

City Commission
February 17, 2025

Mayor Fred Guenther called the regular meeting of the City Commission to order at 6:25 p.m.

Present: Commissioners Lorraine James, Amanda Johnson, David Rhodes; Mayor Fred Guenther; City Manager Mark Gifford, City Treasurer Carla Staffen, and City Clerk Karen Manoski.

Absent: City Attorney Brad Fowler

There were 7 people in attendance.

ROLL CALL

Guenther, James, Johnson, Rhodes

Absent: Simmon

RESOLUTION 25-21

Commissioner James moved, supported by Commissioner Johnson, the adoption of the following resolution:

**RESOLUTION EXCUSING COMMISSIONER KAREN SIMMON
FOR PERSONAL REASONS**

NOW, THEREFORE, BE IT RESOLVED, that the City Commission excuses Commissioner Karen Simmon from the regular meeting of February 17, 2025, for personal reasons.

Yeas: Unanimous

Nays: None

The Mayor Declared the Resolution adopted.

Dated: February 17, 2025

PLEDGE OF ALLEGIANCE

APPROVAL OF THE AGENDA

APPROVAL OF MINUTES – No minutes to approve.

SPECIAL ORDERS OF THE DAY – None.

STUDY SESSION

a. Budget Timeline – Carla Staffen, City Treasurer

City Treasurer Carla Staffen provided the Budget Schedule for fiscal year 2025/2026 and said the City Charter dictates the budget plan is to be adopted by the City Commission on or before the first Monday in June. Budget templates are made available to all department heads, and the Treasurer's

Office will complete all items related to salary and benefits as well as DPW overhead, equipment rental, insurance premiums, audit fees, and transfers in and out of funds. Approved Capital Improvement Projects (CIP) will also be added by the Treasurer.

The treasurer also calculates projected year end fund balances us to ensure funds are available for a balanced budget. The City Manager and City Treasurer also meet with department heads to discuss their budgets.

City of Big Rapids

Budget Schedule – Fiscal Year 2025/2026

DATES	ACTION ITEMS
January 13, 2025	<ul style="list-style-type: none"> Capital Improvement Project (CIP) requests due.
January 27, 2025	<ul style="list-style-type: none"> CIP Administrative Group meets to discuss CIP requests.
February 19, 2025	<ul style="list-style-type: none"> Planning Commission makes CIP recommendation.
March 3, 2025	<ul style="list-style-type: none"> Budget templates are available for completion.
March 17, 2025	<ul style="list-style-type: none"> CIPs submitted to City Commission.
March 21, 2025	<ul style="list-style-type: none"> Departmental expense budgets due to Treasurer's Office.
March 28 – April 1, 2025	<ul style="list-style-type: none"> Year end fund balance estimates are calculated. Preliminary revenue estimates for the upcoming budget year are calculated.
April 7 – April 11, 2025	<ul style="list-style-type: none"> City Manager and City Treasurer discuss budgets with department heads.
April 21, 2025	<ul style="list-style-type: none"> Public forum held during City Commission meeting to receive community input on budget.
April 21 – April 25, 2025	<ul style="list-style-type: none"> Budget requests are finalized. Revised budgets distributed to department heads.
May 12, 2025	<ul style="list-style-type: none"> Public hearing held on the budget. City Treasurer presents complete budget plan to City Commission.
May 19, 2025	<ul style="list-style-type: none"> City Commission adopts budget and sets tax levies. Treasurer's Office publishes budget summary on City website

