognition for their service:

Airport Advisory Board - Robert Littke, Stewart Swihart; Auditorium Board – Newell Franks II, Larry Patterson; Election Commission - Bethany Ann Sherman, Karen Stephens; Hospital Board of Trustees – Newell Franks II, Dianna Maynard; Zoning Board of Appeals - Kurt Esseltine, Greg Hackman, Ron Zimmerman.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained the purpose for the Public Hearing for Fawn River Township P.A. 425 Agreement #4 which has commonly been known as the "Arden Park Island".

Mayor Sisson opened the Public Hearing for Fawn River Township P.A. 425 Agreement #4. There was no comment from the public. Mayor Sisson closed the Public Hearing.

DDA Director Kim Musolff explained that the DDA board sought bids for a loan for the U.S. 12 Reconstruction Project. City Attorney Roger Bird explained that the enabling statute for DDAs requires the City Commission to approve a loan of this type.

Moved by Comm. Haas and seconded by Comm. Richards to authorize the Downtown Development Authority to borrow \$264,400 for the U.S. 12 Reconstruction Project from Century Bank & Trust at a fixed rate of 4.75% for a term of 15 years.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

DPS Supervisor Rick Miller and Dave Kargen of Hydro Designs explained the process of the cross connection plan development.

Moved by Comm. Austermann and seconded by Comm. Fisher to approve the Cross Connection Control Plan as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

DPS Supervisor Rick Miller explained the necessary changes to the City's Code of Ordinances that are required in relation to the cross connection plan.

Moved by Comm. Malone and seconded by Comm. Austermann to consider this the first reading and introduction to the Cross Connections Ordinance amendment to Chapter 62, Section 62-31.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

DPS Supervisor Rick Miller explained that the department's backhoe was due for replacement this year. He explained the bid and testing process that was involved in this replacement.

Moved by Comm. Richards and seconded by Comm. Malone to approve the bid to purchase 1 JCB model 215 4x4 Backhoe/Loader including the Smooth Ride option from AIS Construction Equipment Corporation in the amount of \$82,625.00.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Assistant City Manager Todd Campbell explained that the Parks and Cemetery Board has recommended raising the park shelter rental fee.

Moved by Comm. Fisher and seconded by Comm. Littman to set the Park Shelter Rental Fee at \$40.00.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Mayer and seconded by Comm. Malone to postpone consideration of the City board appointments until the next regular City Commission meeting.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Assistant City Manager Todd Campbell explained that this was the time of year for the Sturgis Housing Development Corporation annual meeting. The Commission needs to elect the board for the S.H.D.C. and then convene as the S.H.D.C.

Moved by Comm. Haas and seconded by Comm. Austermann to adopt the Consent Resolution of Shareholders as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Malone and seconded by Comm. Austermann to recess their regular meeting of May 24, 2006.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Dir. Austermann and seconded by Dir. Malone to convene as the Sturgis Housing Development Corporation.

Voting yea: Ten

Voting nay: None

MOTION CARRIED

Mr. Campbell explained the activities of the past year of the S.H.D.C. including the completion of the second M.S.H.D.A. project which was renovated and sold. The S.H.D.C. currently owns the vacant property at 208 N. Prospect, 401 S. Lakeview which was given to Sturgis Hospital and 1111 N Centerville, which is the former Ram property.

Moved by Dir. Fisher and seconded by Dir. Littman to adopt the Consent Resolution of Board of Directors as presented.

Voting yea: Ten

Voting nay: None

MOTION CARRIED

Moved by Dir. Malone and seconded by Dir. Austermann to adjourn the annual meeting.

Voting yea: Ten

Voting nay: None

MOTION CARRIED

Moved by Comm. Littman and seconded by Comm. Malone to reconvene its regular meeting of May 24, 2006.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Assistant City Manager explained the change order related to the U.S. 12 reconstruction project. He explained the error calculating the payment of the paving of the parking lanes in terms of what the City was required to pay and what was to be paid by MDOT. Also, there is the need for additional parts and length of watermain to be included in the project. He explained that this change order should cover all known revisions for the project.

Moved by Comm. Fisher and seconded by Comm. Richards to amend the Resolution approved on April 26, 2006 Authorizing Fund Allocation for the U.S. 12 Reconstruction Project and the Internal Loaning of funds to the Water Fund to reflect a project cost for the watermain in the amount of \$641,900.00.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Sturgis Area Chamber of Commerce Director Cathi Abbs described the activities that occurred during the Michigan Week festivities. She thanked the Commission and City Staff for their help and said that everything went very well.

City Manager Michael Hughes explained that there will be no Memorial Day Parade but there will be a ceremony at Oak Lawn Park.

Moved by Comm. Haas and seconded by Comm. Malone to convene Closed Session for the purpose of union contract negotiation strategy.

Voting yea: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Mayer, Sisson
Voting nay: None **MOTION CARRIED**

The meeting recessed at 8:55 p.m.

The meeting reconvened at 9:20 p.m.

Moved by Comm. Haas and seconded by Comm. Richard to approve the proposal from Fishbeck, Thompson, Carr & Huber, Inc. for professional architectural services in the amount of \$16,400.

Voting yea: Nine **Voting nay: None** **MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to adjourn the meeting.

Voting yea: Nine **Voting nay: None** **MOTION CARRIED**

The meeting was adjourned at 10:33 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, JUNE 14, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Canon Meredith Hunt, St. John's Episcopal Church

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, DPS Supervisor, Human Resources Director, DDA Director, Deputy Fire Chief, City Clerk

Mayor Sisson and the City Commission presented the following Proclamation to Ray Dresser:

WHEREAS, The Community Foundation Philanthropy Award was established by the Council of Michigan Foundations (CMF) to honor both a volunteer trustee and donor to help grow community philanthropy in Michigan; and

WHEREAS, Nominations were accepted for individuals who are currently involved in giving their private resources for the betterment of their community through a Michigan community foundation; and

WHEREAS, the individual must have demonstrated commitment, leadership, impact, creativity and collaboration in service to a community foundation; and

WHEREAS, Sturgis' own Ray Dresser received the Community Foundation Philanthropy Award for 2006 at a ceremony hosted by Governor Granholm and her husband on May 20, 2006; and

WHEREAS, the Sturgis Foundation and Sturgis Community have been the fortunate recipient of the generosity exhibited for so many years by Mr. Dresser; and

WHEREAS, it is the community involvement of citizens like Mr. Dresser that make Sturgis such a wonderful place to work and live.

NOW, THEREFORE, BE IT RESOLVED, as Mayor of the City of Sturgis, and on behalf of the Sturgis City Commission, I want to congratulate Raymond Dresser Jr. as the first recipient of this most prestigious award and truly thank him for all that he does for Sturgis.

Mr. Dresser explained the award and thanked the Commission for this honor.

Lee Fraim, 1101 Tracy Ave, explained that the premier of the documentary "From Moccasins to Main Street" will be at the Sturges-Young Auditorium on Friday, July 14, 2006 at 7:00 p.m. It is a story about Old Chicago road and was four years in the making.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of June 14, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the May 24, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$639,329.22 as presented.
2. AUTHORIZE the payment of the City Retirement System bills in the amount of \$205,808.41.
3. RATIFY the Hospital bills in the amount of \$2,979,848.85 as presented.

C. Amendment to Cross Connections Ordinance

CONSIDER this the second reading and approval of an amendment to the Cross Connections Ordinance amendment to Chapter 62, Section 62-31.

D. Fiscal Year 2007 Millage Rate Public Hearing

SCHEDULE a public hearing on June 28, 2006 at 7:30 in the Wiesloch Room of City Hall to hear public comment on the tax rate for Fiscal Year 2007.

E. Board Resignations

ACCEPT the resignation of Lynn Dobberteen from the Sister City Committee and SEND a letter of recognition for her service.

F. National Association for Amateur Radio – Field Day

APPROVE the use of Thurston Woods Park by the St. Joseph County Amateurs and the use of Oaklawn Park by the St. Joseph Amateur Radio Technical Society on June 24th from 2:00 p.m. to 9:00 a.m. on June 25th for Field Day activities with the following conditions:

- 1) All trash and garbage resulting from Field Day activities be cleaned up and placed into appropriate trash containers.
- 2) A representative from the organization will notify surrounding property owners at least seven (7) days prior to the event.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Clerk/Treasurer Kenneth Rhodes explained the process for the annual appointments of board and commission members.

Mayor Sisson opened the nominations for the Airport Advisory Committee for seven vacancies.

Nominated : Alan Carter, Brian Hall, Martin Hart, Danny King, James Liston, Robert Morrow, Patrick Murphy, and Doug VanMeter

Nominations were closed.

Nominees received the following votes:

Alan Carter - 7, Brian Hall - 9, Martin Hart - 9, Danny King - 4, James Liston - 9, Robert Morrow - 9, Patrick Murphy - 5, and Doug VanMeter – 9

Alan Carter, Brian Hall, Martin Hart, James Liston, Robert Morrow, Patrick Murphy, and Doug VanMeter were appointed to the Airport Advisory Committee through May 2007.

Mayor Sisson opened the nominations for the Auditorium Board for four vacancies.

Nominated : Douglass Abbs, Shelly Hendrick, Madeline Murphy-Parker, and Michael Stiles

Nominations were closed.

Moved by Comm. Littman and seconded by Comm. Malone to appoint Douglass Abbs, Shelly Hendrick, Madeline Murphy-Parker, and Michael Stiles to the Auditorium Board.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Douglass Abbs – May 2007, Shelly Hendrick – May 2009, Madeline Murphy-Parker – May 2009, and Michael Stiles – May 2009 were appointed to the Auditorium Board.

Moved by Comm. Haas and seconded by Comm. Richards to appoint Jon Good to the Construction Board of Appeals.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Jon Good was appointed to the Construction Board of Appeals through May 2009.

Mayor Sisson opened the nominations for the DDA Board of Directors for five vacancies.

Nominated : John Bowen, Frank Iannarelli, Sarah Kalasky, Sally Large, Brenda Merrill, Brad Rockey

Nominations were closed.

Nominees received the following votes:

John Bowen - 9, Frank Iannarelli - 9, Sarah Kalasky - 5, Sally Large - 5, Brenda Merrill - 9, Brad Rockey – 7

Sarah Kalasky – 4, Sally Large – 5

John Bowen – May 2010, Frank Iannarelli – May 2010, Sally Large – May 2007, Brenda Merrill – May 2010, Brad Rockey – May 2009 were appointed to the DDA Board of Directors.

Mayor Sisson opened the nominations for the Doyle and Recreation Advisory Board for two vacancies.

Nominated : Warren Atkins and John Fisher

Nominations were closed.

Moved by Comm. Malone and seconded by Comm. Austermann to appoint Warren Atkins and John Fisher to the Doyle and Recreation Advisory Board.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Warren Atkins and John Fisher were appointed to the Doyle and Recreation Advisory Board through May 2009.

Moved by Comm. Littman and seconded by Comm. Richards to appoint Brian McConnell to the EDC Board of Directors.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Brian McConnell was appointed to the EDC Board of Directors through May 2012.

Mayor Sisson opened the nominations for the Election Commission for three vacancies.

Nominated : Gwen Donmyer, Tammy Ehlert, Scot Jefferies, and Rachael Sutton

Nominations were closed.

Nominees received the following votes:

Gwen Donmyer - 8, Tammy Ehlert - 4, Scot Jefferies - 5, and Rachael Sutton - 9

Gwen Donmyer, Scot Jefferies, and Rachael Sutton were appointed to the Election Commission through May 2011.

Mayor Sisson opened the nominations for the Hospital Board of Trustees for four vacancies.

Nominated : Meredith Hunt, Floyd Kunce, Kathy Pascale, Thomas Rock, and John Stephens

Nominations were closed.

Nominees received the following votes:

Meredith Hunt - 9, Floyd Kunce - 9, Kathy Pascale - 4, Thomas Rock - 9, and John Stephens - 5

Meredith Hunt – May 2010, Floyd Kunce – May 2011, Thomas Rock – May 2011, and John Stephens – May 2008 were appointed to the Hospital Board of Trustees.

Moved by Comm. Littman and seconded by Comm. Malone to appoint Francis Losinski and Rick Mahler to the Cemetery and Parks Board.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Francis Losinski – May 2009 and Rick Mahler – May 2011 were appointed to the Cemetery and Parks Board.

Mayor Sisson opened the nominations for the Planning Board for three vacancies.

Nominated : Don Eaton, John Kirkpatrick, Tim Peterson, and Peter Stage

Nominations were closed.

Nominees received the following votes:

Don Eaton - 8, John Kirkpatrick - 4, Tim Peterson - 7, and Peter Stage - 9

Don Eaton, Tim Peterson, and Peter Stage were appointed to the Planning Board through May 2009.

Moved by Comm. Malone and seconded by Comm. Haas to appoint Georgia Austermann, John Dobberteen, Jo Morrison, Kenneth Rhodes, and Marcia Roy to the Sister City Committee.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Georgia Austermann – May 2009, John Dobberteen – May 2009, Jo Morrison – May 2008, Kenneth Rhodes – May 2007, and Marcia Roy – May 2009 were appointed to the Sister City Committee.

Moved by Comm. Haas and seconded by Comm. Littman to appoint Richard Earl, Tammy Ehlert, Scot Jefferies, and Al Kuhlman to the Zoning Board of Appeals.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Richard Earl, Tammy Ehlert, Scot Jefferies, and Al Kuhlman were appointed to the Zoning Board of Appeals through May 2009.

Comm. Fisher explained that Stewart Swihart had served on the Airport Advisory Committee since its creation in 1966.

Moved by Comm. Fisher and seconded by Comm. Littman to appoint Stewart Swihart to the Airport Advisory Committee as an honorary member.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the governing body of each member of the Sturgis Area Ambulance Committee has been given the Request for Proposal for Ambulance Service for their comments and approval. He explained that the RFP does allow for alternative responses.

Moved by Comm. Richards and seconded by Comm. Malone to approve the Request for Proposal document for Ambulance Service as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Clerk/Treasurer Kenneth Rhodes explained that six applications were submitted for the new recycling committee.

Moved by Comm. Haas and seconded by Comm. Fisher to appoint Earl Arend, Georgia Austermann, Tammy Ehlert, Patti Jernagan, Patricia Root, Thomas Soper, and Commissioner Stephens to the Recycling Committee.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the State has initiated a new grant program related to the SRF loan that the City applied for earlier this year for the Wastewater Plant and System improvements. Dave Harvey of Fleis and Vandenbrink explained the history of the program and said that Sturgis will be one of the first to apply for this new grant.

