



MICHIGAN

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

## CITY COUNCIL

### Regular Meeting Minutes for November 12, 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 6:00 P.M.

##### **1. Roll Call**

**Council Members Present:** Jamie Denslow, Cassie Rickert, Ashley Zatalokin, Charles Chandler, Kay Scott, Jeffrey Murchison, Jerry LeBlanc

**Members Absent:** None

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

**Public in Attendance:** Gene & Donna Schotanus, Herm Becker, John Peterson, Dennis & Cheryl Hult, Candice Dault, Richard Dault, Ken DeLaat, Dan Abid, Joanne Chandler, Lori Shears, Andy & Marcia Rottier, Carol Mill, Marva Shears, Charles Twing, Keith Payne, Dakota Ross, Julie Burgess, Becci Kolenda

##### **2. Approval of Agenda**

Mayor Denslow requested addition of

- New Business #10, Christmas in the Cloud

**Motion** by Chandler, **Seconded** by Zatalokin to approve the Agenda with addition of New Business item #10, Special Events Application.

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

##### **3. Invocation and Pledge of Allegiance**

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

#### **B. Public Comment**

J. Chandler – Trying to find information whether fuel recovery fee, administration fee and environmental recovery fee were quoted on bids received by City for city-wide trash service.

C. Dault. – Not in favor of 1 trash service. Agenda shows Ordinance 2019-03 there was a motion, Planning commission did not vote; On 2019-04 there was no motion, no vote. 2019-05 there was a motion, no vote; Public Hearing set for November 13, there was a motion no vote, motion unclear, did not address what it was referring to. Payment in Lieu of Taxes (PILOT) 2019-08: does that require Public hearing; attendance policy should be looked into; Planning commission has their own bylaws on that.

S. Bergakker – Concern over Agenda item C also PILOT. Moved to City in 2012, we are property owners that adjoin the property Hope Network is looking at. Understand the need to

take care of humans, in contrast, we are at threshold for trespassing and crime. The development location proposed would put us over the threshold for crime and decrease our property value, we are committed to the area and staying in the area, supporting social services in the area. We have 2 problems; one is humans that do not have homes and we have a city that doesn't have social resources to assist those who do not have homes, bringing those problems together is not going to right it, feel due diligence and prudence need be put into the decision making & location.

D. Higgins – The river property is not a good spot to put the Hope Network housing. Trash service, big quantity is a lesser price, from what have heard about this is going to cost more than if were to call for service myself.

D. Hult – Trash service, choice is good, one service is not good. Many things can be recycled. Currently can buy bags and save money. When walking the dog see cardboard in trash bins, that can be recycled.

C. Hult – Did Council say there would be a choice to opt-out of the trash service, individual taxpayers?

G. Schotanus – When say opt-out are you opting out of what is being proposed, how do you opt out?

### **C. Reserved Time:**

1. Virgie Ammerman, Executive Director of Hope Network Housing and Community Development. We want support from Council and citizens for a PILOT (Payment in Lieu of Taxes), to increase available and affordable housing in community. Mission is to create affordable housing and with this project supportive housing also. High quality affordable housing, looking at 55 units. On behalf of the City, we compete for tax credits and bring them to your community to have the housing built. Currently looking at several sites as options for the project to determine the best fit in this community. We believe housing is the most important social determinant that you can provide for a person.

Q&A:

\*How are you defining affordable housing?

-We use an area median income. For an example, 50% median income would be a single person, earning less than \$21,400.00 for a 1-bedroom apartment. There are also apartments at 60%.

\*Is this an apartment building?

-Would be 1, 2, & 3-bedroom apartments.

\*Is this a tax-exempt building, so no property tax paid?

- Asking to be considered for payment in lieu of taxes. Do not pay property tax, instead pay for services, work with City, our budget and what it will take to fund the services needed by those living in the apartment complex according to what is negotiated.

\*Based on other communities that use PILOT program, what is the average percent of the actual property tax is how it relates to what the PILOT program pays?

