

CITY COUNCIL MEETING
St. Ignace, Michigan
Monday, November 19, 2018 – 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 5, 2018 meeting
- VI. Public Comment
- VII. Additions to the Agenda (Council and Staff Only)
- VIII. Business:

- 1.) **RATIFICATION OF AGREEMENT BETWEEN CITY AND POLICE UNION**
- 2.) **RESOLUTION EFT POLICY**
- 3.) **FINANCIALS**

- IX. Public Comment
- X. Consideration of Bills

**Council
Proceedings
(Unofficial)**

A Regular Meeting of the St. Ignace City Council was held on Monday, November 5, 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 Pro-Tem Paquin, Councilmembers Pelter, St. Louis, Tremble and Mayor Litzner.

Absent: None.

Staff Present: Mike Stelmaszek, City Manager; Mark Wilk, Police Chief; Andrea Insley, City Clerk/Treasurer; Gary Sorenson, Fire Chief; City Attorney, Charles Palmer.

Consideration of minutes from October 15, 2018 Council meeting:

It was moved by Councilmember Clapperton, seconded by Mayor Pro-Tem Paquin, to approve the minutes of October 15, 2018. Motion carried unanimously.

Limited Public Comment: None.

Additions to the Agenda:

Police Chief Wilk – Expenses for Police Department.

Fire Chief Sorenson – Expenses for Fire Department.

Mayor Litzner – Negotiation Committee appointment.
- City Attorney Palmer update.

Councilmember Fullerton – Reminder to public.

1. NEGOTIATION COMMITTEE RECOMMENDATION ON EMPLOYEE CREDITED HOURS OF MERS (Municipal Employees' Retirement System) RETIREMENT:

City Manager Stelmaszek informed Council that the Negotiation Committee recommended bringing Helen Thibault's request for additional MERS credited years before the Council to consider. After some discussion, it was moved by Mayor Litzner, seconded by Mayor Pro-Tem Paquin, to offer Helen Thibault two and a half credited years for MERS. Motion carried six to one (Pelter).

2. RESOLUTION HOMETOWN CHRISTMAS PARADE, CHRISTMAS TREE LIGHTING AND HOLIDAY OPEN HOUSE:

RESOLUTION

The following Resolution was offered for adoption by Councilmember Fullerton, supported by Councilmember Tremble:

WHEREAS, on behalf of the St. Ignace Business Association requests permission to hold the Hometown Christmas Parade, Christmas Tree Lighting, and Holiday Open House, 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 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 November 30, 2018, from 4:30 - 8:00 p.m. for the Hometown Christmas Parade, Christmas Tree Lighting and Holiday Open House.

Roll Call Vote:

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

No: None.

Absent: None.

Resolution declared Adopted.

3. RESOLUTION NOTICE OF INTENT FOR CAPITAL IMPROVEMENT BONDS FOR SANITARY SEWER PROJECT:

RESOLUTION

Minutes of a regular meeting of the City Council of the City of St. Ignace, County of Mackinac, State of Michigan, held on the 5th day of November, 2018, at 7:00 o'clock p.m. prevailing Eastern Time.

PRESENT: Councilmembers Clapperton, Fullerton, Mayor Pro-Tem Paquin,
Councilmembers Pelter, St. Louis, Tremble, Mayor Litzner and Councilmember Clapperton.
ABSENT: None.

The following preamble and resolution were offered by Member Fullerton and supported by Member Tremble.

WHEREAS, the City of St. Ignace, County of Mackinac, State of Michigan (the "City"), intends to authorize the issuance and sale of one or more series of general obligation limited tax bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), to pay all or part of the cost to acquire, construct, furnish and equip sanitary sewer system improvements, including sanitary sewer line replacements, together with all related appurtenances and attachments (the "Project"); and

WHEREAS, the total amount of bonds to be issued to finance the acquisition and construction of the Project shall not exceed One Million Seven Hundred Thousand Dollars (\$1,700,000); and

WHEREAS, a notice of intent to issue bonds must be published before the issuance of the aforesaid bonds in order to comply with the requirements of Section 517 of Act 34; and

