

CITY COUNCIL MEETING
St. Ignace, Michigan
Monday, November 18, 2019 – 7:00 p.m.
City Council Chambers

******A G E N D A******

- I. Call to Order
- II. Pledge of allegiance
- III. Invocation
- IV. Roll call
- V. Consideration of minutes of the November 4 & 11, 2019 meetings
- VI. Public Comment
- VII. Additions to the Agenda (Council and Staff Only)
- VIII. Business

- 1. COMMITTEE APPOINTMENTS
- 2. POLICE POLICIES AND PROCEDURES
- 3. RFP REVIEW AND SELECT CONTRACT
- 4. FINANCIALS

- IX. Public Comment
- X. Consideration of Bills

**City of St. Ignace
Council Proceedings
(Unofficial)**

A Regular Meeting of the St. Ignace City Council was held on Monday, November 4, 2019, 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; Anthony Brown, Police Chief; Scott Marshall, DDA Director; Lauren Yoder, Marina Director; Bill Fraser, DPW Director; Andrea Insley, City Clerk/Treasurer.

Consideration of minutes from October 21, 2019 Council meeting:

It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember Clapperton, to approve the minutes of October 21, 2019. Motion carried unanimously.

Limited Public Comment:

Some public comment was received regarding the November 5th election and safety during Halloween.

Additions to the Agenda:

Mayor Litzner – Request for support.

1. RECREATION DIRECTOR POSITION RECOMMENDATIONS:

City Manager Stelmaszek informed Council that the Hiring Committee for the Recreation Director has made the recommendation to hire Morgan Mills.

It was moved by Councilmember Fullerton, seconded by Councilmember Pelter, to approve hiring Morgan Mills as the next Recreation Director. Motion carried unanimously.

2. BOILER BID RECOMMENDATION:

City Manager Stelmaszek presented Bill Fraser's recommendation to award the boiler bid to Mark & Son's Plumbing & Heating with the Option #2 installation.

It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember St. Louis, to approve Bill Fraser's recommendation to award the bid to Mark & Son's Plumbing & Heating. Motion carried unanimously.

3. APPROVAL OF PAYMENT #3 ON WASTEWATER PROJECT 16-0072 & CHANGE ORDER #2:

City Manager Stelmaszek requested Council's approval to pay Draw #3 for Wastewater Project 16-0072 along with the Change Order #2.

It was moved by Councilmember Fullerton, seconded by Councilmember Clapperton, to approve payment of Draw #3 with Change Order #2. Motion carried unanimously.

4. RESOLUTION STATE TRUNKLINE MAINTENANCE:

RESOLUTION

The following resolution was offered for adoption by Councilmember St. Louis, supported by Mayor Pro-Tem Paquin:

BE IT RESOLVED THAT the State Trunkline Maintenance Contract between the Michigan Department of Transportation and the City of St. Ignace for the period of 10/1/2019 to 9/30/2024, is hereby accepted and William Fraser is designated as Maintenance Superintendent on sections of the State Trunkline Highways as shown on the Municipal Route Section Map and Budget Sheets.

BE IT FURTHER RESOLVED THAT the City Mayor and City Manager, are authorized to sign the said maintenance contract.

Roll Call Vote:

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

No: None.

Absent: None.

Resolution declared Adopted.

5. RESOLUTION HOMETOWN CHRISTMAS PARADE, TREE LIGHTING AND SANTA LAND:

RESOLUTION

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

WHEREAS, the St. Ignace Business Association, in conjunction with the St. Ignace DDA, St. Ignace Chamber of Commerce and the City of St. Ignace, requests permission to hold the Hometown Christmas Parade, Christmas Tree Lighting, and Holiday Open House (Santa Land), and

WHEREAS, this event requires the usage of St. Ignace public sidewalks, and streets, and

WHEREAS, Ordinance No. 413 of the City of St. Ignace, "The Peddler's Ordinance", requires certain criteria be met in order for the event to be held, and

WHEREAS, the St. Ignace City Council has determined that the requesting organization, St. Ignace Business Association, does meet the criteria established in the various sections of the Ordinance No. 413.

NOW THEREFORE BE IT RESOLVED, that the City Council does approve the usage of the public sidewalks and streets on Friday, December 6, 2019 from 4:30 - 9:00 p.m. for the Hometown Christmas Parade, Christmas Tree Lighting and Holiday Open House (Santa Land).

Roll Call Vote:

Yes: Mayor Litzner, Mayor Pro-Tem Paquin, Councilmembers Pelter, St. Louis, Tremble,

Clapperton and Fullerton.

No: None.

Absent: None.

Resolution declared Adopted.

6. REQUEST FOR SPECIAL EVENTS STATUS FOR HOLIDAY MARKET EVENT:

City Manager Stelmaszek informed Council the St. Ignace Business Association is requesting Special Event Status for the Holiday Market in downtown St. Ignace on Saturday, December 14th from 10:00 a.m. – 3:00 p.m.

It was moved by Councilmember St. Louis, seconded by Councilmember Tremble, to approve the Holiday Market Event. Motion carried unanimously.

Mayor Litzner – Request for Support.

Mayor Litzner announced that the DDA is working to achieve a new amphitheater downtown and has been presented with a donation offer in honor of Anthony Earl, former resident and former Governor of Wisconsin.

It was moved by Councilmember Fullerton, seconded by Mayor Pro-Tem Paquin, to support honoring Mr. Earl for the donation toward the amphitheater. Motion carried unanimously.

Public Comment:

Public comment was received regarding the submission of the 101 Budget to Council in October.

Consideration of Bills:

It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember Clapperton, to approve payment of the bills in the amount of \$112,910.96. Motion carried unanimously.

The following bills were presented to Council for payment:

BELONGA EXCAVATING, LLC	2,333.00
BELONGA'S PLUMBING AND HEATING	913.75
CHEBOYGAN CEMENT PRODUCTS INC	125.00
CUT RIVER SMALL ENGINE REPAIR	929.96
DARROW BROS EXCAVATING INC	3,819.59
EAST COAST FLAG & BANNER	114.97
EJ USA INC	2,022.42
ENVIRONMENTAL DYNAMICS INT'L	25,433.00
ETNA SUPPLY COMPANY	762.50
FERGUSON ENT-DBA	143.84
G & G MANUFACTURING & SOUVENIR, INC	426.10
GORDON FOOD SERVICE	373.56
HD SUPPLY FACILITIES MAINTENANCE LT	2,204.40
HYDRITE CHEMICAL CO	9,189.34
INTERSTATE BATTERIES	9.95
MACKINAC PLUMBING AND HEATING CO	2.30
MACKINAC SALES	76.66
MARK WILK	85.00
MELISSA HESS	341.66
NORRIS CONTRACTING	61,797.13
OK INDUSTRIAL SUPPLY	89.44
PARAGON LABS	1,504.00

ULINE

213.39

Grand Total:

\$112,910.96

There being no further business, the meeting adjourned at 7:14 p.m.

Connie Litzner, Mayor

Andrea Insley, City Clerk/Treasurer

**Council
Proceedings
(Unofficial)**

A Special Meeting of the St. Ignace City Council was held on Monday, November 11, 2019, in the Council Chambers at City Hall.

The meeting was called to order at 8:00 p.m. by Mayor Litzner with the Pledge of Allegiance. Councilmember Clapperton gave the invocation.

Present: Councilmembers Clapperton, Fullerton, Paquin, St. Louis, Tremble, and Mayor Litzner.

Absent: None.

Staff Present: Michael Stelmaszek, City Manager; Andrea Insley, City Clerk/Treasurer; Anthony Brown, Chief of Police.

1. OATH OF OFFICE

City Clerk/Treasurer Insley gave the Oath of Office to the newly elected Mayor and Councilmembers; Connie Litzner, Mayor and Councilmembers Paul Fullerton, Luke Paquin and Robert St. Louis.

2. ELECTION OF MAYOR PRO-TEM:

It was moved by Councilmember St. Louis, seconded by Councilmember Tremble, to appoint Councilmember Paquin as Mayor Pro-Tem.

At this time, Mayor Litzner called for a Roll Call Vote:

Yes: Councilmembers Fullerton, Pelter, St. Louis, Tremble, Mayor Litzner and Councilmember Clapperton.

No: None.

Absent: None.

Abstain: Councilmember Paquin.

Motion carried unanimously.

There being no further business the meeting adjourned at 8:04 p.m.

Connie Litzner, Mayor

Andrea Insley, City Clerk/Treasurer

CITY COUNCIL MEETING
City Council Chambers
MONDAY, NOVEMBER 18th, 2019 AT 7:00PM
****MANAGERS REPORT****

COMMITTEE APPOINTMENTS

To be presented by the Mayor.

REQUEST FOR APPROVAL OF REVISED POLICE DEPARTMENT POLICIES

These policies have been prepared by Chief Brown and the Risk Management Division of MMRMA. They are comprehensive to the operations of the Police Department and have been reviewed by our Policy Committee. I am requesting your approval of these revised policies.

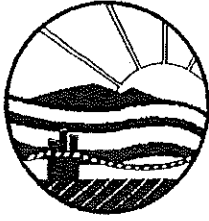
FINANCIAL AUDIT RFP RECOMMENDATION

To be presented by the City Manager.

OTHER MATTERS

We received the attached letter from the State Tax Commission regarding an upcoming AMAR review to be conducted on our 2019 assessment roll. This was expected to occur. Kyle Mulka will give you an update on his preparation for it at our upcoming work session.

Work session at 6:00pm on Monday, November 25th.



City of St. Ignace

Andrea Insley, City Clerk/Treasurer

396 North Street

St. Ignace, Michigan 49781

Phone: (906) 643-8545 Fax: (906) 643-9393

e-mail: siclerk@lighthouse.net

DATE: November 15, 2019

TO: City Council & City Manager

RE: City Audit RFP 2019

The City extended four Request For Proposals (RFP) seeking audit services for fiscal years 2019 to 2023 to the following:

Anderson, Tackman & Company, PLC, Kincheloe, MI
Baird, Cotter & Bishop P.C., Cadillac, MI
Dennis, Gartland & Niergarth CPA, Traverse City, MI
Rehmann, Cheboygan, MI

The three RFPs enclosed were received by the deadline of November 14, 2019, along with one email declining a submission. After reviewing the RFPs, with consideration to processes, services and cost, I would recommend Anderson, Tackman & Company.

The City has had a successful and productive relationship with Anderson and because they are also the most cost efficient proposal, I feel it is in our best interest to continue with their services at this time.

Thank you,

Andrea Insley
City Clerk/Treasurer

PROPOSAL TO PERFORM THE
DECEMBER 31, 2019, 2020, 2021, 2022 and 2023
FINANCIAL AUDIT, SINGLE AUDIT, AND OTHER
MANAGEMENT ADVISORY SERVICES FOR

City of St. Ignace
St. Ignace, Michigan

By

ANDERSON, TACKMAN & COMPANY, PLC

16978 S. Riley Avenue

Kincheloe, Michigan 49788

(906) 495-5952

Fax: (906) 495-7312

E-Mail: antack@antack.com

Contact Person

Kenneth A. Talsma, CPA

November 11, 2019

City of St. Ignace

Auditing Firm: Anderson, Tackman & Company, PLC

COMPENSATION FOR PROFESSIONAL SERVICES			
FISCAL YEAR	FEE FOR AUDIT AND REPORTS	SINGLE AUDIT (IF NEEDED)	DDA
2019	\$ 22,000	\$ 2,000	\$ 2,000
2020	\$ 22,250	\$ 2,000	\$ 2,000
2021	\$ 22,500	\$ 2,000	\$ 2,000
2022	\$ 22,750	\$ 2,000	\$ 2,000
2023	\$ 23,000	\$ 2,000	\$ 2,000

Signature of Firm Representative: _____

Title: Partner

Date: November 11, 2019

Attachment A

Proposal for Professional Audit Services
City of St. Ignace

November 14, 2019

Submitted by:

Trina B. Edwards, CPA, CGFM
Partner



DENNIS, GARTLAND & NIERGARTH
Certified Public Accountants / Business Advisors

415 Munson Avenue
P. O. Box 947
Traverse City, Michigan 49685
(231) 946-1722
tedwards@dgn CPA.com



DENNIS, GARTLAND & NIERGARTH
 Certified Public Accountants / Business Advisors

Proposed Fees

Proposed fees for audit services by Dennis, Gartland & Niergarth for the City of St. Ignace for the year ending December 31, 2019 will be \$28,000, which includes expenses and travel. DGN acknowledges that if selected as the City of St. Ignace’s auditor and DGN performs satisfactorily for the December 31, 2019 audit, DGN will be engaged to perform the audits for the 2020 to 2023.

Proposed Fees are as follows for the Years Ending December 31:

	2019	\$ 28,000
	2020	29,000
	2021	30,000
	2022	31,000
	2023	<u>32,000</u>
Total		<u>\$150,000</u>

Notes on Proposed Fees, Single Audit: At this time, the City of St. Ignace does not require a Federal Compliance or “Single Audit.” Should the City receive Federal grant funds that require a Single Audit, the fee will increase by \$2,000 for each major program.

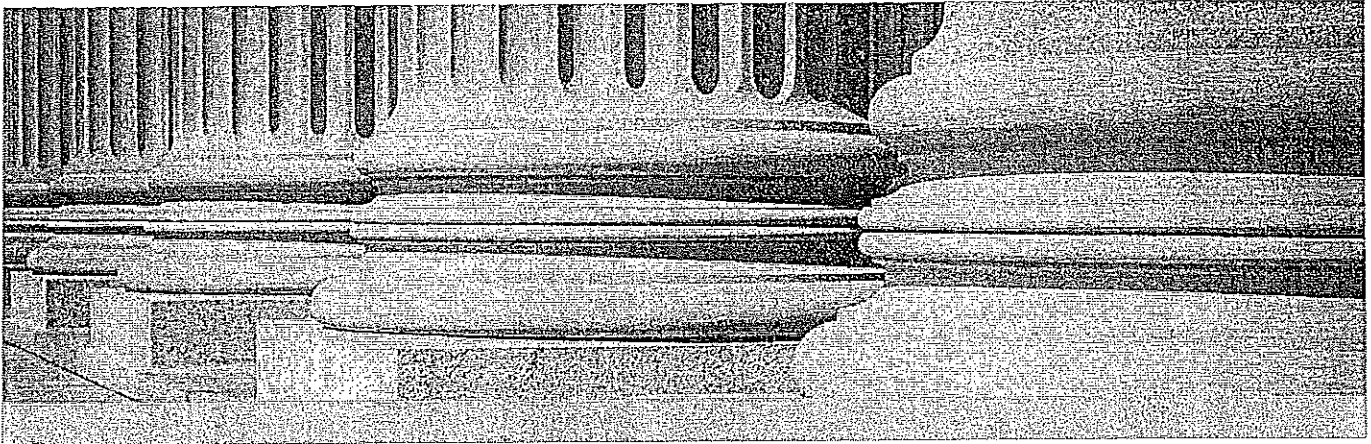
The fees above are based upon receiving a reasonably adjusted trial balance including accruals. We anticipate new accounting standards will need to be implemented during the audit period as well, which will be discussed with the City.

Hourly Fees for Additional Services: Should services beyond the scope of this proposal be required, these additional services will be discussed with you. With the City’s approval, fees will be assessed at a discounted rate from our standard billing rate for the individuals performing the additional services required. No services requiring a fee will ever be provided without the City’s prior approval.

Hourly rate ranges for additional services to the City of St. Ignace, if requested, are:

- Partner \$200 - \$225
- Manager \$130 - \$160
- Supervisor \$110 - \$130
- Staff Accountants \$ 75 - \$ 95

November 14, 2019



Professional Auditing Services

PROPOSAL FOR
City of St. Ignace

Submitted by:

Rehmann
Annette Eustice, CPA, CGFM, Principal

Rehmann | 902 S. Huron Street | Cheboygan, MI 49721 | 231.627.3143
annette.eustice@rehmann.com

Rehmann

ATTACHMENT A

Professional Auditing Services Agreement

THIS AGREEMENT entered into this day of _____ between the City of St. Ignace, Michigan, a Michigan Municipal Corporation ["City" or "Client"] of 396 State Street, St. Ignace, Michigan, and Rehmann, 902 S. Huron Street, Cheboygan, MI 49721;

Whereas, the City of St. Ignace requires auditing services for its municipal activities, including subunits of the City; and

Whereas, the City sought proposals from qualified Certified Public Accounting Firms through a Request for Proposal ["RFP"]; and

Whereas, Rehmann is a certified public accounting firm with experience and professional capacity to provide the services desired by the City for auditing services and submitted a Response ["Response"] to the City's RFP; and

Whereas, the City desires to engage the professional services of Rehmann and Rehmann desires to provide such professional auditing services under certain terms and conditions;

Now, therefore, the Parties for good and valuable consideration the receipt of which is hereby acknowledged, do contract for Professional Services to be performed by Rehmann on behalf of the City, as follows:

1. Scope of Services:

- A. The City solicited proposals for the desired professional services through a Request for Proposal ["RFP"] for professional auditing services for fiscal years 2019 to 2023. Such RFP is attached hereto and incorporated herein by reference as Exhibit A.
- B. Rehmann responded to such RFP in a proposal dated November 14, 2019 to City Chief Financial Officer, Michael Stelmazek. Such response is attached hereto and incorporated herein by reference as Exhibit B. The RFP and the Response shall constitute the scope of work, unless such scope is changed by written acknowledgement of the Parties. If in conflict, the scope of services described in the Request for Proposal (RFP) shall control.

2. Compensation for Professional Services:

Compensation for the professional services described in the RFP and Response are contained therein and are:

Fiscal Year	Audit & Reports	Single Audit (if needed)	DDA	Additional Fees (attach detail)	Total
2019	\$15,000	\$3,000	\$2,500	\$750	\$21,250
2020	\$15,500	\$3,000	\$2,600	\$750	\$21,850
2021	\$16,000	\$3,000	\$2,700	\$750	\$22,450
2022	\$16,500	\$3,000	\$2,800	\$750	\$23,050
2023	\$17,000	\$3,000	\$2,900	\$750	\$23,650

Out-of-pocket expenses not to exceed \$750 annually.

3. Other Terms and Conditions:

- A. General: Rehmann shall perform all auditing services and present reports in conformity with all Michigan and National standards for accounting for Michigan units of government.
- B. CPA Status: Rehmann is an independent contractor for professional services and neither it nor its employees, contractors or subcontractors shall be deemed employees of the City. They shall provide for its employees appropriate and statutorily required Workers Compensation Insurance Coverage, and provide to the City proof of the same upon request.
- C. Ownership of Work Product: Those copies of the Work Product [Reports and Schedules] provided to the City by Rehmann including electronic media copies, shall be the property of the City.
- D. Presentation of Audit: Rehmann shall present the Audit to the St. Ignace City Council on a date coordinated with City Staff.
- E. Termination: City may terminate this Agreement at any time and for any reason by providing written notice of termination to Rehmann. City shall be responsible for prorated fees according to the Schedule set forth in item #2 above, through the date of termination.
- F. Entire Agreement: The Parties acknowledge that this agreement incorporates their entire understanding concerning the subject matter of such agreement and that there are no other terms or conditions that have not been incorporated herein. Further, the Parties agree that any modifications in this agreement, including but not limited to the Scope of Work and Compensation for Professional Services, must be in writing and acknowledged and signed by

each of the Parties.

G. Effectiveness of Agreement: The Parties acknowledge and agree that this agreement shall be effective and binding upon full execution by the appropriate representatives of each Party. Each Party represents to the other that the persons signing for each respective Party has full authority to do so. And, the City represents to Rehmann that the City signatories hereto have been empowered to execute this agreement at a duly constituted meeting of the St. Ignace City Council upon appropriate motion and vote.

The Parties acknowledge that the execution hereof may occur at different times and at different locations and will be effective when entirely executed by both.

IN WITNESS WHEREOF, the Parties execute his agreement on the dates denoted next to their respective signatures.

City of St. Ignace

Michael Stelmaszek, City Manager

Date: _____

Andrea Insley, City Clerk/ Treasurer

Date: _____

Name of Firm: Rehmann Date: 11/14/19

Annette Eustice

(Name of CPA, Principal) Annette Eustice, CPA, CGFM, Principal



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

October 30, 2019

KYLE S. MULKA, ASSESSOR
SAINT IGNACE CITY, MACKINAC COUNTY
396 N. STATE STREET
ST. IGNACE, MI 49781

MICHAEL STELMASZEK, CITY MANAGER
SAINT IGNACE CITY, MACKINAC COUNTY
396 N. STATE STREET
ST. IGNACE, MI 49781

Dear Mr. Mulka and Mr. Stelmaszek:

The State Tax Commission (STC) at their meeting on September 18, 2017 approved the new Audit of Minimum Assessing Requirements (AMAR) and the new 5 Year County List. This letter serves as notification that your local unit has been selected to be reviewed as part of our 2020 audit program which will be of your 2019 assessment roll.

The Commission has contracted with Tax Management Associates (TMA) to conduct the reviews statewide. In order to perform the audit, TMA will need to review the information contained in your 2019 database. Please submit your **FINAL ARCHIVED 2019 DATABASE**, not your current 2020 working database by **November 15, 2019**.

BS&A Users

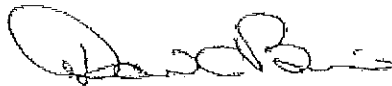
Please follow these instructions for uploading your database file to the State FTP Site:

1. Click on **Help>About** – verify your license is for the correct unit of government
2. If necessary, create a **new** backup of the archived 2019 database (.zip file). Export a complete backup/copy, not a values .txt file
3. Save the backup file on your computer desktop
4. When ready to send, click on **Help>FTP>FTP to State**
5. File to upload defaults to last backup location used, if necessary, click Browse
6. Browse for your backup file to send
7. Click OK (prompt should appear identifying your City/Township license file successfully uploaded)

Sent to state 10:10 11/5/2019
The Commission expects and appreciates full cooperation from each local unit to complete these reviews in a timely manner. Please contact TMA to assist in providing alternatives if your local unit does not use BS&A.

A copy of the AMAR form with links to requirements and other helpful information is available on the STC website at www.michigan.gov/statetaxcommission. If you have any questions regarding the AMAR program, please visit the STC website or contact my office at 517-335-3429.

Sincerely,

A handwritten signature in black ink, appearing to read "David Buick", with a stylized flourish at the end.

David Buick
State Tax Commission

Cc: Andrea Isnley, Clerk, City of Saint Ignace
Pamela M. Chipman, Director, Saint Ignace County Equalization Department