-Calculate on a percentage shelter rent in the area working with. In this case, 55 units calculate shelter rent which is a value applied to each of the rental units, take a percentage of that and that is what is paid on that unit. MISHDA will allow up to 10% of that shelter unit calculation. Some of our properties are 4%, some are 6%, some have ended up at 10%. Using a PILOT helps MISHDA to demonstrate support from community.

\*How many staff living on-site?

-There will be no property manager living on-site. There will be service coordinator in everyday, property manager daily and a maintenance person working daily; It is an apartment complex like any other apartment complex. It is not a residential setting where people are watched day/night or are checked in, it is an apartment complex.

\*You will have recovering addicts trying to get their life together who will live there?

-This is not a center for recovering addicts, this is an apartment complex. Hope Network does have a recovery program, not related to this program.

\*How can we negotiate an agreement on the police protection and services used if they are unknown with this supportive housing being the 1<sup>st</sup> in Michigan?

-This is not the first in Michigan, I personally have not developed one of these before and will be happy to get information to answer. There are many of these projects across the State of Michigan.

\*How is the affordable housing populated?

-Intent is to populate from Newaygo County. There are fair housing rules that must be followed with limitations on income; Supportive housing has its own set of rules.

We are in the final stages of planning a community meeting with informational stations, we are looking at November 22<sup>nd</sup> if the site is secured. This will be open to everyone, it is a local community project and would like input.

We will not go outside of County for applicants. The apartments turnover is maybe 10% per year. Workforce housing would be 2/3 of the apartments (affordable housing), supportive housing would occupy 20 units.

The timetable being looked at is finance applications completed by April 2020, construction in 2021, doors open in 2022.

#### **D. Accounts Payable/Cleaning**

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

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

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

2. Motion to approve invoices for office cleaning totaling \$120.00.

**Motion** by LeBlanc, **Seconded** by Murchison to approve the office cleaning invoices to Council member Scott totaling \$120.00.

**Roll Call Vote:**

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

Nays- None **Abstained-** Scott **Absent** **Motion Carried**

#### **E. Approval of Consent Agenda**

1. Approval of the minutes from the October 1, 2019 Regular City Council Meeting
2. Police Department Report
3. DPW Report
4. Treasurer Report
5. Approval of Bills and Wages less office cleaning: \$159,444.35

## 6. Correspondence

**Motion** by Murchison, **Seconded** by LeBlanc to approve Consent Agenda for the November 12, 2019 Council Meeting.

**Roll Call Vote:**

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

**Nays-** None

**Absent -** None

**Abstained:** None

**Motion Carried**

### **F. City Manager Report**

- City Election had a total of 154 voters casting ballots
- MDOT Street Grant: James Street has been crushed and graded; current road condition is less than favorable due to weather. DPW was able to replace most of the water connections on James Street to comply with the EGLE (DEQ) water replacement mandated by the State of Michigan.
- Water Extension Project at Airway Drive: grant application to the 2020 Rural Development Fund Grant was submitted for consideration. Requested funding for two water infrastructure extension projects.
- MAP Meeting was held on October 29 in Lansing to determine our compliance with MDOT-AERO and FAA regulations and compliance with the multiple annual reporting requirements.
- Beacon Lighting: beacon light has been adjusted 10 degrees; permanent shielding will be installed in the next month. Final project inspection for Runway Lighting Rehabilitation project was held.
- Center for Non-Profit Housing Grant: our 7 housing projects close to completion, would like to thank Brad Hinken & staff at True North for the opportunity.
- Due to a medical leave in the DPW department, approved hiring a temporary employee for three weeks to help.
- Police garage roofing bids will go out for bids in spring of 2020.
- Ice rink was not completed during the summer, we will install a temporary liner on the rink to seal it.
- Met with Mike Overly of MERS to discuss options for retirement system for future employees.