WHEREAS, the City intends at this time to state its intention to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the City for the Project prior to issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to publish a notice of intent to issue the Bonds in the *St. Ignace News*, a newspaper of general circulation in the City.
2. The notice of intent shall be published as a display advertisement not less than one-quarter (1/4) page in size in substantially the form attached to this Resolution as Exhibit A.
3. The City Council does hereby determine that the foregoing form of Notice of Intent to Issue Bonds, and the manner of publication directed, is adequate notice to the taxpayers and electors of the City, and is the method best calculated to give them notice of the City's intent to issue the Bonds, the purpose of the Bonds, the security for the Bonds, and the right of referendum of the electors with respect thereto, and that the provision of forty-five (45) days within which to file a referendum petition is adequate to insure that the City's electors may

exercise their legal rights of referendum, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.

4. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

(a) The City reasonably expects to reimburse itself with proceeds of the Bonds for certain costs of the Project which were paid or will be paid from funds of the City subsequent to sixty (60) days prior to today.

(b) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$1,700,000.

(c) A reimbursement allocation of the capital expenditures described above with the proceeds of the Bonds will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the Bonds to reimburse the City for a capital expenditure made pursuant to this resolution.

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

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

NAYS: None.

RESOLUTION DECLARED ADOPTED.

4. ANNOUNCEMENT OF POLICE CHIEF WILK RETIREMENT AND PERMISSION TO FILL POSITION UPON VACANCY:

Chief of Police Mark Wilk announced to Council that he plans to retire February 2, 2019, after 31 years of service. City Manager Stelmaszek requested to fill the vacant position upon Chief Wilk's retirement. It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember St. Louis, to approve filling the position of Chief of Police upon vacancy, and to establish an appropriate start date for the new Chief between Chief Wilk and City Manager Stelmaszek. Motion carried unanimously.

Additions to the Agenda:

Police Chief Wilk – Expenses for Police Department.

Police Chief Wilk sought Council approval to purchase new body cameras in the amount of \$1624 with the 2% contribution from the Sault Tribe to update older model cameras currently being used in the Police Department. It was moved by Councilmember Pelter, seconded by Mayor Pro-Tem Paquin, to approve the purchase of the new body cameras for the Police Department with the 2% funding from the Sault Tribe. Motion carried unanimously.

Fire Chief Sorenson – Expenses for Fire Department.

Fire Chief Sorenson updated Council on the expenditures in the Fire Department with the equipment and vehicles, noting all expenses are expected to stay within the budget.

Mayor Litzner – Negotiation Committee resignation and appointment and update on City matters.

Mayor Litzner announced the resignation of Councilmember Clapperton from the Negotiation Committee, and informed Council that Mayor Pro-Tem Paquin has now been appointed to fill the vacancy. It was moved by Councilmember Pelter, seconded by Councilmember Fullerton, to approve the appointment. Motion carried unanimously.

City Attorney Charles Palmer updated Council regarding the pending litigation with Hope Lutheran Church vs the City of St. Ignace. Mr. Palmer noted the City is currently in the preliminary stages of an investigation through the Department of Justice.

Councilmember Fullerton – Reminder to the Public.

Councilmember Fullerton announced the importance of voting in the upcoming election.

Public Comment: None.

Consideration of Bills:

It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember Tremble, to approve payment of the bills in the amount of \$53,588.16. Motion carried unanimously.

The following bills were presented to Council for payment:

AIRGAS USA LLC	134.90
BELONGA EXCAVATING, LLC	3,212.78
BELONGA'S PLUMBING AND HEATING	34.00
CHEMSEARCH	197.26
CUT RIVER SMALL ENGINE REPAIR	9.00
EJ USA INC	264.64

GEORGE'S BODY SHOP	325.00
GIFTS GALORE	673.47
HACH COMPANY	2,105.61
HYDRITE CHEMICAL CO	2,135.84
JUDITH WYSE	90.00
LIGHTHOUSE .NET	15.99
LYNN AUTO PARTS	3,474.76
MACKINAC PLUMBING AND HEATING CO	458.75
MARCO LLC	52.00
MICHAEL RICHARD LAMB	100.00
MICROBIOLOGICS INC	196.92
MINNESOTA CONWAY FIRE & SAFETY INC	6,089.21
NORRIS CONTRACTING	1,937.44
OK INDUSTRIAL SUPPLY	658.27
POMASL FIRE EQUIPMENT	4,725.42
PRO-TECH SECURITY SALES	1,780.00
R & R FIRE TRUCK REPAIR	20,045.74
ROBERT A ST LOUIS	329.00
SAFELITE FULFILLMENT, INC	84.97
SAFETY-KLEEN SYSTEMS INC	206.89
ST IGNACE CHAMBER OF COMMERCE	150.00
STRAITS BUILDING CENTER	1,960.01
TED FESTERLING LLC	1,824.29
WOLVERINE CRANE & SERVICE INC	316.00
Grand Total:	\$ 53,588.16

