

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, JANUARY 13, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Captain Bill Brubaker, Salvation Army gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, EDC Director, Electric Department Superintendent, Deputy Police Chief, City Clerk

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented with the addition of a closed session.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of January 13, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the December 21, 2009 regular meeting as presented.

**B. Pay Bills**

1. AUTHORIZE the payment of the City bills in the amount of \$1,883,604.72 as presented.
2. RATIFY the Hospital bills in the amount of \$1,748,576.79 as presented.

**C. Set Public Hearing for Consideration of IFEC for LTI, Inc.**

SET a public hearing for consideration of a Industrial Facilities Exemption Certificate (IFEC) for LTI, Inc. on Wednesday, January 27th, 2010 at 7:00 p.m. in the Wiesloch Raum of City Hall, 130 N. Nottawa, Sturgis.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Electric Department Superintendent John Griffith provided information on the purchase of electric meters with a radio read. Discussion followed.

Moved by Comm. Smith and seconded by Comm. Stephens to approve a bid waiver for and the purchase of electric meters from Power Line Supply as presented in the amount of seventy-six thousand, eight hundred and ninety-six dollars (\$76,896.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided information on a recommended Dangerous Dog Ordinance revision. Discussion followed. The Commission had consensus that City staff should move forward in preparing a revised ordinance.

EDC Director John Hayes provided details on a Resolution of Commitment for an IFEC for Elk Distributing.

Moved by Comm. Malone and seconded by Comm. Littman to approve the Resolution Expressing Commitment to Granting an IFEC by the City of Sturgis for Elk Distributing as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided information on Ambulance Committee appointments.

By Consensus, the City Commission appointed Comm. Gay to a 1 year term as a member of the St. Joseph County Ambulance Authority.

Moved by Comm. Malone and seconded by Comm. Saddler to appoint Director of Public Safety David Northrop to a 3 year term as a member and Deputy Fire Chief Scott Hopkins as an alternate member of the St. Joseph County Ambulance Authority.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Fisher and seconded by Comm. Malone to appoint Commissioner Littman to a 1 year term as an alternate member of the St. Joseph County Ambulance Authority.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes provided information on the proposed 2010 City Board Liaison Reporting Schedule. The City Commission gave consensus to continue the current schedule with either an oral or written report.

City Clerk/Treasurer Kenneth Rhodes reported that the Sturgis Ministerial Association has received permission from each of the affected downtown businesses for their Stations of the Cross display.

City Clerk/Treasurer Kenneth Rhodes provided information on the need to reform the Health Facilities and Hospital Authority in order to complete the bonding for the Sturgis Medical Commons building. The City Commission gave consensus to seek applications from the Sturgis Building Authority for the Health Facilities and Hospital Finance Authority.

Moved by Comm. Malone and seconded by Comm. Littman to go into closed session for the purpose of discussing union negotiations.

**Voting yea: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Fisher, Carmichael**

**Voting nay: None**

**MOTION CARRIED**

The meeting recessed at 8:03 p.m.

The meeting reconvened at 8:43 p.m.

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

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, JANUARY 13, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, DPS Supervisor, City Controller, City Clerk

City Manager Michael Hughes and DPS Supervisor Rick Miller continued discussion on the proposed changes to the current snow and ice removal policy. Discussion followed.

The meeting was adjourned at 6:58 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, JANUARY 27, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Pastor Doug Carr, Four Square Church gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, EDC Director, Electric Department Superintendent, Deputy Police Chief, City Clerk

Bruce Caswell, candidate for the upcoming Senate seat, provided information on his life and work history and qualifications for the legislature.

Jim Vicalvi, 310 N. Lakeview, questioned the use of cold patch. He also asked about the use of a Kalamazoo firm for Christmas decorations.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of January 27, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the January 13, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the January 13, 2010 work session as presented.

**B. Pay Bills**

1. AUTHORIZE the payment of the City bills in the amount of \$1,633,903.80 as presented.

**C. 425 Agreement Transfer of Property from Fawn River Township**

ADOPT the resolution transferring a parcel of property on South Lakeview from Fawn River Township into the City of Sturgis as presented.

**D. Purchase of Underground Conductor**

APPROVE the purchase of three 1,000 foot reels of underground conductor from Power Line Supply in the amount of sixteen thousand, one hundred and ten dollars (\$16,110.00).

**E. Fiesta Mexicana Dance Permit Request**

ADOPT the resolution recommending issuance of a Dance Permit to Fiesta Mexicana by the Michigan Liquor Control Commission.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for an IFEC to LTI Printing, Inc.

EDC Director John Hayes explained that LTI Printing, Inc. has added a new folder-gluer machine for cardboard carton assembly, an investment of \$433,720.00. LTI estimates the new machinery will help maintain its current work staff and create an additional three jobs over the next two years. Discussion followed.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Stephens and seconded by Comm. Gay to adopt the resolution as presented awarding an Industrial Facilities Exemption Certificate on investment of \$433,720.00 to LTI Printing, Inc., for a period of twelve (12) years, beginning on January 1, 2011 and ending on December 31, 2022.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

### **RESOLUTION**

#### **GRANTING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE BY THE CITY OF STURGIS FOR: LTI PRINTING, INC.**

**WHEREAS**, LTI Printing, Inc. in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to LTI Printing, Inc., and

**WHEREAS**, on April 22, 1987 the City Commission established the Industrial Development District for the industrial property of LTI Printing, Inc. and

**WHEREAS**, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

**WHEREAS**, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

**WHEREAS**, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

**WHEREAS**, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis, and

**WHEREAS**, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 12 years with an ending date of December 31, 2022.

**NOW, THEREFORE BE IT RESOLVED**, that the Sturgis City Commission does hereby approve the application of LTI Printing, Inc. for an "Industrial Facilities Exemption Certificate".

Electric Department Superintendent John Griffith explained that on January 12, 2010, the City received sealed bids for one new, 2,500 kVA pad mount transformer to supply power for the proposed Elk Distributing project. Prior to the bid opening, the estimated cost of this transformer was \$25,000.00. The bids for a new transformer were dramatically higher than the estimate, and in an effort to reduce expenses and approach the estimated price discussed with Elk Distributing, City staff investigated the cost to purchase a used transformer. Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Malone to approve the purchase of a used transformer from T&R Electric as presented, in the amount of twenty-one thousand, nine hundred and fifty dollars (\$21,950.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Controller Holly Keyser explained that the City's auditor, as a result of the Hospital transfer, has recommended that the assets in the Hospital trust fund be moved to the Hospital Foundation where they can be invested and used to support the endowment activities.

Moved by Comm. Fisher and seconded by Comm. Stephens to approve the transfer of assets from the Hospital Trust Fund to the Hospital Foundation in the amount of fifty-one thousand, six hundred and sixty-nine dollars and ninety-two cents (\$51,669.92) and remove the Hospital Trust Fund from the City accounts.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes explained that Bond Counsel Lee Logan has informed the City and Sturgis Hospital, Inc. (SHI) that in order to maintain a tax exempt status for the financing of the Sturgis Medical Commons facility, SHI will need to issue debt through a tax-exempt governmental authority. The City established the Health Facilities and Hospital Finance Authority (HFHFA) back in 2000 for a project at Thurston Woods and this Authority would be the logical entity to consider issuance of such bonds. City staff is recommending the appointment of the members of the similar Sturgis Building Authority which regulates financing.

Moved by Comm. Malone and seconded by Comm. Littman to appoint Ned Heydlauff, Robert Sisson, John Wiedlea, Mayor Carmichael, and Michael Hughes to the Health Facilities and Hospital Finance Authority.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes explained that there are two applications on file for the Sister City Committee Vacancy.

Moved by Comm. Saddler and seconded by Comm. Malone to appoint Michelle Singleton to the Sister City Committee to complete the unexpired term of John Dobberteen through May, 2012.

**Voting yea: Eight**

**Voting nay: Smith**

**MOTION CARRIED**

The meeting was adjourned at 7:37 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, JANUARY 27, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, City Attorney, Assistant to the City Manager, Public Safety Director, Deputy Police Chief, City Controller, City Clerk

Deputy Police Chief David Ives and City Attorney Roger Bird provided information on efforts to understand and possibly regulate the recently enacted legislation to legalize medical marijuana. Discussion followed. By Consensus, the City Commission referred the matter to the Planning Board for further review.

Stacey Hagedorn, a registered nurse, explained that THC has been prescribed for years.

John Bennet, 312 Elizabeth, explained that he has legal plants.

The meeting was adjourned at 6:45 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, FEBRUARY 10, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

A moment of silence was held in lieu of an Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: Assistant to the City Attorney, City Manager, Assistant to the City Manager, City Controller, EDC Director, Electric Department Superintendent, DPS Supervisor, City Clerk

Doug Van Meter, Chair of the Airport Advisory Committee, provided information on the improvements to the airport, the M.A.P. program, and development of an “instrument approach”.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of February 10, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the January 27, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the January 27, 2010 work session as presented.

**B. Pay Bills**

1. AUTHORIZE the payment of the City bills in the amount of \$637,497.85 as presented.

**C. Set Public Hearing for Arkwright’s Brownfield Redevelopment Plan**

SET a public hearing for the Arkwright’s Brownfield Redevelopment Plan for 7:00 p.m. on Wednesday, February 24th, 2010 in the Wiesloch Raum of City Hall, 130 N. Nottawa, Sturgis.

**D. Electric Department Transformer**

APPROVE the purchase of one (1) pad mount transformer for inventory from T&R Electric in the amount of nine thousand, nine hundred dollars (\$9,900.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

DPS Supervisor provided a summary on the discussions that have taken place regarding the City’s snow removal policy and the recommended changes. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Smith to approve the proposed Snow and Ice Control Policy as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Further discussion on the issues of parking and emergency routes will occur at a later meeting.



City Manager Michael Hughes explained that the area Local Project Selection Committee authorized funding in the amount of \$500,000 for reconstruction of North Centerville Road from West Lafayette to Haines Boulevard in 2010. He also explained that the City will receive \$125,000.00 in American Reinvestment and Recovery Act (ARRA) funding (stimulus funds) as well as \$300,500.00 in Federal Surface Transportation funds. The City's share of the project is \$66,600.00 plus any costs for design and construction engineering, construction materials testing, and inspection services.

Moved by Comm. Taulbee and seconded by Comm. Malone to approve the contract between the City of Sturgis and MDOT (#10-5054) for completion of the North Centerville Road Reconstruction project and authorize City Manager Michael Hughes and Mayor John Carmichael to sign all necessary documents.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

DPS Supervisor Rick Miller explained that the Parks and Cemetery Board received a letter from the Sturgis Youth Soccer Organization (SYSO), requesting a rule change to prohibit dogs in Franks Park; SYSO officials state that problems with the rules arise when owners don't clean up after their pets, when they let them run off the leash, or when they get loose and interrupt games. The issue was discussed at length by the Parks and Cemetery Board at three monthly meetings starting in October of 2009. Several alternatives were considered, including pet trash containers. Due to the fact that Franks Park is a youth sports complex, the Board felt that allowing dogs in the park presented health and safety issues and recommends City Commission approval of a rule prohibiting dogs at Franks Park. Discussion followed. Tina Stemen, president of the SYSO, provided information on her group's activities and difficulties.

Moved by Comm. Smith and seconded by Comm. Stephens to approve a rule prohibiting dogs at Franks Park as presented.

**Voting yea: Eight**

**Voting nay: Carmichael**

**MOTION CARRIED**

The meeting was adjourned at 8:01 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, FEBRUARY 24, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Pastor George Cleverley, Sturgis Church of Christ gave the Invocation.

Commissioners present: Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: Smith

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, EDC Director, Electric Department Superintendent, Public Safety Director, Deputy Fire Chief, City Clerk

John Mikelunas, Chair of the Doyle and Recreation Board provided information on the Board's activities including the Get Fit Challenge, the Kid's Inflatable Day, and the Date with Dad. Mr. Mikelunas inquired whether the City Commission would allow the Board to pursue charging a fee for Senior Walkers. The Commission offered thoughts and gave consensus to research the issue. Mr. Mikelunas will discuss the issue with the Board and Doyle members and report back to the City Commission.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Eight      Voting nay: None      Absent: Smith      MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of February 24, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the February 10, 2010 regular meeting as presented.

**B. Pay Bills**

1. AUTHORIZE the payment of the City bills in the amount of \$1,848,918.70 as presented.

**Voting yea: Eight      Voting nay: None      Absent: Smith      MOTION CARRIED**

Mayor Carmichael opened the public Hearing on the Arkwright's Brownfield Redevelopment Plan.

EDC Director John Hayes explained that a brownfield redevelopment plan for the City's Arkwright's property has been drafted by Envirologic, the City's consultant on brownfields and environmental remediation, and has been recommended for Commission approval by the City's Brownfield Redevelopment Authority. The plan and associated eligible costs have been determined based on potential future development consistent with Commission discussions (restaurant or retail store, possible public parking lot). David Stegink of Envirologic provided further details. Discussion followed. There was no comment from the public.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Taulbee and seconded by Comm. Malone to approve the Arkwright's Brownfield Redevelopment Plan as presented.

**Voting yea: Eight      Voting nay: None      Absent: Smith      MOTION CARRIED**

City Manager Michael Hughes explained that bond counsel Lee Logan has provided a draft resolution expressing the City Commission's preliminary approval for the Health Facilities and Hospital Finance Authority (HFHFA) to take the initial steps necessary to move forward with the issuance of bonds which will refinance the debt of the Sturgis Medical Commons Building.

Moved by Comm. Fisher and seconded by Comm. Stephens to approve the resolution for preliminary approval of the issuance of bonds by the Health Facilities and Hospital Finance Authority as presented.

**Voting yea: Eight      Voting nay: None      Absent: Smith      MOTION CARRIED**

Electric Department Superintendent John Griffith explained that in order to incorporate changes mandated by new State legislation, a draft version of updated General Shutoff Rules has been prepared and primarily includes the addition of a section on notification procedures to the State should a shutoff result in the death or serious injury of a customer.

Moved by Comm. Stephens and seconded by Comm. Malone to approve the updated General Shutoff Rules as presented.

**Voting yea: Eight      Voting nay: None      Absent: Smith      MOTION CARRIED**

Mr. Griffith further explained that the other State legislation requires electric utilities to adopt a complaint resolution policy and the draft policy outlines the procedures for customers to address a complaint regarding an electric bill or service issue.

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

**Voting yea: Eight      Voting nay: None      Absent: Smith      MOTION CARRIED**

Electric Department Superintendent John Griffith explained that annually the electric department budgets to install or replace a certain number of residential street lights. Per the policy, the Electric Department is to use traditional concrete poles with cast iron fittings and acorn style light fixtures. Cronkhite Vault Service has been fabricating the poles for the Department since 1996 and is the sole source provider of these poles.

Moved by Comm. Littman and seconded by Comm. Gay to approve a bid waiver for and the purchase of 35 concrete poles from Cronkhite Vault Service in the amount of fourteen thousand four hundred and twenty dollars (\$14,420.00).

**Voting yea: Eight      Voting nay: None      Absent: Smith      MOTION CARRIED**

Assistant to the City Manager Andrew Kuk explained that the City has a proposed contract with R.W. Armstrong, the City's airport engineering consultant, for design engineering work on a project to rehabilitate Taxiways A and B, as well as the airport apron west of the terminal building.

Moved by Comm. Saddler and seconded by Comm. Littman to approve the contract for engineering services with R.W. Armstrong as presented and authorize City Manager Michael Hughes to sign all necessary documents.

**Voting yea: Eight      Voting nay: None      Absent: Smith      MOTION CARRIED**

The City Commission will hold a joint meeting with Sturgis School Board on Monday, April 19, 2010.

Moved by Comm. Malone and seconded by Comm. Gay to enter into Closed Session for discussion of union negotiations.

**Voting yea: Stephens, Taulbee, Malone, Littman, Saddler, Gay, Fisher, Carmichael  
Voting nay: None      Absent: Smith      MOTION CARRIED**

The meeting recessed at 7:45 p.m.

The meeting reconvened at 8:10 p.m.

Moved by Comm. Littman and seconded by Comm. Fisher to ratify the agreement between the City of Sturgis and the Sturgis Firefighter's Association and IAFF, Local 722 as presented.

**Voting yea: Eight**

**Voting nay: None**

**Absent: Smith**

**MOTION CARRIED**

The Commission gave consensus to have City staff provide a caution to Pastor Cleverly regarding his invocation which included a reference to a specific deity.

The meeting was adjourned at 8:17 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING  
STURGIS HEALTH FACILITIES AND  
HOSPITAL FINANCE AUTHORITY  
WEDNESDAY, FEBRUARY 24, 2010  
CONFERENCE ROOM – CITY HALL**

City Clerk Kenneth Rhodes called the meeting to order at 3:30 p.m.

Members present: Carmichael, Heydlauff, Hughes, Sisson Wiedlea

Commissioners absent: None

Also present: City Clerk

Moved by Carmichael and seconded by Hughes to appoint Ned Heydlauff as Chair, Robert Sisson as Treasurer, and John Carmichael as Secretary.

**Voting yea: Five**

**Voting nay: None**

**MOTION CARRIED**

A brief discussion was held on the Sturgis Medical Commons refinancing and the preliminary resolution.

Moved by Wiedlea and seconded by Sisson to adopt the Resolution Inducing Loan, Setting Public Hearing and Requesting Approval from the City of Sturgis.

**Voting yea: Five**

**Voting nay: None**

**MOTION CARRIED**

Moved by Sisson and seconded by Carmichael to designate Michael Hughes to conduct the TEFRA hearing on Wednesday, March 24, 2010.

**Voting yea: Five**

**Voting nay: None**

**MOTION CARRIED**

The meeting was adjourned at 3:45 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, MARCH 10, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Pastor George Cleverley, Sturgis Church of Christ gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: Saddler

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, EDC Director, Electric Department Superintendent, Deputy Police Chief, Deputy Fire Chief, City Clerk

Keith Waltke, Chair of the Planning Board and member of the Zoning Board of Appeals reported that the ZBA had no meetings in the past year and details of the various site plan reviews that have taken place.

Cindy Sunday-Brady of Rome City and former Mayor, offered a blessing and explained why the City Commission originally began the Invocation several years ago.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Eight                      Voting nay: None                      Absent: Saddler                      MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of March 10, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

APPROVAL of the minutes from the February 24, 2010 regular meeting as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$1,404,671.30 as presented.

**C. Street Light Assemblies Purchase**

APPROVE the purchase of street light assemblies from Power Line Supply in the amount of thirteen thousand, three hundred and sixty-two dollars and ninety cents (\$13,362.90).

**Voting yea: Eight                      Voting nay: None                      Absent: Saddler                      MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Smith to recess the City Commission.

**Voting yea: Eight                      Voting nay: None                      Absent: Saddler                      MOTION CARRIED**

John Carmichael convened the meeting of the Sturgis Housing Development Corporation.

City Manager Michael Hughes explained that currently Elk Distributing and Cobalt Holdings are completing the due diligence necessary to close on the purchase of the Ram building, but will be unable to complete these steps before their lease on the current Elk Distributing facility in Elkhart expires. In order to facilitate a smooth transition and quick start-up here in Sturgis, they have requested a short term lease on the Ram building until the closing can be completed. Bruce Bart, General Manager of Cobalt Holdings, provided information on the near term activities that will take place at the site.

Moved by Dir. Taulbee and seconded by Dir. Malone to approve the short term lease with Cobalt Holdings, LLC for the Ram Building as presented.

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

Mayor Carmichael adjourned the S.H.D.C. meeting.

Mayor Carmichael reconvened the City Commission meeting.

Electric Department John Griffith explained that one of the F.E.R.C. license requirements for the hydro dam was for the City to install a fishing pier in the tail race, downstream of the powerhouse part of the dam where the impounded water re-enters the river. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Stephens to approve the bid from Cross Lake Construction for the construction of the tail race fishing pier in the amount of fifty eight thousand, nine hundred dollars (\$58,900.00).

**Voting yea: Eight                      Voting nay: None                      Absent: Saddler                      MOTION CARRIED**

Electric Department John Griffith explained that bids were opened to replace stock for inventory after the department recently used switchgear and a box pad at Thurston Woods Phase 4.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the purchase of switchgear and box pad from Champion in the amount of twelve thousand, thirty-three dollars and fifty cents (\$12,033.50).

**Voting yea: Eight                      Voting nay: None                      Absent: Saddler                      MOTION CARRIED**

City Manager Michael Hughes explained that City staff has updated the handbook for prospective and current members of the City's various volunteer Boards and Commissions. The handbook is meant to be a resource to citizens interested in or currently serving on a Board or Commission for information and guidance on the roles and responsibilities of board and commission members, general policies and procedures, and other issues such as conflicts of interest and dealing with the public.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the use of the Boards and Commissions Handbook as presented.

**Voting yea: Eight                      Voting nay: None                      Absent: Saddler                      MOTION CARRIED**

Deputy Chief Scott Hopkins explained the Sturgis Fire Department is in possession of an old rescue boat which has gone unused for a number of years. Linda Winkens, President of the Sturgis Historical Society, has asked to consider donating the boat to the Society as it has local historical value.

Moved by Comm. Stephens and seconded by Comm. Smith to approve the disposal of the Fire Department Rescue Boat as a donation to the Sturgis Historical Society.

**Voting yea: Eight**

**Voting nay: None**

**Absent: Saddler**

**MOTION CARRIED**

Mayor Carmichael informed the City Commission that the County Clerk has received a recall petition for his position; this petition will be reviewed for clarity by the County Election Commission. The reasons stated on the petition are as follows: “John Carmichael has prohibited the free exercise of the Christian religion and that he refuses to allow the name of Jesus Christ during the Invocation of Commission meetings of which Christ is the central figure of the Christian religion.” Mayor Carmichael made no other comment except to say that he does not do his job for money, has no other political aspirations beyond the City Commission, has broken no legal or ethical rules, and performs his duty only to help the community.

The meeting was adjourned at 7:37 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***



**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, MARCH 10, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: Saddler

Also present: City Manager, Assistant to the City Manager, City Controller, EDC Director, Engineer, City Clerk

City Manager Michael Hughes provided a brief history on past discussion related to railroad crossing closures. He gave details on the recent agreement between the City and Michigan Southern Railroad which requires the City to close one crossing now and one if and when the City opens a crossing on north Franks Ave. City Engineer Barry Cox provided statistics and information related to possible sites for the closures. The Commission discussed the pros and cons to the various choices of closings. The Commission provided direction to acquire additional traffic counts, costs of utilities, and preparation for a public hearing.

The meeting was adjourned at 6:45 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, MARCH 24, 2010**  
**WIESLOCH RAUM – CITY HALL**

Mayor Carmichael called the meeting to order at 7:05 p.m.

The Pledge of Allegiance was said by all present.