2. General Fund - Clerk's Office Expenditure Budget

GL Number	Description	06/30/2025 Amended Budget	23-24 Activity	YTD As Of 06/30/2025	25-26 REQUESTED	25-26 MGR RECOMMEND
---Appropriations---						
<None Set>						
101-215-702.000	SALARIES	218,100.00	128,817.64	164,922.11	0.00	0.00
101-215-703.000	SALARIES/PART-TIME	0.00	32,240.57	0.00	0.00	0.00
101-215-703.100	SALARIES/WORKSTUDY	0.00	0.00	0.00	0.00	0.00
101-215-703.150	SALARIES/PART-TIME/PR	0.00	0.00	0.00	0.00	0.00
101-215-709.000	OVERTIME PAY	1,500.00	3,642.39	1,452.82	0.00	0.00
101-215-715.000	EMPLOYER FICA	16,800.00	12,302.01	12,826.76	0.00	0.00
101-215-716.300	HEALTH INSURANCE REIMBURSEMENT	6,800.00	1,425.00	3,705.00	0.00	0.00
101-215-717.000	EMPLOYER HEALTH INSURANCE PREMIUMS	16,100.00	22,564.89	21,387.31	0.00	0.00
101-215-718.000	INSURANCE-UNEMPLOYMENT COMP.	100.00	30.74	10.36	0.00	0.00
101-215-719.000	INSURANCE-WORKERS COMP.	400.00	384.90	361.52	0.00	0.00
101-215-720.000	DB MERS RETIREMENT	52,900.00	30,085.56	30,857.96	0.00	0.00
101-215-720.300	DC MERS EMPLOYER CONTRIBUTIONS	21,600.00	13,118.04	16,476.29	0.00	0.00
101-215-732.000	OPERATIONAL SUPPLIES	700.00	310.44	237.70	0.00	0.00
101-215-732.100	CRIMINAL HISTORY CHECK	200.00	130.00	380.00	0.00	0.00
101-215-822.200	LTD/LIFE/ADD	600.00	653.62	561.71	0.00	0.00
101-215-860.000	TRAVEL EXPENSES	3,000.00	1,994.91	0.00	0.00	0.00
101-215-870.000	TRAINING	3,100.00	2,200.00	500.00	0.00	0.00
101-215-900.000	PRINTING & PUBLISHING CODIFICATION	4,000.00	3,006.05	2,408.70	0.00	0.00
101-215-901.000	PUBLIC NOTICES	13,000.00	9,429.13	5,706.40	0.00	0.00
101-215-930.000	OPERATIONAL REPAIRS & MAINT.	500.00	0.00	0.00	0.00	0.00
101-215-957.000	SUBSCRIPTIONS	300.00	367.03	119.76	0.00	0.00
101-215-958.000	MEMBERSHIP FEES	700.00	640.00	200.00	0.00	0.00
101-215-961.000	LUNCHEON/DINNER MEETINGS	100.00	73.88	34.96	0.00	0.00
101-215-980.000	OFFICE EQUIPMENT & FURNITURE	2,000.00	49.99	0.00	0.00	0.00
Total <None Set>:		362,500.00	263,466.79	262,149.36	0.00	0.00
Total Appropriations:		362,500.00	263,466.79	262,149.36	0.00	0.00

b. PILOT Ordinance – Michelle Stenger, Community Development Director

Community Development Director Michelle Stenger explained that Chapter 155 of the City Ordinance has established procedures and requirements for how Tax Exemption for Housing Developments are to be reviewed by the City. The purpose of the tax exemption process is for developers to utilize this as a way for the City to encourage the construction of housing developments for citizens of low income.

Important Terms:

Annual Shelter Rent: the total collections during an agreed annual period from all occupants of a housing development exclusive of charges for utilities (Rent collected minus portion for utilities).

Contract Rents: As defined by the US HUD in regulations promulgated pursuant to the US Housing Act of 1937 (The amount of rent the developers are allowed to charge based on income/bedrooms/people)

Utilities: Fuel, water, sanitary sewer service and/or electrical service. Must be paid by the Housing Development.

Service Charge: The amount of payment made to the City in lieu of paying property taxes, calculated using an established formula.

Low Income: Incomes do not exceed 80 percent of the median family income of the area

AMI: Average Median Income

Types of developments permitted: Elderly housing developments which are federally aided and multiple or single-family dwellings for persons of low income.

Establishing the Service Charge: There are two different service charges that the Ordinance outlines. One is for elderly people, and one is intended for persons of low income. The low income has a requirement of 10% of the shelter rents minus the actual utilities collected.

Process: The applicant applies for the PILOT with a letter of interest. The Planning Commission is the first board to review the request. Prior to the Planning Commission meeting information will be sent to the Housing Commission so they can provide their input in writing to the Planning Commission. The Planning Commission will make a recommendation to the City Commission. The City Commission will review the request and make a final decision.

