

COUNCIL PROCEEDINGS

Regular Meeting

May 14, 2018

CALL TO ORDER: By Mayor Lewis on Monday, May 14, 2018 at 7:00 p.m.

PRESENT: Councilmembers Dyer, Johnston, Ridge, Russo, Mitchell, Mayor Pro-Tem Baker, Mayor Lewis, City Clerk Terpstra and City Manager Guetschow.

The invocation was offered by City Manager Guetschow followed by the Pledge of Allegiance led by Audrey, Charlotte High School student, representing Day with the Mayor.

APPROVAL OF MINUTES FOR REGULAR MEETING OF APRIL 23, 2018: Council member Johnston moved, supported by Mitchell to approve the regular meeting minutes of April 23, 2018 as presented. Carried. 7 Yes. 0 No.

APPROVAL OF MINUTES FOR SPECIAL MEETING OF MAY 7, 2018: Council member Ridge moved, supported by Baker to approve the special meeting minutes of May 7, 2018 as presented. Carried. 7 Yes. 0 No.

ABSENT: None.

PUBLIC HEARINGS: None.

PUBLIC COMMENT: None.

APPROVAL OF AGENDA: Council member Johnston moved, supported by Mitchell to approve the agenda to change 12(c) to read Consider approval of Resolution No. 2018-58 for Council Policy No. 2018-03 for Auditing of status of Tax Exempt properties as presented. Carried. 7 Yes. 0 No.

SPECIAL PRESENTATIONS:

TEMPORARY CAR PORTS DISCUSSION:

Bryan Myrkle, Community Development Director, stated that the ordinance requires that temporary car ports have to be authorized by the Zoning Board of Appeals as it is currently written. He provided a memo outlining different types of car port structures. He is asking what council's desire is moving forward for regulating the existing and new car port structures.

Discussion was held between council members on how to approach this subject. It was decided that this process should be reviewed by the Planning Commission for their recommendation back to council. The condition of the structure along with the definition of temporary were items of interest for guidance going forward.

EXPEDITED RESOLUTIONS AND ORDINANCES

- A. CONSIDER APPROVAL OF RESOLUTION NO. 2018-50 INVESTMENT POLICY FOR COUNCIL POLICY NO. 2018-04 INVESTMENT OF SURPLUS FUNDS:**

RESOLUTION NO. 2018-50

**A RESOLUTION TO APPROVE COUNCIL POLICY 2018-04
REGARDING THE INVESTMENT OF SURPLUS FUNDS**

1. PURPOSE

The purpose of this policy is to establish criteria to guide administrators in investing surplus cash held by various funds so as to preserve the City's financial assets, maximize investment returns and meet the organization's daily cash flow needs.

2. AUTHORITY

This policy is adopted pursuant to the provisions of MCL 129.91 et seq.

3. BACKGROUND

At times the City holds cash in excess of its near-term needs. These funds are available for investing so as to generate additional income.

Public Act 20 of 1943 (MCL 129.91 et seq.) identifies the types of investments that the City may hold. It requires the City Council to adopt a resolution identifying its investment officer and authorizing the investment of surplus funds.

City Council last amended its investment policy in December 2000. Since that time, PA 20 has been amended to broaden the range of investments available to the City. This policy, then, contains specific authorization for investing in accordance with these amendments.

4. SCOPE

This investment policy applies to activities of the City related to investing the financial assets of all funds, including, but not limited to, the following:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Improvement Funds
- Enterprise Funds
- Internal Service Funds
- Trust and Agency Funds

5. OBJECTIVES

Funds of the City will be invested in accordance with the provisions of Public Act 20 of 1943, as amended, so as to achieve the following objectives:

- Safety. Investments shall be made in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective of preservation of capital, speculation is prohibited. Further, to the extent feasible, investments will be made through institutions that have been evaluated in terms of their soundness as measured by accepted industry standards. When practical, investments shall be made within insured limits.
- Liquidity. The Investment Officer, working with the City Manager, shall ensure that funds are continuously available to meet immediate and near-term payment requirements for payroll, accounts payable and debt service. In addition,

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investments shall be made so as to avoid illiquid securities so as to meet unanticipated financial needs.

- Yield. The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account investment risk constraints, cash flow characteristics of the portfolio and limitations on suitable investments in order to achieve safety of capital and liquidity of assets.

6. DELEGATION OF AUTHORITY.

In accordance with the provisions of the Charter, the City Treasurer is hereby designated as the Investment Officer of the City. The Treasurer shall have the responsibility for depositing City funds and carrying out investment decisions and activities in consultation with the City Manager and in conformance with the provisions and limitations of this policy, Public Act 20 of 1943 as amended and in a manner consistent with prudent practice. In the absence of the Treasurer, the duties required or authorized by this policy shall be performed by the City Manager.

7. DIVERSIFICATION.

Investments shall be diversified to the extent necessary to avoid incurring unreasonable risks to principal inherent in over-investing in specific instruments, individual financial institutions or maturities while balancing that risk against the burden of managing a portfolio of instruments, institutions and maturities that is more complex than is warranted in order to achieve the objectives stated herein.