Moved by Comm. Fisher and seconded by Comm. Littman to approve the Resolution authorizing the S2 grant agreement:

WHEREAS, Part 52 (strategic water quality initiatives) of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended ("Part 52"), provides at MCL 324.5204a that the Michigan Municipal Bond Authority (the "Authority") in consultation with the Michigan Department of Environmental Quality (the "DEQ", collectively with the Authority, the "State") shall establish a strategic water quality initiatives grant program to provide assistance to governmental units to complete the application for a loan under the State Revolving Fund ("SRF") program or Strategic Water Quality Initiatives Fund ("SWQIF") program; and

WHEREAS, in accordance with the provisions of 1985 PA 227, as amended (the "Act"), Part 52, and other applicable provisions of law, the Authority, the DEQ, and a governmental unit (the "Governmental Unit") that is a grant recipient shall enter into a grant agreement (the "S2 Grant Agreement") that requires the Governmental Unit to repay the grant under certain conditions as set forth in MCL 324.5204a; and

WHEREAS, the Governmental Unit does hereby determine it necessary to undertake planning and/or design activities related to a future project for which an SRF or SWQIF loan will be sought; and

WHEREAS, it is the determination of the Governmental Unit that at this time, a grant in the aggregate principal amount not to exceed \$500,957 ("Grant") be requested from the Authority and the DEQ to pay for the planning and/or design activities; and

WHEREAS, the Governmental Unit shall obtain this Grant by entering into the S2 Grant Agreement with the Authority and the DEQ.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Michael L. Hughes and Jeannette Fenner are each designated as an Authorized Representative for purposes of the S2 Grant Agreement.
2. The proposed form of the S2 Grant Agreement between the Governmental Unit and the State (attached hereto as Appendix I) is hereby approved and the Authorized Representative is authorized and directed to execute the S2 Grant Agreement with such revisions as are permitted by law and agreed to by the Authorized Representative.
3. As stated in the S2 Grant Agreement, the Grant shall become a repayable obligation (the "Repayable Obligation") if any of the following occur:
 - (a) the Governmental Unit fails to submit an administratively complete loan application for assistance from the SRF or the SWQIF for the project within 3 years of the Grant award;
 - (b) the project has been identified as being in the fundable range and the Governmental Unit declines loan assistance from the SRF or the SWQIF in that fiscal year; or
 - (c) the Governmental Unit is unable to, or decides not to, proceed with constructing the project or

opts to finance construction by means other than a loan from the SRF or the SWQIF.

4. The Governmental Unit hereby pledges its limited tax full faith and credit for payment of the Repayable Obligation subject to applicable constitutional, statutory and Governmental Unit tax rate limitations.

5. The Governmental Unit shall not invest, reinvest or accumulate any moneys deemed to be Grant funds, nor shall it use Grant funds for general local government administrative activities or activities performed by municipal employees.

6. The Authorized Representative is hereby jointly or severally authorized to take any actions necessary to comply with the requirements of the State in connection with the issuance of the Grant. The Authorized Representative is hereby jointly or severally authorized to execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the State or as may be otherwise necessary to effect the approval and delivery of the Grant.

7. The Governmental Unit acknowledges that the S2 Grant Agreement is a contract between the Governmental Unit and the State.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are rescinded.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Richards and seconded by Comm. Malone to approve task order no. 10 with Fleis & VandenBrink Engineering, Inc. for Engineering Services for Alternative C of the SRF Project Plan in the amount of \$503,600.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Mayor Sisson began discussion related to the downtown zoning ordinance related to acceptable uses. City Attorney Roger Bird explained the responsibilities of the City Commission, Planning Board, and Zoning Board of Appeals as well as the definition of the term “hardship”. The Commission discussed the merits of the ordinance but no action was taken.

Moved by Comm. Littman and seconded by Comm. Malone to adjourn the meeting.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 8:50 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

SPECIAL MEETING - STURGIS CITY COMMISSION
MONDAY, JUNE 19, 2006
CONFERENCE ROOM - CITY HALL

Vice-Mayor Mayer called the meeting to order at 5:00 p.m.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Vice-Mayor Mayer

Commissioners absent: Littman, Mayor Sisson

Also present: City Manager, Assistant City Manager, City Controller, City Clerk

City Manager Michael Hughes began his presentation of the draft of the 2006-2007 City of Sturgis Fiscal Year Budget.

Commissioner Littman and Mayor Sisson joined the meeting at 5:30 p.m.

The Commission, City Manager, and City Controller discussed the details of each of the City's funds.

The meeting was adjourned at 8:00 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, JUNE 28, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Lorraine Bolley, Gateway River of Life

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, DPS Supervisor, WWTP Director, Director of Public Safety, Electric Department Assistant Superintendent, City Clerk

Keith Waltke, Chair of the Planning Board, provided a report of his board's activities over the last year including land use requests, site plan reviews, and zoning ordinance amendments.

John Wiedlea, Chair of the Economic Development Corporation Board of Directors provided a report of his board's activities over the last year including business retention, new industrial park infrastructure, the town hall meeting on jobs, and an economic development plan for the area.

Phyllis Youga, Sturgis Council of the Arts, gave a Powerpoint presentation on the activities of the Council over the past several years including their program and operations, trends, and opportunities.

Al Kuhlman, 213 Virginia, commented on the downtown zoning ordinance related to acceptable uses.

Moved by Comm. Littman and seconded by Comm. Mayer to approve the Consent Agenda of June 28, 2006 as presented.

A. Action of Minutes of Previous Meetings

1. APPROVAL of the minutes from the June 14, 2006 regular meeting as presented.
2. APPROVAL of the minutes from the June 19, 2006 special meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$1,935,413.83 as presented.
2. RATIFY the Hospital bills in the amount of \$1,616,270.81.

C. City Commission Meeting Date Change

CHANGE the regular meeting from Wednesday, July 26, 2006 to Monday, July 24, 2006.

D. July 4th Parade

APPROVE the request for a July 4th Celebratory Children's Parade in the South Lakeview neighborhood to be held on July 4, 2006 at 10:00 a.m. beginning at Parkside Circle, extending down Parkside, west on Myrtle, south on Independence and east on Constitution.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that State statute requires a public hearing related to setting the millage rate for a fiscal year. The City's millage rate has been maintained at 10.82 mills for many years. The City currently has the ability to set a maximum millage rate of 11.8808 mills.

Mayor Sisson opened the Public Hearing on the fiscal year 2006-2007 tax rate.
There was no comment from the public.
Mayor Sisson closed the Public Hearing.

Moved by Comm. Haas and seconded by Comm. Austermann to set the fiscal year 2006-2007 tax rate at 10.82 mills as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the City held a Public Hearing on the 425 Agreement for the "Arden Park" area on May 24, 2006 and since that time, no one has filed any petition in regards to this matter.

Moved by Comm. Austermann and seconded by Comm. Malone to approve P.A. 425 Agreement #4 with Fawn River Township as presented.

**AGREEMENT FOR CONDITIONAL TRANSFER OF PROPERTY FROM
FAWN RIVER TOWNSHIP TO THE CITY OF STURGIS (AGREEMENT 4)**

THIS AGREEMENT is by and between the CITY OF STURGIS, a Michigan municipal corporation, 130 N. Nottawa, Sturgis, Michigan 49091 (hereinafter 'City'), and the TOWNSHIP OF FAWN RIVER, St. Joseph County, Michigan, a Michigan general law township, 31194 Fawn River Road, Sturgis, Michigan 49091 (hereinafter "Township").

WITNESSETH:

WHEREAS, the City and the Township are both local units as defined by Public Act 425 of 1984, as amended, MCL 124.21, et. seq. ("Act 425"); and

WHEREAS, Act 425 enables two or more local units of government to transfer property conditionally by written agreement between the affected local units of government for the purpose of economic development projects; and

WHEREAS, certain areas within the Township adjacent to the City, as more particularly described in this Agreement, may be planned for residential, commercial or industrial purposes but are in need of certain public services, including public water and sewer services, to facilitate economic development; and

WHEREAS, the City has the capacity to furnish both public water and sewer service to such areas and is willing to provide such services and other municipal services under the terms and conditions of this Agreement; and

WHEREAS, the City and the Township have proposed that certain property be conditionally transferred from the Township to the City pursuant to Act 425 to promote improvements to such property suitable for industrial, commercial and/or residential housing development projects and to protect the environment, including groundwater and surface water; and

WHEREAS, both the City and Township have considered the factors specified in Section 3 of Act 425 prior to formulating this written contract conditionally transferring property; and

WHEREAS, pursuant to Act 425, the City Commission held a public hearing on May 24, 2006, at 7:30 p.m., and the Township Board held a public hearing on _____, 2006 at 7:30 p.m., regarding this Agreement and the conditional transfer of property according to its terms; and

WHEREAS, the City Commission and the Township Board have decided, by majority of the members elected and serving on each governing body, to enter into this Agreement; and

WHEREAS, neither the City Commission nor the Township Board adopted a resolution calling for

a referendum on the transfer to be made pursuant to this Agreement; and

WHEREAS, more than thirty (30) days have elapsed since public hearings of the City Commission and Township Board were held regarding this Agreement, and the Township Clerk has not received a petition calling for a referendum on the conditional transfer of property pursuant to Act 425 or, a petition calling for a referendum was timely filed and this Agreement was approved by the voters in an election held for that purpose; and

WHEREAS, the City and the Township find the conditional transfer of property from the Township to the City will encourage and assist economic development and protection of the environment for the general benefit of both the City and Township.

NOW THEREFORE, in exchange for the mutual representations, promises, covenants, and other considerations made or referred to in this Agreement, and pursuant to the authority contained in Act 425, the parties to this Agreement agree as follows:

ARTICLE I REPRESENTATIONS

Section 1.1 Representations. The City and Township represent that prior to entering into this Agreement and when formulating this Agreement, each considered the following factors:

A. Composition of the population; population density; land area and land uses; assessed valuation; topography, natural boundaries and drainage basins; and past and probable future growth, including population increase and business, commercial, and industrial development in the Transferred Area (as hereinafter identified) and the comparative data for the Township and the portion of the Township remaining after the transfer of the Transferred Area.

B. Need for organized community services; the present costs and adequacy of governmental services in the Transferred Area; the practicability of supplying such services to the Transferred Area; the probable effect of the transfer and of alternative courses of action on the costs and adequacy of services in the Transferred Area and on the remaining portion of the Township; the probable change in taxes and tax rates in the Transferred Area in relation to the benefits expected to accrue from such transfer; and the financial ability of the City to provide and maintain governmental services in the Transferred Area.

C. General effect upon the parties hereto of the transfer; and the relationship of the transfer to applicable land use plans.

ARTICLE II TRANSFER AND EFFECT

Section 2.1 Transfer of Territory. The real property legally described in attached Exhibit A and identified on the map attached as Exhibit B (the "Transferred Area") shall be conditionally transferred from the jurisdiction of the Township to the jurisdiction of the City for the purposes and under the terms stated in this Agreement.

Upon the Effective date of this Agreement, property in the Transferred Area shall be transferred from the Township to the City for the purposes of jurisdiction over public water, public sanitary sewer and public storm water sewer utility services. For all other purposes, property in the Transferred Area shall remain in and shall be subject to the jurisdiction of the Township. Provided that, full jurisdiction for all purposes over a parcel of property within the Transferred Area shall be transferred from the Township to the City when any of the following events occur:

1. When, on or after the Effective Date of this Agreement, the record owner(s) of property within the Transferred Area sell(s) or transfer(s) by deed, land contract, gift, devise or otherwise ceases to have title to such real property and/or lease(s) such real property to a third party; or

2. When, on or after the Effective Date of this Agreement, the city becomes the owner of record of any parcel in the Transferred Area; or

Upon the occurrence of any event giving rise to the transfer of full jurisdiction for property within the Transferred Area the parcel(s) of land involved shall immediately be transferred from the

jurisdiction of the Township to the jurisdiction of the City for all purposes. Such transfer of full jurisdiction shall be evidenced by filing with the Office of the Great Seal of the State of Michigan and with the St. Joseph County Clerk a resolution of the City Commission and a resolution of the Township Board certifying that an event for the transfer of full jurisdiction has occurred under the terms of this Agreement and that the jurisdiction over the parcel(s), which shall be legally described in such resolutions, is (are) transferred from the Township to the City for all purposes. In the event the Township fails to adopt such a resolution within sixty (60) days of the occurrence of an event of full jurisdiction, the City may file its resolution also stating such fact with the Office of the Great Seal and the St. Joseph County Clerk and upon such filing, the parcel(s) shall be conclusively deemed to be transferred from the Township to the City for all purposes in accordance with the terms of this Agreement.

All parcels in the Transferred Area which have not transferred to the City for full jurisdiction by the end of fifteen (15) years from the Effective Date of this Agreement shall be transferred, at the end of such fifteen (15) year period, to the City for all jurisdictional purposes under the terms of this Agreement. Such transfer of full jurisdiction shall be evidenced by filing of resolution(s) in the manner provided above.

Section 2.2 Governmental Services. With respect to any parcel of property within the Transferred Area upon transfer of jurisdiction for all purposes all governmental services, including without limitation, water distribution services; wastewater disposal services; police and fire protection; building permits, building code, fire code, electrical code, mechanical code and plumbing code enforcement; economic development services; real and personal property assessment services; street and road maintenance and repair; real and personal property tax abatement; and other municipal facilities and services shall be provided by the City to the Transferred Area and its occupants on the same basis as it provides such governmental services to other properties and projects within the corporate limits of the City. The Township shall have no obligation to provide such governmental services to the Transferred Area or its occupants, except to the extent otherwise provided in this Agreement or as it otherwise does so and upon the terms it does so for other property and/or occupants of property in the City. The fees for all such services shall be as established by the City and as applicable within the corporate limits of the City. Nothing in the above provisions shall be construed to modify the terms of any mutual-aid agreement to which the City and the Township are parties.

Section 2.3 Applicability and Enforcement of Ordinances. With respect to any parcel of property within the Transferred Area upon transfer of jurisdiction for all purposes, any such parcel shall be treated as being within the corporate limits and jurisdiction of the City for the purpose of applying and enforcing all ordinances, rules and regulations. The City shall be responsible for enforcing all such ordinances, rules and regulations.

Section 2.4 Zoning of Transferred Area. Until the City acts to determine and establish the zoning of the Transferred Area under the City's Zoning Ordinance, any parcel of property within the Transferred Area will retain its existing zoning under the Township Zoning Ordinance provided, however, the City will be responsible for the administration and enforcement of such ordinance in the Transferred Area after jurisdiction for all purposes is transferred for any such parcel.

Section 2.5 Taxes. For the purposes of all taxation against real and personal property in the Transferred Area after jurisdiction for all purposes is transferred for any such parcel, including but not limited to the levying of general ad valorem taxes, or specific taxes/payment in lieu of general ad valorem taxes, the jurisdiction and authority to grant the abatements and to utilize tax increment financing as permitted by law, the Transferred Area shall be considered as being within the corporate limits and jurisdiction of the City.

Section 2.6 Special Assessments. The Transferred Area for services for which jurisdiction has been transferred for all purposes, shall be treated as being within the corporate limits and jurisdiction of

the City for purposes of special assessments.

Section 2.7 Rates, Charges and Fees. The rates, charges, fees and other costs for governmental services provided to any parcel of property within the Transferred Area for which jurisdiction has been transferred for all purposes shall be calculated, levied, and collected on the same basis as if such parcel was in the corporate limits and jurisdiction of the City. Until any such transfer all rates, charges, fees and other costs for governmental services provided in the Transferred Area shall be calculated, levied, and collected on the same basis as other similar properties located in the Township.

