

**Council  
Proceedings  
(Official)**

A Regular Meeting of the St. Ignace City Council was held on Monday, December 3, 2018, in the Council Chambers at City Hall.

The meeting was called to order at 7:00 p.m. by Mayor Litzner, with the Pledge of Allegiance. Councilmember Clapperton gave the invocation.

**Present:** Councilmembers Clapperton, Fullerton, Mayor Litzner, Mayor Pro-Tem Paquin, Councilmembers Pelter, St. Louis and Tremble.

**Absent:** None.

**Staff Present:** Mike Stelmaszek, City Manager; Mark Wilk, Police Chief; Andrea Insley, City Clerk/Treasurer; Alycia McKowen, Library Director.

**Consideration of minutes from November 19, 2018 Council meeting:**

It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember St. Louis, to approve the minutes of November 19, 2018. Motion carried unanimously.

**Limited Public Comment:**

Public comment was received regarding the Marina advertisement for bids to complete deck board replacement.

**Additions to the Agenda:**

Mayor Litzner – EUP Planning request for City of St. Ignace representative.  
City Manager Stelmaszek – police position update.

**1. MARINA DECKING BID OPENING:**

City Manager Stelmaszek informed Council there were no bids submitted in response to the advertisement for the Marina deck board replacement, therefore, he suggested to complete the task with City employees when the Marina opens next spring. It was the consensus of Council to plan for next year.

**2. RESOLUTION APPROVING BUILDING AUTHORITY CONTRACT AND NOTICE:  
RESOLUTION APPROVING**

**BUILDING AUTHORITY CONTRACT AND NOTICE**

City of St. Ignace

County of Mackinac, State of Michigan

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Minutes of a regular meeting of the City Council of the City of St. Ignace, County of Mackinac, State of Michigan (the "City"), held in said City, on December 3, 2018, at 7:00 p.m., prevailing Eastern Time.

PRESENT: Councilmembers Clapperton, Fullerton, Mayor Litzner, Mayor Pro-Tem Paquin, Councilmembers Pelter, St. Louis and Tremble.

ABSENT: None.

The following preamble and resolution were offered by Mayor Pro-Tem Paquin and supported by Councilmember St. Louis:

WHEREAS, Act 31, Public Acts of Michigan, 1948 (First Extra Session), as amended ("Act 31"), provides through the procedures of building authority financing a means for the acquisition, construction, equipping, and furnishing of certain improvements to buildings, facilities, parking lots, and the necessary sites therefore, together with appurtenances and facilities; and

WHEREAS, the City of St. Ignace, County of Mackinac, State of Michigan (the "City"), in accordance with the provisions of Act 31, has previously adopted Articles of Incorporation and has established the St. Ignace Building Authority, County of Mackinac, State of Michigan (the "Building Authority"); and

WHEREAS, the Straits Area Fire Authority (the "Fire Authority") has been incorporated by the City, the Township of St. Ignace, County of Mackinac, State of Michigan (the "Township of St. Ignace"), and the Township of Moran, County of Mackinac, State of Michigan (the "Township of Moran") under and in pursuance of the provisions of Act 57, Public Acts of Michigan, 1988, as amended, for the purpose of providing emergency services to the residents of the City, the Township of St. Ignace, and the Township of Moran; and

WHEREAS, there exists in and for the Fire Authority a need to acquire, construct, furnish and equip a new fire station, including site improvements and all related appurtenances and attachments thereto (the "Project"); and

WHEREAS, the City Council of the City deems it necessary for the public health, safety and welfare of the City to assist the Fire Authority by acquiring and financing the Project through the Building Authority in accordance with Act 31; and

WHEREAS, the Building Authority is willing to undertake the acquisition and constructing of said facilities and is agreeable to leasing the facilities to the City for such use; and

WHEREAS, the Building Authority intends to authorize the issuance and sale of bonds, pursuant to Act 31, in an aggregate amount not to exceed Two Million Two Hundred Thousand Dollars (\$2,200,000), for the purpose of defraying the cost of acquisition and construction of the Project; and

WHEREAS, a Contract of Lease between the City and the Building Authority providing for the acquisition, construction and financing of the Project and such matters as are deemed necessary thereto has been prepared, with the bonds to be issued in one or more series as shall be determined by the City Council (the "Contract"); and

WHEREAS, on August 7, 2018, the electors within the Fire Authority authorized a millage of 1/2 mill for a period of not to exceed thirty (30) years to provide funds to the Fire Authority for the Project; and

WHEREAS, it is anticipated that the Fire Authority will use the millage to pay the City for the debt service on the bonds; and

WHEREAS, this City Council is desirous of publishing a Notice of Intention of Entering into Contract of Lease so as to begin the statutory referendum period.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Approval of Bonds. The City Council determines it to be necessary for the public health, safety and welfare of the City to acquire and construct the Project substantially as set forth in the Contract for the use of the City through the issuance of bonds by the Building

Authority in an amount not to exceed Two Million Two Hundred Thousand Dollars (\$2,200,000) (the "Bonds").

2. Approval of Act 31 Financing. The City Council deems it to be in the best interest of the City to finance the cost of such facilities through the Building Authority in accordance with the provisions of Act 31.

3. Approval of Contract. The City Council hereby approves the Contract in substantially the form accompanying this Resolution for the acquisition, construction, and financing of the Project.

4. Notice of Intent. The Notice of Intention of Entering into Contract of Lease as hereto attached shall be published in the **St. Ignace News**, a newspaper of general circulation in the City, promptly upon adoption of this resolution, said Notice to appear as a display advertisement at least one-quarter (¼) page in size.

5. Designation of Newspaper. The City Council does hereby determine that the designated newspaper is the newspaper circulating in the City which reaches the largest number of persons to whom the aforesaid Notice is directed and that publication of the aforesaid Notice in the designated newspaper represents the most practical and feasible means of informing the taxpayers and electors of the City of the Project and the financing thereof.

6. Execution of Contract. The Mayor and the City Clerk are hereby authorized to execute and deliver to the Building Authority the Contract approved by this Resolution. The Contract shall become effective upon the expiration of forty-five days (45) days following the date of publication of the aforesaid Notice, unless, under the provisions of Section 8(b) of said Act 31, as amended, the effectiveness of the Contract is stayed by reason of the filing of a petition for referendum thereon and the resultant necessity of prior approval thereof by the qualified electors of the City. A copy of the Contract shall be placed on file in the office of the City Clerk and shall be available for public examination.

7. Ratification of Limited Tax Pledge. The City Council does hereby ratify and confirm its covenant in the Contract to levy ad valorem taxes against all taxable property in the City to the extent necessary to meet the obligations of the City thereunder in the event revenues from other sources are insufficient for any reason whatsoever. Any such taxes levied to pay the cash rental under the Contract shall be subject to applicable constitutional, statutory, and charter tax rate limitations.

8. Official Statement. To the extent necessary, the City hereby authorizes the Building Authority to prepare and circulate a preliminary and final official statement in

connection with the Bonds and, if applicable, further authorizes any of the Mayor, City Clerk and City Manager to execute such official statements on behalf of the City.

9. Continuing Disclosure. To the extent necessary, the City hereby covenants to comply with Securities and Exchange Commission Rule 15c2-12 (the "Rule") and shall enter into an undertaking for the benefit of the holders and beneficial owners of the Bonds (the "Undertaking") and the Mayor, City Clerk and City Manager are each hereby individually authorized to execute such undertaking prior to delivery of the Bonds.

10. Tax Covenant. To the extent necessary, the City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended, (the "Code") including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of bond proceeds and moneys deemed to be bond proceeds, and to prevent the Bonds from being or becoming "private activity bonds" as that term is used in Section 141 of the Code.

11. Actions of City Officers. The Mayor, City Clerk and City Manager are each hereby authorized to take such actions and execute such certificates on behalf of the City as shall be necessary for the issuance of the Bonds.

12. Rescission. All resolutions and parts of resolutions insofar as the same conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Councilmember Fullerton, Mayor Litzner, Mayor Pro-Tem Paquin, Councilmembers Pelter, St. Louis, Tremble and Clapperton.

NAYS: None.

RESOLUTION DECLARED ADOPTED.

### **3. RESOLUTION ADOPTING CITY OF ST IGNACE RECREATION PLAN:**

#### **RESOLUTION ADOPTING *THE CITY OF ST. IGNACE RECREATION PLAN* BY THE ST. IGNACE CITY COUNCIL**

The following Resolution was offered for adoption by Mayor Pro-Tem Paquin, supported by Councilmember Tremble.

WHEREAS, the City of St. Ignace has undertaken a Five Year Parks and Recreation Plan which describes the physical features, existing recreation facilities and the desired actions to be taken to improve and maintain recreation facilities during the period between 2019 - 2023, and

WHEREAS, a public comment session was held *November 19, 2018 at 396 North State Street in the Council Chamber* to provide an opportunity for citizens to express opinions, ask questions, and discuss all aspects of the Recreation Plan, and

WHEREAS, the *City of St. Ignace* has developed the plan for the benefit of the entire community and to adopt the plan as a document to assist in meeting the recreation needs of the community, and

WHEREAS, after the public meeting, the *St. Ignace City Council* voted to adopt said Recreation Plan.

NOW THEREFORE, BE IT RESOLVED the St. Ignace City Council does hereby adopt and approve the St. Ignace City Recreation Plan as a guideline for improving recreation for the residents of the City of St. Ignace.

Roll Call Vote:

Yeas: Mayor Litzner, Mayor Pro-Tem Paquin, Councilmembers Pelter, St. Louis, Tremble, Clapperton and Fullerton  
Nays: None.  
Absent: None.  
Resolution declared Adopted.

**4. INTRODUCING ORDINANCE #647 ANNUAL APPROPRIATIONS BILL 2019:**

City Manager Stelmaszek presented Ordinance No. 647, "Annual Appropriation Bill 2019" for Council's consideration. A Public Hearing will be held at the next City Council meeting on Monday, December 17<sup>th</sup> at 7:00 p.m.

**Additions to the Agenda:**

**Mayor Litzner – EUP Regional Planning and Development and City Representative.**

Mayor Litzner informed Council that the EUP Regional Planning and Development is seeking someone from the City of St. Ignace to represent St. Ignace in their quarterly meetings which are scheduled mostly in Sault Ste Marie. At this time, Council did not name a representative. It was moved by Councilmember Fullerton, seconded by Councilmember Pelter, the designated representative attending the meetings shall have the option to be reimbursed for mileage based on City policy. Motion carried unanimously.

**City Manager Stelmaszek – Police Position Update.**

City Manager Stelmaszek announced to Council that after some discussion with a few Councilmembers, it was requested that the application period for the Police Chief position be extended. The application period deadline is now January 3, 2019.

**Public Comment:**

Public comment was received in regards to the Christmas Tree Lighting and community event.

**Consideration of Bills:**

It was moved by Councilmember Pelter, seconded by Councilmember Tremble, to approve payment of the bills in the amount of \$12,902.78. Motion carried unanimously.

**The following bills were presented to Council for payment:**

ACC PLANNED SERVICE INC	441.29
BELONGA EXCAVATING, LLC	2,091.00
BELONGA'S PLUMBING AND HEATING	18.81

CAROL BELL	549.50
FERGUSON WATERWORKS #3386	506.00
GALLS, AN ARAMARK CO	105.61
GBS Inc	350.00
GIFTS GALORE	668.00
GORDON FOOD SERVICE	1,746.72
GREAT LAKES COCA-COLA DISTRIBUTION	204.60
HYDRITE CHEMICAL CO	940.94
MACKINAC PLUMBING AND HEATING CO	145.50
MAXWELL MEDALS & AWARDS	1,529.00
MI STATE FIREMAN'S ASSOCIATION	75.00
MICHAEL RICHARD LAMB	396.00
MUELLER WATER PRODUCTS, INC.	779.19
OK INDUSTRIAL SUPPLY	217.42
OSCAR W LARSON	193.33
PARAGON LABS	247.50
POMASL FIRE EQUIPMENT	438.00
R & R FIRE TRUCK REPAIR	813.37
RUDYARD ELECTRICAL SERVICE INC	446.00

Grand Total: \$12,902.78

There being no further business, the meeting adjourned at 7:20 p.m.

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**Connie Litzner, Mayor**

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**Andrea Insley, City Clerk/Treasurer**