### **G. Boards & Authorities**

1. White Cloud Sherman Utilities Board

Rate increase effective December 6, 2019.

2. Planning Commission

Went over the five ordinances Council will be going over tonight.

3. Downtown Development Authority (DDA)

Fortunate to have a quorum, have a new member. Went over old business since it has been a while since having a meeting.

4. White Cloud Area Fire Board

Fire board put together the need for radios and pagers due to the county changing to 800 MHZ radios by the end of 2020. Fire board would like to spend up to \$110,000.00 from their Capital Acquisition to purchase and install 800 MHZ radios and pagers.

**Motion** by Chandler, **Seconded** by Zatalokin for White Cloud Area Fire Department to use their Capital Acquisition funds up to \$110,000.00 for purchase & installation of 800 MHZ radios and pagers.

**Roll Call Vote:**

Ayes- Denslow, Rickert, Chandler, Zatalokin, Scott, Murchison, LeBlanc  
Nays- None Absent- None Abstain – None Motion Carried

**H. Unfinished Business**

**1. City Wide Trash Service**

Rickert spoke to 108 people questioning their want for city wide trash service. 72 people were a yes, 24 people were neutral and 12 said no to one provider of city-wide trash service. Chandler had multiple calls from those who are opposed to the one service provider.

**Motion** by Zatalokin, **Seconded** by LeBlanc to continue moving forward with the process of city-wide trash service.

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

City manager suggests sitting down with each company that gave bid to discuss and ask same questions of each company to have fair discussion with each. Chandler suggested a “town hall” meeting with question/answer session.

**2. Ordinance 2019-03 Medical Marijuana (Code)**

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

**Discussion Received**

**3. Ordinance 2019-04 Recreational Marijuana (Code)**

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

**Discussion Received**

**4. Ordinance 2019-05 Marijuana 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 “MARIJUANA LICENSING BOARD.”

**Discussion Received**

Set meeting of Council first presentation of the ordinances at 7:00 pm on Wednesday, November 20, 2019. Per our City charter, we must have first and second presentation. The first presentation will be a special meeting, the second presentation and possible adoption will be at a regular meeting.

**5. 2019-06 Recreational Marijuana 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 MARIJUANA 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 MARIJUANA

ESTABLISHMENTS: OF THE ZONING ORDINANCE FOR THE CITY OF WHITE CLOUD.

**Discussion Received**

6. **2019-07 Amend Chapter 3, Regulations (Zoning)**  
AN ORDINANCE TO AMEND CHAPTER 3, SECTION 3.46 ENTITLED “REGULATIONS CONCERNING THE USE OF MEDICAL MARIJUANA;” TO AMEND CHAPTER 16, SECTION 16.07 BY ENACTING PARAGRAPH GG ENTITLED “MEDICAL MARIJUANA FACILITIES;” AND TO REPEAL CHAPTER 4, SECTIONS 4.08 TO 4.10 ENTITLED “MEDICAL MARIJUANA FACILITIES” OF THE ZONING ORDINANCE FOR THE CITY OF WHITE CLOUD.

**Discussion Received**

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

**Discussion Received**

**I. New Business**

**1. Resolution 2019-18 Authorized Signatures**

A resolution to approve the removal of authorized signatures and addition of authorized signatures upon the authority of Council to Checking Accounts, Savings Accounts, all related financial documents and/or contracts for the City of White Cloud.

**Motion** by Chandler, **Seconded** by LeBlanc to approve Resolution 2019-18 Authorized Signatures for the City of White Cloud.

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

**Motion Carried**

**2. Newaygo County Equalization Agreement**

Updated agreement between the County Townships and the Newaygo County Board of Commissioners for Equalization Services. This agreement was last updated in 1997. The County Board plans to act on this agreement at the December 4, 2019 Physical & Economic Development Committee Meeting, the agreement shall continue until March 31, 2024, unless terminated earlier under this Agreement. Equalization department agrees to perform:

Name & Address Maintenance  
Land Division & Combinations  
Data  
GIS Maps  
Reports (electronic version of tax rolls and duplicate bills for Treasurers)  
Education; Bulletins  
Capture of Taxable Value  
Preparation for Printing of Tax Bills and Assessment Notices

The municipality shall pay the County a fee of @2.28 per nonexempt parcel and \$1.14 per exempt parcel in the Municipality. The fees shall increase annually by 2% to cover the County’s increased costs.