Section 2.8 Income Taxes. For the purpose of levying and collecting City personal and corporate income taxes, if any, any parcel of property within the Transferred Area for which jurisdiction has been transferred for all purposes, shall be considered as being within the corporate limits and jurisdiction of the City. The definitions of "resident and nonresident" contained in the City Income Tax Act, Act 284 of the Public Acts of Michigan 1964, as amended, MCL 141.501, et. seq., shall apply within the Transferred Area as if such Transferred Area were located within the corporate limits and jurisdiction of the City.

Section 2.9 Liens. Liens for special assessments, ad valorem real and personal property taxes, water distribution and wastewater disposal services, and other purposes made against real and personal property within the Transferred Area for those services for which jurisdiction is transferred, by the City shall be and remain in full force and effect as if the Transferred Area were included with the corporate limits and jurisdictions of the City.

Section 2.10 Voting. Any persons residing at a parcel in the Transferred Area after jurisdiction for all purposes is transferred for any such parcel, shall be entitled to vote on the same basis as if such Transferred Area were located within the corporate limits and jurisdiction of the City.

ARTICLE III

TAXES AND OTHER REVENUE

Section 3.1 Taxes. During the Term of this Agreement, taxes on real and personal property in the Transferred Area for any such parcel after jurisdiction for all purposes is transferred shall be shared by the parties hereto as follows:

A. Ad Valorem Real and Personal Property Taxes. Ad valorem real and personal property taxes imposed annually by the City for property within the City will apply in the Transferred Area as if it were within the corporate limits and jurisdiction of the City. The City will be responsible for making assessments and collecting all ad valorem real land personal property taxes within the Transferred Area and will retain annually all but the equivalent of one and one half (1½) mills of the City portion of such collected taxes. On or before April 1 of each year the City portion of such collected taxes will be remitted to the Township accompanied by calculations showing the basis for the payment amount. If subsequent to the payment of such taxes, a taxpayer shall successfully challenge the payment of all or a portion of such property taxes and the City shall be required to return all or a portion of the taxes to the taxpayer, then the Township, upon notice from the City, shall promptly repay the Township's pro rata share of such property taxes required to be returned, plus a pro rata share of any interest due on the tax refund.

It is understood and agreed by the parties that the shared tax revenues set forth above are for the purpose of compensating the Township for lost revenues and lost territory resulting from the transfer of property to the City's jurisdiction. If the method of computing or levying property taxes in St. Joseph County, Michigan is significantly altered, the City and Township shall renegotiate a new formula which will pay an approximate equal share of revenue to the Township as the initial formula described in this paragraph.

1. In the event "Tax Increment Financing" as permitted under law is utilized by the City for the development of and for improvements within the Transferred Area which reduce general tax revenues to the City from the Transferred Area, the one and one-half (1½) mills of the City's

collected taxes due the Township under this Agreement shall be proportionately reduced during the said financing period.

2. Likewise, if an Industrial Facilities Tax Exemption certificate is granted within the Transferred Area, or other tax benefits now or hereafter are made available by the City to the taxpayers in such area reducing City tax revenues from the area, then the one and one-half (1½) mills of the City's collected taxes due the Township under the Agreement shall be proportionately reduced for the duration of such exemption certificate.

3. Tax revenue for ad valorem real and personal property taxes shall not be shared by the City with the Township in any amount or for any period of time with respect to the parcels of land identified in attached Exhibit C.

B. Income Taxes. The City shall levy, collect and retain all personal corporate income taxes, if any, within the Township Area on the same basis as if such Transferred Area was within the corporate limits and jurisdiction of the City.

Section 3.2 Rates, Charges and Fees. The City will impose, collect, and retain all applicable rates, charges and fees imposed for governmental services it provides in the Transferred Area pursuant to Sections 2.1(B), 2.2 and 2.7 of this Agreement.

Section 3.3 Special Assessments. The City shall collect and retain all revenues received for special assessments levied by it in the Transferred Area.

Section 3.4 Other Revenue. Except as provided below, the City is entitled to apply for, receive, and retain all gas and weight taxes, sales tax revenues, revenue sharing funds, highway funds and other state and federal revenue sharing funds related to the Transferred Area as if the Transferred Area was within the corporate limits and jurisdiction of the City. Any calculation or formula for receipt of such revenues shall assume the Transferred Area is within the corporate limits and jurisdiction of the City.

Section 3.5 Gifts, Grants, Etc. All gifts, grants, assistance funds, bequests, or other funds from any private or public source given as a result of Transferred Area and activity performed upon or within the Transferred Area, the occupancy of the Transferred Area, or for any other reason arising from the existence of or jurisdiction over the Transferred Area shall belong to the City.

ARTICLE IV

TERM AND TERMINATION

Section 4.1 Term. The term of this Agreement shall commence on the Effective Date which shall be 12:01 a.m. on June 28th, 2006, or the date and time this Agreement has been filed with the St. Joseph County Clerk and the Secretary of State as provided in Section 6.8, whichever is later. The term of this Agreement shall expire fifteen (15) years from the date of commencement.

Section 4.2 Effect of Expiration at End of Term. Upon the expiration of this Agreement, the Transferred Area shall automatically, unconditionally and without further action by the parties be included within the corporate limits and under the permanent jurisdiction of the City for all purposes.

Section 4.3 No Unilateral Termination. Neither the City nor the Township may unilaterally terminate this Agreement before the end of its term for any reason.

Section 4.4 Consent to Annexation. Notwithstanding the foregoing provisions of Article IV, the City and the Township agree that, in the event this Agreement is held legally insufficient for any reason to effect the full, automatic and unconditional transfer of permanent jurisdiction to the City upon expiration of the Agreement for any reason, the Transferred Area shall be annexed to the City and the parties shall take such cooperative actions as may be necessary and required, including the filing of joint or several petitions or resolutions for annexation, under the Home Rule Cities Act, (MCL 117.1, et seq.), the State Boundary Commission Act (MCL 123.1001, et seq.), and/or the Charter Township Act (MCL 42.1, et seq.) as the case may be, to effect such annexation. The parties further agree that such additional territory of the Township as may be necessary and

appropriate to make the Transferred Area contiguous to the City, to prohibit the creation of enclaves and to effect a valid annexation shall be included for annexation as contemplated in this Section. Further, both parties agree that, under such circumstances, the terms of this Agreement may be extended for such period of time necessary to effect and accomplish such annexation of the Transferred Area.

ARTICLE V AMENDMENT AND ENFORCEMENT

Section 5.1 Amendment. This Agreement may not be amended without the prior approval of both the City Commission and the Township Board after a public hearing.

Section 5.2 Enforcement. In the event of any dispute between the parties or a default of a party, this Agreement may be enforced by an action under Michigan law commenced in a Michigan state court of competent jurisdiction, with the venue of such action in the County of St. Joseph.

ARTICLE VI MISCELLANEOUS

Section 6.1 Notices. Any notice, demand, or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively given when personally delivered or mailed by certified mail addressed as follows:

If to the City: City of Sturgis, City Manager, 130 N. Nottawa, Sturgis, MI 49091

If to the Township: Township of Fawn River, Township Supervisor, 31194 Fawn River Road, Sturgis, MI 49091

The parties may, by notice given under this Section, designate any further or different address to which subsequent notices, demands or communications may be given.

Section 6.2 Governing Law. This Agreement has been executed and delivered in Michigan. It shall be interpreted, construed and enforced pursuant to and in accordance with the laws of the State of Michigan.

Section 6.3 Assignment. No assignment of this Agreement or any of the rights and obligations thereunder shall be valid without the specific written consent of both parties.

Section 6.4 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceable provision shall not affect the remainder of this Agreement which shall remain in full force and effect and enforceable in accordance with its terms.

Section 6.5 Articles and Other Headings. The article and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 6.6 Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart shall be considered a valid original.

Section 6.7 Entire Agreement. This Agreement supersedes all previous or contemporaneous negotiations and/or agreements and constitutes the entire Agreement between the parties with respect to the conditional transfer of territory under this Agreement.

Section 6.8 Filing. In accordance with Act 425, following the execution of this Agreement by the City and Township, a duplicate original of the Agreement shall be filed with the Clerk of St. Joseph County and the Michigan Secretary of State. This Agreement, certified by such County Clerk or Secretary of State, shall be prima facie evidence of the conditional transfer of the Transferred Area.

Section 6.9 Binding Effect. This Agreement shall be binding upon the inure to the benefit of the parties and their respective successors and assigns. Any petitions or resolutions of either governmental unit contemplated by this Agreement shall not be changed, withdrawn, amended or rescinded without the express written consent of the other governmental unit.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates stated below by authority of the respective City Commission and Township Board.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Clerk Kenneth Rhodes explained that there are two vacancies for alternates on the Zoning Board of Appeals and that John Stephens has indicated his willingness to serve on the board along with his recent appointment to the Hospital Board.

Moved by Comm. Richards and seconded by Comm. Littman to appoint John Stephens as an alternate member to the Zoning Board of Appeals through May 2008.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the City is involved in upgrades to the Wastewater Treatment Plant and expansion of the system. A Public Hearing was held on April 26, 2006 describing the alternatives of the improvements as part of a loan and grant program offered by the State. At that time, Alternative C was selected but since then, Ross Labs has requested to send a significant amount of wastewater through the system, which was described as Alternative D as part of the Public Hearing. The City therefore needs to amend its resolution, project plan, and secure engineering for this expanded project. David Harvey of Fleis and Vandenbrink provided details of the plan to the City Commission.

Moved by Comm. Fisher and seconded by Comm. Richards to approve the Letter of Intent from Abbott Laboratories to upgrade the City of Sturgis wastewater system and authorize the City Manager to sign the letter contingent upon review by the City Attorney as amended to include the language "We understand that the City will not be obligated in any way with respect to this project unless and until the Service Agreement is approved by the City Commission.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Richards and seconded by Comm. Malone to approve the Resolution amending the Project Plan for wastewater system improvements.

**A RESOLUTION ADOPTING A FINAL PROJECT PLAN
FOR WASTEWATER SYSTEM IMPROVEMENTS AND**

DESIGNATING AN AUTHORIZED PROJECT REPRESENTATIVE

WHEREAS, the City of Sturgis recognizes the need to make improvements to its existing wastewater treatment and collection system; and

WHEREAS, the City of Sturgis authorized Fleis & VandenBrink Engineering, Inc. to prepare a Project Plan, which recommends upgrading & improving the wastewater interceptor system; West Interceptor sewer, replace existing forcemain; improve biosolids and biological processes at the existing wastewater treatment facility (WWTF); portable generators; standby power at the proposed White Street lift station and the WWTF; and

WHEREAS, said Project Plan was presented at a Public Hearing held on April 26, 2006 and all public comments have been considered and addressed;

NOW THEREFORE BE IT RESOLVED, that the City of Sturgis formally adopts said Project Plan and agrees to implement the selected alternative (Alternative D).

BE IT FURTHER RESOLVED, that the City Manager, a position currently held by Mr. Michael Hughes, is designated as the authorized representative for all activities associated with the project referenced above, including the submittal of said Project Plan as the first step in applying to the State of Michigan for a revolving fund loan to assist in the implementation of the selected

alternative.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Austermann and seconded by Comm. Richards to approve the proposal for legal services from Davis & Davis related to Alternative D in the Project Plan in the amount of \$47,300.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Littman and seconded by Comm. Haas to approve task order no. 10a with Fleis & VandenBrink Engineering, Inc. for Engineering Services for Alternative D of the SRF Project Plan in the amount of \$488,000.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Stephens and seconded by Comm. Malone to approve task order no. 10b with Fleis & VandenBrink Engineering, Inc. for Engineering Services for Alternative D of the SRF Project Plan in the amount of \$150,900 contingent upon an acceptable cost sharing agreement negotiated by the City Manager.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Malone and seconded by Comm. Richards to approve the Resolution amending the S2 grant agreement to request \$1,000,000 in funding:

Resolution Authorizing the S2 Grant Agreement

WHEREAS, Part 52 (strategic water quality initiatives) of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended ("Part 52"), provides at MCL 324.5204a that the Michigan Municipal Bond Authority (the "Authority") in consultation with the Michigan Department of Environmental Quality (the "DEQ", collectively with the Authority, the "State") shall establish a strategic water quality initiatives grant program to provide assistance to governmental units to complete the application for a loan under the State Revolving Fund ("SRF") program or Strategic Water Quality Initiatives Fund ("SWQIF") program; and

WHEREAS, in accordance with the provisions of 1985 PA 227, as amended (the "Act"), Part 52, and other applicable provisions of law, the Authority, the DEQ, and a governmental unit (the "Governmental Unit") that is a grant recipient shall enter into a grant agreement (the "S2 Grant Agreement") that requires the Governmental Unit to repay the grant under certain conditions as set forth in MCL 324.5204a; and

WHEREAS, the Governmental Unit does hereby determine it necessary to undertake planning and/or design activities related to a future project for which an SRF or SWQIF loan will be sought; and

WHEREAS, it is the determination of the Governmental Unit that at this time, a grant in the aggregate principal amount not to exceed \$1,000,000 ("Grant") be requested from the Authority and the DEQ to pay for the planning and/or design activities; and

WHEREAS, the Governmental Unit shall obtain this Grant by entering into the S2 Grant Agreement with the Authority and the DEQ.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Michael L. Hughes and Jeannette Fenner are each designated as an Authorized Representative for purposes of the S2 Grant Agreement.
2. The proposed form of the S2 Grant Agreement between the Governmental Unit and the State (attached hereto as Appendix I) is hereby approved and the Authorized Representative is authorized and directed to execute the S2 Grant Agreement with such revisions as are permitted by law and agreed to by the Authorized Representative.

3. As stated in the S2 Grant Agreement, the Grant shall become a repayable obligation (the "Repayable Obligation") if any of the following occur:

(a) the Governmental Unit fails to submit an administratively complete loan application for assistance from the SRF or the SWQIF for the project within 3 years of the Grant award;

(b) the project has been identified as being in the fundable range and the Governmental Unit declines loan assistance from the SRF or the SWQIF in that fiscal year; or

(c) the Governmental Unit is unable to, or decides not to, proceed with constructing the project or opts to finance construction by means other than a loan from the SRF or the SWQIF.

4. The Governmental Unit hereby pledges its limited tax full faith and credit for payment of the Repayable Obligation subject to applicable constitutional, statutory and Governmental Unit tax rate limitations.

5. The Governmental Unit shall not invest, reinvest or accumulate any moneys deemed to be Grant funds, nor shall it use Grant funds for general local government administrative activities or activities performed by municipal employees.

6. The Authorized Representative is hereby jointly or severally authorized to take any actions necessary to comply with the requirements of the State in connection with the issuance of the Grant. The Authorized Representative is hereby jointly or severally authorized to execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the State or as may be otherwise necessary to effect the approval and delivery of the Grant.

