



MICHIGAN

City of White Cloud
12 N. Charles Street
White Cloud, Michigan 49349

CITY COUNCIL

Regular Meeting Minutes for December 3, 2019 at 6:00 P.M.

A. Meeting Called to Order

The Regular Meeting of the White Cloud City Council was held on the above date at the White Cloud City Office. Mayor Denslow called the meeting to order at 6:02 P.M.

1. Roll Call

Council Members Present: Mayor Denslow, Ashley Zatalokin, Charles Chandler, Kay Scott, Jeff Murchison, Jerry LeBlanc

Members Absent: Casie Rickert

Staff Present: Police Chief - Dan Evans, Clerk - Kelli Arnold, Treasurer – April Storms, City Manager – Lora Kalkofen

Public in Attendance: Charles Twing, Donna Schotanus, Candice & Rich Dault, Kathleen Hoffman, Marva Shears, Lori Shears, Herm Becker, Judy Maike, Dan Abid, John Peterson

2. Approval of Agenda

Approval of Agenda for Tuesday, December 3, 2019

Motion by LeBlanc, **Seconded** by Murchison to approve the Agenda for December 3, 2019.

Vote: Ayes- All Nays- None Absent- Rickert **Motion Carried**

3. Invocation and Pledge of Allegiance

Jeff Murchison gave the invocation and led in the Pledge of Allegiance.

B. Public Comment

None

C. Reserved Time:

None

D. Accounts Payable/Cleaning

1. Motion for Council member Scott to abstain from approval of payment for cleaning.

Motion by Murchison, **Seconded** by Chandler to allow Council member Scott to abstain approval of payment for cleaning City office building.

Vote: Ayes- All Nays- None Absent- Rickert **Abstain - Scott Motion Carried**

2. Motion to approve invoices for office cleaning totaling \$93.75.

Motion by LeBlanc, **Seconded** by Murchison to approve the office cleaning invoices to Council member Scott totaling \$93.75.

Roll Call Vote:

Ayes- LeBlanc, Murchison, Denslow, Zatalokin, Chandler

E. Approval of Consent Agenda

1. Approval of the minutes from November 12, 2019 Regular City Council Meeting
2. Approval of the minutes from November 20, 2019 Special City Council Meeting
3. Police Department Report
4. DPW Report
5. Zoning Report
6. Treasurer Report
7. Approval of Bills and Wages less office cleaning: \$86,359.97
8. Correspondence

Motion by LeBlanc, **Seconded** by Chandler to approve Consent Agenda for the December 3, 2019 Council Meeting.

Roll Call Vote:

Ayes- Murchison, Zatalokin., Denslow, Scott, LeBlanc, Chandler

Nays- None

Absent - Rickert

Abstained: None

Motion Carried

F. City Manager Report

- MDOT Street Grant: Newaygo County Road Commission confirmed November 18, 2019, the James Street project will not be completed this fall. Rieth Riley will do as soon as possible in the spring.
- Hope Network – Option Agreement has been signed for the property on Pine Hill. We will discuss later in meeting.
- City, Township, Village Revenue Sharing Incentive Program is an annual report required by State of Michigan Department of Treasury in order to receive a portion of the statutory funds that were discontinued around 2010. The detailed reports are available at the City office and on our website.
- Water tower communicating system is not operating at full capacity. Replacement system has been ordered; it will be two to three weeks for delivery & installation. DPW staff is manually activating the filling of the tanks, it will cause overtime for our DPW department.
- Dam Safety Inspection Report was received.
- Department of Insurance & Financial Services: The City will continue participating in the Fire Insurance Withholding Program. The program allows the City to hold in escrow, an amount up to 25% of the property owner’s insurance collection to ensure the property cleanup meets the zoning standards.
- MDOT state trunk line permit filled out and approved.

G. Boards & Authorities

1. White Cloud Sherman Utilities Board
 - Set the 2020 meeting schedule
 - Six (6) Lift stations are out due to power outages.
2. Planning Commission
 - Beginning to work on what the next 60, 90, 180 days, and the next year will look like with Hope Network, possible zonings, setbacks for City Hall.
3. Downtown Development Authority (DDA)
 - Reviewed budget. New members helping to reach out to other organizations. Under new business, agreed to subsidize advertisement for business’ in the area during the slower months.

4. White Cloud Area Fire Board

Fire board appreciative to get the response for approval for the radios. No new expenditures outside of that.

H. Unfinished Business

1. **Newaygo County Community Collaborative**

Letter sent from NC Community Collaborative to raise the age of purchasing tobacco products within the City limits.

Discussion Received

2. **2nd Presentation Ordinance 2019-03 Medical Marihuana (Code)**

AN ORDINANCE TO REPEAL TITLE XV, CHAPTER 155 ENTITLED "MEDICAL MARIHUANA LICENSES FOR MEDICAL MARIHUANA FACILITIES" AND TO AMEND TITLE XI BY ENACTING CHAPTER 115 ENTITLED "MEDICAL MARIHUANA FACILITIES" OF THE CODE OF ORDINANCES FOR THE CITY OF WHITE CLOUD.

Discussion Received

3. **2nd Presentation Ordinance 2019-04 Recreational Marihuana (Code)**

AN ORDINANCE TO AMEND TITLE XI OF THE CODE OF ORDINANCES FOR THE CITY OF WHITE CLOUD BY ENACTING CHAPTER 116 ENTITLED "RECREATIONAL MARIHUANA ESTABLISHMENTS."

Discussion Received

4. **2nd Presentation Ordinance 2019-05 Marihuana Licensing Board (Code)**

AN ORDINANCE TO AMEND TITLE XI OF THE CODE OF ORDINANCES FOR THE CITY OF WHITE CLOUD BY ENACTING CHAPTER 117 ENTITLED "MARIHUANA LICENSING BOARD."

Discussion Received

5. **2nd Presentation 2019-06 Recreational Marihuana Establishments (Zoning)**

AN ORDINANCE TO REPEAL CHAPTER 3, SECTION 3.47 ENTITLED "COMPLIANCE WITH STATE LAW;" TO ENACT A NEW CHAPTER 3, SECTION 3.47 ENTITLED "RECREATIONAL MARIHUANA ESTABLISHMENTS;" TO ENACT CHAPTER 3, SECTION 3.48 ENTITLED "COMPLIANCE WITH STATE LAW;" AND TO AMEND CHAPTER 16, SECTION 16.07 BY ENACTING PARAGRAPH HH ENTITLED "RECREATIONAL MARIHUANA ESTABLISHMENTS: OF THE ZONING ORDINANCE FOR THE CITY OF WHITE CLOUD.

Discussion Received

6. **2nd Presentation 2019-07 Amend Chapter 3, Regulations (Zoning)**

AN ORDINANCE TO AMEND CHAPTER 3, SECTION 3.46 ENTITLED "REGULATIONS CONCERNING THE USE OF MEDICAL MARIHUANA;" TO AMEND CHAPTER 16, SECTION 16.07 BY ENACTING PARAGRAPH GG ENTITLED "MEDICAL MARIHUANA FACILITIES;" AND TO REPEAL CHAPTER 4, SECTIONS 4.08 TO 4.10 ENTITLED "MEDICAL MARIHUANA FACILITIES" OF THE ZONING ORDINANCE FOR THE CITY OF WHITE CLOUD.

Discussion Received

7. Marihuana Facilities Policy

A policy to describe purpose, definitions, application procedure, clerk duties and licensee obligations for the City of White Cloud.

Discussion Received

8. Marihuana Licensing Board Bylaws

Sets up a design on how the board will work.

Discussion Received

I. New Business

1. Proposed Property Sale Agreement

The City has entered into an option agreement to sell a vacant piece of property adjacent to the City offices to Hope Network. The City did not engage in any bid process for the sale of Parcel before signing the option agreement.