**Motion** by LeBlanc, **Seconded** by Chandler to accept Agreement for Equalization Services.

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

**Motion Carried**

### **3. Midway Towing & Repair 2018 bill**

An invoice was turned in to City office for an unpaid invoice dating back to 2018 for labor and parts to change over salt box and under body scraper to new truck. \$10,000 deposit was paid, balance of \$13, 882.52. Would like Council to see the invoice before paid. The original was an estimation, there was no quote in writing, originally anticipated at \$15,000.00.

**Motion by LeBlanc, Seconded by Zatalokin** to pay remaining balance, invoice total of \$13, 882.52 to Midway Towing & Repair for completed salt/sand truck.

**Roll Call Vote:**

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

**Motion Carried**

Rickert requested in the future the City get couple bids for our mechanical items.

### **4. Perceptive Controls**

The City received proposal to upgrade water system communications. Perceptive to provide & install 5 cellular modems at Tower #1 and 2, Well #1 and #4, and DPW. City manager requesting Council approval to spend, not exceed \$15,000.00 for upgrades.

**Motion by Chandler, Seconded by LeBlanc** to approve expenditures not exceeding \$15,000.00 on upgrades to water system communications from the water fund.

**Roll Call Vote:**

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

**Motion Carried**

### **5. Payment in Lieu of Taxes Ordinance 2019-08, 1<sup>st</sup> presentation**

First presentation of Ordinance 2019-08, An ordinance to authorize the payment of an annual service charge in lieu of taxes for residential units serving low income or persons and families in accordance with the State Housing Development authority, ACT 346 of the Public Acts of Michigan of 1966, as amended, and matters related thereto.

**Received**

### **6. Resolution 2019-20 Budget Amendments**

A resolution amending the City of White Cloud 2018/19 FY Budget. End of year audit adjustments had to put extra \$500.00 into local streets 202 fund. Our recording will go to State of Michigan as required.

**Motion by LeBlanc, Seconded by Chandler** to approve Resolution 2019-20 Budget Amendments.

**Roll Call Vote:**

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

**Motion Carried**

Mayor comment, overtime is blowing budget, in the duty of paying attention to what is going on, how do we have a 20-hour person per week getting overtime? City Manager response: Overtime is anything physically worked over 40 hours, anything under is straight time. Holiday for a part time person is paid at time+1/2 for hours worked. Personnel in conjunction with budget committee must figure something out. Rickert feels with paying \$43,000 overtime in a

year, should hire another person. City Manager explained the overtime is not one department specific. City Manager will give mid-year review of the budget.

#### **7. DDA Resignation**

Resignation submitted from the White Cloud Downtown Development Authority by Ryan Maike.

**Motion** by LeBlanc, **Seconded** by Chandler to accept resignation of Ryan Maike from the DDA.

**Vote:** Ayes- All Nays- None **Absent** – None **Abstained:** None  
**Motion Carried**

#### **8. Revised Attendance Policy for Authority, Board, Commission & Committee members**

Members to any board or commission can miss no more than three (3) unexcused meetings or four (4) consecutive meetings in any calendar year. An unexcused absence is an absence that was not prescheduled or authorized by a Chair or Vice-Chair. Emergency absences will be considered for an excused absence. Once the limit is reached by any member, the information shall be made known to the City Council and Mayor for consideration of a replacement appointee.