There being no further business, the meeting adjourned at 7:29 p.m.

Connie Litzner, Mayor

Andrea Insley, City Clerk/Treasurer

CITY COUNCIL MEETING

City Council Chambers

Monday, November 19th, 2018

*****MANAGERS REPORT*****

RATIFICATION OF AGREEMENT BETWEEN CITY AND POLICE UNION

The Negotiation Committee came to a tentative agreement with the police union for a new three year contract (refer to attached agreement). It includes a wage increase in 2019, 2020, and 2021 of 2%, 2%, and 3% respectively. It is before you for your consideration.

ELECTRONIC TRANSFER OF FUNDS (EFT) POLICY RESOLUTION

This is in response to one out our Audit deficiencies. It is consistent with our needs and what is required.

Other Matters

The State Tax Commission has finally contacted us about our tax rolls. Dulcee Ranta will be here during the first week of December to review our 2017 and 2018 tax roll and hopefully bring some closure to this issue.

We have a committee meeting on Monday to review the telecommunications RFP's and get going on this process.

November 14, 2018
(corrected)

The following is the Tentative Agreement reached on November 12, 2018, between the Police Officers Labor Council and the City of St. Ignace for the St. Ignace Police bargaining unit. Those Articles and Sections of the current Agreement not changed or altered herein are to remain status quo.

ARTICLE 3 - UNION SECURITY

The POLC 10/17/18 proposal language will replace the current Article 3 language.

ARTICLE 28 - Hospitalization and Medical Coverage

(Section D) Change the last sentence to: "if these conditions are met the employee shall receive and 'opting out' monthly payment equivalent to Seventy-five percent (75%) of the individual (single subscriber) rate. All employees when 'opting out' will not be offered Vision of Dental coverage."

ARTICLE 30 - Equalization of Overtime

(Section E) Add: "Probationary employees can be assigned overtime they would be eligible for if they were on the equalization of overtime list provided the overtime cannot be filled voluntarily using that list."

ARTICLE 37E - Sick Leave

Change the formula for the payoff of accrued sick leave to be the rate of Fifty percent (50%) of their strait-time rate.

ARTICLE 49- Termination and Modification

Duration, January 1, 2019, through December 31, 2021.

ARTICLE 50 - Wages and Classifications

Effective January 1, 2019, increase wages Two percent (2%) across the board.
Effective January 1, 2020, increase wages Two percent (2%) across the board.
Effective January 1, 2021, increase wages Three percent (3%) across the board.

RESOLUTION TO AUTHORIZE ELECTRONIC TRANSACTIONS

At a regular meeting of the St. Ignace City Council in the City Council Chambers on November 19, 2018, the following resolution was offered for adoption by _____, supported by _____:

WHEREAS, Public Act 738 of 2002, effective December 30, 2002, requires the City of St. Ignace City Council to adopt a resolution containing certain conditions to lawfully conduct electronic financial transactions involving public funds by electronic payment, debit, or credit transfer processed through an automated clearing house (ACH); and

NOW, THEREFORE, BE IT RESOLVED that the City of St. Ignace City Clerk/Treasurer is hereby appointed the Electronic Transactions Officer (ETO) and is responsible for ACH agreements including payment approval, accounting, reporting, and generally overseeing compliance or shall appoint an employee to perform such duties;

BE IT FURTHER RESOLVED that documentation is to be prepared and retained, that may be contained within the computerized accounting system, for ACH transactions detailing the goods or services purchased, related costs, date of payment, and cost accounting classifications.