7. The Governmental Unit acknowledges that the S2 Grant Agreement is a contract between the Governmental Unit and the State.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are rescinded.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that City Staff and the City Attorney have researched the setup of the Sturgis Housing Commission to verify the City Commission's singular role is to appoint members to the board. In an effort to clarify the responsibilities and property of the City and the Housing Commission, it is recommended that the City amend its ordinances in order to divest its involvement except for the appointment of members.

Moved by Comm. Haas and seconded by Comm. Austermann to consider this the introduction and first reading of an amendment to Part II, Article VI, Division 3 of the Sturgis Code of Ordinances concerning the reorganization of the SHC.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

DPS Supervisor Rick Miller and City Mechanic Craig Crabill explained the poor condition of the current wheel loader and the options towards purchasing a new one.

Moved by Comm. Haas and seconded by Comm. Austermann to approve the request to sell or trade the 1985 CAT Model 12G Motor Grader for not less than \$46,500.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Littman and seconded by Comm. Stephens to approve the request to sell or trade the 1993 Volvo L-70 loader for not less than \$22,500 and to purchase a John Deere 444J Wheel Loader from Holt Equipment, South Bend, Indiana, at the low bidder price of \$113,889.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Assistant Electric Department Superintendent Tim Charles explained that bids were opened for transformers and poles for a distribution rebuild on Michigan and Virginia streets.

Moved by Comm. Fisher and seconded by Comm. Stephens to accept the bids from Reed City Power Line Supply, Reed City, Michigan, in the amount of \$42,239.36 for transformers and \$27,595 for poles.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

EDC Director John Hayes explained that the Sturgis Improvement Association was approached by a company describing themselves as a transport company for a lot in the industrial park. As the SIA discovered, there would be no manufacturing on the site, but simply a storage of vehicles on the property to be picked up by employees to be driven to other parts of the country. The only employees on the site would be one or two administrative workers in a trailer coordinating the pickups. Because there was no manufacturing to be done on the property, the SIA declined the request for location in the industrial park.

Moved by Comm. Malone and seconded by Comm. Littman to adjourn the meeting.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 9:00 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, JULY 12, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Jim Bender, First Baptist Church

Commissioners present: Austermann, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: Richards

Also present: City Manager, Assistant City Manager, EDC Director, City Engineer, Deputy Fire Chief, Deputy Police Chief, City Clerk

Mayor Sisson presented the following proclamation to Stewart Swihart:

WHEREAS, the Sturgis City Commission created the original Airport Board on September 3, 1947 but later placed control of the Airport under the City Manager on May 8, 1957; and
WHEREAS, the Commission created an Airport Advisory Committee to report to the City Manager on January 25, 1966; and
WHEREAS, the original appointments included DeForrest Strang of the Commission, William Doyle, Robert Sponsel, Walt Schrieber, and Stewart Swihart; and
WHEREAS, Mr. Swihart maintained an impeccable attendance record and provided a tremendous amount of sound advice in his over forty years of service to the Airport Advisory Committee; and
WHEREAS, Mr. Swihart's long service on the Airport Advisory Committee is just one of his many contributions to the community including his impressive military record, his bottling company, his dedication to his church, and his active membership in the Sturgis Exchange Club for over fifty years; and
WHEREAS, Mr. Swihart has been honored numerous times including the Exchange Club Book of Golden Deeds and the Sturgis Citizen of the year in 2003.
NOW, THEREFORE, BE IT RESOLVED, as Mayor of the City of Sturgis, and on behalf of the Sturgis City Commission, I would like to offer another commendation to Stewart Swihart for his dedication to the growth and success of Kirsch Municipal Airport and his endless devotion to the Sturgis community.

The Commission and audience gave a round of applause for his service. Mr. Swihart thanked the Commission for this honor.

Sturgis Hospital CEO Robert LaBarge presented a report to the Commission on the activities of the Hospital Board of Trustees, the recent renovations to the hospital, and advancements in procedures.

Andy Golberger, Director of the St. Joseph County 911 System, provided information to the Commission regarding the actions of nine year old Christian Davies. He explained that Christian was able to call 911 and tell authorities that his mother was unconscious and his address, which saved her life. Christian received the Lifesaving Award from the County along with some gifts and

was congratulated by Mr. Goldberger, Mayor Robert Sisson, Deputy Fire Chief Scott Hopkins, emergency personnel involved in the call, and the entire audience.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of July 12, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the June 28, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$559,488.32 as presented.
2. AUTHORIZE the payment of the City Retirement System bills in the amount of \$167,790.71 as presented.
3. RATIFY the Hospital bills in the amount of \$980,671.34 as presented.

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

City Manager Michael Hughes explained the organizational structure of the Sturgis Housing Commission and the recommendation to amend the City's Ordinances to allow the Housing Commission to operate independently.

Moved by Comm. Austermann and seconded by Comm. Haas to consider this the second reading and approval of an amendment to Part II, Article VI, Division 3 of the Sturgis Code of Ordinances concerning the reorganization of the SHC.

AMENDMENT TO PART II – ARTICLE VI, DIVISION 3
OF THE ORDINANCES OF THE CITY OF STURGIS

An ordinance to amend Part II – Article VI, Division 3 of the Ordinances of the City of Sturgis pertaining to the regulation of the City Housing Commission and to provide for an effective date of this Ordinance.

WHEREAS, the City of Sturgis has determined that it is in the best interest of the residents of the City to amend the Ordinances regulating the City Housing Commission;

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan, ordains:

Part II – Article VI, Division 3 is hereby amended to provide as follows, effective as of January 1, 2007:

Sec. 2-396. Established.

(a) Pursuant to Public Act No. 18 of the extra session of 1933 (MCL 125.651 et seq.) (“Act”) a commission is hereby created in and for the city to be known as the “Sturgis Housing Commission.”

(b) The mayor and city commission are hereby authorized and directed to appoint the members of the “Sturgis Housing Commission” as soon as possible after this Code shall take effect as provided in the Act.

Sec. 2-397. Authority of Sturgis Housing Commission.

(a) The Sturgis Housing Commission shall have the powers and duties as set forth in Section 7 of the Act.

(b) All deeds, mortgages, contracts, leases, purchases, or other agreements regarding real property, including agreements to acquire or dispose of real property, shall be solely approved by and executed in the name of the Sturgis Housing Commission.

(c) The Sturgis Housing Commission is hereby authorized to act as the borrower for purposes of issuing bonds or notes under the Act.

(d) The Sturgis Housing Commission shall have the authority to adopt Bylaws and reasonable rules and regulations as set forth in Section 44(b) of the Act.

(e) The employees of the Sturgis Housing Commission shall be exclusively selected and paid as authorized by the officers of the Sturgis Housing Commission.

Sec. 2-398. Claims against Sturgis Housing Commission.

(a) All claims that may arise in connection with any project sponsored, supervised or controlled by the Sturgis Housing Commission shall be presented as a claim against the Sturgis Housing Commission, only, and the City shall have no liability with respect to any such claim.

(b) Any claim relating to a note, bond, or other obligation, or any other claim of whatever nature relating to any project sponsored, supervised or controlled by the Sturgis Housing Commission, shall not be a debt or charge against the City nor any member of the Sturgis Housing Commission, and no individual liability shall attach for any official act done by any member of the Sturgis Housing Commission.

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

Assistant City Manager Todd Campbell explained that City and DDA was awarded a grant by MSHDA to assist downtown property owners with the development of rental units.

City Manager Michael Hughes explained that the State has not increased the City's allocation of Revenue Sharing in several years. By consensus of the Commission, the City Manager will be sending a letter to our legislators encouraging them to support an increase in Revenue Sharing.

Mr. Hughes explained that the County is again conducting the Leadership Plenty Program. The Commission explained that they are in support of the program and suggested offering the program to some of the volunteer board and commission chairpersons.

Mr. Hughes explained the details behind the Access to Recreation Initiative which includes a fifteen million dollar grant of the Kellogg Foundation and potential projects which the City could undertake as part of the program.

Comm. Stephens presented a memo to the Commission regarding the annual boards and commission's dinner. The Commission discussed the merits and costs of this event.

Moved by Comm. Stephens and seconded by Comm. Haas to have the City Manager review options for an event to honor the volunteers who sit on the City's boards and commissions.

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

Moved by Comm. Malone and seconded by Comm. Littman to adjourn the meeting.

Voting yea: Eight Voting nay: None Absent: Richards MOTION CARRIED

The meeting was adjourned at 7:28 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**SPECIAL MEETING - STURGIS CITY COMMISSION
THURSDAY, JULY 20, 2006
WIESLOCH RAUM - CITY HALL**

Mayor Sisson called the meeting to order at 5:00 p.m.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, Director of Public Safety, Deputy Fire Chief, City Controller, City Clerk

City Manager Michael Hughes explained the budget models used in preparation for the response to the Sturgis Area Ambulance Committee Request for Proposals for ambulance service. Mr. Hughes then provided a detailed explanation of the City's response to the RFP.

Moved by Comm. Malone and seconded by Comm. Littman to approve the form and submittal of the Sturgis Fire Department response to the Request for Proposals for Agreement of Ambulance Services from the Sturgis Area Ambulance Committee as presented.

Voting yea: Nine

Voting nay: None

MOTION

CARRIED

The meeting was adjourned at 5:16 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**RESCHEDULED REGULAR MEETING
STURGIS CITY COMMISSION - MONDAY, JULY 24, 2006
WIESLOCH RAUM - CITY HALL**

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Scot Jefferies, Simply Christian Church

Commissioners present: Richards, Stephens, Fisher, Malone, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Austermann, Haas

Also present: City Manager, Assistant City Manager, EDC Director, Deputy Fire Chief, Public Safety Director, Director of Parks, Cemetery, and Recreation, Interim Library Director, Human Resources Director, Electric Department Superintendent, City Clerk

Doyle and Recreation Advisory Board Chairperson John Mikulenas provided a report to the Commission on the recent activities of his board including current recreational programs, and the changing nature of the programs at the Doyle Community Center. Discussion followed.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of July 24, 2006 as presented.

A. Action of Minutes of Previous Meetings

1. APPROVAL of the minutes from the July 12, 2006 regular meeting as presented.
2. APPROVAL of the minutes from the July 20, 2006 special meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$608,400.96 as presented.
2. RATIFY the Hospital bills in the amount of \$2,008,903.93 as presented.

Voting yea: Seven

Absent: Austermann, Haas

**Voting nay: None
MOTION CARRIED**

Electric Department Superintendent John Griffith explained that as part of the replacement program of street lights, Michigan and Virginia streets are scheduled for work.

Moved by Comm. Fisher and seconded by Comm. Richards to award the Michigan /Virginia construction contract to Balos Engineering and Electric, Constantine, MI in the bid amount of \$293,000.

Voting yea: Seven

Absent: Austermann, Haas

**Voting nay: None
MOTION CARRIED**

Electric Department Superintendent John Griffith explained that as part of the Electric Department's annual capital improvement plan, funding is allocated for the Decorative Street Lighting Program.

Moved by Comm. Littman and seconded by Comm. Mayer to award the Street Lighting Raceway System to Hydaker Wheatlake Company, Reed City, MI in the bid amount of \$29,300.

Voting yea: Seven

Voting nay: None

Absent: Austermann, Haas

MOTION CARRIED

City Manager Michael Hughes explained the General Property Tax Act requires a Public Hearing for passage of the fiscal year budget which must be passed by August 20, 2006.

Moved by Comm. Stephens and seconded by Comm. Fisher to set the Fiscal Year 2006-07 Budget Public Hearing for August 9th, 2006 in the Wiesloch Raum of City Hall at 7:30 p.m.

Voting yea: Seven

Voting nay: None

Absent: Austermann, Haas

MOTION CARRIED

Moved by Comm. Richards and seconded by Comm. Malone to approve the Fiscal Year 2006-07 City Commission Priorities as presented.

Voting yea: Seven

Voting nay: None

Absent: Austermann, Haas

MOTION CARRIED

Moved by Comm. Littman and seconded by Comm. Richards to approve the District Library Resolution as presented.

RESOLUTION OF SUPPORT FOR STURGIS DISTRICT LIBRARY MILLAGE
WHEREAS, the City of Sturgis approved a Resolution of Intent to Form a District Library on August 10, 2005; and

WHEREAS, this Resolution explained the financial difficulties related to the current structure of the Sturgis Public Library which has been supported by the City's General Fund revenue, in recent years, in the amount of \$220,000; and

WHEREAS, the City has worked closely with the Townships of Fawn River, Sherman, and Sturgis in the formation of a District Library Board, agreement, and plan for the future; and

WHEREAS, the Sturgis City Commission believes that the continued presence of the Sturgis District Library is conducive to the positive welfare and cultural edification of the residents of the City of Sturgis; and

WHEREAS, the Sturgis District Library has placed a millage request, in the amount of 1.1 mills, on the ballot for the August 8, 2006 primary election, which is necessary for its continued operation.

NOW, THEREFORE, BE IT RESOLVED, that the Sturgis City Commission supports the efforts of the Sturgis District Library and the passage of the millage vote on August 8; and

BE IT FURTHER RESOLVED, that it is the intent of the Sturgis City Commission that, upon successful passage of the Sturgis District Library millage, the City Operating millage rate would be lowered by an amount equivalent to the most recent General Fund transfer to the Library Fund, or approximately 0.84 mills, the subsequent fiscal year, which would result in a City Operating millage rate of 9.98.

Voting yea: Seven

Voting nay: None

Absent: Austermann, Haas

MOTION CARRIED

Moved by Comm. Malone and seconded by Comm. Stephens to approve the SOS Resolution as presented.

RESOLUTION OPPOSING THE “STOP OVERSPENDING” BALLOT PROPOSAL

WHEREAS, the Stop OverSpending proposal would amend the Michigan Constitution to put in place rigid tax and spending limits at the state and local levels of government, and;

WHEREAS, such a proposal would dramatically limit the ability of local and state government to provide services such as public safety, education and health care, and other vital services that better the quality of life for all Michigan citizens as well as construct or improve infrastructure such as roads, sewer and water that are necessary to accommodate and advance the economy of our state, and;

WHEREAS, this proposal is modeled on a similar Colorado initiative that was adopted in 1992 and recently suspended by voters in that state because of reductions in essential services at all levels of government, and;

WHEREAS, due to state budget cuts, state funding to local communities in Michigan has already been reduced by \$1.5 billion the last four years, leading to numerous cuts in services including the loss of over 1,500 police officers in Michigan since September 11, 2001, and;

WHEREAS, during this time, the City of Sturgis has had to reduce services related to library, auditorium and defer much needed capital improvements such as street repairs and facility maintenance, and;

WHEREAS, passage of the SOS proposal will lead to unnecessary litigation, undermine the ability of local leaders to act in times of crisis and unpredictable circumstances, and increase local spending on elections, and;

WHEREAS, such a proposal undermines our system of representative democracy and would require local and state officials to pass off responsibility for making the tough decisions they are elected to make on behalf of the community they serve, now;

THEREFORE BE IT RESOLVED, that the City of Sturgis joins the Michigan Municipal League in opposing the “Stop OverSpending” ballot proposal.