Review Criteria: The following criteria is outlined in the City Ordinance. All the criteria listed must be determined to be met by the City Commission to qualify for tax exempt status and a PILOT.

- A. The Housing Development is designed for elderly or low-income residents as defined in this chapter or applicable state or federal law;
- B. The Housing Development will meet a demand not adequately addressed in the existing housing inventory in the community;
- C. The Housing Development will not have a significant negative impact on the existing rental housing market for substantially similar housing units;
- D. The Housing Development is designed so that a PILOT agreement is essential to financing of the proposed housing development;
- E. The Housing Development is designed to avoid an excessive concentration of subsidized housing in any particular section of the City of Big Rapids;
- F. The Housing Development will rehabilitate or remove some dilapidated or substandard housing stock within the City of Big Rapids.

PILOT payments are received and divided between the taxing jurisdictions in a similar manner to property taxes.

Other things to consider include needs of the community, income taxes collected, capacity of infrastructure, infrastructure tap fees or other impacts/improvements of the development.

PUBLIC COMMENT – None.

PUBLIC HEARING – None.

GENERAL BUSINESS – None.

RESOLUTION NO. 25-22

Commissioner Johnson moved, seconded by Commissioner Rhodes, the adoption of the following resolution:

**RESOLUTION APPOINTING SETH LATTIMORE, PRECISE TAX ASSESSMENT LLC
AS THE CITY'S CONTRACTED ASSESSING SERVICE**

WHEREAS, dictated by State law and City Charter, the City Commission is the authority to appoint a City Assessor, and

WHEREAS, the City solicited for a full-time level 3 assessor as well as requests for proposals for contract assessing services, and

WHEREAS, the City received three Request for Proposals for assessing services with the Assessing Hiring Committee interviewing all three applicants, and whereby the committee recommended the hiring of Seth Lattimore, Precise Tax Assessment LLC, Certified Michigan Advanced Assessing Officer Level 3 as the City's contracted City Assessor.

NOW, THEREFORE, BE IT RESOLVED, that the City Commission hereby designates Seth Lattimore, Precise Tax Assessment LLC, Certified Michigan Advanced Assessing Officer Level 3 as the City's contracted City Assessor and authorizes Mayor Frederick Guenther to sign said contract when effective date is determined.

Yeas: Guenther, James, Johnson, Rhodes

Nays:

The Mayor Declared the Resolution adopted.

Dated: February 17, 2025

City Manager Mark Gifford stated the Jaycees did the fireworks in Big Rapids for years, but the organization no longer has a chapter here. The organization has fallen to several different organizations, with the Mecosta County Convention and Visitors Bureau doing it last year however, they are without a director and are not interested in taking this project on for 2025.

Gifford said Mike from Pyrotechnico Fireworks contacted the City, concerned that we were not on the schedule yet as dates are typically secured a year or two in advance. The City secured July 3, as Gifford said he did not want to lose the date, he cannot imagine small town America without a fireworks show. This was brought to the Commission to approve the contract and allow staff the opportunity to secure donations to offset the cost as the City budgets \$5,000 each year for this.

There were four commissioners present, it would take all four to vote in favor for this to pass. Mayor Guenther stated he and Gifford have discussed who may be able to take this on in the future. Commissioner Johnson stated going into an uncertain future, with federal decisions being made that could affect us locally, she questions why the City would fund a fireworks display that the local service organizations will not support, and is she being a good steward of the people's money by supporting this.

Commissioner James does not have an issue with the \$23,000, she would like to see local businesses contribute, and supports signing the contract, so the City does not lose the date, and gives staff until July to raise the funds needed. As this is a recent development, City staff did not have time to secure the funds before this meeting.

The resolution failed; Commissioner James asked to have the City Attorney Brad Fowler consulted to see if this can be brought before the commission again.

RESOLUTION NO. 25-23

Commissioner James moved, seconded by Commissioner Johnson, the adoption of the following resolution:

RESOLUTION APPROVING THE CITY MANAGER'S REQUEST TO WAIVE THE REQUIREMENT OF SEALED BIDS TO HIRE PYROTECHNICO FIREWORKS, INC TO PROVIDE FIREWORKS FOR JULY 3, 2025

****requires a 4/5 vote**

WHEREAS, the 4th of July celebration in Big Rapids has been organized in recent years by different organizations who are unable to continue, asking the City to coordinate, and

WHEREAS, the City secured July 3, 2025, as the date Pyrotechnico Fireworks, Inc. can provide a fireworks show for our community from the Mecosta County Fairgrounds with a budget of \$23,000, and

WHEREAS, City Manager Mark Gifford has solicited donations from local organizations to help offset the cost of said fireworks, leaving the City with a projected balance of \$9,000, and

WHEREAS, per Section 8.10 of the City Charter, the City Manager puts forth a recommendation to the Commission to waive the bidding requirement allowing the City to hire Pyrotechnico Fireworks, Inc.

NOW, THEREFORE, BE IT RESOLVED, that the City Commission approves the City Manager's request to waive the requirement of sealed bids per Section 8.10 of the City Charter allowing the City to hire Pyrotechnico Fireworks, Inc. to provide fireworks from the Mecosta County Fairgrounds on July 3, 2025 in the amount of \$23,000 to be expensed from Account Number 101-101-880.000, and authorizes Mark Gifford, City Manager to sign said contract.

Yeas: Guenther, James, Rhodes

Nays: Johnson

The Mayor Declared the Resolution failed.

Dated: February 17, 2025

RESOLUTION NO. 25-24

Commissioner James moved, seconded by Commissioner Johnson, the adoption of the following resolution:

RESOLUTION ACCEPTING PROJECT AUTHORIZATION FOR THE CITY OF BIG RAPIDS, FISCAL YEAR 2025, SECTION 5311 OPERATING FORMULA GRANTS FOR RURAL AREAS PROGRAM AGREEMENT NO. 2022-0021/P6

WHEREAS, the Big Rapids Dial-A-Ride Transportation (DART) system derives approximately 18% of its operating revenue from the Federal Transit Administration (FTA), which is administered by the Michigan Department of Transportation, and

WHEREAS, under the City of Big Rapids Annual Local Transportation Program Grant Application for the period of October 1, 2024, through September 30, 2025, the City has requested federal funding in the amount of 18% of the City's proposed operating budget (\$787,100.00), and

WHEREAS, this project authorization, Agreement No. 2022-0021/P6, is 18% for a total of \$141,678.00, which represents full payment.

NOW, THEREFORE, BE IT RESOLVED, that the City of Big Rapids hereby agrees to enter into the Project Authorization Agreement for FY 2025 Section 5311 Operating Formula Grants, Agreement No 2022-0021/P6, in the amount of \$141,678.00 and authorizes the City Manager to sign the agreement documents.

Yeas: Guenther, James, Johnson, Rhodes
Nays:
The Mayor Declared the Resolution adopted.
Dated: February 17, 2025

I hereby certify that the foregoing Resolution No.25-24 is a true and complete copy of a resolution of the City of Big Rapids duly adopted at a regular meeting of the City Commission of said City held on February 17, 2025.

I further certify that said resolution has been recorded in the Minute Book of the City of Big Rapids and that such recording has been authenticated by the signatures of the Mayor and City Clerk.

Karen Manoski, City Clerk
Dated: February 18, 2024

UNSCHEDULED BUSINESS

City Manager Mark Gifford said the Pioneer Newspapers printing press building on 18 Mile Road was without water due to a frozen water line. The Township's water line was okay, the frozen line was the one going into the building; it has since been thawed.

Gifford said the temperatures are low and the City is watching to see if a run water advisory will need to be issued for residents; it did not at this time.

Gifford also said that as the City has received a lot of snow recently some of the snow piles are high; if you see a corner that is difficult to see around because of a pile to let him know as the Department of Public Works is working on hauling it away.

Commissioner James asked City Treasurer Carla Staffen how much money is currently in the account the fireworks donation was to be expensed from; Staffen said she would look but knows there is at least \$9,000. James said that \$9,000 has already been approved by the Commission as they approve the budget; Staffen confirmed.

WORK SESSION – None

There being no further business to come before the City Commission, the Mayor declared the meeting adjourned at 7:00 p.m.

* * * * *

Mayor Frederick Guenther

Karen Manoski, City Clerk