Reverend Robert Keim, Sturgis United Methodist Church gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: Assistant to the City Attorney, City Manager, Assistant to the City Manager, City Controller, EDC Director, DPS Supervisor, Deputy Fire Chief, City Clerk

Mike Stiles, Auditorium Board Chair, explained that despite the economy there have been some positives at the facility. The recent “Rat Pack” show was a success and the Travelogue series is well attended. The Sturgis Idol contest was a success and will happen again in October.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of March 24, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the March 10, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the March 10, 2010 work session as presented.

**B. Pay Bills**

1. AUTHORIZE the payment of the City bills in the amount of \$1,491,204.48 as presented.

**C. Set Public Hearing for Amendment to LTI Printing Inc. IFEC**

SET a public hearing for consideration of an amended Industrial Facilities Exemption Certificate to LTI Printing Inc. on Monday, April 12, 2010 at 7:00 p.m. in the Wiesloch Raum of City Hall, 130 N. Nottawa, Sturgis, MI.

**D. Pole and Pad Mount Transformers Purchase**

APPROVE the purchase of transformers from Power Line Supply in the amount of twenty five thousand, five hundred and four dollars and seventy four cents (\$25,504.74) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Public Safety Director David Northrop explained that City staff has prepared a draft ordinance amendment addressing dangerous animals. The ordinance changes section 10-32 to focus on nuisance animals and adds section 10-34 to address dangerous animals. This new section closely models the state statute regulating dangerous animals and also provides for the immediate seizure of dangerous animals in certain circumstances and includes the definition of a dangerous animal; procedures for impounding, including immediate seizure in the event of an animal attack or continuing serious threat to the citizenry (even if an animal has not yet bitten or attacked); and actions to be taken in regards to animals found to be dangerous or which have attacked as well as their owners.

Moved by Comm. Smith and seconded by Comm. Malone to consider this the introduction and first reading of an amendment to the City Code of Ordinances, Part II, Chapter 10, Article II sections 10-1, 10-2, and 10-4 pertaining to Dogs and Cats.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Bond Counsel Lee Logan provided information on tax exempt financing available to hospitals and the process of refinancing the Sturgis Medical Commons facility.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the resolution approving issuance of bonds by the Health Facilities and Hospital Finance Authority as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes explained that in December of 2009 the City Commission approved a lease with St. Joseph County 9-1-1 for use of space at the water tower. The county planned to place an antenna on the tower for communication purposes and maintain equipment at the base of the tower. Following Commission approval of the lease, the Federal Aviation Administration (FAA) reviewed the County's proposal and rejected the design as approved. Through negotiations with the FAA, the County received approval for revised plans, which include three 20-foot tall towers, and a ten foot tall tower. The FAA has also required the County to install a light on the tower for identification purposes.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the addendum to the real estate lease with St. Joseph County as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant to the City Manager Andrew Kuk explained that the City has a draft lease agreement with Ralph E. Lutes for use of land at Kirsch Municipal Airport. The land in question is associated with the former Sturgis Iron and Metal hangar, which Mr. Lutes recently purchased.

Moved by Comm. Stephens and seconded by Comm. Smith to approve the land lease with Ralph E. Lutes for property at Kirsch Municipal Airport as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes explained that employees of Sturgis Hospital, Inc. want to hold a raffle to help raise funds for the United Way. As the Hospital is now its own private entity, before it can get a Raffle License, it needs to be recognized by the Charitable Gaming Division of the State of Michigan as a recognized non-profit entity.

Moved by Comm. Fisher and seconded by Comm. Saddler to approve the Local Governing Body Resolution For Charitable Gaming License for Sturgis Hospital, Inc. as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Deputy Fire Chief Scott Hopkins explained that on April 10, 2010, there will be an Emergency Preparedness Program at Sturgis High School.

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

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, MARCH 24, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, City Controller, DPS Supervisor, Public Safety Director, City Clerk

DPS Supervisor Rick Miller began discussion on the possible changes to the winter parking rules. Discussion was held with the Commission, Public Safety Director, and City Manager on times for a parking ban and on when the ban would take effect. There was also discussion on long term parking in the City parking lots and the possibility of permits.

Mr. Miller also discussed potential changes to the methods of brush pickup.

The meeting was adjourned at p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**MONDAY, APRIL 12, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Reverend Deb Johnson, Sturgis United Methodist Church gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, Buildings Supervisor, Deputy Police Chief, City Clerk

Mayor Carmichael presented the following proclamation:

**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 life-giving 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, wherever they are planted, are a source of joy and spiritual renewal.

**NOW THEREFORE BE IT RESOLVED**, as Mayor of the City of Sturgis I do hereby proclaim Friday, April 30<sup>th</sup>, 2010 as



in the City of Sturgis and I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands,

**AND FURTHER**, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

Mayor Carmichael presented the following proclamation:

**National Crime Victims' Rights Week, April 18-24, 2010**

**Whereas**, 21 million Americans suffer the indignity of crime each year and may experience emotional, physical, psychological, and financial harm as a result of such crime; and

**Whereas**, a just nation acknowledges crime's impact on individuals, families, and communities and ensures that victims are treated with fairness, dignity, and respect as they interact with the criminal justice system; and

**Whereas**, 25 years ago, the President's Task Force on Victims of Crime drew attention to the poor treatment of victims in the criminal justice system, calling it "indifferent" to victims' needs; and

**Whereas**, a decades-long struggle to balance the scales of justice resulted in victims' rights laws in every state and more than 32 state constitutional victims' rights amendments that enshrine the ideals of fairness, dignity, and respect for victims of crime; and

**Whereas**, treating victims with dignity serves the public interest by engaging victims in the justice system, inspiring respect for public authorities and promoting confidence in public safety; and

**Whereas**, there is more to be done to advance these ideals as too many victims are denied their right to attend trial, present an impact statement at sentencing, or receive notice of the release of an offender; and

**Whereas**, we must work to ensure fair treatment of crime victims by providing protections for child and sexual assault victims, ordering and enforcing victim restitution from offenders, and notifying victims of their right to compensation and services, thereby giving hope to victims that the system and society will work to restore dignity and respect their needs and rights; and

**Whereas**, National Crime Victims' Rights Week, April 18-24, 2010, provides an opportunity for us to raise awareness of the foundation of victims' rights—fairness, dignity, and respect—and to recommit to honoring those values by ensuring that all victims are afforded their legal rights and provided with assistance as they face the financial, physical, and psychological impact of crime; and

**Whereas**, the *St. Joseph County Prosecutor's Office* is joining forces with victim service programs, criminal justice officials, and concerned citizens throughout the City of Sturgis, St. Joseph County, the state of Michigan and America to raise awareness of victims' rights and observe National Crime Victims' Rights Week; and

**Now, therefore**, I, John Carmichael, as Mayor of the City of Sturgis, do hereby proclaim the week of April 18-24, 2010, as **Crime Victims' Rights Week** and reaffirm this City's commitment to respect and enforce victims' rights and address their needs during *Crime Victims' Rights Week* and throughout the year; and

Express our appreciation for those victims and crime survivors who have turned personal tragedy into a motivating force to improve our response to victims of crime and build a more just community.

Linda Baker, Victim Advocate for the St. Joseph County Prosecutor's Office, provided information on activities in the County.

Parks and Cemetery Board Chair Earl Arend gave a report of the board including the Born Learning Trail and various monuments installed in City parks.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of April 12, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the March 24, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the March 24, 2010 work session as presented.

**B. Pay Bills**

1. AUTHORIZE the payment of the City bills in the amount of \$1,159,426.46 as presented.
2. AUTHORIZE the payment of the City Retirement System bills in the amount of \$309,156.01 as presented.

**C. Set Public Hearing for Consideration of IFEC for Sturgis Molded Products**

SET a public hearing for consideration of an Industrial Facilities Exemption Certificate to Sturgis Molded Products on Wednesday, April 28th, 2010 at 7:00 p.m. in the Wiesloch Raum of City Hall, 130 N. Nottawa, Sturgis, MI.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Public Safety Director David Northrop explained that at the March 24th, 2010 meeting City staff presented a draft ordinance amendment addressing dangerous animals. The ordinance changes section 10-32 to focus on nuisance animals and adds section 10-34 to address dangerous animals. This new section closely models the state statute.

Moved by Comm. Taulbee and seconded by Comm. Gay to consider this the second reading and adoption of the amendment to the City Code of Ordinances, Part II, Chapter 10, Article II sections 10-1, 10-2, and 10-4 pertaining to Dogs and Cats effective May 10, 2010.

**AMENDMENT TO PART II – CHAPTER 10  
OF THE ORDINANCES OF THE CITY OF STURGIS**

An ordinance to amend Part II – Chapter 10, Section 10-31 & Section 10-32 and add Section 10-34 of the ordinances of the City of Sturgis.

WHEREAS, the City Commission has determined that it is in the best interest of the residents of the City to amend Part II – Chapter 10 by modifying Section 10-31, Section 10-32, and to add Section 10-34 to closely model the state statute regulating dangerous animals and also provide for the immediate seizure of dangerous animals in certain circumstances;

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

Part II – Chapter 10, Section 10-31 is hereby amended to provide as follows effective as of May 10, 2010:

**Sec. 10-31. Owner not to allow dog to run at large; impounding.**

- (a) No person shall own, harbor, or keep a dog which runs at large at any time beyond the limits of the lands owned or possessed by its owner, keeper, or harborer, or on the public streets, sidewalks, alleys, or on other public property.
- (b) For the purpose of this section, a dog shall not be considered to be running loose or at large whenever it is under control at all times of any person by means of a leash, chain, cord, or rope of not more than six feet in length.
- (c) Any dog found running at large may be impounded by any police officer and turned over to the county animal control officer for disposition as prescribed by the statutes of the state and policies adopted by the city and county.

Part II – Chapter 10, Section 10-32 is hereby amended to provide as follows effective as of May 10, 2010:

**Sec. 10-32. Harboring of dog constituting nuisance.**

- (a) *Generally.* No person, group of persons, association or corporation shall own or harbor a dog which:
  - (1) At any time has destroyed property, or habitually trespasses in a damaging way, or habitually commits a nuisance on the property of persons other than the owner or the person harboring the dog;



- (2) Habitually runs or barks at pedestrians or vehicles;
- (3) Is kept upon the premises of the owner or person harboring such dog under such unsanitary conditions that the maintenance or keeping of the dog creates vile smells, to the annoyance of the public in the vicinity; or
- (4) Causes a serious annoyance to the neighborhood, or to people passing upon the streets, by loud or frequent or habitual barking, yelping or howling.

Part II – Chapter 10, Section 10-34 is hereby amended by adding Section 10-34 to provide as follows effective as of May 10, 2010:

**Sec. 10-34. Dangerous Animals**

(1) Definitions

(a) “Dangerous animal” means a dog or other animal that bites or attacks a person, or a dog that bites or attacks and causes serious injury or death to another dog while the other dog is on the property or under the control of its owner, or poses a serious threat to the citizenry. However, a dangerous animal does not include any of the following:

(i) An animal that bites or attacks a person who is knowingly trespassing on the property of the animal's owner.

(ii) An animal that bites or attacks a person who provokes or torments the animal.

(iii) An animal that is responding in a manner that an ordinary and reasonable person would conclude was designed to protect a person if that person is engaged in a lawful activity or is the subject of an assault.

(b) “Owner” means a person who owns or harbors a dog or other animal.

(c) “Provoke” means to perform a willful act or omission that an ordinary and reasonable person would conclude is likely to precipitate the bite or attack by an ordinary dog or animal.

(d) “Serious injury” means permanent, serious disfigurement, serious impairment of health, or serious impairment of a bodily function of a person.

(e) “Serious threat” means the animal has demonstrated behavior that would lead an ordinary reasonable person to conclude it will likely cause serious injury to a person in the future.

(f) “Torment” means an act or omission that causes unjustifiable pain, suffering, and distress to an animal, or causes mental and emotional anguish in the animal as evidenced by its altered behavior, for a purpose such as sadistic pleasure, coercion, or punishment that an ordinary and reasonable person would conclude is likely to precipitate the bite or attack.

(2) Immediate seizure; sworn complaint; summons; surrender of animal; expense; rabies vaccination and license required; destruction of animal; notification of animal control authority; ordering owner of animals to take certain actions.

(a) Whenever an animal is reported to have bitten or attacked any person, the proper animal control authority or any police officer may immediately seize the animal and confine the same in a local veterinarian hospital or local municipally operated animal shelter for a period of at least ten (10) days for the purpose of ascertaining whether the animal is afflicted with rabies. Alternatively, the proper animal control authority or any police officer may notify the owner in writing to confine the same in a local veterinarian hospital or local municipally operated animal shelter for a period of at least ten (10) days for the purpose of ascertaining whether the animal is afflicted with rabies and it shall be the duty of the owner to accomplish the confinement within twelve (12) hours of receiving notice. If the animal is afflicted with rabies it shall be destroyed under the direction of the proper animal control authority. If the animal is not afflicted with rabies, it shall be returned to its owner unless there is a reasonable belief by the proper animal control authority or any police officer that it poses a continuing serious threat to the citizenry. Even if the proper animal control authority or any police officer is satisfied that any such animal is not afflicted with rabies and the animal is not quarantined, it may still be subject to immediate seizure if there is a reasonable belief that it poses a continuing serious threat to the citizenry. An animal posing a continuing serious threat to the citizenry is subject to immediate seizure even if it has not yet bitten or attacked as otherwise contemplated by this ordinance. In the event that any animal is confined under the provision of this Section, the owner shall be liable for any fees and costs which accrued because of the detention of the dog.

(b) In the event that an animal has been seized because the animal is believed to be a dangerous animal that has caused serious injury or death to a person or has caused serious injury or death to a dog or poses a continuing serious threat to the citizenry, the seizing authority shall initiate through the City Attorney proceedings with the district court within 72 business hours of the seizure. The proper animal control authority or a police officer may also initiate such proceeding through the City Attorney in situations where immediate seizure is deemed unnecessary. Upon a sworn complaint that an animal is a dangerous animal and the animal has caused serious injury or death to a person or has caused serious injury or death to a dog or poses a continuing serious threat to the citizenry, a district court magistrate, district court, or a municipal court shall issue a summons to the owner ordering him or her to appear to show cause why the animal should not be destroyed.

(c) In the event that an animal has not been immediately seized, upon the filing of a sworn complaint as provided in subsection (2) stating that an animal is a dangerous animal and the animal has caused serious injury or death to a person or has caused serious injury or death to a dog, the court or magistrate shall order the owner to immediately turn the animal over to a proper animal control authority, an incorporated humane society, a licensed veterinarian, or a boarding kennel, at the owner's option, to be retained by them until a hearing is held and a decision is made for the disposition of the animal. The owner shall notify the person who retains the animal under this section of the complaint and order. The expense of the boarding and retention of the animal is to be borne by the owner. The animal shall not be returned to the owner until it has a current rabies vaccination and a license as required by law.

(d) At a hearing it shall be the burden to the City Attorney to prove by a preponderance of the evidence that the animal is a dangerous animal and that it has caused serious injury or death to a person or has caused serious injury or death to a dog or poses a continuing serious threat to the citizenry. After a hearing, the magistrate or court shall order the destruction of the animal, at the expense of the owner, if the animal is found to be a dangerous animal that caused serious injury or death to a person or a dog. After a hearing, the court may order the destruction of the animal, at the expense of the owner, if the court finds that the animal is a dangerous animal that did not cause serious injury or death to a person but is likely in the future to cause serious injury or death to a person or in the past has been adjudicated a dangerous animal.

(e) If the court or magistrate finds that an animal is a dangerous animal but has not caused serious injury or death to a person, the court or magistrate shall notify the animal control authority for the county in which the complaint was filed of the finding of the court, the name of the owner of the dangerous animal, and the address at which the animal was kept at the time of the finding of the court. In addition, the court or magistrate shall order the owner of that animal to do 1 or more of the following:

- (i) Take specific steps, such as escape proof fencing or enclosure, including a top or roof, to ensure that the animal cannot escape or unauthorized individuals cannot enter the premises.
- (ii) Have the animal sterilized.
- (iii) Obtain and maintain liability insurance coverage sufficient to protect the public from any damage or harm caused by the animal.
- (iiii) Take any other action appropriate to protect the public.

(3) Owner guilty misdemeanor; penalty; costs.

(a) If an animal previously adjudicated to be a dangerous animal attacks or bites a person and causes an injury that is not a serious injury, the owner of the animal is guilty of a misdemeanor, punishable by imprisonment for not more than 90 days, a fine of not less than \$250.00 nor more than \$500.00, or community service work for not less than 240 hours, or any combination of these penalties.

(b) If the owner of an animal that is previously adjudicated to be a dangerous animal allows the animal to run at large, the owner is guilty of a misdemeanor, punishable by imprisonment for not more than 90 days, a fine of not less than \$250.00 nor more than \$500.00, or community service work for not less than 240 hours, or any combination of these penalties.

(c) The court may order a person convicted under this section to pay the costs of the prosecution.

(4) Severability. The invalidity of any clause, sentence, paragraph or part of this ordinance shall not affect the validity of the remaining parts of this ordinance.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Deputy Police Chief David Ives provided details on the proposed Medical Marihuana Ordinance which include regulations, additional measures beyond the State's rules which would place restrictions on both qualified patients and primary caregivers, limiting where patients can smoke, where patients and caregivers can grow marihuana, and where and how marihuana can be distributed.

Moved by Comm. Stephens and seconded by Comm. Smith to consider this the introduction and first reading of an amendment to the City Code of Ordinances, Part II, Chapter 38, Article IV, Sections 38-91 pertaining to Medical Marihuana Manufacturing and Distribution.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Buildings Supervisor George Musolff explained that the Planning Board discussed the medical marihuana ordinance at their January and February meetings and held a public hearing on the issue as part of their March 16th meeting. As a result of the March 16th meeting the Planning Board recommended the proposed language for special land use to the City Commission.

Moved by Comm. Stephens and seconded by Comm. Malone to consider this the introduction and first reading of an amendment to the City Zoning Code, Article VI, Section 1.0603 and Article VI, Section 1.0409 pertaining to special land uses.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of an IFEC to LTI Printing Inc.

City Manager Michael Hughes explained that the initial application approved by the Commission abated taxes on new equipment in the amount of \$433,720.00. They now wish to have consideration given to additional equipment which complements the original equipment and brings the total amount to \$636,927.00.

There was no comment from the public.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Saddler and seconded by Comm. Malone to adopt the resolution granting an IFEC to LTI Printing, Inc. as presented.

**WHEREAS**, LTI Printing, Inc. in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to LTI Printing, Inc., and

**WHEREAS**, on April 22, 1987 the City Commission established the Industrial Development District for the industrial property of LTI Printing, Inc. and

**WHEREAS**, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

**WHEREAS**, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

**WHEREAS**, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

**WHEREAS**, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis, and

**WHEREAS**, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 12 years with an ending date of December 31, 2022, and

**WHEREAS**, the Sturgis City Commission adopted a resolution on January 27, 2010 for LTI Printing, Inc. granting an IFEC for investment in the amount of \$433,720.00, and

**WHEREAS**, LTI Printing, Inc. has submitted an amended application for an IFEC for investment in the amount of \$636,927.00.

**NOW, THEREFORE BE IT RESOLVED**, that the Sturgis City Commission does hereby approve the amended application of LTI Printing, Inc. for an "Industrial Facilities Exemption Certificate".

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Electric Department Superintendent John Griffith explained that the department uses primary metering cabinets to provide the metering for large customers, as a means to disconnect the service, and as a demarcation point for ownership of utility lines. Staff received bids from three vendors for two cabinets for inventory. The bid package asked for bids on S&C metering cabinets, the standard equipment used throughout the City's system, and allowed for the addition of alternate bids. Of the bids received, one was for S&C equipment, two for Federal Pacific equipment, and one for Shallbatter equipment. Staff therefore recommends the purchase of S&C equipment from Champion of Mount Pleasant, Michigan in the amount of \$40,468.00. This recommendation is due to compatibility of and familiarity with the equipment and the shorter delivery time on the product.

Moved by Comm. Smith and seconded by Comm. Stephens to approve the purchase of two S&C primary metering cabinets from Champion in the amount of forty thousand, four hundred, and sixty-eight dollars (\$40,468.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Electric Department Superintendent John Griffith explained that the City's purchasing policy sets a purchasing limit of \$10,000.00 over which departments are required to receive three sealed bids along with Commission approval for a purchase. For most departments this amount exceeds the cost for routine purchases. However, in the Electric Department items purchased regularly for inventory will often exceed this amount. The policy changes cover the purchase of equipment and material with costs exceeding \$10,000.00 but less than \$30,000.00 to be placed in inventory. Under the policy, the department would need to receive three quotes for the purchase of an item and receive approval of the City Controller prior to purchase. Items covered by this policy are overhead and underground conductors, pole and pad mount transformers (including box pads), metering cabinets, utility poles and pad mount switchgear. This policy is not intended to be used to purchase material and equipment for specific projects. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Malone to approve the change to the City of Sturgis Purchasing Policy & Guidelines as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes explained that Domestic and Sexual Abuse Services (DASAS) is an organization that provides emergency services, outreach, and advocacy for survivors of domestic violence and sexual assault and their children. DASAS recently submitted a letter, signed by Board President Ned Haylett, requesting that the City enter into a contract with them to help fund their services for 2010. According to their letter, they are seeking a total of \$2,740.75. The organization currently provides services in Cass, St. Joseph, and Van Buren Counties. The Commission received a similar request from the organization in 2008 and 2009, declining funding each year; in 2005 the City Commission chose to cut its funding to other social service agencies previously supported by the City.

Moved by Comm. Smith and seconded by Comm. Stephens to deny the request from Domestic and Sexual Abuse Services to enter a contract for funding.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes explained that Fleis & VandenBrink submitted a task order for construction phase services for the reconstruction of N. Centerville Road.

Moved by Comm. Stephens and seconded by Comm. Malone to approve Task Order No. 29 with Fleis & VandenBrink Engineering for construction phase services on the N. Centerville Road reconstruction project in the amount of thirty-two thousand dollars (\$32,000.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to go into closed session for the purpose of discussing the potential purchase of property.

**Voting yea: Smith, Taulbee, Malone, Littman, Saddler, Gay, Fisher, Carmichael**

**Voting nay: None**

**Absent: Stephens**

**MOTION CARRIED**

The meeting recessed at 8:07 p.m.

The meeting reconvened at 8:21 p.m.

Moved by Comm. Littman and seconded by Comm. Saddler to approve the change in the potential parcel for the purchase of land to construct a rural electric distribution substation and instruct Superintendent John Griffith to negotiate and bring back a purchase agreement.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

The meeting was adjourned at 8:22 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, APRIL 12, 2010**  
**WIESLOCH RAUM – CITY HALL**

Mayor Carmichael called the meeting to order at 5:30 p.m.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, City Controller, DPS Supervisor, Public Safety Director, Electric Department Superintendent, City Clerk

Electric Department Superintendent introduced representatives from Lawson-Fisher to provide an overview of the City's Geographical Information System. The Commission and City staff discussed what has occurred and the possibilities for future uses of the system.

The Commission continued discussion on possible changes to the City's brush pick-up. One consideration was to accept a reduction of the number of brush pick-ups with an increase in the open hours of the compost site. DPS Supervisor provided information on the activities of similar cities.

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

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, APRIL 28, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Father Richard Altine, Holy Angels Catholic Church gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, Buildings Supervisor, Deputy Police Chief, City Clerk

City Clerk/Treasurer Kenneth Rhodes reported that the Sister City Committee recently saw the departure of the German students from Wiesloch after a three week visit. The Sturgis students will be leaving for Germany in June. He also reported that in two years, the German language will most likely not be taught at the High School. The Committee, Commission, and community will develop plans to ensure that the exchange program will continue to prosper.

Michael Wilson, CPA with Norman and Paulsen, provided the City annual financial audit report for the period ending 9/30/09. He explained that the City received a clean opinion and highlighted certain details of various funds.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of April 28, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the April 12, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the April 12, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$1,576,997.82 as presented.

**C. Set Public Hearing for DDA TIF**

SET a public hearing for consideration of the Downtown Development Authority Tax Increment Financing Plan and Development Plan for Wednesday, May 26 at 7:00 p.m. in the Wiesloch Raum of City Hall, 130 N. Nottawa.

**D. MDOT Funding Agreement for Airport Apron / Taxiway Project**

APPROVE the contract with the Michigan Department of Transportation for funding of Engineering for Rehabilitation of Taxiways A & B and the apron at Kirsch Municipal Airport and AUTHORIZE City Manager Michael Hughes to sign all necessary documents.

**E. American Legion Poppy Sales Request**

ALLOW the American Legion Auxiliary to sell poppies on May 20th – May 22nd, 2010.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Smith and seconded by Comm. Gay to consider this the second reading and adoption of an amendment to the City Code of Ordinances, Part II, Chapter 38, Article IV, Sections 38-91



pertaining to Medical Marihuana Manufacturing and Distribution, effective on May 24th, 2010.

AMENDMENT TO ARTICLE IV – CHAPTER 38  
OF THE ORDINANCES OF THE CITY OF STURGIS

An ordinance to amend Article IV of Chapter 38 by adding Section 38-91 regulating certain acts by individuals within the City of Sturgis, Michigan that are qualified patients or primary caregivers as defined by the Michigan Medical Marihuana Act.

WHEREAS, the City Commission has determined that it is in the best interests of the residents of the City to regulate certain acts by individuals who are qualified patients or primary caregivers as defined by the Michigan Medical Marihuana Act based upon the following findings:

1. Voters in the State of Michigan approved a referendum authorizing the use of marihuana for certain medical conditions.
2. The intent of the referendum was to enable certain specified persons who comply with the registration provisions of the law to legally obtain, possess, cultivate/grow, use and distribute marijuana and to assist specific registered individuals identified in the statute without fear of criminal prosecution under limited, specific circumstance.
3. Despite the specifics of the state legislation and the activities legally allowed us as set forth herein, marihuana is still a construed controlled substance under Michigan law and the legalization of obtaining, possession, cultivation/growing, use and distribution in specific circumstances has a potential for abuse that should be closely monitored and to the extent permissible regulated by local authorities.
4. If not closely monitored or regulated, the presence of marihuana even for the purposes legally permitted by the legislation can present an increase for illegal conduct and/or activity and this threat affects the health, safety and welfare of the residents of the City of Sturgis, State of Michigan. It is the intention of the City that nothing in this ordinance be construed to allow persons to engage in conduct that endangers others or causes a public nuisance, or to allow use, possession or control of marijuana for non-medical purposes or allow activity relating to cultivation/growing, distribution or consumption of marihuana that is otherwise illegal.

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

Article IV, Section 38-91, Chapter 38 Medical Marihuana Manufacturing and Distribution is hereby added and is to provide as follows effective May 24, 2010:

**Sec 38-91 Medical Marihuana Manufacturing and Distribution**

I. PURPOSE. It is the purpose of this ordinance to impose specific requirements for those individuals registering with the State of Michigan as “qualifying patients” or “primary caregivers” as those terms are defined in MCL 333.26421, the Michigan Medical Marihuana Act, and to regulate the conduct pursuant thereto in the City of Sturgis, Michigan so as to protect the health, safety and welfare of the general public.

II. DEFINITIONS. For the purposes of this ordinance, the words and phrases as contained herein shall have the meanings as set forth in MCL 333.26423 and the regulations adopted by the State of Michigan, Department of Community Health, pursuant to authority conferred by Section 5 of Initiated Law 1 of 2008 unless defined otherwise herein.

1. Manufacturing as used in this Ordinance means the growing/cultivating of medical marihuana.
2. Distribution as used in this ordinance means the act of a primary caregiver delivering medical marihuana to a qualifying patient with whom the primary caregiver is associated through the Department of Public Health’s registration process

III. COMPLIANCE REQUIRED. Those individuals within the City of Sturgis, Michigan who are “qualifying patients” or “primary caregivers” as those terms are used in the Michigan Medical Marihuana Act shall comply with the requirements set forth herein.

IV. REQUIREMENTS FOR QUALIFYING PATIENTS. A person within the City of Sturgis, Michigan who has been issued and possesses a lawful registry identification card as a qualifying patient as set forth in MCL 333.26421 et seq shall comply with the following requirements:

1. Consumption of marihuana shall not occur in any public place.
2. Manufacturing and storage of medical marihuana by a qualifying patient shall only occur at the residence of the qualifying patient or other location permitted by this ordinance and shall only be allowed inside of an enclosed, locked facility which shall be a closet, room, or other closed area equipped with locks or other security devices that permit access only by a registered primary caregiver or registered qualifying patient. Such facility shall be under the exclusive control of the qualifying patient through written lease, contract or deed.
3. A qualifying patient may also possess on his person and under the qualifying patient's exclusive control an amount of medical marihuana deemed medically necessary to alleviate the condition that gave rise to the qualifying patient's registration with the Department of Public Health.
4. If a qualifying patient intends to manufacture and store medical marihuana at a location other than his or her primary residence, the same shall only occur at a location within a manufacturing district as defined by the Zoning Ordinances of the City of Sturgis after first obtaining a special land use permit from the City of Sturgis and shall not be within 1000 feet of a:
  - A) Drug-free school zone
  - B) Church
  - C) Child care facility
  - D) Residence or district zoned for residential use

5. Manufacturing and storage of medical marihuana by a qualifying patient shall occur in one enclosed, locked facility such that manufacturing and storage does not occur in multiple locations.

V. REQUIREMENTS FOR PRIMARY CAREGIVER. A person within the City of Sturgis, Michigan who has been issued and possesses a lawful registry identification card as a primary caregiver as set forth in MCL 333.26421 shall comply with the following requirements:

1. Manufacturing and storage of medical marihuana shall only be allowed inside of an enclosed, locked facility being a closet, room, or other closed area equipped with locks or other security devices that permit access only by a registered primary caregiver or registered qualifying patient. Such facility shall be under the exclusive control, through written lease, contract or deed, in favor of the primary caregiver or the qualifying patient with whom the primary caregiver is associated through the Department of Public Health's registration process.
2. Manufacturing and storage of medical marihuana by a primary caregiver shall occur in one enclosed, locked facility such that manufacturing and storage does not occur in multiple locations.
3. Under no circumstances shall any third parties other than a qualified patient to whom a primary caregiver is lawfully registered to assist have access to the location where medical marijuana is being manufactured and/or stored.
4. The location from which a primary caregiver distributes medical marihuana to a qualifying patient shall be under the exclusive control, through written lease, contract or deed in favor of the primary caregiver.
5. Except for manufacturing and storage of medical marihuana that occurs at property under the exclusive control, through written lease, contract or deed in favor of a qualifying patient, a primary caregiver shall only manufacture and store medical marihuana at a location within a manufacturing district as defined by the Zoning Ordinances of the City of Sturgis after first obtaining a special land use permit from the City of Sturgis.
6. The location from which a primary caregiver manufactures stores and distributes medical marihuana to a qualifying patient shall not be used by another primary caregiver for any purpose whatsoever.
7. Except for manufacturing, storage and distribution that occurs at the primary residence of a qualifying patient as set forth above, the location from which a primary caregiver manufactures, stores and distributes medical marihuana to a qualifying patient shall not be within 1000 feet of a:
  - E) Drug-free school zone
  - F) Church
  - G) Child care facility

H) Residence or district zoned for residential use

8. Manufacturing, storage and distribution of medical marihuana shall not occur in connection with or at a location at which any other commodity, product or service is also available and shall only occur as otherwise in compliance with the Zoning Ordinance of the City of Sturgis, Michigan.

9. No consumption of medical marihuana shall occur at a primary caregiver's location for manufacturing, storage or distribution or a primary caregiver's legal residence address, unless the primary caregiver is a qualifying patient and then such consumption shall only be by the qualifying patient/primary caregiver.

10. Distribution of medical marihuana by a primary caregiver to a qualifying patient shall only occur at the location of manufacturing and storage of medical marihuana or at the residence of the qualifying patient.

11. A primary caregiver shall annually register with the Sturgis Police Department the location where the primary caregiver shall engage in the manufacturing, storage and distribution of medical marihuana and the location shall be subject to an annual administrative inspection to ensure compliance with this Section. All information obtained through the registration process that would be deemed confidential pursuant to the Michigan Medical Marihuana Act shall be confidential and shall not be subject to disclosure pursuant to the Freedom of Information Act.

VI. SEVERABILITY. The invalidity of any clause, sentence, paragraph or part of this ordinance shall not affect the validity of the remaining parts of this ordinance.

VII. VIOLATIONS AND PENALTY. Any person who violates, disobeys, omits, neglects or refuses to comply with any provision of this ordinance shall be punished for each offense, upon conviction of a misdemeanor by a fine of not more than \$500.00 and costs of prosecution, or by imprisonment for a period not exceeding 90 days, or by both fine and imprisonment, in the discretion of the court. Each day that a violation is permitted to continue shall constitute a separate offense.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Smith and seconded by Comm. Malone to consider this the second reading and adoption of an amendments to the City Zoning Code, Article VI, Sections 1.0603 and 1.0409 pertaining to special land uses and the Manufacturing zone, effective on May 24th, 2010.

#### AMENDMENT TO APPENDIX A ZONING ARTICLE VI OF THE ORDINANCES OF THE CITY OF STURGIS

An ordinance to amend Article VI, Section 1.0603 of the Zoning Ordinance Chapter of the City of Sturgis, Michigan to add a Medical Marihuana Special Use. WHEREAS, the City Commission has determined that it is in the best interest of the residents of the City to amend Article VI, Section 1.0603 of the Zoning Ordinance Chapter of the City of Sturgis, Michigan to add a Medical Marihuana Special Use inconformity with the Michigan Marihuana Act.

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan ordains: Article VI, Section 1.0603 of the Zoning Ordinance of the City is hereby amended to add paragraph (JJ) as follows, effective May 24, 2010:

**1.0603. Special land use designated.**

(JJ) *Medical marihuana manufacturing and distribution facilities.* Medical marihuana manufacturing and distribution facilities as otherwise contemplated by the City of Sturgis Code of Ordinances may be permitted provided the conditions below are met:

1. No medical marihuana manufacturing and distribution facility shall be permitted within 1000 feet of a church.
2. No medical marihuana manufacturing and distribution facility shall be permitted within 1000 feet of a drug-free school zone.
3. No medical marihuana manufacturing and distribution facility shall be permitted within 1000 feet of a child care facility.

4. No medical marihuana manufacturing and distribution facility shall be permitted within 1000 feet of a residence or a district zoned for residential use. The distances provided in this section shall be measured by following a straight line, without regard to intervening buildings, from the nearest point of the property line upon which the proposed use is to be located, and the zoning district boundary, property or residence from which the proposed land use is to be separated.

AMENDMENT TO APPENDIX A ZONING ARTICLE VI  
OF THE ORDINANCES OF THE CITY OF STURGIS

An ordinance to amend Article VI, Section 1.0409 of the Zoning Ordinance Chapter of the City of Sturgis, Michigan to add a Medical Marihuana Special Use in the M Manufacturing District.

WHEREAS, the City Commission has determined that it is in the best interest of the residents of the City to amend Article VI, Section 1.0409 of the Zoning Ordinance Chapter of the City of Sturgis, Michigan to add a Medical Marihuana Special Use in the M Manufacturing District.

NOW, THEREFORE, the City of Sturgis, St. Joseph County, Michigan ordains: Article VI, Section 1.0409 of the Zoning Ordinance of the City is hereby amended to add paragraph (C)(11) as follows, effective May 24, 2010:  
1.0409. M Manufacturing.

...

(C) Special land uses.

...

(11) Medical marihuana manufacturing and distribution facilities.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes explained that City staff has received a letter requesting use of Memorial Park to hold an outdoor martial arts challenge match. Bret Hamlin provided details on the event.

Moved by Comm. Taulbee and seconded by Comm. Stephens to approve the use of Memorial Park by the Sturgis Academy of Martial Arts as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of Industrial Facilities Exemption Certificate to Sturgis Molded Products.

EDC Director John Hayes provided information on the company's plan to expand their building and add new equipment. Herb Keeler, Sturgis Molded CFO, expressed his thanks for the City's past support for their growth and explained the company's use of local businesses. The Commission expressed their appreciation for the work being done at the company.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Stephens and seconded by Comm. Gay to adopt the resolution awarding an Industrial Facilities Exemption Certificate to Sturgis Molded Products as presented.

**WHEREAS**, Sturgis Molded Products Co., in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to Sturgis Molded Products Co., and

**WHEREAS**, on September 14, 1983 the City Commission established the Industrial Development District for the industrial property of Sturgis Molded Products Co. and

**WHEREAS**, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

**WHEREAS**, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

**WHEREAS**, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

**WHEREAS**, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis, and

**WHEREAS**, Sturgis Molded Products Co. has submitted an application for an IFEC for investment in the amount of \$2,000,000.00, and

**WHEREAS**, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 12 years with an ending date of December 31, 2022.

**NOW, THEREFORE BE IT RESOLVED**, that the Sturgis City Commission does hereby approve the application of Sturgis Molded Products Co. for an "Industrial Facilities Exemption Certificate".

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

DPS Supervisor Rick Miller addressed the previously discussed considerations of overnight parking.

Moved by Comm. Malone and seconded by Comm. Fisher to not allow on street parking anywhere in the City during declared snow emergencies.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

The City Commission gave consensus to allow long term parking in City parking lots as recommended by City staff.

City Manager Michael Hughes explained that the City received a grant to demolish four homes, two of which were acquired in order to expand the Auditorium parking lot. The City issued a bid for demolition of the two houses and Pitsch submitted the low responsive bid; they previously completed the demolition at the former Arkwright's property.

Moved by Comm. Stephens and seconded by Comm. Malone to approve the bid of Pitsch Companies for demolition of structures as presented, for an amount not to exceed Seventeen Thousand, Two Hundred dollars (\$17,200.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant to the City Manager Andrew Kuk and Chamber Director Cathi Abbs provided details on the activities that will occur during Sturgis Dam Days from June 12 through June 17. Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the list of Dam Days requests as presented with parks usage requests contingent upon approval of the Parks and Recreation Board.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes explained that as part of the U.S. Department of Commerce Economic Development Administration (EDA) grant received by the City to complete the infrastructure extension for Dresser Industrial Park, the EDA requires that the owner of a road where work via the grant is being completed be formally listed as an applicant and grant recipient. Bogen Road, where part of the project will be taking place, is under the jurisdiction of the County Road Commission. The Road Commission has joined with the City as an applicant and grant recipient in order to facilitate the grant award and project.

Moved by Comm. Stephens and seconded by Comm. Saddler to approve the Inter-Agency Agreement with the St. Joseph County Road Commission as presented and authorize the City Manager to sign all necessary documents.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

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

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, APRIL 28, 2010**  
**WIESLOCH RAUM – CITY HALL**

Mayor Carmichael called the meeting to order at 5:30 p.m.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, City Controller, DPS Supervisor, Public Safety Director, Deputy Fire Chief, Engineer, City Clerk

Public Safety Director David Northrop provided information on the nature of Priority 3 calls. He explained that those types of calls to medical facilities provide redundant services that the local ambulance service and medical staff can attend to. The Commission had consensus to instruct Fire Department staff to speak with the local medical facilities to notify them about the potential change and report back to the Commission. Staff will also be reviewing the other types of Priority 3 calls.

DPS Supervisor Rick Miller provided information on the costs and expenses related to staffing the Compost Site and the possible activities that could take place with a reduction of brush pick-ups. Discussion followed. The City Commission gave consensus to pursue the reduction of brush pick ups with a possible increase in the number of hours available at the compost site.

City Manager Michael Hughes explained that the possible closure of a railroad crossing at Magnolia will not work because Americraft's trucks need to use the crossing. The City Commission had consensus to pursue the closings on Williams and north Clay streets. City staff will be seeking input from the public and the issue will be brought back to a future meeting to determine which closing would occur first.

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

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, MAY 12, 2010**  
**WIESLOCH RAUM – CITY HALL**

Vice-Mayor Fisher called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was said by all present.

Father Richard Altine, Holy Angels Catholic Church gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Gay, Vice-Mayor Fisher  
Commissioners absent: Saddler, Mayor Carmichael

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, Buildings Supervisor, Deputy Police Chief, City Clerk

Moved by Comm. Littman and seconded by Comm. Malone to approve the agenda as presented.

**Voting yea: Seven    Voting nay: None    Absent: Saddler, Carmichael    MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of May 12, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the April 28, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the April 28, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$514,007.09 as presented.

**C. Memorial Day Parade Request**

APPROVE the use of South Nottawa from Fawn River Road to Oaklawn for a Memorial Day parade.

**Voting yea: Seven    Voting nay: None    Absent: Saddler, Carmichael    MOTION CARRIED**

The regular City Commission meeting was recessed.

The meeting of the Sturgis Housing Development Corporation was convened.

S.H.D.C. President Michael Hughes explained that since the approval of the original purchase agreement and short term lease, City staff has reviewed site plans on the property. One of the items necessary is a berm running along the north side of the property which will serve as sight screening. The initial site plan provided to City staff omitted this berm. In order to accommodate the work and truck storage space required by Cobalt Holdings and provide room to add the berm to the site plan, Cobalt needs an additional 20 feet (1.24 acres total) of property to the north. Discussion followed.

Moved by Dir. Stephens and seconded by Dir. Malone to approve the addendum to the Commercial Real Estate Option Agreement with Cobalt Holdings as presented.

**Voting yea: Eight    Voting nay: None    Absent: Saddler, Carmichael    MOTION CARRIED**

The meeting of the Sturgis Housing Development Corporation was adjourned.

The regular City Commission meeting was reconvened.



Assistant to the City Manager Andrew Kuk explained that A group of pilots and aviation enthusiasts with ties to Kirsch Municipal Airport, including several Airport Advisory Committee members, are planning a fly in and pancake breakfast for Saturday, June 26th. The event has been publicized in state-wide aviation event calendars and numerous flying clubs have been contacted about attending. In addition to participants who may be flying in, the event will also be open to the general public. The group has asked for City parking, barricades, and a temporary reduction of fuel prices.

Moved by Comm. Smith and seconded by Comm. Gay to approve the requests for a fly-in on June 26th 2010 as presented.

**Voting yea: Seven    Voting nay: None    Absent: Saddler, Carmichael    MOTION CARRIED**

Assistant Electric Department Superintendent Tim Charles provided information on the bids received for the west US 12 Street lighting project.

Moved by Comm. Stephens and seconded by Comm. Malone to approve the bid of Buist Electric for the purchase and installation of street lights for W. Chicago Road in the amount of one hundred and thirty-nine thousand, eight hundred and fifty-two dollars (\$139,852.00).

**Voting yea: Seven    Voting nay: None    Absent: Saddler, Carmichael    MOTION CARRIED**

City Controller Holly Keyser explained that currently, an ordinance specifies that changes in sewer rates must be brought to the City Commission on or before the first meeting in June, while no specific provision exists regarding submission of electric rates. The sewer rate section of the ordinance, specifying a June deadline for rate change submission, requires a review of these rates prior to the majority of City budget discussions and planning. This requirement also aligns rate changes to a cycle other than the fiscal year, making cost and revenue projections for both rate design and budgeting purposes more difficult. The provision related to water rates was changed to September in 2004.

Moved by Comm. Stephens and seconded by Comm. Malone to consider this the introduction and first reading of an amendment to the City Code of Ordinances, Part II, Chapter 62, Sections 62-213 and 62-241 pertaining to submission of sewer and electric rates to City Commission for approval.

**Voting yea: Seven    Voting nay: None    Absent: Saddler, Carmichael    MOTION CARRIED**

City Controller Holly Keyser explained that included in the 2009-10 budget was the replacement of a Ford Focus in the meter department. This vehicle is now in service. After review of the City vehicles in the fleet, the Motor Vehicle Committee has recommended that the 2005 Focus be moved to City Hall to be a shared vehicle for out of town travel. The Committee is also recommending that two vehicles be removed from the fleet and sold via eBay auction. Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the sale of the 2000 Ford Crown Victoria (901-00) and the 2000 Ford Crown Victoria (605-00) via public auction.

**Voting yea: Seven    Voting nay: None    Absent: Saddler, Carmichael    MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes explained that events during the Dam Days celebration will occur on a Commission meeting night.

Moved by Comm. Stephens and seconded by Comm. Smith to change the date of the first regular Commission meeting in June from Wednesday, June 9th to Tuesday, June 8th at 7:00 p.m. in the Wiesloch Raum of City Hall.

**Voting yea: Seven    Voting nay: None    Absent: Saddler, Carmichael    MOTION CARRIED**

The meeting was adjourned at 7:35 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, MAY 26, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Captain Bill Brubaker of the Salvation Army gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, Engineer, Electric Department Superintendent, DDA Director, Deputy Fire Chief, City Clerk

Moved by Comm. Littman and seconded by Comm. Malone to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Smith to approve the Consent Agenda of May 26, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

APPROVAL of the minutes from the May 12, 2010 regular meeting as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$774,380.99 as presented.

**C. 2010 Airport 10 Year Plan Submittal**

APPROVE submittal of the 2010 Airport 10-Year Capital Improvement Plan to the Michigan Department of Transportation Aeronautics Division as presented and AUTHORIZE City Manager Michael Hughes to sign all necessary documents.

**D. Board Resignations**

ACCEPT the resignations of Eric Jones, Carl Holsinger, and Mary Ault from the Construction Board of Appeals, Sister City Committee, & Sturgis Housing Commission respectively, and SEND a letter of recognition for their service.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Don Lampe asked about the reinstatement of the feral cat ordinance and whether or not a visitor could provide some sort of invocation.

City Controller Holly Keyser explained that currently, an ordinance specifies that changes in sewer rates must be brought to the City Commission on or before the first meeting in June, while no specific provision exists regarding submission of electric rates. The sewer rate section of the ordinance, specifying a June deadline for rate change submission, requires a review of these rates prior to the majority of City budget discussions and planning. This requirement also aligns rate changes to a cycle other than the fiscal year, making cost and revenue projections for both rate design and budgeting purposes more difficult. The provision related to water rates was changed to September in 2004.

Moved by Comm. Smith and seconded by Comm. Saddler to consider this the 2nd Reading and approve an amendment to the City Code of Ordinances, Part II, Chapter 62, Sections 62-213 and 62-241 pertaining to submission of sewer and electric rates to City Commission for approval effective June 21, 2010.

**AMENDMENT TO PART II – CHAPTER 62 – UTILITIES**  
**OF THE ORDINANCES OF THE CITY OF STURGIS**

An ordinance to amend Part II – Chapter 62 – Utilities of the Ordinances of the City of Sturgis pertaining to the submission of utility rates to the City Commission for approval 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 modify and conform the dates for the submission of utility rates to the City Commission for approval and to provide for an effective date of this Ordinance:

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

Part II – Chapter 62 – Utilities is hereby amended to read as follows effective as of June 21, 2010:

**Sec. 62-213. Submission of rates to city commission for approval.**

The city manager may on or before September 1<sup>st</sup> of any year submit complete schedules of all rates and charges for the ensuing year and when approved by the city commission, they shall be in full force and effect and shall supersede any and all prior rates and charges, and continue in full force until changed as provided in this article.

**Sec. 62-241. Provisions not affected by Code and submission of rates to City Commission for Approval.**

Nothing in this Code or the ordinance adopting this Code shall affect the Terms and Conditions for Electric Service, dated June 11, 1997, as amended and all such provisions are hereby recognized as continuing in full force and effect to the same extent as if set out at length in this Code. The City Manager may on or before September 1<sup>st</sup> of any year submit complete schedules of all rates and charges for the ensuing year and when approved by the city commission, they shall be in full force and effect and shall supersede any and all prior rates and charges, and continue in full force until changed as provided in this article.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened a Public Hearing regarding possible railroad crossing closures.

City Manager Michael Hughes provided a history of discussions with the local railroad entity regarding the potential extension of Franks Ave and the necessary crossing closures that would be required.

Mark Huff, 202 S. Jefferson, explained that he felt that the Clay Street crossing would be preferred for the reduced costs.

Chad Carpenter, owner of 111 S. Jefferson was concerned about having additional limitations in traffic and more difficult snow plowing.

Commission discussion followed regarding traffic counts, closure expenses, Franks Ave., and possible changes to the closure requirements.

Mayor Carmichael closed the public hearing.

Moved by Comm. Fisher and seconded by Comm. Malone to adopt the MDOT resolution identifying the Williams Street railroad crossing for permanent closure.

**Voting yea: Fisher, Malone, Saddler, Stephens, Taulbee, Carmichael**

**Voting nay: Gay, Littman, Smith**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for the DDA Development and TIFA plan amendment.

Charles Baber provided an overview of the activities of the DDA.

John Icanangelli, DDA consultant with Beckett and Raeder, provided a history and details on the amended DDA TIFA plan

There was no comment from the public. Comm. Stephens explained that the projects in the plan will only take place if the funds are available.

Mayor Carmichael closed the public hearing.

Moved by Comm. Stephens and seconded by Comm. Malone to consider this the first reading of an amendment to the City Code of Ordinances Part II, Chapter 22, Article II, Section 22-34 pertaining to approval of the Downtown Development Authority development plan and tax increment financing plan.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Deputy Fire Chief Scott Hopkins explained that Priority three (P-3) EMS calls are non-emergency and non-life threatening situations. As explained at a previous work session, medical care facilities have adequately trained personnel which makes automatic response by the Fire Department to these non-life threatening calls redundant. Life Care Ambulance service also responds to these calls. City staff would like to discontinue response to priority three EMS calls from medical facilities; this would not impact Fire Department response to other priority three EMS calls. Staff is recommending a June 1st, 2010 date to discontinue response. The department would continue to respond automatically to priority one (life-threatening) emergency calls to medical care facilities. City staff has made contact with area medical facilities in order to fully inform them of this possible change and receive their feedback.

Moved by Comm. Smith and seconded by Comm. Saddler to approve the policy of not responding to priority three EMS calls to medical care facilities as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Electric Department Superintendent John Griffith explained that the department received bids on a project to install street light conduit and hand holes on North Street, W. Hatch, W. Main, Kent Street, Galyn and S. Lakeview. The projects are part of budgeted series street light replacement.

Moved by Comm. Stephens and seconded by Comm. Malone to approve installation of street light conduit and hand holes by Bryant Excavating in the amount of fifty-one thousand, eight hundred and seventy-five dollars (\$51,875.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant to the City Manager Andrew Kuk explained that as in years past, the Sturgis Exchange Club is

requesting use of the airport for Ribs on the Runway, which is scheduled to again take place on July 3rd (a Saturday). This year, due to the upcoming rehabilitation of the airport's apron (where the event has recently taken place) and the set up associated with the Sturgis Dam Day's Rodeo, Ribs on the Runway will be located in the field to the north of the terminal building.

Moved by Comm. Stephens and seconded by Comm. Smith to approve the request of the Sturgis Exchange Club for use of airport property for Ribs on the Runway as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Saddler to reappoint Alan Carter, Marty Hart, Jim Liston, Robert Morrow, Patrick Murphy, Mike VanMeter and Doug VanMeter to the Airport Advisory Board, terms to expire in May, 2011.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to reappoint Doug Abbs, Georgia Austermann and Esther Feyes to the Auditorium Board, terms to expire in May, 2013.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Smith to reappoint Terry Koehl, Valerie Mildenburg and Scot Jefferies to the Board of Review, terms to expire in May, 2012.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Smith and seconded by Comm. Stephens to reappoint Carol Wallman to the District Library Board, term to expire in May, 2014.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Fisher and seconded by Comm. Smith to reappoint Frank Iannarelli and Brenda Merrill to the Downtown Development Authority Board of Directors, terms to expire in May, 2014.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Stephens and seconded by Comm. Malone to reappoint John Wiedlea to the E.D.C. & Brownfield Redevelopment Authority, term to expire in May, 2016.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Stephens to reappoint Warren English to the Employee's Retirement Fund, term to expire in May, 2013.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Fisher and seconded by Comm. Malone to reappoint Bonnie Walker and to appoint Richard Eames to the Parks and Cemetery Board, terms to expire in May, 2013.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Fisher and seconded by Comm. Taulbee to reappoint Warren Atkins, John Mikulas, and Mike Brothers to the Planning Board, terms to expire in May, 2013.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Stephens and seconded by Comm. Malone to reappoint Ken Rhodes and Sharon Hudson and to appoint Richard Eames to the Sister City Committee, terms to expire in May, 2013.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Fisher and seconded by Comm. Stephens to reappoint Lorraine Bolley to the Sturgis Housing Commission, term to expire in May, 2015.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Nominations were given to appoint a new member to the Sturgis Housing commission.

Comm. Stephens nominated Richard Brammer

Comm. Smith nominated Charles Lytle

Voting for Richard Brammer: Stephens, Taulbee, Malone

Voting for Charles Lytle: Smith, Carmichael, Fisher, Littman, Saddler, Gay

Charles Lytle was appointed to the Sturgis Housing Commission, term to expire in May, 2015.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Stephens to appoint Brian Tallmadge to the Zoning Board of Appeals, term to expire in May, 2013.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Auditorium Director Brad Donmyer explained that currently the Auditorium's existing sound system for the civic center portion of the facility is non-functional and sound for events is operated through portable systems which are failing. Replacement of the system has been discussed and delayed for several years. In 2006 the Auditorium hired DBA Acoustics to write specifications for a new system. The bid specified equipment to provide sound to 10 zones throughout the Auditorium, including the dining room, lounge, basement, and more. \$30,000.00 was budgeted from the Capital Reserve Fund in fiscal year 2008-2009 to complete this project, but it was put on hold mid-year due to budget constraints. Bids were received for a portion of this system which will provide a system to the dining room and be able to be added to in the future.

Moved by Comm. Smith and seconded by Comm. Malone to approve the budget amendments to the Capital Reserve Fund and Auditorium fund as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Smith and seconded by Comm. Malone to approve the bid of TPC Technologies for a sound system in the amount of seven thousand, six hundred and fifty dollars (\$7,650.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

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

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, MAY 26, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

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

City Controller Holly Keyser and City Clerk/Treasurer Kenneth Rhodes provided a history of the City's millage rate and recommended not raising the rate for the upcoming fiscal year.

Information was also provided on the one percent administration fee that can be place on all property tax bills to defray the costs of tax assessment and collection. A comparison of other communities was also provided. The Commission discussed the pros and cons of the administration fee and the current millage rate.

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

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***Kenneth D. Rhodes - City Clerk/Treasurer***



**REGULAR MEETING - STURGIS CITY COMMISSION**  
**TUESDAY, JUNE 8, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Pastor Doug Carr, Sturgis Foursquare Church gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, Engineer, DPS Supervisor, Deputy Police Chief, City Clerk

Moved by Comm. Fisher and seconded by Comm. Malone to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of June 8, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the May 26, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the May 26, 2010 City Commission work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$563,736.60 as presented.

**C. Railroad Closure Contract**

APPROVE the form of the contract with the Michigan Department of Transportation for closure of the William Street railroad crossing and AUTHORIZE City Manager Michael Hughes to finalize terms and sign all necessary documents.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Craig Klopfenstein, 408 Sturgis, asked for an investigation into the conduct of Tim Charles.

DDA Board Chair Charles Baber provided brief information on the DDA TIF plan second reading.

Moved by Comm. Smith and seconded by Comm. Saddler to consider this the second reading of and approve an amendment to the City Code of Ordinances Part II, Chapter 22, Article II, Section 22-34 pertaining to approval of the Downtown Development Authority development plan and tax increment financing plan, effective June 21, 2010.

**AMENDMENT TO PART II – CHAPTER 22 – ARTICLE II – DOWNTOWN DEVELOPMENT  
OF THE ORDINANCES OF THE CITY OF STURGIS**

An ordinance to amend Part II – Chapter 22 – Article II – Downtown Development of the Ordinances of the City of Sturgis pertaining to approval of an amendment to the Downtown Development Authority development plan and tax increment financing plan 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 modify and conform the dates for the submission of utility rates to the City Commission for approval and to provide for an effective date of this Ordinance:

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

Part II – Chapter 22 – Article II – Downtown Development is hereby amended to read as follows effective upon approval:

Sec. 22-34. Approval of development plan and tax increment financing plan.

(a) Pursuant to sections 14, 15 and 17 of Public Act No. 197 of 1975 (MCL 125.1664, 125.1665, 125.1667), the downtown development authority has submitted to the city commission for approval pursuant to section 19 of Public Act No. 197 of 1975 (MCL 125.1669), a development plan and a tax increment financing plan, each dated April 26, 1989, and amended May 26, 2010, and there has been compliance with the provisions of such act regarding notices and public hearings.

(b) The city commission finds and determines that the development plan, as amended, and the tax increment financing plan as amended, constitutes a public purpose.

(c) The city commission further finds and determines that:

(1) Fewer than 100 persons reside in the proposed development area, and therefore, the formation of a development area citizens council is not required.

(2) The development plan meets the requirements set forth in section 17(2) of Public Act No. 197 of 1975 (MCL 5.3010(17)) with respect to the information required to be contained therein.

(3) The proposed method of financing the development is feasible and the downtown development authority has the ability to arrange the financing.

(4) The development is necessary to carry out the purposes of Public Act No. 197 of 1975 (MCL 125.1651 et seq.).

(5) The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of Public Act No. 197 of 1975 (MCL 125.1651 et seq.) in an efficient and economically satisfactory manner.

(6) The development plan is in reasonable accord with the master plan of the city.

(7) Public services, including fire and police protection and utilities, are or will be adequate to service and project area.

(8) Any required changes in zoning, streets, street levels, intersections and utilities are reasonably necessary for the project and for the city.

(d) The development plan as amended, submitted by the downtown development authority, dated April 26, 1989, is hereby approved for a period of time to continue until June 30, 2035.

(e) The tax increment financing plan as amended, submitted by the downtown development authority, dated April 26, 1989, is hereby approved for a period of time to continue until June 30, 2035, and the tax increment financing plan shall be administered as provided in Public Act No. 197 of 1975 (MCL 125.1651 et seq.).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for the proposed 2010-11 Fiscal Year Millage Rate.

City Clerk/Treasurer Kenneth Rhodes provided a history of the City's millage rate and recommended not raising the rate for the upcoming fiscal year. Information was also provided on the one percent administration fee that can be placed on all property tax bills to defray the costs of tax assessment and collection. A comparison of other communities was also provided. The Commission discussed the pros and cons of the administration fee and the current millage rate.

Don Lampe explained that his property taxes will go up with the administration fee.

The Commission discussed several issues including conversations with residents that cannot support the fee, the difficult job situation, the cuts in City services, a potential increase to the millage, an annual review of the fee, the tax structure mandated by the State, the effect on a street millage, and other items.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Smith and seconded by Comm. Fisher to approve the collection of the 1% Tax Administration Fee as presented.

**Voting yea: Carmichael, Fisher, Malone, Saddler, Smith**

**Voting nay: Gay, Littman, Stephens, Taulbee**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Stephens to set the fiscal year 2010 tax rate at 10.0285 mills as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing on Brush Pickup and Compost Site.

DPS Supervisor Rick Miller provided information on the current and proposed programs related to brush pick up and the compost site. He explained the potential activities that City staff could provide with a reduced brush pick up. Andrew Kuk provided information on the online feedback regarding this issue. Discussion followed on hours for the compost site, costs for the service,

Moved by Comm. Stephens and seconded by Comm. Littman to approve expansion of compost site hours from 1:00 to 5:00 p.m. on Sundays.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Stephens and seconded by Comm. Gay to approve reduction of brush pickup service as presented (in April, July, and October) effective July 2010.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Engineer Barry Cox provided details on the proposed 2010 Street Program. Discussion followed.

Moved by Comm. Malone and seconded by Comm. Littman to approve completion of the William Street crossing closure using the non cul-de-sac alternative as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Littman to authorize City staff to bid the 2010 Street Improvement Program with Commission-approved William Street crossing closure.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant to the City Manager Andrew Kuk provided details on the Request for Proposals that have been prepared related to Airport Management. Discussion followed.

Moved by Comm. Saddler and seconded by Comm. Stephens to approve issuance of a Request for Proposals for airport management services as presented.

**Voting yea: Eight**

**Voting nay: Malone**

**MOTION CARRIED**

The meeting was adjourned at 8:20 p.m.

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**TUESDAY, JUNE 8, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, City Clerk

City Manager Michael Hughes explained that the roof on the Depot Building (located at 200 W. Main Street) is in need of repair. The building, currently used by the Chamber of Commerce and Sturgis Historical Society, is a historic structure which makes necessary repairs more difficult. In order to facilitate the needed repairs, City staff has pursued grant funding from organizations that support historic preservation. One grant for \$1,750.00 has already been obtained from the National Trust for Historic Preservation, but it is only able to be utilized for design work and would only cover a portion of these costs. Discussion followed on the costs, the desire to keep the historical nature of the building, and possible contractors. City staff will contact local contractors to get different types of rough estimates for repair.

Mr. Hughes provided information on a proposal from a group for a disc golf area. Discussion followed regarding costs, locations, and maintenance. City staff will contact the group to determine their ability to raise funds for its establishment.

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

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***Kenneth D. Rhodes - City Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, JUNE 23, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

A moment of silence was held.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: Assistant to the City Attorney, City Manager, Assistant to the City Manager, DPS Supervisor, Public Safety Director, Deputy Fire Chief, Buildings Supervisor, Electric Department Superintendent, Assistant Electric Department Superintendent, City Clerk

Warren Atkins, Doyle Board member, provided information on membership development, Dam Days activities, and a future car show.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Malone to approve the Consent Agenda of June 23, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the June 8, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the June 8, 2010 City Commission work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$2,885,403.19 as presented.

**C. Fourth of July Children's Parade**

APPROVE the request for a July 4<sup>th</sup> Children's Parade to be held on July 3<sup>rd</sup>, 2010 at 10:00 a.m. with a route as requested.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided information on the Chasing the Cure 5K Request, scheduled for Saturday, September 18, 2010. Terra Draper, race organizer, provided information on the purpose of the race.

Moved by Comm. Smith and seconded by Comm. Saddler to approve the requests of the Chasing the Cure for their 5K event as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Warren Atkins, Doyle Board member, provided information on the discussion related to fees for Doyle Senior Walkers. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Smith to postpone the consideration of a Senior Walker membership fees to a future meeting.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Buildings Supervisor George Musolff explained that the Planning Board met on March 16, 2010 to discuss the re-zoning of 304 Jacob Street. At this time, 304 Jacob Street is zoned Manufacturing, which allows it to be used for industrial purposes. 304 Jacob Street is surrounded by R-3 and R-4 zones and is presently operating as a light manufacturing entity. The owners currently use a portion of the building to package cheese spread and would like to use the other part of the building to conduct private classes with the emphasis on batting and pitching. A Public Hearing was held on April 20<sup>th</sup>, and during the meeting the Planning Board voted to recommend to the Commission the re-zoning of 304 Jacob St. from Manufacturing to Business Office Service. In addition to accommodating the new use of the existing owners of the property, it has been the intention of the City, as expressed on the future land use map, to “soften” that area to make it more compatible with the contiguous residential area. This re-zoning would prevent a heavy industrial use in the future should this building be sold.

Moved by Comm. Stephens and seconded by Comm. Smith to approve re-zoning 304 Jacob Street from Manufacturing to Business Office Service as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

DPS Supervisor Rick Miller provided details on the bids for the Water Tower Fencing, the safety features at the water tower, and the revenue that will be received from the County for placement of their antenna. Discussion followed.

Moved by Comm. Smith and seconded by Comm. Fisher to not award a bid for water tower perimeter fencing at this time.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Public Safety Director David Northrop explained that the City of Sturgis Fire Department was awarded funds via the Assistance to Firefighters Grant (AFG) through the Department of Homeland Security for a Hazardous Material and Rehabilitation trailer. The grant, which requires a 5% match by the City, was awarded in the amount of \$77,556.00. Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Malone to approve the expenditures associated with the purchase and equipping of a Haz-Mat/Rehab trailer as presented in the amount of \$68,927.66 with a City match obligation of three thousand, four hundred and forty-six dollars and thirty-eight cents (\$3,446.38).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Smith and seconded by Comm. Malone to approve an amendment to the fiscal year 2009-2010 budget, General Fund, for additional grant revenues totaling \$65,481.28 and additional expenditures totaling \$68,927.66.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant Electric Department Superintendent Tim Charles provided details on the bids for a Wire Puller-Tension to pull overhead and underground conductor in to position.

Moved by Comm. Smith and seconded by Comm. Littman to approve a Budget Amendment to the Electric Fund in the amount of seven thousand, five hundred dollars (\$7,500.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Smith and seconded by Comm. Stephens to approve the purchase of a Puller-Tensioner from Sherman & Reilly, in the amount of eighty-seven thousand, five hundred dollars (\$87,500.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided details on the 2010 Street Improvement Program Task Order.

Moved by Comm. Stephens and seconded by Comm. Saddler to approve Task Order #30 with Fleis and VandenBrink Engineering in the amount of eleven thousand, five hundred dollars (\$11,500.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

The Chamber of Commerce and the Commission thanked City Staff for their help with the Dam Days festival. The Commission also commended the Electric Department for their good work on the power outage.

The meeting was adjourned at 8:15 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***



**WORK SESSION – STURGIS CITY COMMISSION**  
**WEDNESDAY, JUNE 23, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, Electric Department Superintendent, Assistant Electric Department Superintendent, Wastewater/IT Supervisor, City Clerk

Assistant Electric Department Superintendent Tim Charles provided detailed information on the current structure of the City's Geographic Information System and the planned upgrades.  
Discussion followed.

The meeting was adjourned at 6:42 p.m.

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***Kenneth D. Rhodes, City Clerk/Treasurer***

**REGULAR MEETING – STURGIS CITY COMMISSION**  
**WEDNESDAY, JULY 14, 2010**  
**WIESLOCH RAUM – CITY HALL**

Vice-Mayor Fisher called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was said by all present.

A moment of silence was held.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice-Mayor Fisher

Commissioners absent: Mayor Carmichael

Also present: City Attorney, City Manager, Assistant to the City Manager, DPS Supervisor, Sturgis Police Officer, Electric Department Superintendent, City Controller, EDC Interim Director, Deputy City Clerk

Mark Beauchamp of Utility Financial Solutions presented a multi-year rate design proposal for water, sewer and electric.

Moved by Comm. Saddler and seconded by Comm. Malone to approve the agenda as presented.

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Stephens to approve the Consent Agenda of July 14, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the June 23, 2010 regular meeting as presented.
2. APPROVAL of the minutes form the June 23, 2010 City Commission work session as presented.
3. APPROVAL of the minutes from the June 29, 2010 special meeting as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$1,066,028.98 as presented.

**C. Set Public Hearing for Iceberg PRD IFEC**

SET a Public Hearing for consideration of an IFEC application from Iceberg Enterprises at 7:00 p.m. on July 28, 2010 in the Wiesloch Raum of City Hall.

**D. Rich Yeckley Resignation**

ACCEPT the resignation of Rich Yeckley from the Sturgis District Library Board.

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

City Manager Michael Hughes explained the draft changes to the City's Code of Ordinances Section 58, Article IV, Division 2 pertaining to Snow Emergency Routes.

Discussion followed.

Moved by Comm. Taulbee and seconded by Comm. Gay that the Sturgis City Commission consider this the first reading and amendment to the City Code of Ordinances Section 58, Article IV, Division 2 pertaining to Snow Emergency Routes.

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

Moved by Comm. Taulbee and seconded by Comm. Gay that the Sturgis City Commission

approve the revised Snow and Ice Removal Policy as presented.

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

City Manager Michael Hughes introduced Cindy LaGrow, Interim E.D.C. Director, who discussed the request by Luttman Precision Mold, Inc. to designate their property located at 1200 W. Lafayette as a Tool and Die Renaissance Recovery Zone.

Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Smith that the Sturgis City Commission adopt the resolution, Tool and Die Renaissance Recovery Zone for Luttman Precision Mold, Inc. as presented.

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

Wastewater Treatment Plant Supervisor Tom Sikorski explained the Trickling Filter Rehabilitation process to the Commission.

Discussion followed.

Moved by Comm. Smith and seconded by Comm. Stephens that the Sturgis City Commission approve the bid of T. H. Eifert, LLC for repair and rehabilitation of the wastewater treatment plant's #1 trickling filter as presented, with a total project cost not to exceed fifteen thousand dollars (\$15,000.00).

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

Electric Department Superintendent John Griffith discussed the Request for Proposal for engineering services to design a 69 kV to 12.47 kV electric distribution substation.

Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Saddler that the Sturgis City Commission approve the bid of GRP Engineering for design engineering for an electric substation in the amount of forty-nine thousand, three hundred dollars (\$49,300.00).

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

Electric Department Superintendent John Griffith discussed the companion project to the substation, a transmission line extension of the transmission system.

Discussion followed.

Moved by Comm. Saddler and seconded by Comm. Malone that the Sturgis City Commission approve the bid of Theka Associates for design engineering for a Transmission Line Extension in the amount of thirty-seven thousand, six hundred and twenty-five dollars (\$37,625.00).

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

Assistant to the City Manager, Andrew Kuk explained the MML Green Communities Challenge, a step-by-step program for local governments in Michigan to study their energy usage and conservation efforts, identify areas of improvement, and plan for improvement.

Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Malone that the Sturgis City Commission adopt the resolution accepting the Michigan Municipal League Green Communities Challenge as presented.

**Voting yea:Eight Voting nay:None Absent: Mayor Carmichael MOTION CARRIED**

Vice-Mayor Fisher addressed the Commission with a letter received by the Sturgis Senior Center requesting that a member from the City Commission serve as a member on their board.

Comm. Stephens nominated Vice-Mayor Fisher.

By consensus, Vice-Mayor Fisher was appointed to the Sturgis Senior Center Board as a commission representative.

City Manager Michael Hughes notified the Commission that MDOT was working with Michigan Southern Railroad Company to complete an emergency repair on the US 12 railroad crossing. He noted that a media release and an eWire notification were distributed.

The meeting was adjourned at 9:03 p.m.

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*Shelly Stoddard – Deputy City Clerk*

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, JULY 28, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

A moment of silence was held.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, DPS Supervisor, DDA Director, City Controller, City Clerk

Steve Yorks, Director of the St. Joseph County Transportation Authority, provided information on the activities of the authority and the upcoming millage.

Cathi Abbs, Director Sturgis Area Chamber of Commerce, provided information on the plans for next year's Dam Days celebration.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Stephens to approve the Consent Agenda of July 28, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the July 14, 2010 regular meeting as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$1,932,467.57 as presented.

**C. Budget Amendment for L-3 Video System**

APPROVE budget amendment increasing General Fund Revenue by the amount of twenty-two thousand and one dollars (\$22,001.00) and increasing General Fund Expenditures (Police Department) by twenty-two thousand, seven hundred and twenty-six dollars (\$22,726.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided a brief summary on the changes to the Snow Removal ordinance. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Malone to consider this the 2nd Reading and approval of an amendment to the City Code of Ordinances Section 58, Article IV, Division 2 pertaining to Snow Removal Emergencies as presented, to be effective September 1, 2010.

An ordinance to amend Part II – Chapter 58, Article IV, Division 2 – Snow Emergency Routes - of the ordinances of the City of Sturgis.

WHEREAS, the City Commission has determined that it is in the best interest of the residents of the City to amend Part II – Chapter 58, Division 2, of the City Ordinances by modifying Sections 58-151-156 relating to parking on City streets during a snow emergency;

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

Part II – Chapter 58, Division 2 is hereby amended to provide as follows effective as of September 1, 2010:

**Sec. 58-151. Definitions.**

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Coordinator means the city manager or designee.

Snow removal emergency means a snow condition as provided under Section 58-152(a).

Streets means all public roadways within the corporate limits of the city.

**Sec. 58-152. Parking prohibited on all streets during a snow removal emergency.**

(a) The parking of a motor vehicle on any street is prohibited under one or more of the following conditions:

- (1) Snow or ice has accumulated to a depth of greater than four inches.
- (2) Whenever the coordinator finds it necessary to prohibit parking based on snow or other weather conditions or a weather forecast.

(b) During the period of time that a parking prohibition is in effect, a motor vehicle shall not be parked or remain parked on any street.

(c) The parking prohibition shall remain in effect until one or more of the following events occur:

- (1) Termination of the snow removal emergency by the coordinator with a public announcement.
- (2) A street has been cleared of snow between two successive street intersections from curb to curb or from shoulder to shoulder.

**Sec. 58-153. Abandoning disabled vehicles.**

(a) The owner or operator of a motor vehicle disabled during a parking prohibition shall take immediate action to have the motor vehicle removed from any street during a snow removal emergency.

(b) No person shall abandon a motor vehicle during a snow removal emergency longer than the time needed to get assistance to remove the motor vehicle.

**Sec. 58-154. Public announcements of declarations pursuant to the snow removal emergency ordinance.**

(a) All announcements of a declared snow removal emergency by the coordinator pursuant to the snow removal emergency ordinance shall be broadcasted on a local radio station and published in a newspaper of general circulation whenever reasonably feasible.

(b) Each such notice shall contain the following information:

- (1) A description of the action taken or to be taken.
- (2) The effective time with respect to any such action.
- (3) The street or streets affected by any such action.

(c) The coordinator shall record the action taken pursuant to this section and the time of any such announcements.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided detailed information in presenting the draft of the City's 2010-2011 Operating Budget.

Moved by Comm. Stephens and seconded by Comm. Malone to set a Public Hearing for consideration of the City's 2010-2011 budget at 7:00 p.m. on August 11th, 2010 in the Wiesloch Raum of City Hall.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of an IFEC to Iceberg Enterprises.

City Clerk/Treasurer Kenneth Rhodes provided information on the Property Rehabilitation District and the activities of Bosgraaf Commercial and Iceberg Enterprises.

There was no comment from the public.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Stephens and seconded by Comm. Malone to adopt the resolution granting an Industrial Facilities Exemption Certificate for Iceberg Enterprises, LLC.

**GRANTING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE BY THE  
CITY OF STURGIS FOR: ICEBERG ENTERPRISES, LLC**

**WHEREAS**, Iceberg Enterprises, LLC, in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to Iceberg Enterprises, LLC, and

**WHEREAS**, on September 24<sup>th</sup>, 2008 the City Commission established the Plant Rehabilitation District which includes the industrial property of Iceberg Enterprises, LLC and

**WHEREAS**, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

**WHEREAS**, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

**WHEREAS**, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

**WHEREAS**, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis, and

**WHEREAS**, Iceberg Enterprises, LLC has submitted an application for an IFEC for investment in the amount of \$2,780,540.00, and

**WHEREAS**, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period

of 10 years with an ending date of December 31, 2019.

**NOW, THEREFORE BE IT RESOLVED**, that the Sturgis City Commission does hereby approve the application of Iceberg Enterprises, LLC for an “Industrial Facilities Exemption Certificate”.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Attorney Roger Bird explained that the draft ordinance provides for adoption by reference of the Uniform Traffic Code in its current form with additional language automatically adopting future amendments and revisions to the Uniform Traffic Code. This ordinance language would keep the City updated with current law changes and adjustments without regular amendments to the City’s Code of Ordinances. Discussion followed.

Moved by Comm. Taulbee and seconded by Comm. Gay to consider this the first reading of an amendment to the City Code of Ordinances, Part II, Chapter 58, Article I pertaining to Traffic and Vehicles.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

DPS Supervisor Rick Miller provided information on the bids related to the scheduled painting of the interior of the water tower. Holly Keyser explained that the funds for the budgeted project would be borrowed from the Electric fund according to the City’s Internal Loan Policy. Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the bid of L.C. United Painting for wet interior painting of the water tower in the amount of one hundred and seventy-four thousand dollars (\$174,000.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Stephens and seconded by Comm. Malone to approve a bid waiver for and approve the proposal of Dixon Engineering for Field Inspection and Project Administration services in the amount of sixteen thousand, seven hundred and fifty-five dollars (\$16,755.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Stephens and seconded by Comm. Malone to adopt the resolution authorizing the internal loaning of funds from the Electric Department to the Water Department in the amount of one hundred and ninety-thousand dollars (\$190,000.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Controller Holly Keyser provided information on Qualified Energy Conservation Bonds that the City could use as part of their energy audit program. Discussion followed.

Moved by Comm. Saddler and seconded by Comm. Malone to approve the submission of the Request for Allocation for Qualified Energy Conservation Bonds and authorize City Manager Michael Hughes and City Controller Holly Keyser to sign all necessary documents.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

The meeting was adjourned at 8:15 p.m.

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*Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer*





**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, JULY 28, 2010**  
**WIESLOCH RAUM – CITY HALL**

Mayor Carmichael called the meeting to order at 5:30 p.m.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, City Controller, Electric Superintendent, Asst. Electric Superintendent, DPS Supervisor, City Clerk

The Commission met at the Department of Public Services at 850 N. Centerville to observe the state of the facility.

The Commission reconvened in the Wiesloch Raum at 6:15 p.m.

City Manager Michael Hughes provided a history of the concepts for a new DPS facility. He also provided details on the draft design/build request for proposals for the facility. Discussion followed on the costs, the timing, local contracting, particular features, and other issues. The draft RFP will be formally presented at the next Commission meeting.

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

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, AUGUST 11, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

A moment of silence was held.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: Assistant to the City Attorney, City Manager, Assistant to the City Manager, DPS Supervisor, Electric Department Superintendent, Asst. Electric Department Superintendent, Engineer, Deputy Police Chief, City Controller, City Clerk

Mike Carr, Vice President of the Sturgis Toy Run, provided information on this year's Toy Run. The Commission gave consensus for the Toy Run to proceed through the City.

Gene Curnow provided information on a Patriotic Weekend scheduled for September 11 and 12.

Moved by Comm. Fisher and seconded by Comm. Malone to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Stephens to approve the Consent Agenda of August 11, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the July 28, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the July 28, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$846,581.15 as presented.

**C. Gloria Wallman Auditorium Board Resignation**

ACCEPT the resignation of Gloria Wallman from the Sturges-Young Civic Center and Auditorium Board.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Deputy Police Chief David Ives provided brief information about the amendments to the Traffic and Vehicle ordinance.

Moved by Comm. Taulbee and seconded by Comm. Gay to consider this the second reading and approve an amendment to the City Code of Ordinances, Part II, Chapter 58, Article I pertaining to Traffic and Vehicles effective September 1st, 2010.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

**AMENDMENT TO PART II – CHAPTER 58  
OF THE ORDINANCES OF THE CITY OF STURGIS**

An ordinance to amend Part II – Chapter 58, Article I – Traffic and Vehicles - of the ordinances of the City of Sturgis.

WHEREAS, the City Commission has determined that it is in the best interest of the residents of the City to amend Part II – Chapter 58 of the City Ordinances by modifying Section 58-5 to re-adopt the Uniform Traffic Code in its current form;

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

Part II – Chapter 58, Section 58-5 is hereby amended to provide as follows effective as of September 1, 2010:

**Sec. 58-5. Uniform Traffic Code for Cities, Townships and Villages adopted.**

(a) The Uniform Traffic Code for Cities, Townships and Villages as promulgated by the director of state police pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328 and made effective October 30, 2002, and all future amendments and revisions to the Uniform Traffic Code when they are promulgated and effective in this state are incorporated and adopted by reference.

(b) References in the Uniform Traffic Code for Cities, Townships and Villages to "governmental unit" shall mean this city.

(c) The city clerk shall publish this ordinance in the manner required by law and shall publish, at the same time, a notice stating the purpose of the Uniform Traffic Code for Cities, Townships, and Villages and the fact that a complete copy of the code is available to the public at the office of the clerk for inspection.

(d) The penalties provided by the Uniform Traffic Code for Cities, Townships, and Villages are adopted by reference.

Doyle Community Center Director Michael Liston provided information on the additional meetings, discussions, and solutions to issues that the Doyle Board has considered since the last time the City Commission discussed the issue of a fee for senior walkers. Discussion followed on expenses for the Doyle, possible discounts for seniors, options for the fee proposal.

Moved by Comm. Smith and seconded by Comm. Malone to approve the changes to the Doyle Center Fees to include membership charges for Senior Walkers as presented with an effective date for implementation of October 1, 2010.

**Voting yea: Smith, Malone, Saddler, Gay, Fisher, Carmichael**

**Voting nay: Stephens, Taulbee, Littman**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of the 2010-2011 Fiscal Year Budget.

City Manager Michael Hughes provided detailed information on the significant aspects of the 2010-2011 Fiscal Year Budget. Mr. Hughes also provided information on the historical and current condition of the City's utility funds and the recommended rate increases.

A resident questioned the need for the use of a consultant to assist with utility rates. It was explained that this is standard practice for a multi-million dollar municipal utility to gain expertise.

Kenneth Hudson, 919 Meadowlane, asked for clarification on the average rate increase.

The Commission commended City staff for their difficult work on preparing a balanced budget. They lamented the need to propose higher rates but felt it was necessary to provide for a sound system and not push the difficulties to the future. It was also noted that the City's tax rate is low compared to similar cities and is only a portion of a resident's property tax bill.

Steve Shevick explained that there is not a typical rate because of the different meters and usage.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Smith and seconded by Comm. Saddler to adopt the 2010-2011 annual City of Sturgis Budget Summary and Appropriation Resolution and adopt the budgeted water, wastewater, and electric rates for billings beginning October 1, 2010 as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Saddler and seconded by Comm. Malone to approve the water and wastewater rate increases for 2011-2012 through 2012-2013 and approve electric rate increases for 2011-2012 through 2013-2014 as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided an overview of the City Commission Strategic Plan for 2010-2011.

Moved by Comm. Littman and seconded by Comm. Fisher to adopt the 2010-2011 Strategic Plan as presented and to include Sturgis Hospital, Thurston Woods, and the Community Pool to the Quality of Life section of the plan.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided information on the history of the DPS facility project. He also provided information on the Request for Proposal for a Public Services and Utilities Building and the concept of design/build. Discussion followed.

Moved by Comm. Littman and seconded by Comm. Malone to approve release of a request for proposals for design/build services of a Public Services and Utilities Building as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Commissioners Smith, Carmichael, and Malone will serve on a committee with City staff to review the responses to the RFP. The entire Commission is invited to attend these review sessions.

City Manager Michael Hughes provided information on the work that has been done by Honeywell to review the City's energy use in its facilities. He also provided details on the proposed performance contract to implement a number of energy improvements. Dick Williams of Honeywell provided further details on the contract and the planned project. Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Gay to approve a Performance Contract with Honeywell International, Inc. in the amount of one million, one hundred and eighty-two thousand, two hundred and seventy-five dollars (\$1,182,275.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mr. Hughes explained that in preparation for the energy project, asbestos must be removed from the Auditorium boiler room quickly. Honeywell has estimated the costs at \$19,385.

Moved by Comm. Stephens and seconded by Comm. Gay to authorize the City Manager to expend up to \$20,000 for asbestos removal at the Auditorium.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Gay to go into closed session for the purpose performing the City Manager evaluation.

**Voting yea: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Fisher, Carmichael**

**Voting nay: None**

**MOTION CARRIED**

The meeting was recessed at 9:15 pm.

The meeting reconvened at 9:45 pm

Mayor Carmichael explained that the City Commission has given the City Manager high marks in all areas. The Commission offered an increase in compensation but Mr. Hughes declined given the current economic conditions.

The meeting was adjourned at 9:55 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, AUGUST 25, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

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

Blair Bates, President of Building Restoration, Inc. provided information on his report that he prepared regarding the condition of the Old Depot. Ideas discussed related to keeping a historical structure, short term costs, long term costs, fundraising opportunities, and possible demolition. It was decided to bring to the next City Commission meeting the issue of hiring an architect to determine costs for renovation.

City Manager Michael Hughes explained that VIRIDIS Design Group has offered to prepare a Conceptual Master Plan for Memorial Park at no cost (up to \$3,000); this was a raffle award from a recent convention. John McCann, Senior Landscape Architect, provided a detailed description of how this plan would proceed.

The meeting was adjourned at 5:50 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, AUGUST 25, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Rev. Robert Keim, Sturgis United Methodist Church, gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, Electric Department Superintendent, Engineer, Deputy Fire Chief, City Controller, City Clerk

Doug Van Meter, Airport Advisory Board Chair, provided information on the airport including the pancake breakfast fly-in, painting of the terminal building, and the resurfacing of the apron.

Moved by Comm. Fisher and seconded by Comm. Malone to approve the agenda as presented.

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

Moved by Comm. Littman and seconded by Comm. Stephens to approve the Consent Agenda of August 25, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

APPROVAL of the minutes from the August 11, 2010 regular meeting as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$2,918,664.73 as presented.

**C. Set Public Hearing for VCI, Inc. IFEC**

SET a public hearing for consideration of an Industrial Facilities Exemption Certificate for VCI, Inc. for Wednesday, September 8th at 7:00 p.m., in the Wiesloch Raum of City Hall, 130 N. Nottawa.

**D. Use of Free Church Park for 9/12 Sturgis Family Gathering**

APPROVE use of Free Church Park on Sunday, September 12, 2010 from 1:00 p.m. to 3:00 p.m. for a 9/12 Sturgis Family Gathering.

**E. Darcy Wynes Doyle Board Resignation**

ACCEPT the resignation of Darcy Wynes from the Doyle Community Center and Recreation Board.

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

Assistant to the City Manager Andrew Kuk provided information on the response that was received for Airport Management Services along with terms of the proposed agreement.

Moved by Comm. Littman and seconded by Comm. Malone to approve the Management Agreement with RAI Jets, LLC for airport management services as presented.

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



Engineer Barry Cox provided details on the bids received for the 2010 Street Improvement Program. Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the bid of Quality Asphalt Paving and Sealcoating for the 2010 Street Improvement Program in the Amount of one hundred and sixty-four thousand, four hundred and thirty-eight dollars and fifty cents (\$164,438.50).

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

Moved by Comm. Stephens and seconded by Comm. Gay to increase revenue in the Street Repair Fund to a total of fifty thousand dollars (\$50,000.00), increase expenditures in the Street Repair Fund to a total of two-hundred and ninety-one thousand dollars (\$291,000.00) and increase the General Fund Transfer to the Street Repair Fund to a total of two hundred thousand dollars (\$200,000.00) as presented.

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

City Controller Holly Keyser provided information on the funding mechanisms for the Energy Performance improvements and the proposed DPS facility. Tom Traciak of ACI Finance provided information on the bonding process. Discussion followed.

Moved by Comm. Stephens and seconded by Comm. Malone to adopt the Resolution Designating the City of Sturgis a Recovery Zone as presented.

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

Moved by Comm. Stephens and seconded by Comm. Malone to adopt the Resolution Authorizing application To St. Joseph County For Re-Allocation Of Recovery Zone Economic Development Bond Allocation For Qualified Economic Development Purposes as presented.

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

Moved by Comm. Stephens and seconded by Comm. Malone to adopt the Reimbursement Resolution as presented.

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

Moved by Comm. Stephens and seconded by Comm. Malone to adopt the Resolution Authorizing Publication of Notice Of Intent To Issue Bonds as presented.

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

Electric Department Superintendent John Griffith provided information on efforts with the Schools to create a Public, Education, and Government channel. Discussion followed regarding the potential costs to the City for this project.

Moved by Comm. Smith and seconded by Comm. Littman to approve Attachment 2 to the City's Franchise Agreement with Charter Communications as presented and authorize the City Manager to sign all necessary documents.

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

City Manager Michael Hughes provided information on a renewed letter of intent with LaGrange County for mutual aid.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the letter of intent with LaGrange County / Howe, Indiana for development of a mutual aid agreement and authorize the City Manager to negotiate and sign the agreement.

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

Moved by Comm. Stephens and seconded by Comm. Malone to appoint Vice-Mayor Fisher as the official voting representative and Andrew Kuk as the alternate for the City of Sturgis at the 2010 Michigan Municipal League Convention.

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

Comm. Saddler announced that she will be resigning from the City Commission effective October 1, 2010.

Moved by Comm. Malone and seconded by Comm. Gay to go into closed session for the purpose of discussing the purchase of property.

**Voting yea: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Fisher, Carmichael**

**Voting nay: None MOTION CARRIED**

The meeting was recessed at 8:10 pm.

The meeting reconvened at 8:23 pm

Moved by Comm. Littman and seconded by Comm. Malone to approve the Commercial Real Estate Purchase Agreement between the City of Sturgis and VCI, Inc. as presented.

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

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

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, SEPTEMBER 8, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Pastor Steve Clark, Sturgis Foursquare Church, gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: Assistant to the City Attorney, City Manager, Assistant to the City Manager, City Controller, City Clerk

Alex Rosario, Machine Downtown Grill owner, explained that he is concerned about a church which has moved near to his establishment and may prevent him from acquiring a liquor license. The Assistant to the City Attorney suggested that he speak with the church to see if they had any issues.

Steve Shevick, 302 S. Lakeview, inquired about raising the millage rate in lieu of raising utility rates.

Moved by Comm. Fisher and seconded by Comm. Malone to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Stephens to approve the Consent Agenda of August 25, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the August 25, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the August 25, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$1,857,743.47 as presented.

**C. Thank You Letter for Ayres Insurance**

SEND a thank you letter to Ayres Insurance for their donation to improvements at Spence Field.

**D. Set Public Hearing for Mayer Tool and Engineering, Inc. IFEC**

SET a public hearing for consideration of an Industrial Facilities Exemption Certificate for Mayer Tool and Engineering, Inc. for Monday, September 20th at 7:00 p.m., in the Wiesloch Raum of City Hall, 130 N. Nottawa.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of an IFEC to VCI, Inc.

City Economic Development consultant provided a brief explanation on the upcoming expansion and explained that the City Commission was able to visit the facility. Gene Harrison, owner of VCI thanked the Commission for their continued support. The Commission thanked Mr. Harrison for his commitment to Sturgis.

Mayor Carmichael closed the public hearing.

Moved by Comm. Stephens and seconded by Comm. Smith to adopt a resolution awarding an Industrial Facilities Exemption Certificate, not-to-exceed \$1,125,000.00 to VCI, Inc., for a period of twelve (12) years, beginning on January 1, 2011 and an ending date of December 31, 2022.

**WHEREAS**, VCI, Inc. in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to VCI, Inc., and

**WHEREAS**, on March 27, 1985 the City Commission established the Industrial Development District for the industrial property of VCI, Inc. and

**WHEREAS**, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

**WHEREAS**, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

**WHEREAS**, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

**WHEREAS**, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis, and

**WHEREAS**, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 12 years with an ending date of December 31, 2022.

**NOW, THEREFORE BE IT RESOLVED**, that the Sturgis City Commission does hereby approve the application of VCI, Inc. for an “Industrial Facilities Exemption Certificate”.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes explained that City staff previously presented information on pending repairs for the Depot Building. Based on an assessment by Blair Bates of Building Restoration, Inc., a detailed architectural study is recommended before proceeding with any possible repairs. Discussion followed on the potential costs for any repairs and available grants.

Linda Winkens, President of the Sturgis Historical Society, thanked the Commission for their ability to use the depot. She explained that the citizens of Sturgis raised funds for restoration in 1976. She provided a history of the relationship between the Society and the City and a history of the building.

Discussion continued on the availability of grants and potential architects.

Moved by Comm. Stephens and seconded by Comm. Fisher to authorize the City Manager to contract for a Cultural Assessment Report for the Depot Building as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant to the City Manager Andrew Kuk explained that the City is required to contract with MDOT for the City's portion of the Taxiway and Apron rehabilitation projects that have been previously discussed.

Moved by Comm. Fisher and seconded by Comm. Malone to approve the Funding Contract with the Michigan Department of Transportation (Contract #2010-0477, Federal Project #B-26-0092-1010) for rehabilitation of Taxiways and the Apron at the airport with a City cost share of twenty-thousand dollars (\$20,000.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant to the City Manager Andrew Kuk provided details on the revised Airport Ten Year Plan.

Moved by Comm. Taulbee and seconded by Comm. Gay to approve the revised 2010 Airport Ten Year Plan and authorize City staff to submit the plan to the State of Michigan.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes provided information on past procedures for replacing a Commissioner when there is time remaining on the term. There was extensive discussion on the method of appointing a Commissioner relating to types of questions, format of the interviews, and similar matters. The reason for this discussion was due to the resignation of 4<sup>th</sup> Precinct Commissioner Saddler effective October 1, 2010.

The Commission gave consensus to move forward with advertisement of the vacancy to solicit potential candidates. Interested individuals will provide pertinent information to the City Clerk; candidates will be given a copy of the City's budget along with a Commission meeting packet. The candidate's information will be provided to the City Commission in preparation for an interview that will take place during a work session on October 13, 2010. A decision will be made at the regular meeting on the 13<sup>th</sup> and the new Commissioner will be seated immediately. A procedure for filling a Commissioner vacancy will be prepared for City Commission review at their next meeting.

City Clerk/Treasurer Kenneth Rhodes explained that the City has received six applications for the Doyle and Recreation Advisory Board to fill the vacancy of Darcy Wynes.

Commissioner Smith nominated Lowell Walsworth  
Commissioner Malone nominated Shannon Goodman  
Commissioner Gay nominated Kara Saltzman

**Voting for Walsworth - Smith, Stephens, Taulbee, Littman - 4**  
**Voting for Goodman - Malone, Saddler, Fisher, Carmichael - 4**  
**Voting for Saltzman – Gay - 1**

**Voting for Walsworth - Smith, Stephens, Taulbee, Littman - 4**  
**Voting for Goodman - Malone, Saddler, Gay, Fisher, Carmichael - 5**

**Shannon Goodman was appointed to the Doyle and Recreation Advisory Board to fill the unexpired term of Darcy Wynes through May 2011.**

Mayor Carmichael read the following proclamation:

Whereas, thousands of lives were lost in the attacks of September 11th, 2001 among those innocent men, women, and children as well as firefighters, police, EMS, Good Samaritans, and many more; and

Whereas, 9-11 is remembered by the United States each year as Patriot Day, and is a time to mourn those lost and remember their sacrifice; and

Whereas, September 12th, 2001 was a day where the entire country came together as one in the face of these terrible events and every September 12th should be a reminder and celebration of this national unity; and

Whereas, the City of Sturgis recognizes the great sacrifice of those who lost their lives on 9-11 as well as those men and women in the armed forces, police, fire, rescue, and other public services who continue to work hard to keep us safe and protect our nation.

Therefore, on this 8th Day of September 2010, the City of Sturgis recognizes September 11th and September 12th as Sturgis Patriotic Weekend, remembering the lives lost in tragedy and service on September 11th, 2001, the spirit of national unity felt on September 12th, and the continuing service to our nation of our military and public safety personnel; and

Further, the City of Sturgis encourages all members of the Sturgis Community to participate in a moment of silence and recognition at 8:46 a.m. on Saturday, September 11th, 2010 in remembrance of the events of 9-11.

Moved by Comm. Littman and seconded by Comm. Gay to go into closed session for the purpose of discussing the purchase of property.

**Voting yea: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Fisher, Carmichael**

**Voting nay: None**

**MOTION CARRIED**

The meeting was recessed at 8:14 pm.

The meeting reconvened at 8:58 pm

Moved by Comm. Malone and seconded by Comm. Littman to approve a surrender agreement between the City of Sturgis and Stan Mast with a payment of \$5,000.00.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Littman to authorize the City Manager to negotiate a real estate development and purchase agreement with Habitat for Humanity for the “Newport” properties.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

There was discussion about the current status of the City’s available liquor license.

The meeting was adjourned at 9:15 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**MONDAY, SEPTEMBER 20, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Pastor Doug Carr, Sturgis Foursquare Church, gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: Saddler

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, City Clerk

Mike Stiles, Chair of the Auditorium Board, provided information on their activities including the energy improvements, the Michiana Idol contest, the Travel and Adventure series, and the Performing Arts series.

Moved by Comm. Fisher and seconded by Comm. Malone to approve the agenda as presented.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Smith to approve the Consent Agenda of August 25, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the September 9, 2010 regular meeting as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$2,148,643.54 as presented.

**C. Airport Agreements**

1. APPROVE the contract with Rieth-Riley Construction Company for rehabilitation of the Airport Apron as well as Taxiways A and B and AUTHORIZE the City Manager, Michael Hughes to sign all necessary documents.

2. APPROVE Amendment No. 1 to Agreement for Professional Engineering Services with R.W. Armstrong for construction engineering on the rehabilitation of the Airport Apron as well as Taxiways A and B and AUTHORIZE the City Manager, Michael Hughes to sign all necessary documents.

3. AUTHORIZE the City Manager, Michael Hughes to sign the Funding Contract with the Michigan Department of Transportation for rehabilitation of Taxiways and the Apron, Contract #2010-0477, Federal Project #B-26-0092-1010, approved by the City Commission at the September 8th, 2010 City Commission meeting.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**



City Clerk/Treasurer Kenneth Rhodes provided details on the Commission Resignation / Appointment Guidelines which were proposed because of the resignation of 4<sup>th</sup> Precinct Commissioner Suzanne Saddler.

Moved by Comm. Littman and seconded by Comm. Smith to approve the Commissioner Resignation / Appointment Guidelines as presented with the addition of the use of the City Hall conference room for interviews.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of an IFEC to Mayer Tool & Engineering.

Cindy LaGrow, City Economic Development consultant provided a brief explanation on the upcoming equipment purchases and explained that the City Commission was able to visit the facility. The Commission provided information on what they observed during their visit.

There was no comment from the public.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Stephens and seconded by Comm. Gay to adopt a resolution awarding an Industrial Facilities Exemption Certificate, not-to-exceed \$112,956.00 to Mayer Tool and Engineering, Inc., for a period of twelve (12) years, beginning on January 1, 2011 and an ending date of December 31, 2022.

**WHEREAS**, Mayer Tool and Engineering, Inc. in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to Mayer Tool and Engineering, Inc., and

**WHEREAS**, on November 26, 1986 the City Commission established the Industrial Development District for the industrial property of VCI, Inc. and

**WHEREAS**, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

**WHEREAS**, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

**WHEREAS**, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

**WHEREAS**, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis, and

**WHEREAS**, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 12 years with an ending date of December 31, 2022.

**NOW, THEREFORE BE IT RESOLVED**, that the Sturgis City Commission does hereby approve the application of Mayer Tool and Engineering, Inc. for an "Industrial Facilities

Exemption Certificate”.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

City Manager Michael Hughes explained that the Ministerial Association has again requested to place their Stations of the Cross display downtown. President George Cleverly explained that this year their weekend display will take place in Free Church Park. Commissioners asked that permission again be gained from the affected business owners.

Moved by Comm. Smith and seconded by Comm. Malone to authorize the use of downtown sidewalks and authorize the use of Free Church Park for the Good Friday presentation as presented pending the approval of all of the affected merchants and the closure of North and Pleasant streets.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of a MSHDA Rental Rehab Grant.

City Manager Michael Hughes provided information on a MSHDA grant which awards funds to local units of government to encourage the creation or rehabilitation of affordable rental units and explained that City staff has been working with a prospect that is interested in the program. Sturgis Neighborhood Program Director Monica Smith provided details on the grant and explained that the potential project fits with the DDA’s master plan. At this point, four units are planned and the grant will request 75% of the development costs of the rental units or approximately \$100,000.

There was no comment from the public.

Mayor Carmichael closed the public hearing.

Moved by Comm. Stephens and seconded by Comm. Malone to approve submittal of the grant application to MSHDA as presented.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

City Manager Michael Hughes provided information on the proposed route of the Homecoming parade on October 1, 2010 at 5:30 p.m.

Moved by Comm. Taulbee and seconded by Comm. Gay to approve the request of Sturgis High School regarding the Homecoming parade route as presented.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

Auditorium Director Brad Donmyer explained the proposed change to the Auditorium by-laws which would allow members of the community outside of the City to serve on the board. Discussion followed suggesting limiting the number of non-City residents. The Commission proposed that the number of non-City residents would be limited to four.

Moved by Comm. Malone and seconded by Comm. Littman to postpone consideration on the Auditorium by-laws until the proposed changes are presented.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

City Manager Michael Hughes explained that recently the City of Sturgis was one of six Communities selected to participate in Michigan State University (MSU)'s Creating Entrepreneurial Community (CEC) program. Through this program MSU provides interested communities with training and assistance in their efforts to develop small business entrepreneurship as a key economic development strategy. Discussion followed on how this program would be utilized.

Moved by Comm. Fisher and seconded by Comm. Smith to approve participation by the City of Sturgis in the Michigan State University Creating Entrepreneurial Communities Program at a cost of fifteen thousand dollars (\$15,000.00) for three years as presented, and authorize the City Manager to sign all necessary documents.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

City Manager Michael Hughes provided a history of the development of industrial park in the City and specifically a lease that was agreed to between the City and the Sturgis Improvement Association for purchase of Dresser Industrial Park. He provided details of the lease addendum.

Moved by Comm. Smith and seconded by Comm. Malone to approve the addendum to the real estate lease with the Sturgis Improvement Association as presented.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

City Controller Holly Keyser provided details on the end of the year necessary current fiscal year budget amendments.

Moved by Comm. Stephens and seconded by Comm. Smith to approve the amendments to the fiscal year 2009-2010 budget as presented.

**Voting yea: Eight    Voting nay: None    Absent: Saddler    MOTION CARRIED**

The meeting was adjourned at 8:15 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**MONDAY, SEPTEMBER 20, 2010**  
**WIESLOCH RAUM – CITY HALL**

Mayor Carmichael called the meeting to order at 5:30 p.m.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Saddler, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: Assistant to the City Attorney, City Manager, Assistant to the City Manager, City Controller, City Clerk

Assistant Electric Department Superintendent Tim Charles provided information on the plans for an upgrade to City's Geographical Information System (GIS). Commissioners previously requested information on in-house versus outsourced service provision, cost savings from the GIS improvements, and to what extent other, similar communities utilize GIS.

Discussion followed regarding the proposed alternatives.

Clerk/Treasurer Kenneth Rhodes and City Controller Holly Keyser provided information on plans to close City Hall to the public on Tuesdays. The proposed change would allow the reduction of City Hall staff, due to retirements, without the need to replace the positions. The goal would be to perform operational activities on Tuesdays when there would be no interruptions from customers. The City Commission discussed the balance of customer service and cost savings.

City Manager Michael Hughes provided information on the use of small building in the parking lot across from the Auditorium which is currently used as a pump house by Newell-Rubbermaid. Newell anticipates decommissioning the pump in the near future and may donate the building to the City. One idea would be to convert the building to a public restroom and another would be to utilize the pump for geothermal heating and cooling. Mr. Hughes explained that he will have further discussions with Newell about their intentions. The City Commission provided feedback that their preference would be to obtain the building and have the pump removed.

The meeting was adjourned at 6:50 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, OCTOBER 13, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

A moment of silence was held in lieu of an Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: Littman

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, City Engineer, Deputy Police Chief, City Clerk

Mayor Carmichael explained that four residents submitted applications to fill the vacant position of Fourth Precinct Commissioner. He thanked each of them for their interest.

Mayor Carmichael then read the following letter from Commissioner Littman who could not be here tonight:

*As I'm unable to attend the upcoming commission meeting, I wanted to share some of my thoughts about the commissioner selection for the 4' Precinct. Although I don't know the other three applicants, I do appreciate their interest in serving our community. I am, however, aware of Bob Hile's interest in the open commission seat. Mr. Hile was the runner up in the last election against Susan Sadler receiving over 70 votes. In that election, Mr. Hile went door-to-door in Precinct 4 collecting over 150 signatures to obtain ballot status. He also went through the interview process with the press to become known in the community. Working as a local business man, Mr. Hile has been in the insurance sector for over 20 years. His previous efforts and activity in the last election proved to me his concern and interest going forward to serve our community. If I were able to attend the upcoming meeting to fill the 4" Precinct vacancy, I would support and vote for Bob Hile for the 4" Precinct open seat. I would appreciate your support in considering my choice in this matter.*

Commissioners complimented each of the applicants for their service.

Comm. Malone nominated Robert Hile.

Comm. Smith nominated Timothy Cline.

**Voting for Mr. Hile: Stephens, Taulbee, Malone, Gay, Fisher**

**Voting for Mr. Cline: Smith, Carmichael**

**Robert Hile was seated as Fourth Precinct Commissioner**

**City Clerk/Treasurer Kenneth Rhodes administered the Oath of Office.**

Earl Arend, Chair of the Parks and Cemetery Board, provided information on the activities of the board including modifications to the Rules and Regulations, leaf pickup, ball field improvements, and the demolition of the house on cemetery property.

Paul Johns, Michigan Gas Utilities, provided information on the Efficiency United program which provides rebates to consumers for certain energy efficient upgrades.

State Representative Matt Lori explained that despite the current budget difficulties, he anticipates that next year will be even worse, advising the City to be prepared. He also complimented the City on their website.

Moved by Comm. Fisher and seconded by Comm. Malone to approve the agenda as presented with the addition of a discussion of a railroad crossing.

**Voting yea: Eight    Voting nay: None    Absent: Littman    MOTION CARRIED**

Moved by Comm. Smith and seconded by Comm. Malone to approve the Consent Agenda of October 13, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the September 20, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the September 20, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$2,928,532.21 as presented.

**C. Set Public Hearing for Parma Tube IFEC**

SET a public hearing for consideration of an Industrial Facilities Exemption Certificate for Parma Tube for Wednesday, October 27th at 7:00 p.m., in the Wiesloch Raum of City Hall, 130 N. Nottawa.

**D. DSA Halloween Request**

APPROVE the request of the Downtown Sturgis Association to close Pleasant Street and North Street as presented from 4:00 to 6:00 p.m. on October 29th, 2010.

**E. Michigan Municipal League Liability and Property Pool Board of Directors Ballot**

AUTHORIZE City Manager Michael Hughes to cast votes for the Board of Directors of the Michigan Municipal League Liability and Property Pool as presented.

**Voting yea: Eight    Voting nay: None    Absent: Littman    MOTION CARRIED**

Clerk/Treasurer Kenneth Rhodes and City Controller Holly Keyser provided information on plans to close City Hall to the public on Tuesdays. The proposed change would allow the reduction of City Hall staff, due to retirements, without the need to replace the positions. The goal would be to perform operational activities on Tuesdays when there would be no interruptions from customers. The City Commission discussed the balance of customer service and cost savings. City Manager Michael Hughes explained that City staff will review the effectiveness of this change and report back to the Commission in approximately a year. Mayor Carmichael appreciated City staff's difficulties in reducing expenses but believes that City offices should be open to the public during all normal business hours.

Moved by Comm. Fisher and seconded by Comm. Malone to approve closure of City Hall to the public on Tuesdays as presented.

**Voting yea: Seven    Voting nay: Carmichael    Absent: Littman    MOTION CARRIED**

Auditorium Board Chair Mike Stiles explained that the Auditorium Board agreed to the recommended by-law changes to allow a maximum number of non-City members of the board.

Moved by Comm. Taulbee and seconded by Comm. Gay to approve the changes to Auditorium Bylaws as presented.

**Voting yea: Eight    Voting nay: None    Absent: Littman    MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes explained that in order for the City to utilize one of the newly allowed Downtown Redevelopment Liquor Licenses, documentation needs to be forwarded to the Michigan Liquor Control Commission. It was explained that the City Commission approved a similar resolution in the past but that the MLCC would like the number of approved licenses determined prior to any applications. City staff prepared a spreadsheet detailing the amount of investment in the downtown area over the past five years which totaled over 2.5 million dollars. This amount allows the City to be approved for twelve redevelopment licenses. It was also explained that the redevelopment area boundaries are the same as the current DDA boundaries.

Moved by Comm. Fisher and seconded by Comm. Smith to adopt the Resolution for a Downtown Redevelopment Project Area as presented.

#### **CITY OF STURGIS**

#### **DOWNTOWN REDEVELOPMENT PROJECT AREA**

WHEREAS, the City of Sturgis certifies that the Sturgis Downtown Development Authority was established pursuant to Act 197 of the Public Acts of Michigan of 1975, and with City of Sturgis Ordinance Chapter 22, Article II dated February 8, 1982; and

WHEREAS, the City of Sturgis wishes to establish the Sturgis Downtown Development Authority Area as its redevelopment project area as required by Public Act 501 of the Public Acts of 2006; and

WHEREAS, the legal description for the Downtown Development Authority Area and the newly designated redevelopment project area is attached;

WHEREAS, the attached map outlines the Downtown Development Authority Area and newly designated redevelopment project area;

NOW, THEREFORE, BE IT RESOLVED the City of Sturgis by copies of this resolution submits this document with attachment to the Michigan Liquor Control Commission in compliance with its regulations to establish a redevelopment project area for purposes of securing liquor licenses under Public Act 501 of the Public Acts of 2006.

**Voting yea: Eight    Voting nay: None    Absent: Littman    MOTION CARRIED**

Deputy Police Chief David Ives provided information on the Traffic Control Order for Timothy St. and Lauri Lane which has seen increased traffic due to the growth of an area church. The added signage will allow for safer traffic flow.

Moved by Comm. Stephens and seconded by Comm. Gay to approve Traffic Control Order 0005-10 and authorize the Department of Public Services to post the appropriate signage for the intersection.

**Voting yea: Eight    Voting nay: None    Absent: Littman    MOTION CARRIED**

City Controller Holly Keyser provided information on the Bond Authorizing Resolution for the Recovery Zone Bond Project. The City's bond attorney William Logan provided further details on the tax credits involved with the bond.

Moved by Comm. Stephens and seconded by Comm. Gay to approve the Bond Authorizing Resolution as presented.

#### **BOND AUTHORIZING RESOLUTION**

**WHEREAS**, the City has previously determined that it is desirable and necessary to construct, equip and furnish a public utility building in the City and to make certain energy conservation improvements to the City's public buildings (the "Project");

**WHEREAS**, the City intends to issue capital improvement bonds pursuant to Act No. 34, Public Acts of Michigan, 2001 as amended (“Act 34”) in one or more series to defray all or part of the costs of the Project, which bonds will be payable as a first budget obligation from funds lawfully available to the City for such purposes;

**WHEREAS**, the City has published a Notice of Intention (the “Notice”) to issue capital improvement bonds pursuant to the provisions of Act 34; and

**WHEREAS**, no petition for referendum has been filed in response to the Notice;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STURGIS THAT:

1. The Project. The construction of the Project and the City’s estimate of the period of usefulness of the Project of 15 years and upwards are hereby approved and confirmed.

2. Bond Details. The City shall borrow not to exceed \$5,000,000 and issue its bonds therefor, in one or more series, for the purpose of defraying all or a portion of the total cost of the Project and the cost of issuing the bonds. The bonds shall be designated as “City of Sturgis Limited Tax General Obligation Capital Improvement Bonds, Series 2010 (the “Bonds”) and shall be dated the date of delivery or such other date as shall be designated in a sale order, if any, and/or bond purchase agreement by the City Manager, the City Controller or the Mayor (together, “the Authorized Officers” and each an “Authorized Officer”), and shall bear interest from that date. The Bonds shall be fully registered Bonds, both as to principal and interest, and shall be issued as serial or term bonds or a combination thereof, in any denomination determined by an Authorized Officer in a sale order, if any, and/or bond purchase agreement. The Bonds shall mature on November 1 (or such other date as is determined by an Authorized Officer in the sale order, if any, and/or bond purchase agreement ) of each year in the principal amounts as determined by an Authorized Officer in the sale order, if any, and/or bond purchase agreement.

The Authorized Officers are further authorized and directed to determine, in consultation with ACI Finance, Inc. (the “Financial Advisor”) whether to issue and sell all or a portion of the Bonds on a taxable basis as Recovery Zone Economic Development Bonds (“RZEDB”). Bonds issued as taxable RZEDB shall be designated as the “City of Sturgis Limited Tax General Obligation Capital Improvement Bonds, Series 2010 (Taxable)” with such additional phrases as may be necessary and appropriate to further identity the Bonds as RZEDB. The Bonds shall be in substantially the form attached as Exhibit A with such changes, additions or deletions as are not inconsistent with this Resolution.

3. Interest Payment and Date of Record. The Bonds shall bear interest payable on each May 1 until maturity, beginning May 1, 2011 or such other date or dates as may be determined by an Authorized Officer in the sale order, if any, and/or bond purchase agreement. Interest shall be paid by check or draft mailed by first class mail to the registered owner of each Bond as of the applicable date of record; provided, however, that an Authorized Officer may agree with the Bond Registrar (as defined below) on a different method of payment. If interest is paid differently, the attached Bond form shall be changed accordingly. The date of record shall be the fifteenth day of the month immediately preceding the month in which such interest is payable.

4. Prior Redemption. Bonds maturing in the years 2011 through 2020, inclusive are not subject to redemption prior to maturity. Bonds maturing in 2021 and thereafter shall



be subject to redemption prior to maturity at the option of the City in any order of maturity and by lot within any maturity on any date on or after November 1, 2020, at par plus accrued interest to the date fixed for redemption.

Not less than thirty days' notice of redemption shall be given by mail to the registered owners of Bonds call to be redeemed at the registered address. Bonds or portions of Bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the bond Registrar to redeem the same.

Bonds designated as term bonds will be subject to mandatory redemption as described in an official statement prepared in connection with the offering of the Bonds.

If for any reason (other than because of an action taken by or inaction by the City) the City is held by the Internal Revenue Service to be ineligible to receive all or part of the Refundable Credits (as defined in Section 11) or if the United States Department of Treasury or any agency of the United States of America at any time cease to remit to the City all or any part of the Refundable Credits, the City has the right at its option to redeem and retire all or any part of the principal amount of the Bonds then outstanding in multiples of \$5,000 within a single maturity in such order of maturity as the City shall determine and within a single maturity by lot on any date at par plus accrued interest but without premium.

5. Provisions for the Sale of Bonds. The City shall sell the Bonds in conformance with Act 34 and the laws of the State of Michigan and the rules and regulations of the Michigan Department of Treasury. Pursuant to Section 309(1) of Act 34 Public Acts of Michigan 2001, the City hereby determines that, because of the nature and size of the bond issue and the likelihood that all or a portion of the Bonds will be issued as taxable RZEDB, it will be most cost effective to sell the Bonds by negotiated sale, which will provide additional flexibility in the structure, terms and timing of the sale and delivery of the Bonds.

As an alternative to the sale of the Bonds pursuant to a negotiated sale as described above, an Authorized Officer is also authorized to determine, in consultation with the Financial Advisor, prior to the sale of the Bonds, whether it would be more cost effective and efficient to provide for the sale of the Bonds pursuant to a public sale or by private placement. In the event the Bonds are to be sold pursuant to a public sale, a notice of sale shall be published in accordance with law in The Bond Buyer.

6. Additional Provisions for the Sale of the Bonds.

- (a) The Authorized Officers are hereby authorized to designate all or a portion of the Bonds as taxable RZEDB if such Authorized Officer determines that such designation is economic and in the best interests of the City.
- (b) The Authorized Officers are authorized to sell the Bonds at a negotiated sale to Robert W. Baird & Co., as managing underwriter (the "Underwriter"), and the Underwriter is hereby authorized to add co-managers as approved by an Authorized Officer.
- (c) The sale of the Bonds pursuant to a negotiated sale shall be made pursuant to the terms and conditions to be set forth in a Bond Purchase Agreement (the "Purchase Agreement") between the City and the Underwriter. The Authorized Officers are authorized to execute and deliver the Purchase Agreement in such form as shall be approved by an Authorized Officer, with such approval to be evidenced by such Authorized Officer's

signature thereon.

- (d) The sale order approving the sale of the Bonds (the “Sale Order”), if any, and/or Purchase Agreement for the Bonds sold pursuant to a negotiated sale, shall be executed by an Authorized Officer at the time of the sale of such Bonds and shall set forth the principal amount, principal maturities and payment dates, interest rates and Interest Payment Dates, and redemption provisions with respect to such Bonds, the purchase price to be paid by the Underwriter, compensation to be paid to the Underwriter, if any, and designation of the Bonds as “Tax-Exempt Bonds” or RZEDB as the case may be, or some combination thereof, as well as such other provisions that an Authorized Officer determines to be necessary or appropriate in connection with the sale of the Bonds.
- (e) In making the determination in the Sale Order, if any, and/or Purchase Agreement, with respect to principal maturities and dates, redemption provisions, purchase price of the Bonds, compensation to be paid to the Underwriter, if any, and designation of the Bonds as either “Tax-Exempt Bonds” or RZEDB, or some combination thereof, the Authorized Officer shall be limited as follows:
  - (1) The interest rate on any Tax-Exempt Bonds shall not exceed 7% per annum and the interest rate on any Bond designated as a taxable RZEDB shall not exceed 9% per annum.
  - (2) The final maturity date shall be not later than November 1, 2030.
  - (3) The purchase price of the Bonds shall not be less than 98% of the principal amount thereof.

7. Bond Insurance. Any Authorized Officer is authorized and directed to take any actions that may be necessary or appropriate to purchase a policy or policies of municipal bond insurance with respect to the Bonds to the extent the Authorized Officer, in consultation with the Financial Advisor, determines that the purchase of such municipal bond insurance is in the best interests of the City. If a determination is made to purchase such a policy or policies, such purchase and the payment of premiums therefor and the execution by an Authorized Officer of any necessary commitments or other documents with respect thereto are hereby authorized.

8. Bond Registrar, Transfer and Paying Agent. The Bank of New York Mellon Trust Company, N.A. is hereby designated as paying agent, transfer agent and authenticating agent for the Bonds (the “Bond Registrar”). The Bonds shall be registrable upon the books of the Bond Registrar.

9. Transfer or Exchange of Bonds. Any Bond shall be transferable on the bond register maintained by the Bond Registrar with respect to the Bonds at any time upon the surrender of the Bond together with an assignment executed by the registered owner or his or her duly authorized attorney in form satisfactory to the Bond Registrar. Upon receipt of a properly assigned Bond, the Bond Registrar shall authenticate and deliver a new Bond or Bonds in equal aggregate principal amount and like interest rate and maturity to the designated transferee or transferees.

Bonds may likewise be exchanged at any time for one or more other Bonds with the

same interest rate and maturity in authorized denominations aggregating the same principal amount as the Bond or Bonds being exchanged. Such exchange shall be effected by surrender of the Bond to be exchanged to the Bond Registrar with written instructions signed by the registered owner of the Bond or his or her attorney in form satisfactory to the Bond Registrar. Upon receipt of a Bond with proper written instructions, the Bond Registrar shall authenticate and deliver a new Bond or Bonds to the registered owner of the surrendered Bond or his or her properly designated transferee or transferees or attorney.

The Bond Registrar is not required to honor any transfer or exchange of Bonds during the 15 days preceding an interest payment date. Any service charge made by the Bond Registrar for any such registration, transfer or exchange shall be paid for by the City. The Bond Registrar may, however, require payment by a bondholder of a sum sufficient to cover any tax or other governmental charge payable in connection with any such registration, transfer or exchange.

10. Execution, Authentication and Delivery of the Bonds. The Mayor and the City Clerk are authorized and directed to execute the Bonds for and on behalf of the City by manually executing the Bonds or by having facsimiles of their signatures affixed to the Bonds. Upon execution of the Bonds, they shall be delivered to the Bond Registrar, or an agent thereof, for authentication and delivery to the purchaser thereof upon receipt in full of the purchase price of the Bonds.

11. Full Faith and Credit Pledged. The principal of and interest on the Bonds shall be payable from the City's general fund. The City hereby pledges its limited tax full faith and credit as security for the payment of the principal of and interest on the Bonds. Pursuant to such pledge, the City shall pay the principal of and interest on the Bonds as a first budget obligation from its general funds, including the collection of any ad valorem taxes which the City is authorized to levy, but any such levy shall be subject to applicable constitutional, charter and statutory tax rate limitations.

Additionally, in the event the Bonds are designated as RZEDB, the refundable credits (the "Refundable Credits") to be paid to the City by the United States Department of Treasury in accordance with Sections 1400U-2 and 6431 of the Internal Revenue Code of 1986, as amended (the "Code") are hereby pledged for the prompt payment of the principal and interest on the Bonds.

12. Bond Payment Fund. The City shall establish a separate depository account to be designated as the bond payment fund (the "Bond Payment Fund"). All accrued interest and premium, if any, received from the purchaser of the Bonds and, except as otherwise provided herein, the Refundable Credits shall be deposited in the Bond Payment Fund. No less than five (5) days prior to each interest payment date, the City shall deposit in the Bond Payment Fund sufficient moneys to pay the interest payment and the principal payment, if any, coming due on such subsequent interest payment date. Moneys in the Bond Payment Fund shall be used solely to pay principal of and premium, if any, and interest on the Bonds.

Moneys in the Bond Payment Fund may be continuously invested and reinvested in any legal investment for City funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the dates when moneys in the Bond Payment Fund will be required to pay the principal of and interest on the Bonds. Obligations purchased as an investment of moneys of the Bond Payment Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

13. Improvement Fund. There is hereby established an Improvement Fund (the "Improvement Fund") into which all proceeds from the sale of the Bonds shall be deposited, except for any accrued interest on the Bonds received at the delivery thereof by the City from the purchaser.

Moneys at any time in the Improvement Fund shall be used solely to pay costs of the Project except that upon payment (or provision for payment) in full of the costs of the Project, any excess moneys remaining in the Improvement Fund shall be transferred to the Bond Payment Fund (if any Bonds are outstanding) or applied as required by law or the ordinances of the City and shall be used for "essential government functions" as that term is used in Section 141(c)(2) of the Internal Revenue Code of 1986, as amended (the "Code").

Moneys in the Improvement Fund may be continuously invested and reinvested in any legal investment for City funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the estimated dates when moneys in the Improvement Fund will be required to pay costs of the Project. Obligations purchased as an investment of moneys of the Improvement Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

14. Depositories. All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds and account set forth in this resolution. An Authorized Officer shall select the depository or depositories to be used from those banks authorized in this Section.

15. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Mayor and the City Clerk/Treasurer may, on behalf of the City, execute and deliver, or order the Bond Registrar to authenticate and deliver, a new Bond having a number not then outstanding, of like date, maturity, interest rate and denomination as that mutilated, lost, stolen or destroyed Bond.

In the case of a mutilated Bond, a replacement Bond shall not be delivered unless and until such mutilated Bond is surrendered to the Bond Registrar. In the case of a lost, stolen or destroyed Bond a replacement Bond shall not be delivered unless and until the City and the Bond Registrar shall have received such proof of ownership and loss and indemnity as they determine to be sufficient, which shall consist at least of (i) a lost instrument bond for principal and interest remaining unpaid on the lost, stolen or destroyed Bond; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the Bond lost, stolen or destroyed and the circumstances under which it was lost, stolen or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the City and the Bond Registrar against loss due to the lost, stolen or destroyed Bond and the issuance of any replacement Bond in connection therewith; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the City and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the City.

16. Arbitrage and Tax Covenants. For any Bonds issued as Tax-Exempt Bonds, the City covenants that it will not at any time or times:

(a) Permit any proceeds of such Tax-Exempt Bonds or any other funds of the City or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any such Tax-Exempt Bond to be an "arbitrage bond" as defined in Section 148 of the Code, or (ii) in a manner which would

result in the exclusion of any Tax-Exempt Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Tax-Exempt Bond as a “private activity bond” within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Tax-Exempt Bonds to be includable in gross income for federal income tax purposes, cause the interest on the Tax-Exempt Bonds to be includable in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Tax-Exempt Bonds to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code or (ii) adversely affect the exemption of the Tax-Exempt Bonds and the interest thereon from State of Michigan income taxation.

For Bonds issued as taxable RZEDB, the above provisions shall not apply; provided, however, that an Authorized Officer is authorized and directed to make such representations and agreements in certificates delivered at the time of delivery of the Bonds as may be necessary to qualify such Bonds as RZEDB and to receive the Refundable Credits.

17. Qualification of Bonds. In the event all or a portion of the Bonds are issued as Tax-Exempt Bonds, such Bonds are hereby designated as “qualified tax-exempt obligations” for the purpose of deduction of interest expense by financial institutions under the provisions of Section 265(b) of the Code.

18. Defeasance. If at any time,

- (a) the whole amount of the principal of and premium, if any, and interest due and payable upon all outstanding Bonds shall be paid, or
- (b) if sufficient moneys, or Government Obligations not callable prior to maturity, the principal of and interest on which, when due and payable will provide such sufficient moneys without reinvestment, shall be deposited with and held by a trustee for the purpose of paying principal of and premium, if any, and interest due and payable upon all outstanding Bonds, and if all outstanding Bonds to be redeemed prior to maturity shall have been duly called for redemption or irrevocable instructions to call such Bonds for redemption shall have been given to such trustee,

then the right, title and interest of the holders of the Bonds shall thereupon cease, terminate and become void and the City shall be released from the obligations of this resolution and any moneys or other funds held pursuant to this resolution for the purpose of paying principal of and premium, if any, and interest on the Bonds then outstanding (other than the aforementioned funds on deposit with the trustee for redemption of the outstanding Bonds) shall be released from the conditions of this resolution and paid over to the City and considered excess proceeds of the Bonds. In the event Government Obligations shall be deposited with and held by the trustee as hereinabove provided, the trustee shall within 30 days after such Government Obligations or moneys shall have been deposited with it, cause a notice signed by the trustee to be published once in a newspaper of general circulation in the

City of Detroit, Michigan, setting forth (a) the date or dates, if any, designated for the redemption of the Bonds, (b) a description of the Government Obligations and moneys so held by it, and (c) that this resolution has been released in accordance with the provisions of this Section. All moneys and Government Obligations held by such trustee pursuant to this Section shall be held in trust and applied to the payment, when due, of the obligations payable therewith as provided hereinabove. As used herein the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

In the event of such defeasance, notwithstanding any other provision herein, the Refundable Credits shall be deposited into any escrow fund which may be established for defeasance of the Bonds.

19. Additional Bonds. Additional bonds of equal standing with the Bonds may be issued in connection with the Project. Nothing in this Resolution shall prevent the issuance by the City of bonds to finance other projects for the City.

20. Continuing Disclosure. The Authorized Officers, or any one of them, are hereby authorized to execute a Continuing Disclosure Undertaking with respect to the Bonds, if so required by Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, or if so required by the purchaser of the Bonds.

21. Preliminary Official Statement and Final Official Statement. Any Authorized Officer is hereby authorized to approve for distribution a Preliminary Official Statement for the Bonds and once the Bonds have been sold, any Authorized Officer is hereby authorized to execute an Official Statement with respect to the Bonds.

22. Additional Covenants. The City covenants and agrees with the successive holders of the Bonds that so long as any maturities of the Bonds remain outstanding and unpaid as to either principal or interest:

- (a) The City will punctually perform all of its obligations and duties under this Resolution and will collect, segregate and apply such ad valorem taxes levied on all taxable property in the City, subject to applicable constitutional and statutory tax rate limitations, in the manner required by the provisions of this resolution.
- (b) The City will maintain and keep proper books of record and accounts relating to the operation of the Project.
- (c) The City will not sell or otherwise dispose of any substantial portion of the Project in a manner which might impair the security for the Bonds until the Bonds have been paid in full both as to principal and interest or until such full payment has been duly provided for, and will not do or suffer to be done any act which would affect the Project in such a as to impair or affect unfavorably the security of the Bonds.

23. Retention of Bond Counsel. The Law Office of William L. Logan, PLLC, East Lansing, Michigan, is hereby retained to act as bond counsel for the City in connection with the issuance, sale and delivery of the Bonds.

24. Retention of Financial Advisor. ACI Finance, Inc., Mason, Michigan, is hereby retained to act as financial consultant and advisor to the City in connection with the

issuance, sale and delivery of the Bonds.

25. Retention of Underwriter. Robert W. Baird & Co. is hereby appointed as Underwriter in connection with the issuance, sale and delivery of the Bonds.

26. Execution and Delivery of Required Documents. The Authorized Officers are authorized and directed to apply for such rulings, orders and approvals and file or submit appropriate elections or other documents to any federal, state or local governmental agency in order that the Bonds may be validly issued and, if applicable, to qualify the Bonds as taxable RZEDB and to obtain the Refundable Credits. Any and all previous actions of the City in this regard are hereby ratified and confirmed.

27. Conflicting Resolutions. All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

**Voting yea: Eight    Voting nay: None    Absent: Littman    MOTION CARRIED**

City Manager Michael Hughes provided additional information on the railroad crossing on west West Street. He explained that a permit is required from Michigan Southern Railroad to remove the abandoned tracks and the related issues. He further explained that Michigan Southern would allow the removal if the City agrees to the following two conditions:

- 1) If in the future, Michigan Southern decides to replace the abandoned lines, the City would not dispute it; and
- 2) The City would join Michigan Southern in a letter to MDOT requesting the removal of the current signals and replace them with cross bucks.

Moved by Comm. Smith and seconded by Comm. Malone to agree to the two conditions set by Michigan Southern Railroad to allow the City's removal of the abandoned tracks on west West Street.

**Voting yea: Eight    Voting nay: None    Absent: Littman    MOTION CARRIED**

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

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, OCTOBER 13, 2010**  
**CONFERENCE ROOM – CITY HALL**

Vice-Mayor Fisher called the meeting to order at 6:00 p.m.

Commissioners present: Smith, Stephens, Taulbee, Malone, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: Littman

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

City Manager Michael Hughes provided information on the railroad crossing on west West Street. He explained that a permit is required from Michigan Southern Railroad to remove the abandoned tracks and the related issues.

Mayor Carmichael joined the meeting at 6:20 p.m.

Mayor Carmichael thanked the 4<sup>th</sup> Precinct Commission candidates for their interest and willingness to serve the community. He provided information on the process and what is expected as a Commissioner.

The City Commission then interviewed Robert Hile, Richard Mahler, David Richey, and Timothy Cline in that order. The candidates provided information on their interests and goals for the community.

The meeting was adjourned at 7:20 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***



**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, OCTOBER 27, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

A moment of silence was held in lieu of an Invocation

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Hile, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: Assistant to the City Attorney, City Manager, Assistant to the City Manager, City Controller, Public Safety Director, DPS Supervisor, Electric Department Superintendent, City Clerk

City Clerk/Treasurer Kenneth Rhodes explained that the Sister City Committee is in preliminary discussions with their counterparts in Wiesloch regarding a possible visit during next year's Dam Days Celebration.

Jean Brown, 110 Maple Street, asked what the City plans are when the Senior Center is closed. Mayor Carmichael explained that the Senior Center is not a City owned facility.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Smith to approve the Consent Agenda of October 27, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the October 13, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the October 13, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$2,363,542.81 as presented.

**C. Diesel Plant Remediation**

APPROVE a bid waiver to hire BLDI Environmental Engineering for continued monitoring and remediation at the Diesel Plant in the amount of fifteen thousand dollars (\$15,000.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant to the City Manager Andrew Kuk, DPS Supervisor Rick Miller, and Public Safety Director David Northrop provided background and information on the development of an ordinance for overnight and long term parking in the downtown area. Discussion followed. City staff explained that the number of available spaces will be reviewed to determine if they are sufficient.

Jane Beamish, 107 W. Chicago Road, asked whether a permit is currently needed. Public Safety Director Northrop explained that the only permits that will be needed in the future will be when there is insufficient number of available spaces.

Dan Boring, 158 W. Chicago Road, asked whether there will be sufficient spaces for the area residents.

Moved by Comm. Stephens and seconded by Comm. Smith to consider this the introduction and first reading of an amendment to the City Code of Ordinances, Part II, Chapter 58, Article I, Section 58-6 pertaining to pedestrians and vehicular traffic in certain public areas.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of an IFEC to Parma Tube Corporation.

City Manager Michael Hughes explained that Parma Tube is investing \$200,000.00 in their facility to improve productivity and meet increased demand; the investment is estimated to help retain existing jobs at the facility and create five new jobs in the next two years. Mark Roberts, CEO of Parma Tube explained that their company is investing in these upgrades to meet changing demands.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Smith and seconded by Comm. Malone to adopt a resolution awarding an Industrial Facilities Exemption Certificate, not-to-exceed \$200,000.00 to Parma Tube Corporation, for a period of twelve (12) years, beginning on January 1, 2011 and ending December 31, 2022.

**WHEREAS**, Parma Tube Corporation in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to Parma Tube Corporation, and

**WHEREAS**, on October 6, 1980 the City Commission established the Industrial Development District for the industrial property of Parma Tube Corporation, and

**WHEREAS**, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

**WHEREAS**, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

**WHEREAS**, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

**WHEREAS**, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad

valorem property tax in the City of Sturgis, and

**WHEREAS**, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 12 years with an ending date of December 31, 2022.

**NOW, THEREFORE BE IT RESOLVED**, that the Sturgis City Commission does hereby approve the application of Parma Tube Corporation for an “Industrial Facilities Exemption Certificate”.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Public Safety Director David Northrop is recommending that the YSO position not be filled for fiscal year 2010-2011 due to budget constraints in the City and Sturgis Public Schools. Discussion followed.

Moved by Comm. Taulbee and seconded by Comm. Malone to approve the recommendation to not fill the Youth Services Officer position for fiscal year 2010-2011.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

DPS Supervisor Rick Miller provided details on the changes to the Cemetery Rules and Regulations.

Moved by Comm. Fisher and seconded by Comm. Stephens to approve the revised Cemetery Rules and Regulations as presented.

- 1) The elimination of the existing Section 1-4 which stated the cemetery would provide compost for filling urns.
- 2) Additions to Section 1-15 (now 1-14) eliminating the use of glass containers or vases for safety reasons and prohibiting decorations or objects on the front or back concrete foundations of monuments and markers.
- 3) Additions to Section 3-12 requiring written permission from a lot owner or next of kin for internments on a deeded lot, along with a provision allowing the sexton to require notarization of the written permission in some cases.
- 4) Changes to Section 4-24 regarding upkeep of monuments and how the City recovers costs of instituting necessary repairs. Changes were made to help ensure the integrity of the Cemetery’s monuments.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant Electric Department Superintendent Tim Charles provided information on the City holiday decoration bids.

Moved by Comm. Littman and seconded by Comm. Malone to approve the bid of Professional Climbers for the set up and take down of Holiday Decorations as described in Exhibit B of the bid documents in the amount of six thousand, eight hundred dollars (\$6,800.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

The meeting was adjourned at 7:52 p.m.

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, OCTOBER 27, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

Commissioners present: Smith, Stephens, Taulbee, Littman, Hile, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: Malone

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

Deputy Fire Chief Scott Hopkins provided information on the charges that some Michigan cities charge for fire or emergency services. Discussion followed. There was little support to pursue charges for fire services in Sturgis.

Assistant to the City Manager Andrew Kuk provided information on possible modifications to the Dangerous Dog Ordinance. Discussion followed related to the number of permissible dogs in multi-family units, enforcement, and certain breeds.

The meeting was adjourned at 6:50 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**ORGANIZATIONAL MEETING  
STURGIS CITY COMMISSION  
MONDAY, NOVEMBER 8, 2010  
CONFERENCE ROOM - CITY HALL**

City Clerk Kenneth Rhodes called the meeting to order at 8:00 p.m.

Commissioners present: Carmichael, Smith, Stephens, Taulbee, Fisher, Malone, Littman, Hile, Gay  
Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, City Clerk

City Clerk/Treasurer Kenneth Rhodes provided a summary of the November 2<sup>nd</sup> General Election results.

The City Clerk asked for nominations for the Office of Mayor.

Comm. Malone nominated Comm. Carmichael

Moved by Comm. Malone and seconded by Comm. Gay to close the nominations for the Office of Mayor and cast a unanimous ballot for Comm. Carmichael.

**Voting Yea : Nine**

**Voting Nay : None**

**MOTION CARRIED**

**Comm. Carmichael was seated as the Mayor of the City of Sturgis.**

Mayor Carmichael asked for nominations for the Office of Vice-Mayor.

Comm. Malone nominated Comm. Fisher

Moved by Comm. Malone and seconded by Comm. Gay to close the nominations for the Office of Vice-Mayor and cast a unanimous ballot for Comm. Fisher.

**Voting Yea : Nine**

**Voting Nay : None**

**MOTION CARRIED**

**Comm. Fisher was seated as the Vice-Mayor of the City of Sturgis.**

Mayor Carmichael asked for input from Commissioners and will make appointments to committees at Wednesday's regular meeting.

City Manager Michael Hughes provided a history of the use of the Bid Committee. There was discussion regarding the need for formal bids.

Moved by Comm. Malone and seconded by Comm. Malone to eliminate the Bid Committee.

**Voting Yea : Nine**

**Voting Nay : None**

**MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes provided information on the reformatting of the City Commission Procedural Policy. Discussion was held regarding the time of the regular meetings and work sessions.

Moved by Comm. Malone and seconded by Comm. Littman to approve the City Commission Procedural Policy as presented with a change of regular meetings to 7:30 p.m. and work sessions at 6:30 p.m.

**Voting Yea : Eight**

**Voting Nay : Smith**

**MOTION CARRIED**

The meeting was adjourned at 8:23 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, NOVEMBER 10, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Pastor Steve Clark, Sturgis Foursquare Church, gave the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Hile, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, Deputy Police Chief, DPS Supervisor, Engineer, Wastewater Superintendent, City Clerk

Mayor Carmichael presented the following Proclamation to Austin Sroczynski:

Whereas, Austin Sroczynski has been a member of the Boy Scouts of America at various levels for eleven years; and

Whereas, Austin has earned 32 merit badges in various disciplines during his time in the scouts as well as other awards and recognitions from the Boy Scouts of America; and

Whereas, Austin has held leadership roles and positions of responsibility in his troop, including Senior Patrol Leader, Assistant Senior Patrol Leader, Quartermaster, Den Leader, Librarian, and Troop Historian; and

Whereas, Austin has advanced through and fulfilled all the ranks of scouting and will be receiving his Eagle Scout Award on November 14th, 2010.

Therefore, on this 10th Day of November 2010, the City of Sturgis recognizes Austin Sroczynski for his achievement of the rank of Eagle Scout and for the hard work and service completed to reach this special achievement.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Smith to approve the Consent Agenda of November 10, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the October 27, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the October 27, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$631,199.82 as presented. and remediation at the Diesel Plant in the amount of fifteen thousand dollars (\$15,000.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant to the City Manager Andrew Kuk provided background and information on the development of an ordinance for overnight and long term parking in the downtown area. Discussion followed. City staff explained that the number of available spaces will be reviewed to determine if they are sufficient.

Moved by Comm. Taulbee and seconded by Comm. Gay to consider this the second reading

of and approve an amendment to the City Code of Ordinances, Part II, Chapter 58, Article I, Section 58-6 pertaining to pedestrians and vehicular traffic in certain public areas to be effective December 1st, 2010.

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

An ordinance to amend Part II – Chapter 58- 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 – Chapter 58- Article I, is hereby amended by amending Sec. 58-6 (g) and adding Sec.58-6 (h), as follows, effective as of , 2010:

**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)

*h) Overnight parking restrictions in BC District parking lots. In City-owned parking lots in the BC District, parking is prohibited from 2:00 a.m. to 6:00 a.m. except in spaces clearly identified by official sign, pavement marking, or both as spaces for overnight parking. Parking in designated areas is limited to motor vehicles or accessory vehicles, including recreational vehicles and storage trailers, which occupy only one designated parking space. Motor or accessory vehicles occupying multiple spaces are required to be registered under the conditions of part i. of this section.*

*i) Long Term and Multiple-Space Parking in BC District parking lots. Any owner, occupant, or the guest of any owner or occupant of a business or residence located in the BC District may park or store a motor vehicle or accessory vehicle in a City-owned BC District parking lot if registered with the Sturgis Police Department. At the time of registration, the Police Department will designate a location for parking and may designate the number of days for which registration will be effective. In no event may registered vehicles park in the location designated for a period in excess of ten (10) business days.*

*j) Penalty for illegal parking in BC District parking lots. The penalty for violations of the restrictions in parts h. and i. of this section consist of a \$25.00 fine for each night. After 24 hours, a vehicle in violation will be towed at the owner's expense.*

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes explained that at the August 11th City Commission meeting, approval was given to issue a request for proposals for design-build services for a new public services and utilities building on the site of the current DPS / Electric Line complex. The building, which would incorporate new construction and renovation of existing structures, would be funded by Recovery Zone Bonds recently authorized by the City Commission. A request for proposal (RFP) was developed and copies were directly issued to 22 firms, and five completed proposals were submitted to the City which acknowledged the document criteria and addenda. To move forward with the project, City staff is recommending that the Commission approve use of Wieland-Davco for final design work for the project and authorize the City Manager to negotiate a contract for these services; Wieland would work with a committee consisting of Commissioners and City staff to develop a final design for the Public Services and Utilities Building.



Moved by Comm. Fisher and seconded by Comm. Malone to approve use of Wieland-Davco for final design work and authorize the City Manager to negotiate a contract for these services for an amount not-to-exceed one hundred thousand dollars (\$100,000.00).

**Voting yea: Eight**

**Voting nay: Gay**

**MOTION CARRIED**

Wastewater Superintendent Tom Sikorski explained that the Department of Homeland Security Advisory System provided a national framework for guarding against terrorist threats and security threats and suggests measures for Wastewater utilities to develop safeguards. The purpose of providing fencing around the entire perimeter of wastewater treatment facility is to deter unauthorized access. Fencing the perimeter is the first phase of planned additional security equipment for remote areas of facility.

Moved by Comm. Smith and seconded by Comm. Littman to approve the bid of Ottawa Fence Works, Inc. to install perimeter fencing for the Wastewater Treatment Plant in the amount of twenty-three thousand, two hundred dollars (\$23,200.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael appointed commissioners to the following boards and committees:

Ambulance Committee – Comm. Gay

Auditorium Board – Comm. Hile

Bid/Finance Committee – Comm. Littman, Comm. Malone, Vice-Mayor Fisher

DPS Facilities Committee – Mayor Carmichael, Comm. Littman, Comm. Smith

EDC/Brownfield – Comm. Smith

Employee Retirement Board – Mayor Carmichael, Comm. Littman

Idle Buildings/IFEC – Comm. Gay, Comm. Malone, Comm. Stephens, Comm. Taulbee

Investment Committee – Mayor Carmichael, Vice-Mayor Fisher, Comm. Taulbee

Recycling Committee – Comm. Stephens

Sister City Committee – Comm. Hile

St. Joseph County Traffic Committee – Comm. Malone

The meeting was adjourned at 7:35 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**MONDAY, NOVEMBER 22, 2010**  
**WIESLOCH RAUM – CITY HALL**

Mayor Carmichael called the meeting to order at 6:30 p.m.

Commissioners present: Smith, Stephens, Taulbee, Littman, Hile, Malone, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, City Controller, Deputy City Clerk

Todd Richter of Fleis & Vandenbrink was present to discuss the Proposed 10 Year Street Repair Improvement Plan, including street reconstruction, grant funded project streets and potential mill and resurface streets.

Discussion followed on how to involve the public in the decision making process and to have the ballot language established by the February City Commission meeting.

The meeting was adjourned at 7:27 p.m.

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*Shelly Stoddard, Deputy City Clerk*

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**MONDAY, NOVEMBER 22, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

Reverend Deb Johnson, Sturgis United Methodist Church provided the Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Hile, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, Sturgis Police Officer, DPS Supervisor, Electric Department Superintendent, Assistant Electric Superintendent, Deputy City Clerk

Moved by Comm. Fisher and seconded by Comm. Malone to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Gay to approve the Consent Agenda of November 22, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the November 8, 2010 organizational meeting as presented.
2. APPROVAL of the minutes from the November 10, 2010 regular meeting as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$1,762,887.85.

**C. Set Public Hearing for SNP Tax Abatement**

SET a public hearing for consideration of a tax abatement under Public Act 612 of 2006 at 7:30 p.m. on Wednesday, December 8, 2010 in the Wiesloch Raum of City Hall.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Attorney Roger Bird spoke regarding an indemnity agreement and ownership transfer between the Sturgis Housing Development Corporation and Cobalt Holdings, LLC for the former Ram Products building located at 1111 N. Centerville Rd. Discussion followed.

Moved by Comm. Taulbee and seconded by Comm. Malone that the Sturgis City Commission approve the Indemnity Agreement with Cobalt Holdings, LLC as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Mayor Carmichael opened the Public Hearing for consideration of an Industrial Facilities Exemption Certificate to Cobalt Holdings, LLC.

City Manager Michael Hughes provided information on the proposed resolution for an IFEC for Cobalt Holdings, LLC.

There was no comment from the public.

Mayor Carmichael closed the Public Hearing.

Moved by Comm. Taulbee and seconded by Comm. Malone to adopt the resolution awarding an Industrial Facilities Exemption Certificate, not to exceed \$2,103,592.00 to Cobalt Holdings, LLC, for a period of twelve (12) years, beginning on January 1, 2011 and ending December 31, 2022.

### **RESOLUTION**

**WHEREAS**, Cobalt Holdings LLC in conformity with Act 198 of the Public Acts of 1974, as amended (Act 198) has submitted an application providing all information and requirements necessary for granting of an Industrial Facilities Exemption Certificate by the City of Sturgis, County of St. Joseph, State of Michigan to Cobalt Holdings LLC, and

**WHEREAS**, on August 25, 1976 the City Commission established the Industrial Development District for the industrial property of Cobalt Holdings LLC, and

**WHEREAS**, the Sturgis City Assessor, and representatives of all affected taxing units were notified by certified mail of the time and place of the hearing on the application, and

**WHEREAS**, a hearing was held by the Sturgis City Commission providing the Assessor, and representatives of all affected taxing units the opportunity to be heard as required by the statute, and

**WHEREAS**, comments on granting of the Industrial Facilities Exemption Certificate have been heard and considered, and

**WHEREAS**, it is hereby found and determined by the Sturgis City Commission that the granting of this Industrial Facilities Exemption Certificate, considered together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Sturgis, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Sturgis, and

**WHEREAS**, the Sturgis City Commission, under Section 16 (1) of Act 198, of the P.A. of 1974 and Act No. 255 of the Public Acts of 1978, as amended, has determined that the length of the Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 12 years with an ending date of December 31, 2022.

**NOW, THEREFORE BE IT RESOLVED**, that the Sturgis City Commission does hereby approve the application of Cobalt Holdings LLC for an "Industrial Facilities Exemption Certificate".

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Tim Charles, Assistant Electric Superintendent spoke regarding the current underground conductors which are almost 30 years old, and the difficulties locating them when they fail. He presented a recommendation for the purchase of a fault locator, budgeted for this fiscal year, to address this issue. Discussion followed.

Moved by Comm. Littman and seconded by Comm. Smith that the Sturgis City Commission approve the purchase of a portable fault finder from RESCO as presented in the amount of twenty-four thousand, five hundred and thirteen dollars (\$24,513.00) plus freight.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Rick Miller, DPS Supervisor, spoke regarding the need to replace the Cemetery Maintenance building roof, which is old and leaking, and explained the bid results. Discussion followed regarding investigation of alternatives, including a sloped roof.

Moved by Comm. Gay and seconded by Comm. Malone to reject the bid from Weather Shield Roofing Systems and to instruct City Staff to look at other options for a sloped roof.

**No vote was taken.**

Further discussion was held.

Moved by Comm. Gay and seconded by Comm. Malone to postpone consideration for the bid for the cemetery roof repairs until information can be obtained regarding a sloped roof to a future meeting.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

John Griffith, Electric Department Superintendent spoke regarding a recently failed 69 kV lightning arrester at the Ross Substation. He presented a recommendation to review system settings related to the failure and perform a functional test of equipment. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Hile that the Sturgis City Commission approve a bid waiver and approve the study and testing of electrical line and substations by GRP Engineering as presented in the total amount not to exceed thirty-one thousand, three hundred dollars (\$31,300.00).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

There will be a joint EDC/City Commission meeting to be held at the Sturges-Young Auditorium on Tuesday, December 7, 2010 at 12:00 noon. This meeting will be in lieu of the joint Commission/EDC meeting previously announced for 5:30 p.m.

The meeting was adjourned at 8:07 p.m.

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***Shelly Stoddard, Deputy City Clerk***

**WORK SESSION - STURGIS CITY COMMISSION**  
**WEDNESDAY, DECEMBER 8, 2010**  
**WIESLOCH RAUM – CITY HALL**

Mayor Carmichael called the meeting to order at 6:30 p.m.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Hile, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, City Controller, Public Safety Director, Deputy Police Chief, Engineer, City Clerk

Public Safety Director David Northrop explained that in November of 2006 the State of Michigan changed the speed laws from a district arrangement (non-posted limits were 25 in a residential area, 30 in business, 45 on county road) to a system which set limits by either calculating the number of access points on a stretch of road or conducting a traffic study utilizing the 85th percentile recorded speed as a tool to determine the appropriate speed limit. There was discussion about the appropriateness of certain speeds and whether or not their enforceable. The issue will be brought to a future regular Commission meeting for direction.

City Manager Michael Hughes provided information on a survey, a timeline, and other informational tools that could be utilized for the upcoming street millage. There was discussion on the questions in the survey.

The meeting was adjourned at 7:20 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**WEDNESDAY, DECEMBER 8, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

A moment of silence was held in lieu of an Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Hile, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: Assistant to the City Attorney, City Manager, Assistant to the City Manager, City Controller, Public Safety Director, Deputy Police Chief, DPS Supervisor, Engineer, Deputy Fire Chief, Electric Department Superintendent, Assistant Electric Department Superintendent, City Clerk

Public Safety Director David Northrop provided information on the Central Dispatch Radio System and explained that there will soon be a meeting to discuss the shortcomings of the system. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Gay to approve the agenda as presented with the addition of Cemetery roof discussion.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Smith to approve the Consent Agenda of December 8, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the November 22, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the November 22, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$779,679.34 as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Assistant Electric Department Superintendent Tim Charles provided background on efforts towards the upgrade of the City's Geographic Information System hardware, software, and services. Discussion followed.

Moved by Comm. Taulbee and seconded by Comm. Malone to approve purchase of the GIS Server, data backup services, and hardware installation services from MapleTronics Computers as presented in a total amount not-to-exceed of twenty-eight thousand, sixty-eight dollars and four cents (\$28,068.04).

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Fisher and seconded by Comm. Smith to approve a bid waiver and purchase a three-year Small Utility License Agreement from ESRI, in the total amount of thirty thousand dollars (\$30,000.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Taulbee and seconded by Comm. Gay to approve a bid waiver and purchase of GIS services from Lawson Fisher Associates in a total amount not-to-exceed thirty-seven thousand, nine hundred dollars (\$37,900.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Malone and seconded by Comm. Smith to approve a budget amendment of twenty-eight thousand dollars (\$28,000.00) to the Electric Fund as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided additional information on the proposed Cemetery building roof replacement. DPS Supervisor Rick Miller provided information on a new quote that was submitted for flat roof replacement.

City Clerk/Treasurer Kenneth Rhodes explained that under Public Act 612, a local tax collecting unit may adopt a resolution to exempt eligible nonprofit housing property from the collection of taxes. Properties renovated under the Sturgis Neighborhood Program's (SNP) Homeownership Program qualify for exemption under this Act. Monica Smith, Executive Director of SNP, has requested tax abatement under PA 612 for two SNP properties at 305 W. Electric Court and 508 Sturgis Street.

Moved by Comm. Smith and seconded by Comm. Malone to approve tax abatements under Public Act 612 of 2006 for the Sturgis Neighborhood Program properties at 305 W. Electric Court and 508 Sturgis Street as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Comm. Smith addressed his request for "No Parking" signs at Madison and Myrtle and the related safety issues. City staff discovered that the current ordinance does not limit the times for the parking restrictions as is indicated on the current signage. Discussion followed.

There was direction to contact the school administration to assist with the issue of dropping students off on these City streets and then bring the issue back to the next meeting.

City Manager Michael Hughes explained that the City of Sturgis has purchased a portion of a parcel of land (Tax Parcel #75-015-014-014-20) in Sturgis Township to facilitate the construction of the Fawn River Crossing Lift Station, built last year. The City intends to have the purchased piece of property split from the main parcel, however, the size of the newly-created parcel is smaller than allowed for in Township lot split requirements, causing complications. In order to resolve this issue, the City has requested, as the property owner, to



bring the parcel into the City of Sturgis and has filed a “Request for Transfer” to that effect.

Moved by Comm. Littman and seconded by Comm. Malone to adopt a resolution transferring property from Sturgis Township into the City as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes explained that new legislation allows for Sunday morning liquor sales between the hours of 7:00 a.m. and 12:00 p.m. In order for a municipality to not allow permits under this new regulation, a city must take action by December 15<sup>th</sup>. The Commission discussed past practice and other aspects of the new law.

Moved by Commission Smith and seconded by Commission Littman to PROHIBIT the sale of beer and wine, as adopted in MCL 436.2111, and the sale of spirit and mixed spirit drink, as adopted MCL 436.2113, within the City of Sturgis limits between the hours of 7:00 a.m. and 12:00 p.m. on Sunday and direct the City Attorney to prepare and ordinance regarding the prohibition of Sunday morning liquor sales.

**Voting Yea: Seven**

**Voting Nay: Carmichael, Malone**

**MOTION CARRIED**

The meeting was adjourned at 8.45 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**WORK SESSION - STURGIS CITY COMMISSION**  
**MONDAY, DECEMBER 20, 2010**  
**WIESLOCH RAUM – CITY HALL**

Mayor Carmichael called the meeting to order at 6:30 p.m.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Hile, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Manager, Assistant to the City Manager, City Controller, Engineer, City Clerk

City Controller Holly Keyser introduced David Kausch, actuarial consultant with Gabriel Roder, Smith, and Company, who provided information of the City's Other Post Employment Benefit plan. Discussion included the levels of funding, the possible costs, the eligibility requirements, and other similar issues.

The meeting was adjourned at 7:20 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***

**REGULAR MEETING - STURGIS CITY COMMISSION**  
**MONDAY, DECEMBER 20, 2010**  
**WIESLOCH RAUM – CITY HALL**

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

The Pledge of Allegiance was said by all present.

A moment of silence was held in lieu of an Invocation.

Commissioners present: Smith, Stephens, Taulbee, Malone, Littman, Hile, Gay, Vice Mayor Fisher, Mayor Carmichael

Commissioners absent: None

Also present: City Attorney, City Manager, Assistant to the City Manager, City Controller, Deputy Police Chief, Engineer, DDA Director, City Clerk

Moved by Comm. Fisher and seconded by Comm. Smith to approve the agenda as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Gay to approve the Consent Agenda of December 20, 2010 as presented.

**A. Action of Minutes of Previous Meetings**

1. APPROVAL of the minutes from the December 8, 2010 regular meeting as presented.
2. APPROVAL of the minutes from the December 8, 2010 work session as presented.

**B. Pay Bills**

AUTHORIZE the payment of the City bills in the amount of \$2,132,921.94, as presented.

**C. Property Transfers**

ADOPT a resolution transferring the property at 1399 N. Nottawa from Sherman Township into the City as presented.

ADOPT a resolution transferring the property at 1469 N. Nottawa from Sherman Township into the City as presented.

**D. Set Public Hearing for Brownfield Redevelopment Plan**

SET a public hearing for consideration of a Brownfield Redevelopment plan for 172 W. Chicago Road for Wednesday, January 12th, 2011 at 7:30 p.m. in the Wiesloch Raum of City Hall, 130 N. Nottawa.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes provided information on the options to address the parking near Madison, Myrtle, and Clinton streets. The schools were contacted to assist with a solution. The Police Department has offered to perform a traffic study to determine the best course of action. Rob Olsen, Sturgis School Superintendent, explained that his staff has done a very brief review of the situation and plans to do more research in addition to providing informational material to parents. Discussion followed.

Moved by Comm. Littman and seconded by Comm. to Smith to direct City staff to perform a traffic study in the Madison, Myrtle, Clinton area and bring the results back to the Commission and to make no sign changes in the interim.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Manager Michael Hughes and DDA Director Kim Musolff provided information on the process for the two available Downtown Liquor Licenses, the RFPs for a destination restaurant that were sent out, and the responses that were received. Mrs. Musolff explained that the DDA Board recommended the award of the liquor licenses to the proposals for Boundary Waters and Cherry Moon Grill. Discussion followed including the number of available licenses for sale, the Commission policy related to reserving a license for the downtown, the thought of assisting current local businesses, and the potential development agreement.

Alex Rosario, owner of the Machine Downtown Grill, expressed the thought that the license should go to a local business that supports other local businesses.

Tim Woodhams, investor with Cherry Moon Grill, explained that their group is not a large corporation but has experience with The Drafthouse in DeWitt and provided a brief description of his development plans.

Melvin Camburn, owner of Camburn Appliance, expressed his support for the current local businesses.

Diana Camado, Ludders Cleaners, inquired whether or not the plans would be for strictly a bar. Mr. Hughes explained that all the proposals focused primarily on a restaurant.

Discussion followed regarding how to proceed at this point.

Moved by Comm. Smith and seconded by Comm. Stephens to accept the DDA recommendations of awarding licenses to the proposals of Boundary Waters and Cherry Moon Grill contingent upon development of and adherence to project milestones and associated timelines.

**Voting yea: Smith, Stephens, Fisher, Hile, Carmichael**

**Voting nay: Taulbee, Malone, Littman, Gay**

**MOTION CARRIED**

City Manager Michael Hughes provided information on the City's current and proposed lease with Celebration Church for land near the Auditorium. Mr. Hughes disclosed that he, along with Commissioners Littman, Malone, and Stephens sometimes attend Celebration church. The Commission had consensus that there was no reason for any Commissioner to abstain.

Moved by Comm. Fisher and seconded by Comm. Hile to approve the lease with Celebration Community Church as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Controller Holly Keyser provided details on the proposed vehicle purchases which were authorized in the 2010-11 fiscal year budget. Discussion followed.

Moved by Comm. Taulbee and seconded by Comm. Smith to approve the purchase of a 2011 Ford Focus through the State of Michigan Purchasing Program in the amount of thirteen thousand, one-hundred and sixty-eight dollars (\$13,168.00) and approve the sale of a 2008 Ford Focus (800-08) as presented.

**Voting yea: Eight**

**Voting nay: Gay**

**MOTION CARRIED**

Moved by Comm. Taulbee and seconded by Comm. Smith to approve the purchase of a 2011 Ford F350 Dump Truck from Gateway Ford in the amount of twenty-eight thousand, four dollars and forty cents (\$28,004.40) and approve the sale of a 1995 Ford dump truck (143) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

Moved by Comm. Smith and seconded by Comm. Littman to approve the purchase of a 2011 Dodge Charger Police Cruiser from LaGrange Dodge in the amount of twenty-two thousand, eight hundred dollars (\$22,800.00) as presented.

**Voting yea: Nine**

**Voting nay: None**

**MOTION CARRIED**

City Clerk/Treasurer Kenneth Rhodes provided information on the proposed 2011 City Commission Meeting Schedule. Discussion followed.

Moved by Comm. Fisher and seconded by Comm. Hile to adopt the 2011 City Commission meeting schedule as presented.

**Voting yea: Eight**

**Voting nay: Smith**

**MOTION CARRIED**

Moved by Comm. Littman and seconded by Comm. Gay to go into closed session for the purpose of discussing the purchase of property.

**Voting yea: Smith, Stephens, Taulbee, Malone, Littman, Hile, Gay, Fisher, Carmichael**

**Voting nay: None**

**MOTION CARRIED**

The meeting was recessed at 9:00 pm.

The meeting reconvened at 9:15 pm

The meeting was adjourned at 9:15 p.m.

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***Kenneth D. Rhodes, City of Sturgis Clerk/Treasurer***