Voting yea: Seven

Absent: Austermann, Haas

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that he was asked to research the possibility of a volunteer board/commission hog roast. Mr. Hughes provided the costs associated with such an event.

Moved by Comm. Fisher and seconded by Comm. Mayer that, due to budget constraints and the recent elimination of City funding to various agencies, the volunteer board/commission dinner be discontinued at this time and that a letter of appreciation be sent to the volunteers for their services.

Voting yea: Six

Absent: Austermann, Haas

Voting nay: Stephens

MOTION CARRIED

Deputy Fire Chief Scott Hopkins explained that the Sturgis Fire Department and the St. Joe County United Way have partnered to receive funds for the National Fire Safety Council fire prevention materials.

On August 8, 2006 at the Sturges-Young Auditorium, there will be a town hall meeting regarding the Access to Recreation Initiative.

Moved by Comm. Fisher and seconded by Comm. Littman to go into closed session for the purpose of discussing the potential pending litigation and City Manager Review.

Voting yea: Richards, Stephens, Fisher, Malone, Littman, Mayer, Sisson

Voting nay: None

Absent: Austermann, Haas

MOTION CARRIED

The meeting recessed at 8:19 p.m.

The meeting reconvened at 8:38 p.m.

Mayor Sisson explained that the City Commission rated the City Manager on several categories which averaged 4.54 out of 5. The City Commission explained that they are very pleased with the performance of Mr. Hughes and that he has been effective in his handling of several critical and sensitive projects. Mayor Sisson explained that Mr. Hughes requested that the Commission not alter his compensation package at this time given the current financial difficulties faced by the City.

The meeting was adjourned at 8:43 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, AUGUST 9, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Doug Carr, Gateway River of Life

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, Electric Department Superintendent, City Engineer, DDA Director, City Clerk

Mayor Sisson offered the following Proclamation for Cecil Thanning:

WHEREAS, Cecil Dorothy Tomlinson was born on July 31, 1907 in Buchanan, Michigan; and
WHEREAS, Cecil married Carl Thanning in January of 1932 and enjoyed over twenty years of marriage to Carl; and
WHEREAS, Mrs. Thanning worked at Clark Equipment for many years making different airplane parts; and
WHEREAS, Mrs. Thanning spent most of her life in Buchanan and was the first resident of the Metea Court senior community; and
WHEREAS, Mrs. Thanning is now a resident of Sturgis' fine senior community of Thurston Woods where she enjoys a brisk walk after each meal; and
WHEREAS, Mrs. Thanning reads several newspapers everyday and keeps up on the activities of Sturgis' current City Manager Mike Hughes; and
WHEREAS, Mrs. Thanning is scheduled to ride in her 1967 Plymouth, currently displayed in a museum in Pottsville, Pennsylvania, along with her niece Rosa of White Pigeon, in their parade next year.
NOW, THEREFORE, BE IT RESOLVED, as Mayor of the City of Sturgis, and on behalf of the Sturgis City Commission, I would like to wish Cecil Thanning a very Happy 99th Birthday and hope that she will enjoy many more to come.

Carl Holsinger provided a report to the Commission on the activities of the Zoning Board of Appeals. He explained that although the board is scheduled to meet twice a month, City Staff is able to address many issues before they are brought to the board. The board regularly deals with several variances including dimensional and use variances.

John Weaver, 1010 Merryview, expressed his concerns regarding the test strips on U.S. 12. Assistant City Manager Todd Campbell explained that MDOT has parameters that allow a test strip that does not meet certain specifications, may still be adequate enough to remain in place.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of August 9, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the July 24, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$595,224.16 as presented.
2. AUTHORIZE the payment of the City Retirement bills in the amount of \$167,695.56 as presented.
3. RATIFY the Hospital bills in the amount of \$1,316,287.13 as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes provided highlights and goals of the Fiscal Year 2006-2007 City budget.

Mayor Sisson opened the Public Hearing for he proposed 2006-2007 annual City of Sturgis budget.

There was no comment from the public.

Mayor Sisson closed the Public Hearing.

Moved by Comm. Haas and seconded by Comm. Austermann to adopt the proposed 2006-2007 annual City of Sturgis budget resolution as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Fisher and seconded by Comm. Littman to approve the placement of a banner at Memorial Park for Breast Cancer Awareness Month.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the Sturgis Library has certain money at the Sturgis Area Community Foundation that has been donated by individuals for the benefit of the library. Because of the creation of the Sturgis District Library, the City needs to provide approval for the funds to be transferred.

Moved by Comm. Richards and seconded by Comm. Malone to approve the Resolution Authorizing Transfer of the Sturgis Area Community Foundation Library Funds as presented.

WHEREAS, pursuant to a Sturgis District Library Agreement dated May 1, 2006 ("Agreement"), the City of Sturgis transferred the personal property and funds of the Sturgis Public Library to the Sturgis District Library; and

WHEREAS, the Sturgis Area Community Foundation is holding and managing certain funds for the benefit of the Sturgis Public Library in the Sturgis Public Library Endowment Fund ("Fund"); and

WHEREAS, the Sturgis District Library will be abolished effective December 31, 2007 unless an operational millage is properly approved on its behalf prior to November 30, 2007, and in the event of the abolition of the Sturgis District Library all personal property transferred pursuant to the Agreement is to be returned and transferred to the City of Sturgis for the benefit of the Sturgis Public Library which is to be re-established effective as of January 1, 2008; and

WHEREAS, the Sturgis City Commission has determined that it is in the best interest of the City to authorize the Sturgis Area Community Foundation to utilize the Fund for the benefit of the Sturgis District Library during its existence:

NOW, THEREFORE, BE IT RESOLVED that the Sturgis Area Community Foundation is hereby

authorized to distribute to the Sturgis District Library assets from the Fund during such time as the Sturgis District Library is in existence.

BE IT FURTHER RESOLVED that in the event the Sturgis District Library is abolished or ceases to exist and the Sturgis Public Library is re-established, then, in such an event, the Sturgis Area Community Foundation is authorized at that point in time to distribute assets from the Fund directly to the Sturgis Public Library.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Electric Department Superintendent John Griffith explained the work that will be done in the upgrade of the equipment on Michigan and Virginia Streets.

Moved by Comm. Littman and seconded by Comm. Richards to approve the line clearance required for the Michigan/Virginia Construction Project be performed by the Electric Department's current contractor, American Electric Power, for an amount not to exceed \$100,000.00.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Austermann and seconded by Comm. Malone to award the transformer purchase to the low bidder, WESCO, Aurora, Ohio for the bid amount of \$33,707.00.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Engineer Tom Seymour explained that the City is required to submit a plan to the State each year regarding the airport and the details of the plan. Discussion followed on the maintenance of the airport.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Michigan Airport Development Aid Program for the City of Sturgis Kirsch Municipal Airport for the fiscal years 2007- 2011 and approve submission to Michigan Aeronautics.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that as part of the grant program, the City must approve a set of guidelines.

Moved by Comm. Fisher and seconded by Comm. Richards to approve the Downtown Rental Rehabilitation Program Guidelines as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that DDA board has decided to fund the irrigation portion (\$14,000) of the downtown streetscape by increasing their loan with Century Bank and Trust. Discussion followed on the details of the irrigation system.

Moved by Comm. Haas and seconded by Comm. Austermann to authorize the Downtown Development Authority to borrow \$278,400 for the U.S. 12 Reconstruction Project from Century Bank & Trust at a fixed rate of 4.75% for a term of 15 years.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Tim Peterson, Director of the St. Joseph County Conservation District Program, provided information on the history and efforts of the county towards recycling. City Manager Michael Hughes explained the purpose of creating the Recycling Committee and their recent activities. Earl Arend, chair of the Recycling Committee, provided additional information on their activities and

the urgency of addressing the issue given the competition for available grant money. Discussion followed regarding the details on the survey, the request for proposals, and the possibilities of recycling in the City.

Moved by Comm. Mayer and seconded by Comm. Austermann to authorize the Recycling Committee to send out a survey to the residents of Sturgis and a Request for Proposals to area waste haulers including the recommended changes on the survey.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The City Commission will hold a work session before their next regular meeting on August 23, 2006 at 6:30 p.m. to discuss the SAAC proposals.

The Commission saluted the efforts of those involved in the Sturgis District Library millage vote, which was successful at the August 8 Primary Election.

The Commission discussed issues related to property maintenance.

The meeting was adjourned at 9:15 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, AUGUST 23, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Lorraine Bolley, Gateway River of Life

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, Director of Public Safety, DDA Director, Electric Department Superintendent, City Clerk

Veronica Atkins, Chair of the Sturgis District Library, explained that since their last visit in March, the board has formed the district, elected members, finalized agreements, received approval from the State, and successfully passed a dedicated millage. The District Library Board is now in the process of receiving applications for a library director with a master's degree in library science, which is required for a Class 4 library, based on population served.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of August 23, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the August 9, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$1,332,442.50 as presented.
2. RATIFY the Hospital bills in the amount of \$2,164,870.55 as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Economic Development Director John Hayes explained that Penguin LLC continues to grow rapidly and is need of storage space for a large amount of inventory. Penguin has contacted the City to determine if the Ram building would be available for a short term lease for storage of this inventory. Mr. Hayes provided information regarding the efforts of Penguin to lease or buy space at the former Kirsch plant 2 property.

Moved by Comm. Haas and seconded by Comm. Richards to approve the Real Estate Lease between the City of Sturgis and Penguin LLC for the Ram Building as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Assistant City Manager Todd Campbell provided information to the Commission regarding the Sturgis Neighborhood Program's involvement with the City's Downtown Rental Rehabilitation Program.

Moved by Comm. Littman and seconded by Comm. Fisher to approve the contract between the City of Sturgis and the Sturgis Neighborhood Program for administration of the City's Downtown Rental Rehabilitation Program as presented.

Voting yea: Eight Voting nay: None Abstain: Austermann MOTION CARRIED

City Manager Michael Hughes provided information to the Commission regarding the Sturgis Toy Run.

Moved by Comm. Stephens and seconded by Comm. Mayer to approve the temporary closing of U.S. 12 and Lakeview Avenue during the Sturgis Toy Run on Saturday, September 9, 2006.

Voting yea: Nine Voting nay: None MOTION CARRIED

City Clerk/Treasurer Kenneth Rhodes explained that the Commission needs to appoint an official voting representative at the MML Convention annual business meeting.

Moved by Comm. Haas and seconded by Comm. Malone to appoint Commissioner Stephens as the official voting representative and Commissioner Austermann the alternate voting representative for the City of Sturgis at the 2006 Michigan Municipal League Conference.

Voting yea: Nine Voting nay: None MOTION CARRIED

City Manager Michael Hughes provided information to the Commission regarding the Sturgis Housing Commission Real Estate Transfer.

Moved by Comm. Austermann and seconded by Comm. Littman to approve the Quit Claim Deed transferring property from the City of Sturgis to the Sturgis Housing Commission.

Voting yea: Nine Voting nay: None MOTION CARRIED

Electric Department Superintendent John Griffith explained that the department needs to perform a full rate study given the recent long term contract signed with AEP.

Moved by Comm. Fisher and seconded by Comm. Richards to approve the proposal from Utility Financial Solutions to perform the Electric Cost of Service study for an amount not-to-exceed \$18,950.

Voting yea: Nine Voting nay: None MOTION CARRIED

City Manager Michael Hughes explained that there are several communities interested in the County's recycling pilot program and thus there is some urgency to move forward with the City's plan.

Moved by Comm. Haas and seconded by Comm. Littman to authorize the City Manager to submit a grant application to the county for the recycling pilot program contingent upon a review of the bids once they are received and provided there will be no cost to the City.

Voting yea: Nine Voting nay: None MOTION CARRIED

The City Commission had consensus to pay for the expense of the ticket for the Mayor, as it has done historically, to go to Sturgis' sister city, Wiesloch, Germany as their official representative. Mayor Sisson will present a commemoration of the 40 year relationship as well as samples of our local artwork.

The meeting was adjourned at 8:27 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

WORK SESSION - STURGIS CITY COMMISSION
WEDNESDAY, AUGUST 23, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 6:30 p.m.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, Director of Public Safety, Ambulance Supervisor, City Controller, City Clerk

City Manager Michael Hughes began the discussion related to the responses to the Request for Proposals for Ambulance Services to the Sturgis Area Ambulance Committee. The City Commission discussed possible options regarding the future of the ambulance service.

City Manager Michael Hughes explained that there are several communities interested in the County's recycling pilot program and thus there is some urgency to move forward with the City's plan.

The meeting was adjourned at 7:25 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, SEPTEMBER 13, 2006
WIESLOCH RAUM - CITY HALL

Vice-Mayor Mayer called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Father Rich Altine, Holy Angels Church

Commissioners present: Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer
Commissioners absent: Austermann, Mayor Sisson

Also present: City Manager, Assistant City Manager, EDC Director, Deputy Police Chief,
Electric Department Superintendent, DPS Supervisor, City Clerk

Michael Stiles, Auditorium Board member, provided details to the Commission regarding the activities at the Auditorium including recent shows, catering, and liaisons between the Sturgis Council of the Arts and the Auditorium Board

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of September 13, 2006 as presented.

A. Action of Minutes of Previous Meetings

1. APPROVAL of the minutes from the August 23, 2006 work session as presented.
2. APPROVAL of the minutes from the August 23, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$2,239,918.79 as presented.
2. AUTHORIZE the payment of the City Retirement System bills in the amount of \$234,508.86 as presented.
3. RATIFY the Hospital bills in the amount of \$2,354,240.06 as presented.

C. Board Resignation

ACCEPT the resignation of Stephen Deter from the Economic Development Corporation Board of Directors and SEND a letter of recognition for his service

Voting yea: Seven

Absent: Austermann, Sisson

Voting nay: None
MOTION CARRIED

City Manager Michael Hughes explained that the City Parks Department has been working with the Foundation and the community in developing a project for an Access to Recreation grant program.

Moved by Comm. Fisher and seconded by Comm. Richards to adopt the Access to Recreation resolution as presented.

WHEREAS, the City of Sturgis seeks to partner with the Sturgis Area Community Foundation in submission of a grant proposal for the Midwest Community Foundation's Ventures to Recreation program; and

WHEREAS, the City of Sturgis supports the development of biking/walking trails as part of the City's park system; and

WHEREAS, the Access to Recreation program includes a provision for the participants to convene in order to develop details of a specific project; and

WHEREAS, the City held a public forum on August 8, 2006, where the consensus of the attendees was that the creation of biking/walking trails was the top recreation priority that best fit the goals of the grant program.

NOW, THEREFORE, BE IT RESOLVED, that the City of Sturgis Commission supports the submission of a grant application to the Access to Recreation program, with the understanding that details of the submission and any matching funds will be provided to the Commission at a future meeting.

Voting yea: Seven

Absent: Austermann, Sisson

Voting nay: None

MOTION CARRIED

DPS Supervisor Rick Miller explained that the City currently uses its vactor truck or borrows a jet trailer from Burr Oak Village in order to properly maintain the sewer system. A new jet trailer would provide the department the necessary tools to thoroughly maintain the system and allow the vactor truck to be utilized at other jobs.