BE IT FURTHER RESOLVED that the ETO will implement a system of internal accounting controls to monitor the use of ACH transactions that may include additional requirements;

BE IT FURTHER RESOLVED that approval of ACH invoices is required before payment.

Roll Call Vote:

Ayes:

Nays:

Absent:

Resolution declared

I hereby certify that the foregoing is a true and complete copy of a resolution offered and adopted by the City Council at a regular meeting held on Monday, November 19, 2018, at 7:00p.m.

Andrea Insley, City Clerk/Treasurer

AI/ht

Electronic Funds Transaction & ACH Arrangements Policy

City of St. Ignace

Purpose: Govern the use of electronic funds transactions (EFT) and automated clearing house (ACH) arrangements for the City of St. Ignace

Policy: The following policy shall govern the use of electronic financial transactions and ACH agreements for the City of St. Ignace.

1. Authority to Enter into ACH Agreements and Electronic Transfer of Public Funds

The City Clerk/Treasurer may enter into an ACH agreement as provided by Public Act 738 of 2002, effective December 30, 2002. The City of St. Ignace City Council has adopted a resolution to authorize electronic transactions and have received a copy of the policy. Applicable definitions in the Act shall apply. An ACH arrangement under PA 738 of 2002 is not subject to the Revised Municipal Finance Act, 2001 PA 34, MCL 141.2101 to 141.2821, or to provisions of law or charter concerning the issuance of debt by the City.

2. Responsibility for ACH Agreements

The City Clerk/Treasurer shall be responsible for all ACH agreements and generally overseeing compliance with the ACH policy. The City Clerk/Treasurer shall submit documentation detailing the date of the payment and the department levels serviced by payment by entries contained in the general ledger software system.

3. Internal Accounting Controls to Monitor Use of ACH Transactions

a. The City Clerk/Treasurer or Department Head shall be responsible for the establishment of ACH agreements. If the Department Head wishes to establish an ACH agreement, that Department Head is responsible for complete compliance with the agreement and all information must be shared with the City Clerk/Treasurer prior to the implementation of said agreement. The City Clerk/Treasurer shall have final approval concerning all ACH agreements and notify the applicable departments of those accounts to be paid by ACH or electronic transfers.

b. Although an agreement can be established by a Department Head, all ACH payments must be initiated by the Treasurer and must be made via **ACH credit**. Upon receipt of an invoice for payment by ACH, the Department Head shall approve payment, sign the invoice and forward it to the City Clerk/Treasurer prior to the date the payment is due. All necessary journal and banking entries will be made by the City Clerk/Treasurer. These payments shall be included on the report of payments in the general ledger software system.

c. For payment of State and Federal payroll taxes, the City Clerk/Treasurer shall initiate payment to the proper authority upon receipt of the information from the payroll clerk using the established EFTPS and state program.

d. For deposits received by the City of St. Ignace from state, county, federal or third-parties payment processors, an advice must be created by the applicable department and submitted to the City Clerk/Treasurer before payment is credited. Said advice should provide the total amount due and the account number where it should be credited. Once the payment is received, a receipt and a copy of the transaction will be returned to the applicable department. The payments shall be included on the report of receipts in the general ledger software system.

Periodic Review: The City Council, City Manager, Clerk/Treasurer and Department Heads shall review this policy periodically and make recommendations for changes as needed.

Adopted 11/19/18

ELECTRONIC TRANSACTIONS OF PUBLIC FUNDS
Act 738 of 2002

AN ACT to authorize and regulate electronic transactions of public funds involving local units of government; and to provide for powers and duties of certain governmental agencies and officials.

History: 2002, Act 738, Imd. Eff. Dec. 30, 2002.

The People of the State of Michigan enact:

124.301 Definitions.

Sec. 1. As used in this act:

(a) "ACH arrangement" means the agreement between the originator of the ACH transaction and the receiver of the ACH transaction.

(b) "ACH policy" means the procedures and internal controls as determined under a written policy developed and adopted by the treasurer or the electronic transactions officer of a local unit under section 3.

(c) "ACH transaction" means an electronic payment, debit, or credit transfer processed through an automated clearing house.

(d) "Automated clearing house" or "ACH" means a national and governmental organization that has authority to process electronic payments, including, but not limited to, the national automated clearing house association and the federal reserve system.