8. INSTRUMENTS.

The Investment Officer may invest surplus funds in accordance with the provisions of Public Act 20 of 1943, as amended as follows:

- In bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States;
- In certificates of deposit, savings accounts, money market accounts, deposit accounts or depository receipts of a financial institution provided the financial institution is an eligible institution under federal and state laws or rules. The institution must be federally or state chartered, insured by a federal agency and authorized by the Council as a repository for City funds;
- In investment pools organized under the Surplus Funds Investment Pool Act (Public Act 367 of 1982 as amended);
- In commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase;
- In mutual funds registered under the investment company act of 1940 (15 USC 80z-1 to 80a-64) with authority to purchase only investment vehicles that are legal for direct investment by a public corporation; provided, however, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:
 - The purchase of securities on a when-issued or delayed delivery basis;
 - The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities pledged;

- The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes;
- In certificates of deposits obtained through a financial institution as provided in subsection (5) of section 1 of Public Act 20 of 1943, as amended;
- In deposit accounts of a financial institution as provided in subsection (6) of section 1 of Public Act 20 of 1943, as amended;
- In repurchase agreements consisting of bonds, securities and other obligations of the United States or an agency or instrumentality of the United States

9. SAFEKEEPING AND CUSTODY.

All security transactions shall be conducted on a delivery-versus-payment basis. Securities will be held by a third-party custodian designated by the Investment Officer and evidenced by safekeeping receipts or held by the Investment Officer in a secure and fire-proof location in City Hall, at his or her discretion.

10. PRUDENCE.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own financial affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.

11. REPORTING

The Investment Officer shall provide to the City Manager and the City Council monthly not later than the second regular Council meeting of the month a report listing the various accounts and investments held by the City as of the last day of the preceding month. Each year within 90 days following the end of the fiscal year, the Investment Officer shall provide to the City Manager and the City Council a report describing the return on investments made and held during the preceding fiscal year.

12. POLICIES REPLACED.

This policy replaces and supersedes the investment policy adopted by Council on December 11, 2000 and any other investment policies or resolutions adopted by the Council.

13. EFFECTIVE DATE

This policy shall become effective upon its approval by the City Council.

14. SUNSET DATE

This policy shall sunset four years following its effective date.

Council member Johnston moved, supported by Russo to approve Resolution No. 2018-50 Investment Policy for Council Policy No. 2018-04 Investment of Surplus Funds as presented. Carried. 7 Yes. 0 No.

City Manager Guetschow stated that the intent will be to consolidate banks and use Independent Bank as the primary banking source for

City funds. He stated state law requires some changes to the policy to allow for different banking options.

B. CONSIDER APPROVAL OF RESOLUTION NO. 2018-51 TO APPROVE POLC COMMAND STAFF BARGAINING AGREEMENT JULY 1, 2018 – JUNE 30, 2021:

RESOLUTION NO. 2018-51

A RESOLUTION TO APPROVE A COLLECTIVE BARGAINING AGREEMENT WITH THE SUPERVISORY UNIT OF THE CHARLOTTE POLICE DEPARTMENT

WHEREAS, the City has previously entered into a collective bargaining agreement with Police Officers Labor Council Charlotte Police Department Supervisory Unit which agreement concludes on June 30, 2018; and

WHEREAS, the parties to the agreement, through their respective representatives, have negotiated a successor agreement describing the terms and conditions of employment for members of the aforementioned bargaining unit; and

WHEREAS, the agreement includes modifications to the predecessor agreement generally described as follows:

- Personal Days: Granted personal days cannot be cancelled within 3 days prior to the scheduled leave;
- Residency: Residency requirement is deleted;
- Vacation: Advance notice for scheduling limited vacations reduced from 14 to 5 days;
- Vacation: Employees permitted to roll over up to 40 hours unused vacation into the next year;

- Retirement Health Savings Account: Increase employer match from \$1000/year to \$1300 per year over three years;
- Tuition Reimbursement: Establish tuition reimbursement program for employees pursuing bachelor or higher degrees up to \$250/credit hour with a maximum lifetime payment for 32 credit hours;
- Wages: 2% increase in wages for each year of the agreement;
- Duration: July 1, 2018 – June 30, 2021;

and

WHEREAS, entering into this agreement serves to promote harmony with the members of the bargaining unit and preserves a constructive labor environment which is a benefit to all citizens;

NOW, THEREFORE, BE IT RESOLVED that the Council does hereby approve the terms of the collective bargaining agreement, including the modifications generally described above, and authorizes the Mayor, City Manager and City Clerk to execute the agreement on behalf of the City.

Mayor Pro-Tem Baker moved, supported by Dyer to approve Resolution No. 2018-51 to approve POLC Command Staff Bargaining Agreement July 1, 2018 – June 30, 2021 as presented. Carried. 7 Yes. 0 No.

C. CONSIDER APPROVAL OF RESOLUTION NO. 2018-52 FOR REPLACEMENT COMMUNITY ROOM CARPET:

RESOLUTION NO. 2018-52

A RESOLUTION TO AUTHORIZE A CONTRACT WITH LANSING TILE & MOSAIC, INC. FOR SERVICES RELATED TO THE REPLACEMENT OF CARPET FOR THE COMMUNITY ROOM

WHEREAS, this project was identified for completion within the FY17-18 budget; and

WHEREAS, bids were solicited for the replacement of carpet for the City Hall Community Room; and

WHEREAS, two (2) bids were received by the due date required; and

WHEREAS, those bids are as follows; Lansing Tile & Mosaic, Inc in the amount of \$4,757.00, and Flooring America Carpet Studio in the amount of \$6,886.14; and

WHEREAS, the Lansing Tile & Mosaic, Inc. is the lowest bid that met required specifications; and

THEREFORE, BE IT RESOLVED That the City enter into a contract with Lansing Tile & Mosaic, Inc. to provide the above-mentioned services.