Moved by Comm. Richards and seconded by Comm. Stephens to approve the request to purchase a Model 545 Jet Trailer from Jack Doheny Supplies, Inc., Northville, Michigan including the 86 hp diesel engine, Auto Wind, and 2 year warranty for an amount not exceed \$44,350.00.

Voting yea: Seven

Absent: Austermann, Sisson

Voting nay: None

MOTION CARRIED

City Clerk/Treasurer Kenneth Rhodes explained that the Investment Policy was reviewed in the normal course of activity and updated to included an objective that provides guidance to goal of local investing.

Moved by Comm. Littman and seconded by Comm. Haas to adopt the City of Sturgis Investment Policy as presented.

Voting yea: Seven

Absent: Austermann, Sisson

Voting nay: None

MOTION CARRIED

Electric Department Superintendent John Griffith explained that it is necessary to keep on hand a certain level of supply of cable used in the electric system.

Moved by Comm. Haas and seconded by Comm. Malone to award the bid for the purchase of URD cable for stock from Reed City Power Line Supply Company for an amount not to exceed \$32,985.10.

Voting yea: Seven

Absent: Austermann, Sisson

Voting nay: None

MOTION CARRIED

Electric Department Superintendent John Griffith explained that the heating system at the diesel plant is in need of replacement and that the infrared heating system is a less expensive alternative for installation and ongoing maintenance.

Moved by Comm. Stephens and seconded by Comm. Malone to award the installation of an Infrared Heating System at the Diesel Plant to Primary Mechanical, Sturgis, Michigan for an amount not to exceed \$12,487.00.

Voting yea: Seven

Absent: Austermann, Sisson

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the City received the S2 grant for fees, in the amount of \$1,000,000, related to the sewer system upgrades.

City Manager Michael Hughes explained that he and the Mayor attended the Sturgis Toy Run on Saturday. His impression was the event was well run and organized and that security was very tight.

The City Commission will hold a work session at a later date regarding the ambulance service proposals.

The City's halfway party for the U.S. 12 reconstruction project was a great success with a large amount of residents attending.

Moved by Comm. Richards and seconded by Comm. Malone to adjourn the meeting.

Voting yea: Seven

Absent: Austermann, Sisson

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 8:25 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
MONDAY, SEPTEMBER 25, 2006
WIESLOCH RAUM - CITY HALL

Vice-Mayor Mayer called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The Invocation was given by Rev. Tyler Redden, Grace Christian Fellowship

Commissioners present: Austermann, Stephens, Fisher, Malone, Littman, Vice-Mayor Mayer

Commissioners absent: Richards, Haas, Mayor Sisson

Also present: City Manager, Assistant City Manager, EDC Director, Deputy Police Chief, Parks and Recreation Director, City Engineer, City Clerk

Earl Arend, representing the Cemetery and Parks Board, provided information on the activities of the board including placement of a piece of military hardware, a ceremony for Sturgis' Medal of Honor winner, and the community forum which recommended the creation of a walking and biking trail.

EDC Director John Hayes provided information to the Commission on the progress of the cleanup and development of the former Newport and Paramount properties. David Stegink, Associate Vice-President for Envirologic Technologies presented a report on the environmental conditions of the Paramount and Newport properties. He also described site use possibilities, remedies and limitations as a result of Envirologic's environmental investigations. Discussion followed.

Moved by Comm. Littman and seconded by Comm. Austermann to approve the Consent Agenda of September 25, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the September 13, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$1,659,423.36 as presented.

2. RATIFY the Hospital bills in the amount of \$1,627,351.63 as presented.

C. Sturgis Hospital Charity Gaming License

APPROVAL of the resolution for charitable gaming license as presented.

Voting yea: Six

Absent: Richards, Haas, Sisson

Voting nay: None
MOTION CARRIED

City Manager Michael Hughes introduced Tyler Wood, Sturgis High School Student Body Vice-President, who described the Homecoming parade route and staging area which will take place on October 13, 2006. City Staff will investigate and coordinate with the groups that use Franks Park to ensure that there is sufficient staging area for the parade.

Moved by Comm. Fisher and seconded by Comm. Austermann to approve the Homecoming Parade route as presented.

Voting yea: Six

Absent: Richards, Haas, Sisson

Voting nay: None
MOTION CARRIED

EDC Director John Hayes described the intended use of Lot 30 of the Airport Industrial Park.

Moved by Comm. Austermann and seconded by Comm. Littman to approve the request of Sturgis Real Estate Associates to purchase Lot #30 in the Airport Industrial Park for expansion of Precision Speed equipment in accordance with the site plan submitted and the Industrial Park Protective Covenants.

Voting yea: Five

Abstain: Malone

Voting nay: None

Absent: Richards, Haas, Sisson

MOTION CARRIED

City Controller Michael Vance described the budget amendments for the 2005-06 fiscal year.

Moved by Comm. Malone and seconded by Comm. Austermann to approve the fiscal year 2005-06 budget amendments as presented.

	Original Budget As Amended	Increase / (Reduction)	Amended Budget
General Fund 101			
Revenue			
101.000.664000 (interest)	\$ 300,000.00	\$ 250,000.00	\$ 550,000.00
101.000.694000 (Misc. Income)	\$ 20,000.00	\$ 55,000.00	\$ 75,000.00
Net Revenue Increase/(Decrease)		\$ 305,000.00	
Expense			
101.101.702000 (City Commission)	\$ 50,254.00	\$ (10,000.00)	\$ 40,254.00
101.172.702000 (City Manager)	\$ 216,755.00	\$ (10,000.00)	\$ 206,755.00
101.336.702000 (Fire Dept)	\$ 894,752.00	\$ (184,700.00)	\$ 710,052.00
101.400.801000 (Zoning)	\$ 78,453.00	\$ (10,000.00)	\$ 68,453.00
101.537.930000 (Airport -repairs)	\$ 20,000.00	\$ 15,000.00	\$ 35,000.00
101.965.999000 (Contrib. To Other Funds)	\$ 915,000.00	\$ 111,000.00	\$ 1,026,000.00
101.965.999017 (ALS/BLS Contribution)	\$ 0	\$ 184,700.00	\$ 184,700.00
101.965.999025 (Contrib. To Capital Reserve)	\$ 50,000.00	\$ 175,000.00	\$ 225,000.00
101.900.970000 (Capital Outlay)	\$ 68,000.00	\$ (45,000.00)	\$ 23,000.00
Net Expense Increase/(Decrease)		\$ 226,000.00	
Cemetery Fund 209			
Revenue			
209.000.699001 (Contrib. from General Fund)	\$ 50,000.00	\$ 40,000.00	\$ 90,000.00
Net Revenue Increase/(Decrease)		\$ 40,000.00	
Expense			
209.000.702000 (Salary & Wages)	\$ 112,359.00	\$ 40,000.00	\$ 152,359.00

Net Expense Increase/(Decrease)		\$ 40,000.00	
Drug Enforcement Fund 213			
213.000.699001 (Contrib. From General Fund)	\$ 0	\$ 25,000.00	\$ 25,000.00
Net Revenue Increase/(Decrease)		\$ 25,000.00	
Building Department Fund 249			
Revenue			
249.000.451000 (Permits)	\$ 50,000.00	\$ (30,000.00)	\$ 20,000.00
249.000.699001 (General Fund Contribution)	\$ 65,000.00	\$ 15,000.00	\$ 80,000.00
Net Revenue Increase/(Decrease)		\$ (15,000.00)	
Expense			
249.000.702000 (Wage & Salary)	\$ 97,865.00	\$ (10,000.00)	\$ 87,865.00
Net Expense Increase/(Decrease)		\$ (10,000.00)	
Park & Recreation Fund 264			
Revenue			
264.000.699001 (Contrib. From General Fund)	\$ 280,000.00	\$ 16,000.00	\$ 296,000.00
Park			
Expense			
264.751.702000 (Wages)	\$ 77,335.00	\$ 48,000.00	\$ 125,335.00
264.751.970000 (Capital Expense)	\$ 5,000.00	\$ (5,000.00)	\$ 0
264.751.932002 (Field Maint.)	\$ 19,000.00	\$ (9,000.00)	\$ 10,000.00
Recreation			
Expense			
264.752.702000 (Wages)	\$ 92,574.00	\$ (15,000.00)	\$ 77,574.00
264.752.740000 (Operating Supplies)	\$ 8,000.00	\$ (3,000.00)	\$ 5,000.00
Net Expense Increase/(Decrease)		\$ 16,000.00	
Doyle Comm. Center Fund 265			
Revenue			
265.000.694000 (Membership)	\$ 220,000.00	\$ (25,000.00)	\$ 195,000.00
265.000.699001 (Contrib. from General Fund)	\$ 0	\$ 15,000.00	\$ 15,000.00

Net Revenue Increase/(Decrease)		\$ (10,000.00)	
Expense			
265.000.702000 (Salary & Wages)	\$ 205,035.00	\$ (15,000.00)	\$ 190,035.00
Net Expense Increase/(Decrease)		\$ (15,000.00)	
Ambulance Fund 505			
Revenue			
505.000.674100 (Contrib. from General Fund)	\$ 0	\$ 184,700.00	\$ 184,700.00
Net Revenue Increase/(Decrease)		\$ 184,700.00	
Expense			
505.000.702000 (Salary & Wages)	\$ 536,820.00	\$ 184,700.00	\$ 721,520.00
Net Expense Increase/(Decrease)		\$ 184,700.00	

Voting yea: Six
Absent: Richards, Haas, Sisson

Voting nay: None
MOTION CARRIED

City Engineer Tom Seymour provided information on the upcoming 2006 Street Improvement Program.

Moved by Comm. Littman and seconded by Comm. Malone to award the 2006 Street Improvement Program contract to Aggregate Industries, Kalamazoo, MI for the unit price contract amount of \$147,057.00.

Voting yea: Six
Absent: Richards, Haas, Sisson

Voting nay: None
MOTION CARRIED

City Manager Michael Hughes explained that the existing treatment system located on the northeast side of U.S. 12 and Big Hill Road is not adequately capturing the groundwater contamination based on standards acceptable to the MDEQ and thus the City has contracted with Fleis & VandenBrink Engineering to assist in remediation. Brian Rice of Fleis & Vandenbrink provided information on the current methods of remediation of the landfill area.

Moved by Comm. Fisher and seconded by Comm. Malone to award Task Order No 12 from Fleis & VandenBrink to conduct the Extent of Impact Work Plan for the Big Hill Road Landfill site for an amount not to exceed \$89,135.00.

Voting yea: Six
Absent: Richards, Haas, Sisson

Voting nay: None
MOTION CARRIED

City Manager Michael Hughes explained details of the City's Drinking Water Replacement Fund project and that the City's loan application was approved.

Moved by Comm. Austermann and seconded by Comm. Malone to approve Task Order No. 11 from Fleis & VandenBrink Engineering to conduct the DWRP Project engineering for an amount not to exceed \$157,800.00.

Voting yea: Six

Absent: Richards, Haas, Sisson

Voting nay: None

MOTION CARRIED

Parks and Recreation Director Doug Smith provided information on the Doyle Center flooring surface and the types of scrubbers that can be used at the facility.

Moved by Comm. Stephens and seconded by Comm. Malone to approve the purchase of the Nobles Speed Scrub 2601 from KSS Enterprises of Kalamazoo, MI for an amount not to exceed \$6,692.87.

Voting yea: Six

Absent: Richards, Haas, Sisson

Voting nay: None

MOTION CARRIED

Moved by Comm. Stephens and seconded by Comm. Fisher to approve the financing from Century Bank and Trust at an interest rate of 4.33% for a term of 36 months to purchase a new floor scrubber for the Doyle Center.

Voting yea: Six

Absent: Richards, Haas, Sisson

Voting nay: None

MOTION CARRIED

EDC Director John Hayes explained that contiguous to the Bogen Industrial Park property there were two lots which contained houses. One of the lots was purchased and the house was sold and relocated. A petition was made to Sturgis Township to be moved into the City and the resolution was passed by the Township.

Moved by Comm. Littman and seconded by Comm. Austermann to approve the Resolution to Transfer Property from Sturgis Township, parcel number 75-015-013-020-10, as presented.

WHEREAS, the Township of Sturgis ("Township") and the City of Sturgis ("City") entered into an Agreement for Conditional Transfer of Property pursuant to 1984 P.A. 425 dated August 4, 2000 ("Agreement"); and

WHEREAS, the Agreement provides that a property owner within District II, as defined in the Agreement, may voluntarily request a transfer of such property to the City by filing a notarized copy of such a request with the City and Township; and

WHEREAS, The Sturgis Improvement Association is a property owner within District II and has filed a request for transfer to the City of the property described in Exhibit "A" attached hereto and incorporated herein by reference.

Owner	Parcel Number (Township)	Parcel Number (City)
The Sturgis Improvement Association	75-015-013-020-10	Combine w/#75-052-777-290-00
Legal description of parcel:	See Exhibit A.	

NOW, THEREFORE, BE IT RESOLVED that the aforementioned property is hereby transferred to the City.

BE IT FURTHER RESOLVED that the City Manager is authorized and directed to file certified copies of this Resolution with the Township Clerk, the St. Joseph County Clerk and the Office of the Great Seal of the State of Michigan to evidence that the transfer of the aforementioned services with respect to said property has occurred for the records of each such office.

Exhibit A

Sturgis Township Parcel Identification # 75-015-013-020-10

Land situated in the Township of Sturgis, St. Joseph County, Michigan, to-wit:

A parcel of land out of the South 43 rods of the Southeast 1/4 of the Southwest 1/4 of Section 13, Township 8 South, Range 10 West, described as follows: Commencing at the intersection of the centerline of South Nottawa Road and Bogen Roads, thence North 143 feet, thence West 218 feet, thence South 143 feet, thence East 218 feet to the point of beginning.

Voting yea: Six

Absent: Richards, Haas, Sisson

Voting nay: None

MOTION CARRIED

City Attorney Roger Bird explained provided information to the Commission regarding the City's ability to deal with individuals who place graffiti on properties in the City.

Moved by Comm. Malone and seconded by Comm. Littman to go into closed session for the purpose of discussing the potential purchase of property and pending litigation.

Voting yea: Austermann, Stephens, Fisher, Malone, Littman, Mayer

Voting nay: None

Absent: Richards, Haas, Sisson

MOTION CARRIED

The meeting recessed at 8:30 p.m.

The meeting reconvened at 8:58 p.m.

Moved by Comm. Littman and seconded by Comm. Malone to adjourn the meeting.

Voting yea: Six

Absent: Richards, Haas, Sisson

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 8:59 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, OCTOBER 11, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

A moment of silence was observed in lieu of an invocation.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, Deputy Police Chief, Electric Department Superintendent, City Engineer, City Clerk

City Clerk/Treasurer Kenneth Rhodes provided information on the activities of the Sister City Committee including the recent and future student exchanges and the upcoming adult exchange with officials from Wiesloch. Mayor Sisson gave a brief presentation on his recent trip to Wiesloch including a description of several photos.