**Motion** by Zatalokin, **Seconded** by Rickert to accept revised attendance policy.

**Vote:** Ayes- All Nays- None **Absent** – None **Abstained:** None  
**Motion Carried**

#### **9. Resolution 2019-21 Revising Fixed Assets**

A resolution to revise fixed assets for the City of White Cloud. Adding 1990 Caterpillar, 2016 Hustler Lawn Mower, 2018 Kubota 4wd Lawn mower, DPW building, Sullivan air compressor and a 19999 Trackless Tractor.

**Motion** by LeBlanc, **Seconded** by Rickert to approve Resolution 2019-21 Revising Fixed Assets.

**Vote:** Ayes- All Nays- None **Absent** – None **Abstained:** None  
**Motion Carried**

#### **10. Special Event Application – Chamber**

Special event application for Christmas in the Cloud, December 7, 2019.

**Motion** by Rickert, **Seconded** by LeBlanc to approve Special events application for Christmas in the Cloud and waive \$50.00 application fee.

**Vote:** Ayes- All Nays- None **Absent** – None **Abstained:** None  
**Motion Carried**

#### **J. Public Comment**

Chief, D. Evans – would like to explain PD overtime. There are 14 holidays paid, the PD is given \$1,000.00 overtime budget. If you take a part-time officer at time + ½ for those holidays, that is over \$2000.00 in time + ½, that doesn't include drunk drivers, courts, and other situations that arise. Police department budget needs work.

S. Bergakker – Would like Council to keep in mind if Hope Network does not move forward with the river property, would like to see it put for public sale. After hearing the line items concerns of budget, must be fiscally responsible, do we have the resources to take on 55 units that need an incredible amount of social support?



G. Schotanus – City could do better monetarily than the Hope Network project.

M. Rottier – What will keep people from the intended site for Hope Network site from trespassing private property? There is a security issue.

C. Twing - Will there be a Phase II testing at the proposed Hope Network site, when visited Greenville we were told didn't need it? Hope Network gave a presentation in Fremont, "Ride to Work", would like to see that presented here.

D. Abid - There is much confusion to the single serve trash service. Looking for clarification; Option for city billing? What does opt out mean?

**K. Council Member Comments:**

J. LeBlanc: None

K. Scott: Zoning needs to clean up the junk/blight. Neighbor had taken pictures of an area that are in our packet, something needs done.

C. Rickert: None

J. Murchison: None

A. Zatalokin: Is there something wrong with the city plow truck; Last week seen plowing out here with personal truck. What happened with asking questions on digging the manhole at James Street? Are we paying Barnhard construction for use of his excavator? We are alright with it being driven in City.

C. Chandler: Would like to thank Lori Shears for stopping negative comments on Facebook. Every city has a tipping point, as we continue to lose tax revenues, our city is fragile, it is beholding on us to make good long-term decisions. It is incumbent on us to make good decisions, am adamantly against the proposed site of Hope Network housing.

J. Denslow: Apology for the gavel earlier in the meeting. Would like to see the Newaygo County Community Collaborative correspondence on our next agenda.

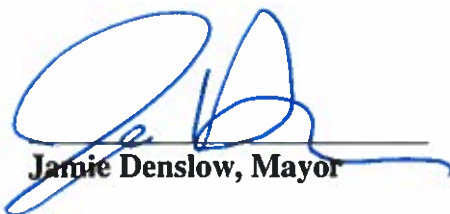
**L. Adjournment**

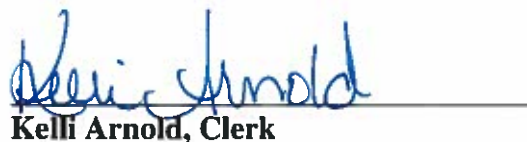
**Motion by Murchison, Seconded by LeBlanc to adjourn the meeting at 8:23 P.M.**

**Vote: Ayes- All**

**Nays- None**

**Motion Carried**

  
\_\_\_\_\_  
**Jamie Denslow, Mayor**

  
\_\_\_\_\_  
**Kelli Arnold, Clerk**

Approved on 12-3-19