Council member Ridge moved, supported by Johnston to approve Resolution No. 2018-52 to approve replacement of Community Room Carpet as presented. Carried. 7 Yes. 0 No.

D. CONSIDER APPROVAL OF RESOLUTION NO. 2018-53 TO AUTHORIZE REPLACEMENT OF BOILER & AIR CONDITIONING AT AIRPORT:

RESOLUTION NO. 2018-53

A RESOLUTION TO AUTHORIZE THE REPLACEMENT OF THE BOILER AND AIR CONDITIONING AT THE AIRPORT

WHEREAS, the boiler at the Fitch Beach Airport has failed this last season as evidenced by a hole in the side of it; and

WHEREAS, removal of the carpet as part of the renovation project has uncovered a crack and settling in the concrete where the in-slab boiler piping runs; and

WHEREAS, separate air conditioning (AC) unit is approximately 18 years old which is beyond the expected 10-15 year life; and

WHEREAS, quotes were received with options to replace just the boiler, or to replace the boiler and air conditioner with one unit; and

WHEREAS, all quotes were less to replace the boiler with a forced air system; and

WHEREAS, the lowest quote was received from Spitzer HVAC, LLC in the amount of \$5,365.00 to remove and replace the boiler and AC unit and replace it with a single 72,000 BTU, 2.5 ton combination unit; and

WHEREAS, the new system will be paid for out of reserves in the Airport Fund; and

WHEREAS, Section 2-178 of the City Ordinances allows for the waiver of sealed bids.

THEREFORE, BE IT RESOLVED That the City Council approve the replacement of the boiler and AC unit at the Fitch Beach

Airport by Spitzer HVAC, LLC in the amount of \$5,365.00 and agrees to waive the sealed bid process.

Council member Johnston moved, supported by Mitchell to approve Resolution No. 2018-53 to authorize replacement of boiler & air conditioning at airport as presented. Carried. 7 Yes. 0 No.

E. CONSIDER APPROVAL OF RESOLUTION NO. 2018-57 REGARDING PAYMENT OF CLAIMS & ACCOUNTS:

RESOLUTION NO. 2018-57

A RESOLUTION TO APPROVE EXPENDITURES OF THE CITY FOR MAY 7, 2018

WHEREAS, Section 7.7 (B) of the City Charter requires Council approval for the expenditure of city funds; and

WHEREAS, the April 27, 2018 payroll totaled \$140,983.35; and

WHEREAS, the May 14, 2018 claims total \$268,307.26;

THEREFORE, BE IT RESOLVED that the City Council approves claims and accounts for May 14, 2018 in the amount of \$409,290.61

APPROVAL OF CLAIMS AND ACCOUNTS BY ROLL CALL

VOTE: Mayor Pro-Tem Baker moved, supported by Johnston to approve Resolution 2018-57 for expenditures of the City for May 14, 2018 as presented. Carried. 7 Yes. 0 No.

ACTION ITEMS – RESOLUTIONS AND ORDINANCES:

A. CONSIDER APPROVAL OF RESOLUTION NO. 2018-43 FOR COUNCIL POLICY NO. 2018-02 TO ALLOW APPEAL BY LETTER FOR BOARD OF REVIEW:

RESOLUTION NO. 2018-43

A RESOLUTION TO ALLOW LETTER APPEALS TO THE BOARD OF REVIEW

WHEREAS, the Board Of Review is authorized to hear various appeals pursuant to the General Property Tax Act; and

WHEREAS, According to MCL 211.30 (7), the governing body of the township or city may authorize, by adoption or resolution, a resident or nonresident taxpayer to file his or her protest before the board of review by letter without a personal appearance by the taxpayer or his or her agent;

THEREFORE, in order to ease the burden on taxpayers, and to ensure that all taxpayers have an equal opportunity to be heard by the Board of Review we believe each taxpayer should have the right to also appeal by letter rather than in person;

THEREFORE BE IT RESOLVED, that the City of Charlotte approves this resolution allowing such appeals as further outlined in Council Policy No. 2018-02.

COUNCIL POLICY NO. 2018-02

LETTER APPEALS TO THE BOARD OF REVIEW

1. PURPOSE

The purpose of this policy is to permit resident taxpayers to file a protest of their property assessments with the Board of Review by

letter without a personal appearance before the Board of Review by the taxpayers or their agents.

2. AUTHORITY

This policy is adopted pursuant to the provisions of MCL 211.30(8).

3. BACKGROUND

A portion of the revenues of the City are derived through the imposition of a tax on real and personal property. As required by state statute, the City's charter and its administrative code, the City has established an Assessing Department charged with fairly and equitably determining the values of properties subject to taxation. On occasion, property owners dispute the determination of values of properties and lodge protests with the Board of Review. The Board of Review examines these protests, supporting documentation and comments from taxpayers. The Board has the authority to affirm the assessment established by the City Assessor or modify the assessment. If a taxpayer is not satisfied with the Board's determination, he or she may appeal to the Michigan Tax Tribunal. Present practice requires a residential taxpayer, or his or her representative, to appear in person before the Board of Review. Failure to appear in person prohibits a taxpayer's advancing his or her appeal to the Michigan Tax Tribunal.

State law permits the City Council to waive the requirement for a personal appearance by residential taxpayers or their representatives before the Board of Review. Owners of commercial property are already granted this opportunity.

4. APPEAL BY LETTER

Pursuant to the provisions of MCL 211.30(8), resident taxpayers are hereby permitted to protest before the Board of Review by letter without personal appearances by the taxpayers or their representatives. Assessment notices issued subsequent to the approval of this policy shall contain a statement notifying taxpayers of this option.

5. EFFECTIVE DATE

This policy shall become effective upon its approval by the City Council.

6. SUNSET DATE

This policy shall sunset four years following its effective date.

Council member Johnston moved, supported by Ridge to approve Resolution No. 2018-43 for Council Policy No. 2018-02 to allow appeal by letter for Board of Review as presented. Carried. 7 Yes. 0 No.

B. CONSIDER APPROVAL OF RESOLUTION NO. 2018-44 FOR COUNCIL POLICY NO. 2018-01 TO ALLOW WAIVER OF PROPERTY TAX AFFIDAVIT FEES FOR LATE FILING:

RESOLUTION NO. 2018-44

CITY OF CHARLOTTE

WHEREAS, MCL 211.27b, General Property Tax Act, addresses charging a fee for interest and penalty for failure to timely file form 2766, Property Transfer Affidavit, or the adoption of a local unit Resolution to the contrary; and

WHEREAS; MCL 211.27b requires a penalty to be assessed to the buyers of properties if a Property Transfer Affidavit is not filed by the new property owner within 45 days of any transfer of ownership.

NOW, THEREFORE, BE IT RESOLVED that the City of Charlotte waives the penalty for failure to file Property Transfer Affidavits (PTAs) within 45 days, for all transfers.

BE IT FURTHER RESOLVED that this waiver may be requested to be set aside by the Assessor, or other local unit official, in specific cases and, therefore, collect late fees in those specific cases, wherein those fees for specific instances will comply with Michigan Compiled Laws 211.27b (1)(c) and 211.27b (1)(d) as further outlined in Council Policy No. 2018-03.

COUNCIL POLICY 2018-01

PROPERTY TRANSFER AFFIDAVIT PENALTY WAIVER

1. PURPOSE

The purpose of this policy is to establish compliance with the provisions of state statute requiring action by the governing body to waive the collection of penalties for failure to timely file a property transfer affidavit with the Assessor.

2. AUTHORITY

This policy is adopted pursuant to the provisions of MCL 211.27b(5).

3. BACKGROUND

In late 2017, the Michigan State Tax Commission published guidelines for conducting its next cycle of Assessing Minimal Audit Requirements, a review of the practices of assessing officers and departments to determine compliance with standards intended to insure compliance with state laws and regulations related to the assessing of real and personal property. The new cycle will include a determination as to whether assessors are levying penalties for failure to timely file a property transfer affidavit or such penalties have been waived by the local governing body.

Property transfer affidavits are notifications to the assessing department that real property has been sold. An assessing department is interested in receiving this information to insure that its records of property ownership are accurate and to obtain information used in completing its sales studies.

State law requires the filing of property transfer affidavits within 45 days following the sale. Penalties for residential sales are \$5 per day up to a maximum of penalty of \$200. For industrial or commercial real property with a sales price of \$100 million or less, the penalty is \$20 per day up to a maximum of \$1,000. The penalty for transfers of commercial or industrial properties over \$100 million is \$20,000.

Failure to file a property transfer affidavit is rare and the City has never imposed a penalty. In instances in which the property transfer affidavit has not been filed within the required 45 days, the assessor has been successful in obtaining compliance after notification in almost all instances. Lack of compliance with the requirement to file

a property transfer affidavit within the required 45 days has not had a significant negative impact on the assessor's ability to adequately perform sales studies or maintain assessing records.

City staff has determined that waiving the imposition of the penalty would not negatively affect the public health, safety or welfare.

4. WAIVER OF PENALTY

Pursuant to the provisions of MCL 211.27b(5), the penalty for failure to file a property transfer affidavit is hereby waived.

5. EFFECTIVE DATE

This policy shall become effective upon its approval by the City Council.

6. SUNSET DATE

This policy shall sunset four years following its effective date.

Council member Russo moved, supported by Dyer to approve Resolution No. 2018-44 for Council Policy No. 2018—1 to allow waiver of Property Tax Affidavit fees for late filing as presented. Carried. 7 Yes. 0 No.

C. CONSIDER APPROVAL OF RESOLUTION NO. 2018-58 TO APPROVE COUNCIL POLICY NO. 2018-03 FOR AUDITING OF STATUS OF TAX EXEMPT PROPERTIES:

RESOLUTION NO. 2018-58

A RESOLUTION TO APPROVE COUNCIL POLICY

2018-03

REGARDING THE AUDITING OF TAX EXEMPT PROPERTIES

WHEREAS, the State Tax Commission establishes standards of compliance with the requirements of the General Property Tax Act and periodically reviews local units of government's conformance with those standards; and

WHEREAS, one such requirements is a written policy related to the auditing of properties that are considered exempt from the property tax; and

WHEREAS, Council Policy 2018-03 establishes practices and procedures to be followed by the City's Assessing Department to assure conformance with State Tax Commission standards regarding the regular performance of such standards; and

NOW, THEREFORE, BE IT RESOLVED that Council Policy 2018-03 regarding the auditing the status of tax exempt properties is hereby approved.

**COUNCIL POLICY NO. 2018-03
THE BOARD OF REVIEW AUDITING OF STATUS
OF TAX-EXEMPT PROPERTIES**

1. PURPOSE

The purpose of this policy is to establish procedures for auditing the status of tax-exempt properties.

2. AUTHORITY

This policy is adopted pursuant to the provisions of 2.1(B) of the City Charter.

3. BACKGROUND

The State of Michigan establishes standards for review of assessing practices of municipalities and periodically audits assessing departments pursuant to a program called Audit of Minimum Assessing Requirements (AMAR). One of the standards in future AMAR reviews will be the procedures used by the Assessing Department to audit the status of properties that the Department has previously classified as exempt from property taxation.

The purpose of such a procedure is to insure the fairness and equity of assessing practices used by the City so that the burden of financing the provision of public services does not fall more heavily on taxed properties than necessary. Such a situation can occur if properties that had once been classified as tax-exempt have been converted to a use that renders them taxable but no review of their status has been undertaken.

The effect of such a situation can be minimized by establishing a procedure through which the status of tax-exempt properties is audited so as to insure that said properties still qualified for tax-exempt status.

4. PROCEDURE

The Assessing Department shall, to the extent feasible, assure that properties classified as tax-exempt merit said designation pursuant to

the property tax laws of the State of Michigan by employing the following procedures:

4.1. The owner(s) of property requesting exempt status shall complete an application on forms prepared by the City Assessor and submit such application to the Assessor not later than March 1 of the tax year for which the exemption is requested.

4.1.1. Properties classified as tax-exempt on the effective date of this policy shall not be required to submit this application but shall be subject to all other requirements of the audit process herein established.

4.2. Each year in conjunction with the annual inspection of 20% of properties in the City, the Assessor shall conduct an audit of tax-exempt properties located in the geographic area(s) of the City subject to the annual inspection.

4.2.1. In conducting the audit, the Assessor shall prepare and distribute to the owner(s) of property classified as tax-exempt a questionnaire. Said questionnaire shall be in such form as the Assessor determines necessary to solicit information from the owner(s) as to the use status of such property so as to verify that the use is consistent with standards contained in State statute to qualify for tax-exempt status.

4.2.2. If the Assessor determines that the property no longer qualifies for tax-exempt property, he or she shall change the status of the property to the appropriate class and include said property on the ad valorem roll for all subsequent tax years.

5. EFFECTIVE DATE

This policy shall become effective upon its approval by the City Council.

6. SUNSET DATE

This policy shall sunset four years following its effective date.

Council member Russo moved, supported by Baker to approve Resolution No. 2018-58 to approve Council Policy No. 2018-03 regarding auditing of status of tax exempt properties as presented. Carried. 7 Yes. 0 No.

D. CONSIDER APPROVAL OF RESOLUTION NO. 2018-45 TO AUTHORIZE AN OUTDOOR CAFÉ AT 208 S. COCHRAN AVE:

RESOLUTION NO. 2018 -45

A RESOLUTION TO AUTHORIZE AN OUTDOOR CAFÉ AT 208 S. COCHRAN AVENUE

WHEREAS, the City of Charlotte has established policies and procedures regulating the establishment of sidewalk dining cafes in the Central Business District; and

WHEREAS, the owners and operators of the Thirsty Bird Bar & Kitchen, located at 208 S. Cochran Avenue, have applied for an outdoor café permit; and

WHEREAS, the City has reviewed this application and café plan and determined it is in keeping with the relevant policies and procedures; and

WHEREAS, the City Council of the City of Charlotte intends that this Resolution will certify its approval of the café and may accompany any further applications, permissions or approvals that may be necessary from the Michigan Department of Transportation, the Michigan Liquor Control Commission, or other appropriate state agency.

THEREFORE, BE IT RESOLVED that the City of Charlotte hereby authorizes the establishment and operation of an outdoor café at 208 S. Cochran Avenue, so long as the operation complies with the City's Administrative Policy Regulating the Establishment of Outdoor Cafés in the Central Business District; and so long as the permitted activities do not create an unsafe situation, nor interfere with pedestrian movement and motor vehicle transportation and parking.

Council member Russo moved, supported by Ridge to approve Resolution No. 2018-45 to authorize an outdoor café at 208 S. Cochran Ave. as presented. Carried. 7 Yes. 0 No.

E. CONSIDER APPROVAL OF RESOLUTION NO. 2018-47 TO AUTHORIZE USE OF CITY PARKING LOT

NO. 4 FOR 'ART OF CHARLOTTE' EVENT ON JUNE 2, 2018:

RESOLUTION NO. 2018 -47

A RESOLUTION TO AUTHORIZE USE OF CITY PARKING LOT NO. 4

ON JUNE 2, 2018 FOR THE 'ART OF CHARLOTTE' EVENT

WHEREAS, Windwalker Underground Gallery and other businesses in the East 100 Block of South Cochran Avenue, along with the Can Do! organization wishes to use a portion of City Parking Lot No. 4 on the evening of June 2 for a special event called Art of Charlotte; and

WHEREAS, this event would include live music and visual and performance art from both community residents and Charlotte Public Schools students; and

WHEREAS, the community has adopted a transformation strategy for downtown Charlotte that includes placing a greater emphasis on arts and culture.

THEREFORE, BE IT RESOLVED that the City of Charlotte hereby authorizes the use of City Parking Lot No. 4 on June 2, 2018 for the 'Art of Charlotte' event.

Mayor Pro-Tem Baker moved, supported by Russo to approve Resolution No. 2018-47 to authorize use of City Parking Lot No. 4 for 'Art of Charlotte' event on June 2, 2018 as presented. Carried. 7 Yes. 0 No.

F. CONSIDER APPROVAL OF RESOLUTION NO. 2018-48 TO AUTHORIZE SIGNATORIES FOR MDOT CONTRACT NO. 2018-0428:

**RESOLUTION NO. 2018-48
A RESOLUTION TO AUTHORIZE SIGNATORIES
FOR MDOT CONTRACT NO. 2018-0428**

WHEREAS, the City of Charlotte wishes to enter into an agreement with the Michigan Department of Transportation Bureau of Aeronautics; and

WHEREAS, this agreement is known as MDOT Contract No. 2018-0428; and

WHEREAS, the terms of this agreement require passage of a resolution authorizing official signatories.

THEREFORE, BE IT RESOLVED that the City of Charlotte hereby authorizes Mayor Tim Lewis and City Clerk Ginger Terpstra to sign MDOT Contract No. 2018-0428, as well as supporting documents that include necessary certifications and assurances.

Council member Ridge moved, supported by Johnston to approve Resolution No. 2018-48 to authorize signatories for MDOT Contract No. 2018-0428 as presented. Carried. 7 Yes. 0 No.

G. CONSIDER APPROVAL OF RESOLUTION NO. 2018-49 TO AUTHORIZE MDOT CONTRACT NO. 2018-0428:

**RESOLUTION NO. 2018-49
A RESOLUTION TO APPROVE MDOT CONTRACT NO.
2018-0428**

WHEREAS, the City of Charlotte wishes to update the Master Plan and Airport Layout Plan for Fitch H. Beach Municipal Airport; and

WHEREAS, funding is available for this project from the Federal Aviation Administration on Michigan Department of Transportation Bureau of Aeronautics; and

WHEREAS, MDOT Contract No. 2018-0428 is agreement between the City of Charlotte and the Michigan Department of Transportation Bureau of Aeronautics allocating these available funds to this specific project.

THEREFORE, BE IT RESOLVED that the City of Charlotte City Council hereby approves the agreement known as MDOT Contract No. 2018-9428 and authorizes its execution.

Council member Ridge moved, supported by Mitchell to approve Resolution No. 2018-49 to authorize MDOT Contract No. 2018-0428 as presented. Carried. 7 Yes. 0 No.

INTRODUCTION OF RESOLUTIONS AND ORDINANCES:

A. CONSIDER FIRST READING OF RESOLUTION NO. 2018-54 FY 2018/2019 ANNUAL BUDGET AND SET PUBLIC HEARING FOR MAY 29, 2018:
RESOLUTION NO. 2018-54

A RESOLUTION TO APPROVE THE BUDGET FOR THE FISCAL YEAR THAT BEGINS JULY 1, 2018, TO SET RATES OF TAXATION AND TO AUTHORIZE OTHER RELATED ACTIONS.

WHEREAS, in accordance with the provisions of the City Charter, the City Manager submitted to Council a proposed budget for the fiscal year commencing July 1, 2018 and ending June 30, 2019; and

WHEREAS, Council members have reviewed the proposed budget and the Council has availed itself of opportunities to be informed about its contents, to discuss the spending plan for the City, to debate its implications and to offer amendments to the budget; and

WHEREAS, in accordance with state statute and the Charter and after proper notice, the Council conducted a public hearing on the proposed budget on May 29, 2018 at which time comments on the proposed budget were considered; and

NOW, THEREFORE, BE IT RESOLVED that the estimated revenues for the fiscal year are hereby accepted by the City Council as followed:

101	General Fund		\$6,244,740
	Taxes	\$3,176,550	
	Licenses & Permits	54,070	
	Intergovernmental	1,187,400	
	Charges for Services	748,700	
	Fines & Forfeitures	26,700	
	Investment Income	15,000	
	Other Revenue	562,100	
	Interfund Transfers	474,220	
202	Major Street Fund		1,341,200
203	Local Street Fund		397,205
230	Police Drug		2,550

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	Enforcement Fund		
240	Police Training Fund		10,300
260	DDA Fund		33,285
261	LDFA Fund		5,000
270	Industrial Park Fund		8,365
280	Airport Fund		278,310
290	Federal & State Grants Fund		218,000
330	2008 Facility Building & Site Fund		197,700
500	Recycling Fund		68,120
500	Water and Sewer Fund		3,912,600
	Water Revenue		1,560,800
	Sewer Revenue		2,338,000
	Other Revenue		13,800
601	Motor Vehicle Pool Fund		454,100

AND BE IT FURTHER RESOLVED, that expenditures for the fiscal year are hereby authorized for the various funds in the following amounts:

101	General Fund		\$6,583,479
	General Government	\$1,191,339	
	Public Safety	4,068,510	
	Public Works	667,000	
	Community &	221,820	

	Economic Dev.		
	Parks & Recreation	373,850	
	Operating Transfers	60,960	
202	Major Street Fund		1,801,420
203	Local Street Fund		397,205
230	Police Drug Enforcement Fund		2,000
240	Police Training Fund		9,500
260	DDA Fund		28,020
261	LDFA Fund		506,350
270	Industrial Park Fund		33,025
280	Airport Fund		278,310
290	Federal & State Grants Fund		218,000
330	2008 Facility Building & Site Fund		197,700
500	Recycling Fund		68,120
500	Water and Sewer Fund		4,158,110
601	Motor Vehicle Pool Fund		603,500

AND BE IT FURTHER RESOLVED, that 14.2913 mills be levied on the taxable valuation as equalized for general operating requirements of the City;

AND BE IT FURTHER RESOLVED, that .1000 mills be levied on the taxable valuation as equalized for yard waste collection;

AND BE IT FURTHER RESOLVED, that .9000 mills be levied on the taxable valuation as equalized to cover the November 2018 and May 2019 principal and interest payments of the General Obligation Unlimited Tax Refunding Bonds, Series 2017, which refunded the 2008 Building Facility & Site bonds approved by the electorate on November 6, 2007;

AND BE IT FURTHER RESOLVED, that 2.0 mills be levied on the taxable valuation as equalized for parcels within the Downtown Development Authority (DDA) district, which taxes will be revenues of the DDA fund;

AND BE IT FURTHER RESOLVED, that all taxes and special assessments levied on the City tax roll shall be assessed a 1% property tax administration fee;

AND BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to grant wage increases for non-union employees within authorized budget allowances;

AND BE IT FURTHER RESOLVED, that within the General Fund, \$200,000 is reserved and assigned for retiree health insurance and \$105,000 is reserved and non-spendable as prepaids and inventory;

AND BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to make budgetary transfers within a fund or between funding centers within a fund, if such exist, and

that all other transfers be approved only by further action of the Council pursuant to the provisions of the Michigan Uniform Budgeting and Accounting Act.

Council member Ridge stated that she would like the office furniture for Chief Sherman added back into the budget that was taken out in a previous budget year. She asked that money be set aside for a Master Plan update or to start the planning stages of such.

City Manager Guetschow explained that there is a timing sequence for this on the Redevelopment Ready Community Plan.

Council member Ridge stated that she would like to use the \$13,000 set aside for the five year Park Master Plan somewhere else.

Council member Dyer would like to see the City fund their portion of the Recreation Director that was presented by the school at a previous meeting in the amount of \$15,000.00.

City Manager Guetschow stated that in order to do this there would be a contract between the city and the school for this relationship.

Mayor Pro-Tem Baker moved, supported by Dyer to approve first reading of Resolution No. 2018-54 FY 2018/2019 Annual Budget and set public hearing for May 29, 2018 presented. Carried. 7 Yes. 0 No.

B. CONSIDER APPROVAL OF FIRST READING OF RESOLUTION NO. 2018-55 AUTHORIZING

CHARLOTTE CELEBRATES ACTIVITIES JUNE 14-17, 2018:

**RESOLUTION NO. 2018 –55
AUTHORIZING CHARLOTTE CELEBRATES
ACTIVITIES JUNE 14-17, 2018**

WHEREAS, Charlotte Celebrates is a community-based, organized event that is to be held June 14 to 17, 2018; and,

WHEREAS, the Charlotte Celebrates committee is responsible for organizing these events that contribute to community-wide fellowship, benevolence, and welfare; and

WHEREAS, the Committee in conjunction with City Administration, have planned events that require the use and closure of certain public facilities, streets and right of ways; and

WHEREAS, the Committee has requested that the Charlotte City Council approve the following requests and conditions, including assistance with street closures:

1. Closure of South Cochran Avenue in the 100 and 200 blocks, and East & West Lovett Streets in the 100 blocks to through traffic from 4 p.m. to 8:30 p.m. on Thursday, June 14, 2018 for Touch-A-Truck.
2. Closure of South Cochran Avenue in the 100, 200 and 300 blocks, and East & West Lovett Streets in the 100 blocks to through traffic from 5 p.m. to 9:30 p.m. on Friday, June 15, 2018 for the Charlotte Celebrates Car Show.

3. Temporary closures of portions of certain local streets for the United Way's Color's United 5K running event on the morning of Saturday, June 16, 2018.
4. Authorization for the use of Fitch H. Beach Municipal Airport for the annual Father's Day Fly-In and Pancake Breakfast at the airport the morning of June 17, 2018.
5. Authorization for the closure of a portion of City Parking Lot #1, adjacent to Beach Market, on the evenings of June 14, June 15 and June 16 in conjunction with entertainment and refreshment events at Beach Market.
6. Authorization for the city to supply whatever closing signs and barricades it has available for the street closures. Other signs will be the responsibility of the event committee.
7. Authorization for the city Department of Public Works to place the required barricades as needed and designated by the Charlotte Police Department.
8. Authorization for the Charlotte Police Department to provide assistance for traffic diversion as necessary for the above-mentioned events.

WHEREAS, the City Council of the City of Charlotte determines these temporary street closings and other conditions are in the best interests of the community.

NOW, THEREFORE, BE IT RESOLVED, that these street closures at the specified times be granted and carried out in accordance with those permissions issued by the Michigan Department of Transportation; and,

BE IT ALSO RESOLVED, that the city Department of Public Works and Charlotte Police Department provide the authorized assistance as outlined above.

Council member Johnston moved, supported by Mitchell to approve first reading of Resolution No. 2018-55 Celebrate Charlotte as presented. Carried. 7 Yes. 0 No.

C. CONSIDER APPROVAL OF FIRST READING RESOLUTION NO. 2018-56 PREIN & NEWHOF PROFESSIONAL SERVICES CONTRACT FOR PLANNING SERVICES AT FITCH H. BEACH MUNICIPAL AIRPORT:

RESOLUTION NO. 2018 -56

A RESOLUTION TO APPROVE AN AGREEMENT FOR PROFESSIONAL PLANNING SERVICES FROM PREIN & NEWHOF

WHEREAS, the City of Charlotte wishes to update the Master Plan and Airport Layout Plan for Fitch H. Beach Municipal Airport; and

WHEREAS, funding is available for this project from the Federal Aviation Administration on Michigan Department of Transportation Bureau of Aeronautics; and

WHEREAS, the airport consulting firm Prein & Newhof has been chosen to perform the services associated with these updates; and

WHEREAS, the City and Prein & Newhof must execute a contract specifying the terms under which this work shall be performed.

THEREFORE, BE IT RESOLVED that the City of Charlotte City Council hereby approves the agreement with Prein & Newhof for professional airport planning services related to the Fitch H. Beach Municipal Airport ALP Update.

Mayor Pro-Tem Baker moved, supported by Ridge to approve first reading of Resolution No. 2018-56 Prein & Newhof Professional Services Contract for Planning Services at Fitch H. Beach Municipal Airport as presented. Carried. 7 Yes. 0 No.

COMMUNICATIONS AND COMMITTEE REPORTS

CITY ATTORNEY REPORT: None.

CITY MANAGER REPORT: City Manager Guetschow stated that the March end financial statement has been distributed at this meeting. They should be receiving the April financial statement at the next meeting. He stated that options are being explored to handle accounts payable in the future and may cause the report that council is accustomed to change a bit. He reported that a great deal of time has been spent focusing on banking relationships and investing with the City Clerk.

COUNCILMEMBER COMMITTEE REPORTS:

- Council member Ridge reported that the Recreation Co-Op met last Thursday. She stated that the softball field construction has begun and should be completed by June 30th. They are currently working on some grant clean-up. She stated that the five year recreation co-op plan is on file with the DNR. Another needs to be filed by early fall.

- Mayor Lewis reported that DDA meets tomorrow morning. He invited everyone to attend and stated that they have lots of ideas. Mayor Lewis made note of the Fire statistics to date noting the run totals for the month. He thanked the firemen and volunteers for all of their work.

PUBLIC COMMENT: **Joe E. Pray**, 316 W. Seminary, thanked council for approving the Prein & Newhof professional services contract for planning services for Fitch H. Beach Airport.

MAYOR AND COUNCIL COMMENTS:

- Council member Dyer no comment.
- Council member Johnston no comment.
- Council member Russo no comment.
- Mayor Pro-Tem Baker no comment.
- Council member Mitchell no comment.
- Council member Ridge stated that CANDO! meets on May 23rd in the Spartan Room at the Charlotte Community Library. Community Development Director Myrkle and Julie Kimmer will be presenting on Downtown Charlotte’s nomination to the National Register of Historic Places. The Charlotte Community Story Walk will be held at AL!VE on June 16th at 10 AM. She announced that \$25,000 was awarded for Downtown Façade projects to five different businesses. Lindsay Potter was recently appointed to the Main Street Advisory Council. A \$10,000 Arts grant was just awarded to the City.

- Mayor Lewis thanked Audrey for spending the Day with the Mayor to learn about City government. Audrey thanked Mayor Lewis for spending the day to help her learn about each department. She stated that there is a lot of work that goes on for the day to day operations of the City. Mayor Lewis presented the Key to the City to Audrey. He stated that Friday at 11 AM the Charlotte Police Department will be unveiling their new Mobile Command Unit, thanks to the donations from local community contributors. He stated that he spent Arbor Day with the Public Works Director Gilson and the kids at Weymouth. The Trash Walk for CARA is scheduled for Saturday, May 19th.

Council member Johnston moved, second by Ridge to adjourn at 8:16 p.m. Carried. 7 Yes. 0 No.

Mayor Tim Lewis

Ginger Terpstra, City Clerk, CMMC