Barry Gulliver, 220 S. Lakeview, requested that a street light not be placed on his street. Electric Department Superintendent John Griffith provided history of the City's Series Street Lighting Program. City Manager Michael Hughes discussed options with the Commission and the policy associated with the program.

Moved by Comm. Littman and seconded by Comm. Malone to direct City Staff to modify the current Series Street Light Plan given the unique circumstances of the intersection of Lakeview and Cornelia, but with no alteration to the current Street Lighting Program policy.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of October 11, 2006 as presented.

A. Action of Minutes of Previous Meetings

Approval of the minutes from the September 25, 2006 regular meeting as presented.

B. Pay Bills

1. Authorize the payment of the City bills in the amount of \$689,025.28 as presented.
2. Authorize the payment of the City Retirement System bills in the amount of \$158,947.71 as presented.
3. Ratify the Hospital bills in the amount of \$960,385.80 as presented.

C. Board Resignations

Accept the resignations of Tim Peterson from the Planning Board and Greg Hackman from the Sturgis Housing Commission and send a letter of recognition for their service.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Engineer Tom Seymour explained that because of the low bid amount of the 2006 Street Improvements, the City was able to add a number of streets to the project and remain within the budgeted amount.

Moved by Comm. Fisher and seconded by Comm. Richards to approve a Change Order for a total contract amount not to exceed \$260,000.00 to Aggregate Industries of Kalamazoo.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

EDC Director John Hayes provided information to the Commission regarding the sale of Grav-I-Flo to a group of investors organized as GravCo, LLC. As part of the sale, GravCo, LLC has agreed to assume the existing EDC Revolving Loan Fund loan along with the unpaid back interest.

Moved by Comm. Richards and seconded by Comm. Mayer to approve the request of Grav Co. LLC to assume the loan balance plus interest from Grav-I-Flo under the terms and conditions as recommended by the EDC Board.

Voting yea: Eight

Voting nay: None

Abstain: Haas

MOTION CARRIED

City Engineer Tom Seymour explained that the next step in the City's Well Head Protection Program is a contaminant source inventory which will identify, tabulate and map all potential sources of contamination to the well supply system. Fleis & VandenBrink Engineering, Inc. will provide the required services.

Moved by Comm. Haas and seconded by Comm. Austermann to approve the Agreement between the City and the Michigan Department of Environmental Quality to provide grant funds in the amount of \$5,250.00 for the Wellhead Protection Program Contaminant Source Inventory and authorize the City Manager to sign the Agreement on behalf of the City.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Clerk/Treasurer Kenneth Rhodes explained that an error caused the submission of Tim Peterson's name to be appointed to the Planning Board. Because, Dr. Kirkpatrick was the only other individual requesting appointment at the time, it is recommended that he be appointed to fill the open position.

Moved by Comm. Littman and seconded by Comm. Stephens to appoint Dr. John Kirkpatrick to the Planning Board to fill the unexpired term of Tim Peterson through May 2009.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Clerk/Treasurer Kenneth Rhodes explained that three applications were filed to fill the vacancy on the EDC Board created with Stephen Deter's resignation. These applicants included Brian Hoggatt, Scott Jefferies, and Stephen Van Mol.

Moved by Comm. Fisher and seconded by Comm. Austermann to appoint Stephen Van Mol to the Economic Development Corporation Board to fill the unexpired term of Stephen Deter through May 2012.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes provided information regarding a mutual aid agreement for fire responses with the Howe Fire Department. He explained the current mutual aid agreements and the economic benefits of potential new business in LaGrange County.

Moved by Comm. Malone and seconded by Comm. Richards to approve the letter of intent to develop a mutual aid agreement for Fire services between the City of Sturgis and Howe, Indiana 121 Industrial Park.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes provided information regarding a perimeter fence for the City's water tower. He explained that the City commissioned a "Drinking Water Vulnerability Assessment" in 2004. This study was conducted by Fleis and VandenBrink in conjunction with City staff. The perimeter fence was included in the plan, however prioritized as a five (5), the lowest rating. There are several other items that received a higher priority rating that should be completed first.

The Chamber of Commerce Annual Dinner will be held on November 2, 2006 at the Auditorium.

The City Commission will hold a work session on Wednesday, October 18, 2006 at 6:00 pm in the Wiesloch Raum of City Hall to discuss the ambulance service proposals.

City Manager Michael Hughes explained that St. Joseph County officials have given notice that the City has received a grant for a curbside recycling pilot program.

The Chamber of Commerce, the City, the VFW, and the American Legion will honor five returning veterans from Iraqi Freedom at the VFW on Sunday, October 15 at 1:00 pm.

By consensus the Commission has requested that the Cemetery and Parks Board review options for the skate park in conjunction with the School Board.

Mayor Sisson read a portion of his memo, written to the City Commission, encouraging the City and Township officials to work together to ensure that the 49091 zip code and the Sturgis School District Area is the best place to live and work in the Midwest.

The meeting was adjourned at 8:38 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

SPECIAL MEETING - STURGIS CITY COMMISSION
WEDNESDAY, OCTOBER 18, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 6:00 p.m.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, City Controller, City Clerk

City Manager Michael Hughes provided details on the City's current ambulance service and the creation of the request for proposals for continuing ambulance service for the Sturgis Area Ambulance Committee. He detailed the findings of the Commission subcommittee which reviewed the current ambulance service. The Commission discussed the appropriate level of service and the costs associated with the service. City Staff recommended that the Commission direct their representative to SAAC to declare a preference for the proposal submitted by the Sturgis Fire Department. Additionally, consideration of the appropriate action for the City to take, if SAAC were to support an alternative proposal, should be delayed until such a decision was made. Steve Frisbee of LifeCare Ambulance Service answered questions regarding how they would propose to operate their service in the SAAC coverage area. The Commission decided to address the issue at their next regular meeting.

The meeting was adjourned at 7:45 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, OCTOBER 25, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The invocation was given by Rev. Perry Eagy, Gateway River of Life.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, EDC Director, Director of Public Safety, Deputy Fire Chief, Electric Department Superintendent, City Clerk

Mayor Sisson, Deputy Fire Chief Scott Hopkins, and Kim Wilson, wife of Command Sergeant Major Michael Wilson, presented a commendation to Sturgis Area Chamber of Commerce Director Cathi Abbs on behalf of CSM Wilson along with a U.S. flag flown over Camp Navistar in Kuwait.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of October 25, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the October 11, 2006 regular meeting as presented.

APPROVAL of the minutes from the October 18, 2006 special meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$1,944,339.80 as presented.

2. RATIFY the Hospital bills in the amount of \$1,979,801.90 as presented.

C. Set Public Hearing

SET a Public Hearing for consideration of an IFEC for VCI, Inc. on Wednesday, November 8, 2006 in the Wiesloch Raum of City Hall.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that there was a request at the last Commission meeting for placement of street light and such a request must be presented to the Commission for their approval.

Moved by Comm. Richards and seconded by Comm. Malone to approve the installation of a 35 foot wood pole, overhead wiring, mast arm and 250 watt HPS streetlight at the intersection near the intersection of Marian Trail and Friar Tuck.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Clerk/Treasurer Kenneth Rhodes explained that two applications have been received to fill the vacancy on the Sturgis Housing Commission.

Comm. Littman nominated Jan Eagan.

Moved by Comm. Littman and seconded by Comm. Mayer to appoint Jan Eagan to the Sturgis Housing Commission to fill the unexpired term of Greg Hackman through May, 2009.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes provided history on the Request for Proposals sent out by the Sturgis Area Ambulance Committee. The Commission discussed the current and proposed response times of an ambulance service.

Moved by Comm. Haas and seconded by Comm. Malone to approve the SAAC RFP Resolution as presented.

WHEREAS, the Sturgis Area Ambulance Committee (SAAC) issued Request for Proposals (RFP) for Ambulance Service requiring 2 Advanced Life Support (ALS) units and 1 Basic Life Support (BLS) units to be dedicated to the coverage area; and

WHEREAS, the Sturgis Fire Department submitted a response to the RFP which included a subsidy of \$1,721,955 from the SAAC members over a five year period; and

WHEREAS, the LifeCare Ambulance Service submitted a response to the RFP which included a subsidy of \$2,245,000 from the SAAC members over a five year period; and

WHEREAS, the LifeCare Ambulance Service also submitted an alternate response to the RFP which included a subsidy of \$696,000 from the SAAC members over a five year period, but would only include a BLS unit on an on-call basis or provided by the City of Sturgis; and

WHEREAS, it is very important to the City of Sturgis to continue a positive collaboration with the members of SACC as it is in the City's interest to maintain this beneficial partnership.

WHEREAS, SAAC has asked each of its members to determine their preference of the proposals before the next SAAC meeting and in preparation for a final decision.

NOW, THEREFORE BE IT RESOLVED, that the Sturgis City Commission directs its representative to declare its preference for the low bid for the original proposal issued by SAAC, which was submitted by the Sturgis Fire Department; and

BE IT FURTHER RESOLVED, that in the event that SAAC as a group decides to go another direction, the City Commission should then consider the recommendation of SAAC; and

BE IT FURTHER RESOLVED, that the City's SAAC representative should express the concerns regarding LifeCare's "system status" operation, dedication of units to the coverage area, a formal review of their performance and satisfaction records, and the need for a contract which addresses these concerns.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Deputy Fire Chief Scott Hopkins explained that the entire Sturgis Fire Department received the Sturgis Exchange Club Firefighter of the Year Award.

Sturgis Area Chamber of Commerce Director Cathi Abbs thanked Kim Wilson and the entire Sturgis Community for the honor presented by CSM Michael Wilson.

The meeting was adjourned at 8:07 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, NOVEMBER 8, 2006
WIESLOCH RAUM - CITY HALL**

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The invocation was given by Rev. Canon Meredith Hunt, St. John's Episcopal Church

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: Littman

Also present: City Manager, Assistant City Manager, EDC Director, Deputy Police Chief, DDA Director, City Clerk

DDA Director Kim Musolff provide information on the recent activities of Downtown Development Authority Board including the downtown streetscape, dumpster enclosures, façade improvements, and new businesses moving downtown.

Moved by Comm. Malone and seconded by Comm. Richards to approve the Consent Agenda of November 8, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the October 25, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$1,165,455.91 as presented.
2. AUTHORIZE the payment of the City Retirement bills in the amount of \$158,750.24 as presented.
3. RATIFY the Hospital bills in the amount of \$1,536,157.18 as presented.

C. Street Funding Re-appropriation

AMEND the fiscal year 2006-07 Street Repair Fund, Road Construction line item for the additional appropriation of \$264,000 to pay for the Street Improvement Program.

D. Board Resignation

ACCEPT the resignation of Kevin Waltke from the Sturgis Housing Commission and SEND a letter of recognition for his service.

Voting yea: Eight Voting nay: None Absent: Littman MOTION CARRIED

EDC Director John Hayes explained that VCI Inc. has moved into the buildings formerly occupied by Vulcan Industries and has requested that the IFECs be transferred to them.

Mayor Sisson opened the Public Hearing.
There was no public comment.
Mayor Sisson closed the Public Hearing.

Moved by Comm. Haas and seconded by Comm. Austermann to approve the transfer of IFEC Nos. 95-055 and 2000-321, originally awarded to Vulcan Industries, to VCI Inc. through December 31, 2007 and December 31, 2012, respectively.

Voting yea: Eight Voting nay: None Absent: Littman MOTION CARRIED

City Manager Michael Hughes provided details on HB 6456, the "Cable Franchise Bill", including it affects on local controls, franchise agreements, and fee collections.

Moved by Comm. Fisher and seconded by Comm. Malone to adopt the resolution of opposition to HB 6456 as presented.

WHEREAS, the City of Sturgis has been served by cable television providers under local franchise arrangements for years, and

WHEREAS, the City of Sturgis is ready and willing to promptly negotiate local cable franchise agreements with additional providers to permit fair competition in, and improved services to, our community, and

WHEREAS, the City of Sturgis does NOT support House Bill 6456, commonly referred to as the "Uniform Video Services Local Franchise Act", as written and,

WHEREAS, the City of Sturgis does not support the bill due to current language which would:

1. Allow cable companies to terminate their franchise contracts at any time.
2. Permit any cable provider to selectively "cherry-pick" areas where they want to provide service.
3. Create negative revenue impacts for local communities estimated at \$47-\$57 million.
4. Remove the authority of local communities to manage community public rights-of-way and eliminate local emergency alert systems.
5. Eliminate or cut back community, school and public access television due to revenue and in-kind service reductions. There are also several provisions that will increase operating costs on these facilities.

WHEREAS, HB 6456 will erode local control of local issues, and

WHEREAS, the Southwest Michigan Managers Association, of which City Manager Michael Hughes is a member, has opposed HB 6456,

THEREFORE, BE IT RESOLVED that the City of Sturgis is opposed to HB 6456, and

BE IT FURTHER RESOLVED that the City of Sturgis requests that Governor Granholm, State Representative Shaffer and State Senator Brown oppose HB6456 in order to save our citizens from the consequences outlined above.

BE IT FURTHER RESOLVED that the City of Sturgis requests all other representatives of the Michigan State Legislature to vote against HB 6456.

Voting yea: Eight Voting nay: None Absent: Littman MOTION CARRIED

City Controller Michael Vance provided details on the current levels of employee benefits and the rise in costs related to health insurance. The City has the opportunity to review the options for employee benefits and the packages provided by other insurance carriers.

Moved by Comm. Haas and seconded by Comm. Austermann to approve contracting with Group Alternatives Inc. to perform consulting services including the preparation of specifications and bidding for Health and Life benefits coverage and authorize the City Manager to sign all necessary documents after review by the City Attorney.

Voting yea: Eight Voting nay: None Absent: Littman MOTION CARRIED

Moved by Comm. Austermann and seconded by Comm. Fisher to amend the fiscal year 2006-07 Employee Benefits Fund, Professional Services line item for the additional appropriation of \$20,300 to pay for services performed by Group Alternatives Inc.

Voting yea: Eight Voting nay: None Absent: Littman MOTION CARRIED

The meeting was adjourned at 8:17 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**ORGANIZATIONAL MEETING
STURGIS CITY COMMISSION
MONDAY, NOVEMBER 13, 2006
CONFERENCE ROOM - CITY HALL**

City Clerk Kenneth Rhodes called the meeting to order at 8:00 p.m.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Mayer, Sisson

Commissioners absent: None

Also present: City Manager, Assistant City Manager, City Attorney, City Controller, City Clerk

The City Clerk asked for nominations for the Office of Mayor.

Comm. Richards nominated Comm. Sisson.

Moved by Comm. Malone and seconded by Comm. Haas to close the nominations for the Office of Mayor and cast a unanimous ballot for Comm. Sisson.

Voting Yea : Nine

Voting Nay : None

MOTION CARRIED

Comm. Sisson was seated as the Mayor of the City of Sturgis.

Mayor Sisson asked for nominations for the Office of Vice-Mayor.

Comm. Fisher nominated Comm. Mayer.

Comm. Haas nominated Comm. Richards.

Moved by Comm. Littman and seconded by Comm. Malone to close nominations.