(e) "Electronic transactions officer" or "ETO" means the person designated under this act by charter or by the governing body in a local unit other than a township or county.

(f) "Governing body" means any of the following:

(i) The council, commission, or other entity vested with the legislative power of a city or village.

(ii) The township board of a township.

(iii) The county board of commissioners of a county.

(iv) The board of county road commissioners of a county.

(v) The board of education of a local or intermediate school district.

(vi) The board of trustees of a community college district.

(vii) The official body to which is granted general governing powers over an authority or organization of government established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(viii) A community mental health authority created under section 205 of the mental health code, 1974 PA 258, MCL 330.1205.

(g) "Local school district" means a school district organized under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, or a district governed by a special or local act.

(h) "Local unit" means any of the following:

(i) A village.

(ii) A city.

(iii) A township.

(iv) A county.

(v) A county road commission.

(vi) A local school district.

(vii) An intermediate school district.

(viii) A community college district.

(ix) An authority or organization of government established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(x) A community mental health authority created under section 205 of the mental health code, 1974 PA 258, MCL 330.1205.

(i) "Treasurer" means the elected treasurer in a township or county.

History: 2002, Act 738, Imd. Eff. Dec. 30, 2002.

124.302 ACH arrangement; scope.

Sec. 2. (1) The treasurer or the ETO of a local unit may enter into an ACH arrangement as provided by this act.

(2) An ACH arrangement under this act is not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, or to provisions of law or charter concerning the issuance of debt by a local unit.

History: 2002, Act 738, Imd. Eff. Dec. 30, 2002.

124.303 ACH policy; contents.

Sec. 3. A local unit shall not be a party to an ACH arrangement unless the governing body of the local unit has adopted a resolution to authorize electronic transactions and the treasurer or the ETO of the local unit has presented a written ACH policy to the governing body. The ACH policy shall include all of the following:

(a) That an officer or employee designated by the treasurer or ETO is responsible for the local unit's ACH agreements, including payment approval, accounting, reporting, and generally for overseeing compliance with the ACH policy.

(b) That the officer or employee responsible for disbursement of funds shall submit to the local unit documentation detailing the goods or services purchased, the cost of the goods or services, the date of the payment, and the department levels serviced by payment. This report can be contained in the electronic general ledger software system of the local unit or in a separate report to the governing body of the local unit.

(c) A system of internal accounting controls to monitor the use of ACH transactions made by the local unit.

(d) The approval of ACH invoices before payment.

(e) Any other matters the treasurer or ETO considers necessary.

History: 2002, Act 738, Imd. Eff. Dec. 30, 2002.

124.304 Noncompliance; order limiting or suspending local unit's authority.

Sec. 4. After notice and hearing as provided under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, the department of treasury may issue an order limiting or suspending the authority of a local unit to make electronic transactions under this act for failure to comply with the requirements of this act or with the requirements of the local unit's ACH policy.

History: 2002, Act 738, Imd. Eff. Dec. 30, 2002.

124.305 ACH arrangement; validity; compliance.

Sec. 5. (1) This act does not affect the validity of an ACH arrangement entered into by a local unit before the effective date of this act.

(2) All electronic transactions made on or after the effective date of this act shall comply with this act.

History: 2002, Act 738, Imd. Eff. Dec. 30, 2002.



October 2, 2018

Members of the City Council,

The St. Ignace Visitors Bureau and the St. Ignace Events Committee request city council approval of special event status for the 3rd Annual Snowmobile the Mighty Mac taking place on December 15, 2018 with the assistance of the Top Of The Lake Snowmobile Museum.

The event includes a crossing of the Mackinac Bridge from Fort Michilimackinac Park in Mackinaw City at 11 AM on December 15 ending at approximately 12 noon at the Little Bear East Arena. The machines will conclude their route at the Welcome Center and trailer their machines on street legal vehicles to Little Bear East Arena for lunch and awards.

The St. Ignace Visitors Bureau assumes all responsibility for the event and has acquired insurance liability coverage of \$1,000,000.

Thank you for your consideration,

A handwritten signature in blue ink that reads "Quincy A. Ranville".

Quincy Ranville
Executive Director
St. Ignace Visitors Bureau
906-643-6950 - quincy@stignace.com