Michigan statute nor the common law require a municipality to engage in a public bid process before selling municipal real property.

Section 6.24 of the City Charter provides in relevant part as follows: [1] In all sales or purchases in excess of \$500.00, the sale or purchase shall be approved by the Council, and formal sealed bids shall be obtained unless the Council by formal unanimous resolution of those present at the meeting determine that no advantage to the city would result from competitive bidding. The Council may authorize the making of public improvements or the performance of any other city work by a city agency without competitive bidding. The Council may establish detailed purchasing, sale and contract procedure by ordinance or resolution.

Motion by LeBlanc, **Seconded** by Scott to confirm, validate and approve the grant of an option to Hope Network to sell the parcel next to City Hall without utilizing a public competitive bid process as no advantage to the City would result from competitive bidding for that matter.

Roll Call Vote:

Ayes- Scott, LeBlanc, Murchison, Denslow, Chandler

Nays- Zatalokin **Absent** – Rickert **Abstained:** None

Motion Failed

The motion failed due to not having a unanimous decision by Council. The parcel next to City office along with the property known as riverfront property will be put out for competitive bid process. City Manager will have attorney put together a bid packet for both parcels.

2. Resolution 2019-19 Setting the Meeting Dates for Calendar Year 2020

Resolution 2019-19 Setting the Meeting Dates for Council for Calendar year 2020 was presented to Council.

Motion by Murchison, **Seconded** by Chandler to approve Resolution 2019-19 Setting the Council meeting dates for 2020.

Vote: **Ayes-** Scott, LeBlanc, Murchison, Denslow, Chandler, Zatalokin

Nays- None **Absent** – Rickert **Abstained:** None

Motion Carried

3. Resolution 2019-22 Amending 2018/19 FY Budget

Council was presented with Resolution 2019-22 to Amend 2018/19 FY Budget according to the City Auditor. There was an error to an account in Fund Balance. We use a dual system, it

goes through a clearing fund, which is a 202 fund, it did not come out of the 202 fund, there was a problem with programming.

Motion by LeBlanc, **Seconded** by Chandler to approve Resolution 2019-22, amending the 2018/19 FY Budget.

Roll Call Vote:

Ayes- Zatalokin, Chandler, Scott, Murchison, Denslow, LeBlanc

Nays- None **Absent -** Rickert **Abstained:** None

Motion Carried

4. ReAppoint Board of Review

We will come back to this when a new Council is seated in January.

Discussion Received

5. Appoint Zoning Board of Appeals

This board will look at variances and zoning. This will be a board set by Council. This will be brought back in January.

Discussion Received

6. Appoint Committee Executive Manager Search

We will begin the process to replace our City Manager, we need to appoint a new Community Stakeholder group to work with the MML consultant. If you have names of people who would be interested in the group. This is people who want to be involved and have a vision for the community. This will be brought back to Council in January.

Discussion Received

7. Appoint DDA

There is a spot open on DDA, we have an application from and would like to appoint Mindy Mench, Executive Director of Harmonized Healing, downtown on Wilcox.

Motion by LeBlanc, **Seconded** by Chandler to appoint Mindy Mench to Downtown Development Association for a term of three years, effective January 1, 2020 ending 12/31/2022.

Vote: Ayes- All Nays- None **Absent –** Rickert **Abstained:** None

Motion Carried

8. Appoint Planning Commission

As of now Planning Commission is filled, effective January 1, will have an open seat. We will discuss in January.

Discussion Received

9. WC Area Fire Department Audit

WC Area Fire Department has given the City a copy of their Audit.

Motion by Chandler, **Seconded** by Murchison to receive the White Cloud Area Fire Department Audit.

Vote: Ayes- All Nays- None **Absent –** Rickert **Abstained:** None

Received

10. Consideration of Approval Ordinance 2019-03

AN ORDINANCE TO REPEAL TITLE XV, CHAPTER 155 ENTITLED "MEDICAL MARIHUANA LICENSES FOR MEDICAL MARIHUANA FACILITIES" AND TO AMEND

TITLE XI BY ENACTING CHAPTER 115 ENTITLED "MEDICAL MARIHUANA FACILITIES" OF THE CODE OF ORDINANCES FOR THE CITY OF WHITE CLOUD.

Motion by Chandler, **Seconded** by Zatalokin to approve to the Code of Ordinances, number 2019-03, Medical Marijuana to City Code of Ordinances.

Roll Call Vote: Ayes- Scott, Chandler, Zatalokin, Denslow, LeBlanc

Nays- Murchison **Absent** – Rickert **Abstained:** None

Motion Carried

11. Consideration of Approval Ordinance 2019-04

AN ORDINANCE TO AMEND TITLE XI OF THE CODE OF ORDINANCES FOR THE CITY OF WHITE CLOUD BY ENACTING CHAPTER 116 ENTITLED "RECREATIONAL MARIHUANA ESTABLISHMENTS."

Motion by LeBlanc, **Seconded** by Chandler to approve to the Code of Ordinances, number 2019-04, Recreational Marijuana to City Code of Ordinances.

Roll Call Vote: Ayes- LeBlanc, Chandler, Scott, Zatalokin, Denslow

Nays- Murchison **Absent** – Rickert **Abstained:** None

Motion Carried

12. Consideration of Approval Ordinance 2019-05

AN ORDINANCE TO AMEND TITLE XI OF THE CODE OF ORDINANCES FOR THE CITY OF WHITE CLOUD BY ENACTING CHAPTER 117 ENTITLED "MARIHUANA LICENSING BOARD."

Motion by LeBlanc, **Seconded** by Chandler to approve to the Code of Ordinances, number 2019-05, Marihuana Licensing Board to City Code of Ordinances.

Roll Call Vote: Ayes- Zatalokin, Chandler, Denslow, Scott, LeBlanc

Nays- Murchison **Absent** – Rickert **Abstained:** None

Motion Carried

13. Consideration of Approval Ordinance 2019-06

AN ORDINANCE TO REPEAL CHAPTER 3, SECTION 3.47 ENTITLED "COMPLIANCE WITH STATE LAW;" TO ENACT A NEW CHAPTER 3, SECTION 3.47 ENTITLED "RECREATIONAL MARIHUANA ESTABLISHMENTS;" TO ENACT CHAPTER 3, SECTION 3.48 ENTITLED "COMPLIANCE WITH STATE LAW;" AND TO AMEND CHAPTER 16, SECTION 16.07 BY ENACTING PARAGRAPH HH ENTITLED "RECREATIONAL MARIHUANA ESTABLISHMENTS: OF THE ZONING ORDINANCE FOR THE CITY OF WHITE CLOUD.

Motion by Chandler, **Seconded** by LeBlanc to approve to the Zoning Ordinances, number 2019-06, Repealing, Enacting and Amending Chapter 3 and Chapter 16 of the Zoning Ordinance for City of White Cloud.

Roll Call Vote: Ayes- LeBlanc, Chandler, Denslow, Scott, Zatalokin

Nays- Murchison **Absent** – Rickert **Abstained:** None

Motion Carried

14. Consideration of Approval Ordinance 2019-07

AN ORDINANCE TO AMEND CHAPTER 3, SECTION 3.46 ENTITLED "REGULATIONS CONCERNING THE USE OF MEDICAL MARIHUANA;" TO AMEND CHAPTER 16, SECTION 16.07 BY ENACTING PARAGRAPH GG ENTITLED "MEDICAL MARIHUANA FACILITIES;" AND TO REPEAL CHAPTER

4, SECTION§ 4.08 TO 4.10 ENTITLED “MEDICAL MARIHUANA FACILITIES” OF THE ZONING ORDINANCE FOR THE CITY OF WHITE CLOUD.

Motion by Chandler, **Seconded** by LeBlanc to approve to the Zoning Ordinances, number 2019-07, Amend , Enact and Repeal of the Zoning Ordinance for the City of White Cloud.

Roll Call Vote: Ayes- LeBlanc, Chandler, Denslow, Scott, Zatalokin
Nays- Murchison **Absent** – Rickert **Abstained:** None

Motion Carried

15. Consideration of Approval of Marihuana Facilities Policy

A policy to describe purpose, definitions, application procedure, clerk duties and licensee obligations for the City of White Cloud Marihuana Facilities.

Motion by Chandler, **Seconded** by LeBlanc to approve to the Marihuana Facilities Policy for the City of White Cloud.

Roll Call Vote: Ayes- LeBlanc, Chandler, Denslow, Scott, Zatalokin
Nays- Murchison **Absent** – Rickert **Abstained:** None

Motion Carried

16. Consideration of Approval Marihuana Licensing Board Bylaws

Bylaws by which the Marihuana Licensing Board will work.

Motion by Zatalokin, **Seconded** by LeBlanc to approve the Marihuana Licensing Board Bylaws.

Roll Call Vote: Ayes- Zatalokin, Scott, Denslow, Chandler, Denslow
Nays- Murchison **Absent** – Rickert **Abstained:** None

Motion Carried

J. Public Comment

J. Lucas – Belmont resident, whose company owns a couple properties in White Cloud. Congratulations to the City for taking a bold step opening a new industry, glad to be a part of it.

J. Maike – Council might consider an appraisal to get a professional certified value for the properties that are being discussed for sale.

D. Abid - Thank Council for consideration of marihuana, think this will be good for the City going forward. Congratulations.

K. Council Member Comments:

J. LeBlanc: Big proponent of Hope Network, certainly hope it comes to the area. Congratulations to opponent, Candice Dault in the tie vote, wish the best of luck and pleased to have served on City Council.

K. Scott: The news showed Ann Arbor opened their recreational marihuana, \$210,000.00 was made in 2 days for the sale of recreational marihuana, impressed with that.

J. Murchison: None

A. Zatalokin: Would like personnel committee to meet to discuss comp time, overtime, and department heads put on salary. This needs to get done. Would like to be a member of the personnel committee.

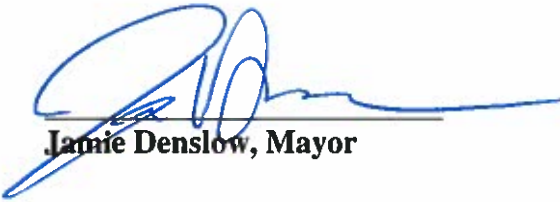
C. Chandler: Really appreciate serving on the board and the people of White Cloud for the past four years. Thanks to Planning Commission, City Manager, staff and Mayor for the hard work and the risk taken for the recreational marihuana. Thank you to Pastor Jeff for expressing and holding to his values on the marihuana issue.

J. Denslow: Certificate of Appreciation given to Charles Chandler & Jerry LeBlanc for serving on City Council, Rickert absent. Appreciate staff research and help, appreciate the input and viewpoints from community members, DDA, Planning Commission and hope it is positive for our community regarding Marihuana.

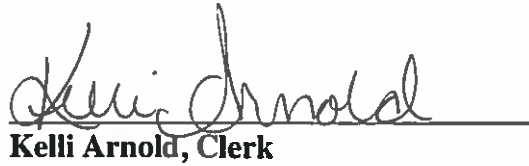
L. Adjournment

Motion by Murchison, Seconded by LeBlanc to adjourn the meeting at 7:13 P.M.

Vote: Ayes- All Nays- None Motion Carried



Jamie Denslow, Mayor



Kelli Arnold, Clerk

Approved on 1-7-20