Voting Yea : Nine

Voting Nay : None

MOTION CARRIED

Voting for Comm. Mayer : Fisher, Littman, Malone, Mayer, Sisson

Voting for Comm. Richards : Austermann, Haas, Richards, Stephens

Comm. Mayer was seated as the Vice-Mayor of the City of Sturgis.

Mayor Sisson will appoint Commissioner liaisons at the next regular meeting.

City Attorney Roger Bird provided details regarding the procedures for a City Commissioner including conflicts of interest, the City Charter, abstension, State laws, and the Open Meetings Act. City Manager Michael Hughes and Mayor Sisson went over the details of the City Commission Procedural Policy.

Moved by Comm. Malone and seconded by Comm. Littman to approve following General Rules of Order for Sturgis City Commission meetings.

Voting Yea : Nine

Voting Nay : None

MOTION CARRIED

I. GENERAL RULES OF ORDER FOR STURGIS CITY COMMISSION MEETINGS

The Mayor, or in the Mayor's absence the Vice-Mayor or appropriate designee, shall preside over the City Commission Meeting. Modern Rules of Order shall govern the conduct of the meeting except as modified pursuant to provisions of the City Charter or special rules adopted by the City Commission.

II. RULES TO GOVERN DEBATE AT A COMMISSION MEETING

1. The maker of the motion is entitled to speak first.
2. A Commissioner may not speak against his or her own motion, but may vote against it.
3. All remarks must be limited to the merits of the subject immediately under discussion.
4. All remarks must be addressed to and/or through the Mayor.
5. Personal comments about other individuals should be avoided.
6. Commissioners are seldom referred to by name; rather by title.
7. No Commissioner may comment adversely on any prior act of the council that is not under consideration.
8. A two-thirds vote is required to close debate.
9. A Commissioner may abstain when there is a conflict of interest. A Commissioner who intends on abstaining must announce his or her intentions to the Mayor. He or she may not debate the issue but may be called upon for information.
10. A Commissioner may bring before the City Commission any business that he or she feels should be elaborated upon by the Commission. These matters need not be specifically listed on the City Commission Agenda, but formal action on such matters should be deferred until a subsequent City Commission meeting, except that immediate action may be taken upon a vote of two-thirds of all members.

III. RULES TO GOVERN DEBATE DURING PUBLIC COMMENTS

1. The speaker should state name and address before speaking.
2. Remarks must be confined to the pending issue.
3. Remarks shall be limited to two minutes.
4. No person shall speak a second time on an issue as long as another is requesting recognition to speak for a first time on the issue. The cumulative time for remarks shall not exceed four minutes by any one speaker.
5. Speakers shall not enter into debate with other members of the audience, but shall always address the Mayor.
6. During open debate, the Mayor shall make an effort to alternate between supporting and opposing arguments.
7. Rights in regard to debate are not transferable.
8. Only members of the Commission or City Staff may advance in front of the podium without permission of the Mayor.
9. These rules may be suspended or modified by the Mayor upon a showing of just cause and shall be suspended or modified upon a two-third (2/3) majority vote of the Commission..

The meeting was adjourned at 8:55 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

WORK SESSION - STURGIS CITY COMMISSION
MONDAY, NOVEMBER 13, 2006
CONFERENCE ROOM - CITY HALL

Mayor Sisson called the meeting to order at 6:00 p.m.

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant City Manager, Director of Public Safety, Deputy Fire Chief, City Controller, City Clerk

City Manager Michael Hughes provided details regarding the ambulance service, the recent suggestion for an ambulance authority, and long term funding. The Commission discussed the mechanisms authorizing an authority and the methods of funding it. The Commission also discussed the option of extending the current ambulance contract, response times, and costs of the service.

The meeting was adjourned at 7:30 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

**REGULAR MEETING - STURGIS CITY COMMISSION
MONDAY, NOVEMBER 20, 2006
WIESLOCH RAUM - CITY HALL**

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The invocation was given by Scot Jefferies, Simply Christian Church

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, Assistant to the City Attorney, Assistant City Manager, EDC Director, City Engineer, Electric Department Superintendent, DDA Director, City Clerk

Assistant City Manager Todd Campbell described the recent equipment sales sold over the internet. Discussion followed.

EDC Director John Hayes and David Stegink, Associate Vice-President for Envirollogic Technologies provided details on the grant program sponsored by the EPA for remediation of the former Paramount property. Discussion followed.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of November 20, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the November 8, 2006 regular meeting as presented.

APPROVAL of the minutes from the November 13, 2006 work session as presented.

APPROVAL of the minutes from the November 13, 2006 organizational meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$726,997.11 as presented.

2. RATIFY the Hospital bills in the amount of \$1,686,014.95 as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Electric Department Superintendent John Griffith provided background on the City's cable franchise agreement and efforts for an extension. Discussion followed.

Moved by Comm. Littman and seconded by Comm. Haas to consider this the introduction and first reading of an amendment to the City's Code of Ordinances to Extend the Cable Franchise Granted to CC Michigan, LLC a/k/a Charter Communications as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes provided details on the grant program, the Letter of Understanding awarded to the City of Sturgis by the County, the activities of the Recycling Committee, and results of the survey. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Malone to approve the Letter of Understanding to accept the grant from St. Joseph County for a pilot curbside recycling program.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

DDA Director Kim Musolff provided details on the RFP and process for acquiring a destination restaurant for the downtown area. Discussion followed.

Moved by Comm. Richards and seconded by Comm. Austermann to accept the recommendation of the DDA board to close the RFP process for the Downtown Destination Restaurant and continue reviewing current prospects.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Engineer Tom Seymour provided history and attempts to alleviate the problem of flooding at the intersection of Chicago and Centerville Roads. Discussion followed.

Moved by Comm. Malone and seconded by Comm. Littman to approve the contract with Fishbeck, Thompson, Carr & Huber for \$15,800 to study the Storm Water Backup at U.S. 12 and M-66.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes gave details on the changes to the City Commission Procedural Policy.

By consensus, the City Commission Procedural Policy was approved as presented.

City Manager Michael Hughes explained that the City had received a request from the Sturgis Housing Commission Resident Council for a donation of up to four used/obsolete computers.

By consensus, the donation of four obsolete computers to the Sturgis Housing Commission Resident Council, as they become available, was approved.

EDC Director John Hayes provided details on the proposed industrial park lot sale, the activities of Midwest Tool and VCI Inc., and the layout of the lot. Discussion followed.

Moved by Comm. Littman and seconded by Comm. Fisher to approve the request of Midwest Tool and VCI to purchase Lot #41 in the Airport Industrial Park in accordance with the site plan submitted and the Industrial Park Protective Covenants.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 8:53 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, DECEMBER 13, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The invocation was given by Rev. Doug Carr, Gateway River of Life

Commissioners present: Austermann, Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson
Commissioners absent: None

Also present: City Manager, City Attorney, Assistant City Manager, EDC Director, City Controller, Electric Department Superintendent, Deputy Chief of Police, City Clerk

Dr. Jay Newman explained that the purpose of the St. Joseph County Sustainability Council is to provide the needs of the present without sacrificing the needs of the future. Goal areas include entrepreneurial support and development, recreational trails development, and education of county citizens on sustainability.

Sharon Matkin, Todd Maynard, and Becky Reeg explained the details of the Experience Sturgis Initiative.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of December 13, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the November 20, 2006 regular meeting as presented.

B. Pay Bills

1. AUTHORIZE the payment of the City bills in the amount of \$2,094,949.08 as presented.
2. AUTHORIZE the payment of the City Retirement bills in the amount of \$244,893.64 as presented.
3. RATIFY the Hospital bills in the amount of \$1,917,864.60 as presented.

C. Cable Franchise

CONSIDER this the adoption and second reading of an amendment to the City's Code of Ordinances to Extend the Cable Franchise Granted to CC Michigan, LLC a/k/a Charter Communications as presented.

D. Sturgis Wind Symphony

ADOPT the resolution for the Sturgis Wind Symphony as presented.

WHEREAS, the Sturgis Wind Symphony has played a pivotal role in the cultural enrichment of the Sturgis community for many years; and

WHEREAS, the Sturgis Wind Symphony, directed by R. Scott Davidson, is comprised of many

dedicated and talented volunteer musicians from the Sturgis Area; and
 WHEREAS, supporters from around the entire Michiana area travel many miles to enjoy the free concerts performed by the Sturgis Wind Symphony; and
 WHEREAS, the Sturgis Wind Symphony was invited to attend and perform at the 60th anniversary of the prestigious Midwest Clinic in Chicago, an international festival of music educators, composers, publishers, and manufacturers; and
 WHEREAS, the Sturgis Wind Symphony will perform a preview concert, before their performance at the Midwest Clinic, at the Sturges-Young Auditorium on Friday, December 15, 2006.

NOW, THEREFORE, BE IT RESOLVED, as Mayor of the City of Sturgis, and on behalf of the Sturgis City Commission, I would like to congratulate the Sturgis Wind Symphony on their selection to perform at the Midwest Clinic and thank them for their dedication to the cultural growth and success of the Sturgis community.

E. Finance Committee Authority

AUTHORIZE the Finance Committee to authorize the payment of the City bills and ratification of the Hospital bills, which would normally be prepared for Commission meeting held on the fourth Wednesday of the month, at their next meeting.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Mayor Sisson kept the Commission Board/Committee appointments the same as the previous year.

Board	Commissioner(s)
Auditorium	Stephens
EDC/Brownfield	Mayer
Employee Retirement	Sisson, Littman
Housing Project Review	Fisher
Sister City	Austermann
Ambulance	Austermann
St. Joseph County Transportation	Haas
St. Joseph County Traffic	Malone
Corridor Development Team	Haas, Richards
Bid/Finance	Littman, Malone, Mayer
Health Insurance	Haas, Fisher
Idle Buildings/IFEC	Littman, Richards, Stephens, Malone
Investment	Sisson, Fisher, Austermann

EDC Director John Hayes and EDC President John Wiedlea explained that the board has been working on the infrastructure development for Dresser Industrial Park, the business advocacy effort, and explained the process of creating the Economic Development Plan.

Moved by Comm. Austermann and seconded by Comm. Malone to approve the selection of the Chesapeake Group for an Economic Development Strategic Plan including funding of \$11,000 contingent upon the approval of the use of the \$11,000 of the Revolving Loan Fund and to SET a Public Hearing for use of \$11,000 of the Revolving Loan Fund for the City Commission meeting of January 10, 2007.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Controller Michael Vance explained that the current District Library Employee Lease Agreement would not allow the interim library director to reach her ten year anniversary and an extension of the lease through the end of February is warranted.

Moved by Comm. Stephens and seconded by Comm. Richards to approve the addendum to the Agreement for Lease of Employees as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

Moved by Comm. Haas and seconded by Comm. Austermann to adopt the 2007 City Commission meeting schedule as presented.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

City Manager Michael Hughes explained that the current date for the separation of responsibilities between the Sturgis Housing Commission and the City is approaching quickly and the Housing Commission is currently without a director. At this time, a six month extension would assist the Housing Commission in properly completing the transition. The City Commission suggested that this be the only extension granted.

Moved by Comm. Richards and seconded by Comm. Malone to approve the extension requested by the Sturgis Housing Commission with an effective date of July 1, 2007.

Voting yea: Nine

Voting nay: None

MOTION CARRIED

The meeting was adjourned at 8:49 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer

REGULAR MEETING - STURGIS CITY COMMISSION
WEDNESDAY, DECEMBER 20, 2006
WIESLOCH RAUM - CITY HALL

Mayor Sisson called the meeting to order at 7:30 p.m.

The Pledge of Allegiance was said by all present.

The invocation was given by Scot Jefferies, Simply Christian Church

Commissioners present: Richards, Stephens, Fisher, Malone, Haas, Littman, Vice-Mayor Mayer, Mayor Sisson

Commissioners absent: Austermann

Also present: City Manager, City Attorney, Assistant City Manager, Electric Department Superintendent, Parks and Recreation Director, Public Safety Director, City Clerk

Mayor Sisson presented the following proclamation:

WHEREAS, Robert Olsen, after serving as a teacher, counselor, assistant principal, principal, Assistant Superintendent and Superintendent for many years, came to Sturgis as Superintendent in 1998; and

WHEREAS, Mr. Olsen led the effort to ensure the long term success of the Sturgis Public School District by passing a broad ranging bond proposal which revitalized the elementary and high schools and built the new Sturgis Middle School; and

WHEREAS, Mr. Olsen is an active member of the Michigan Association of School Administrators (MASA), having served on several regional and state committees; and

WHEREAS, each year, MASA awards the Superintendent of the Year to an administrator who shows excellence in creatively meeting the needs of his students, communication, professionalism, and active community involvement; and

WHEREAS, MASA Executive Director William Mayes announced that Robert Olsen was named Michigan's 2007 State Superintendent of the Year.

NOW, THEREFORE, BE IT RESOLVED, as Mayor of the City of Sturgis, and on behalf of the Sturgis City Commission, I want to congratulate Robert Olsen as the recipient of this prestigious award and truly thank him for all that he does for the Sturgis community.

Director of the Sturgis VIP program Jim Cook provided an annual report on the program including code enforcement efforts, a neighborhood watch program, and the other assistance they give to the Sturgis Police Department.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of December 20, 2006 as presented.

A. Action of Minutes of Previous Meetings

APPROVAL of the minutes from the December 13, 2006 regular meeting as presented.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Doyle Community Center Director Doug Smith provided information about the use of the exercise room at the facility.

Moved by Comm. Haas and seconded by Comm. Stephens to approve the purchase of two (2) True striders (elliptical cross-trainers) and one (1) True treadmill from Midwest Commercial Fitness, Grand Rapids, Michigan in the amount of \$13,078.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Moved by Comm. Richards and seconded by Comm. Mayer to approve the low bid lease purchase agreement with Farmers State Bank at 3.97% for 36 months.

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Electric Department Superintendent John Griffith explained that the recently bid primary metering cabinet is used to meter the electrical usage of industrial customers.

Moved by Comm. Fisher and seconded by Comm. Littman to approve the bid from Champion Charter, Iron Mountain, Michigan, for one (1) 15.5 kV Primary Metering Cabinet in the amount of ten thousand two hundred forty four dollars (\$10,244).

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

Electric Department Superintendent John Griffith explained that the recently bid transformer units will be used in the distribution system rebuild in the area of Virginia and Michigan Avenues.

Moved by Comm. Littman and seconded by Comm. Richards to approve the purchase of 15, 100 kVA pole mounted transformers from Reed City Power Line Supply, Reed City, Michigan, in the amount of forty one thousand eight hundred twenty dollars (\$41,820).

Voting yea: Eight Voting nay: None Absent: Austermann MOTION CARRIED

The City Commission will hold a Special Meeting on Thursday, January 4, 2007 at 6:00 p.m. to discuss the area ambulance service in the Wiesloch Raum of City Hall.

Glen Oaks Community College will host a community forum regarding the formation of an ambulance authority on Thursday, January 11, 2007 at 7:00 p.m.

The meeting was adjourned at 8:07 p.m.

Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer