

January 20, 2014
Gladwin, Michigan

The Regular Meeting of the Gladwin City Council was called to order by Mayor Thomas L. Winarski at 5:00 p.m.

Present: Caffrey, Crawford, Hawblitzel, Jungman, Mienk, Rowley, Smith, Stout

Absent: None

Staff Present: Bob Moffit, Shannon Greaves, Bernie Weaver

Also Present: Mayor Thomas L. Winarski, Nancy Bodnar, Attorney Doug Jacobson, Pastor Joe Dorais

Mayor Winarski led the Pledge of Allegiance and the invocation was given by Pastor Joe Dorais.

Minutes of the January 6, 2014 regular meeting were approved as presented.

Motion by Council Member Mienk, supported by Council Member Caffrey to approve Warrant #14-20 in the amount of \$37,638.95 and payroll for pay period ending January 5, 2014 in the amount of \$56,341.82. All ayes. Motion carried.

Hearing of Delegations

Motion by Council Member Jungman, supported by Council Member Caffrey to approve the agenda as presented. All ayes. Motion carried.

Motion by Council Member Crawford, supported by Council Member Rowley to approve the consent agenda as follows: Communications – (i) Joint Meeting Notice – January 28, 2014 at 5:15 p.m., (ii) Gladwin County Road Commission – Public Hearing for the Gladwin County Year 2014 Through Year 2018 Federal and State Aid Road Construction Program, (iii) Investment Report for the Quarter Ending December 31, 2013; Meetings – Housing Commission – December 10, 2013, Arena Board – January 8, 2014, Airport Commission – January 9, 2014. All ayes. Motion carried.

Hearing of Delegations

Administrator Moffit stated that Commissioner Walters apologized for not being able to attend the meeting. He also stated that there may be changes to the Airport agreement regarding funding.

New Business

Motion by Council Member Smith, supported by Council Member Jungman to approve the bid from Jay's Lawn Care (Jason Fisk) for the 1995 Chevy 3500 with plow (VIN# 1GBHK34FXRE287929) in the amount of \$2,275.00. All ayes. Motion carried.

Council Member Jungman, supported by Council Member Caffrey to authorize the quote from Scientific Brake and Equipment Company in the amount of \$5,726.00 for a 8.5' Pro Plus Blade Assembly for the 2013 GM 2500 HD, including labor. All ayes. Motion carried.

Motion by Council Member Caffrey, supported by Council Member Rowley to authorize the change in the Gladwin Utility Policy for car wash sewer consumption rate from 80% to 70%. All ayes. Motion carried.

The following resolution was offered by Council Member Caffrey and supported by Council Member Jungman.

Michigan Department
of Transportation
2009-2011

**PERFORMANCE RESOLUTION FOR
GOVERNMENTAL AGENCIES**

Page 1 of 2

This Performance Resolution is required by the Michigan Department of Transportation for purposes of issuing to a municipal utility an "Individual Permit for Use of State Highway Right of Way" (form 2205), or an "Annual Application and Permit for Miscellaneous Operations Within State Highway Right of Way" (form 2255).

RESOLVED WHEREAS, the CITY OF GLADWIN
(city, village, township, etc.)

hereinafter referred to as the "GOVERNMENTAL AGENCY," periodically applies to the Michigan Department of Transportation, hereinafter referred to as the "DEPARTMENT," for permits, referred to as "PERMIT," to construct, operate, use and/or maintain utility or other facilities, or to conduct other activities, on, over, and under State Highway right of way at various locations within and adjacent to its corporate limits;

NOW THEREFORE, in consideration of the DEPARTMENT granting such PERMIT, the GOVERNMENTAL AGENCY agrees that:

1. Each party to this Agreement shall remain responsible for any claims arising out of their own acts and/or omissions during the performance of this Agreement, as provided by law. This Agreement is not intended to increase either party's liability for, or insurance from, tort claims, nor shall it be interpreted, as giving either party hereto a right of indemnification, either by Agreement or at law, for claims arising out of the performance of this Agreement.
2. Any work performed for the GOVERNMENTAL AGENCY by a contractor or subcontractor will be solely as a contractor for the GOVERNMENTAL AGENCY and not as a contractor or agent of the DEPARTMENT. The DEPARTMENT shall not be subject to any obligations or liabilities by vendors and contractors of the GOVERNMENTAL AGENCY, or their subcontractors or any other person not a party to the PERMIT without its specific prior written consent and notwithstanding the issuance of the PERMIT. Any claims by any contractor or subcontractor will be the sole responsibility of the GOVERNMENTAL AGENCY.
3. The GOVERNMENTAL AGENCY shall take no unlawful action or conduct, which arises either directly or indirectly out of its obligations, responsibilities, and duties under the PERMIT which results in claims being asserted against or judgment being imposed against the State of Michigan, the Michigan Transportation Commission, the DEPARTMENT, and all officers, agents and employees thereof and those contracting governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract. In the event that the same occurs, for the purpose of the PERMIT, it will be considered as a breach of the PERMIT thereby giving the State of Michigan, the DEPARTMENT, and/or the Michigan Transportation Commission a right to seek and obtain any necessary relief or remedy, including, but not by way of limitation, a judgment for money damages.
4. The GOVERNMENTAL AGENCY it will, by its own volition and/or request by the DEPARTMENT, promptly restore and/or correct physical or operating damages to any State Highway Right of Way resulting from the installation, construction, operation and/or maintenance of the GOVERNMENTAL AGENCY'S facilities according to a PERMIT issued by the DEPARTMENT.
5. With respect to any activities authorized by PERMIT, when the GOVERNMENTAL AGENCY requires insurance on its own or its contractor's behalf it shall also require that such policy include as named insured the State of Michigan, the Transportation Commission, the DEPARTMENT, and all officers, agents, and employees thereof and those governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract.

- 6. The incorporation by the DEPARTMENT of this resolution as part of a PERMIT does not prevent the DEPARTMENT from requiring additional performance security or insurance before issuance of a PERMIT.
- 7. This resolution shall continue in force from this date until cancelled by the GOVERNMENTAL AGENCY or the DEPARTMENT with no less than thirty (30) days prior written notice to the other party. It will not be cancelled or otherwise terminated by the GOVERNMENTAL AGENCY with regard to any PERMIT which has already been issued or activity which has already been undertaken.

BE IT FURTHER RESOLVED, that the following position(s) are authorized to apply to the DEPARTMENT for the necessary permit to work within State Highway Right of Way on behalf of the GOVERNMENTAL AGENCY:

Name	and/or	Title
ROBERT MOFFIT, CITY ADMINISTRATOR		
SHANNON SMITH, CITY CLERK AND KIMBERLY BRUNER, DEPUTY CITY CLERK		
DUANE BEAN, POLICE CHIEF		
CHARLES CARMAN, DEPARTMENT OF PUBLIC WORKS FOREMAN		

I HEREBY CERTIFY that the foregoing is a true copy of a resolution adopted by the CITY COUNCIL

(Name of Board, etc)
of the CITY OF GLADWIN of GLADWIN COUNTY
(Name of GOVERNMENTAL AGENCY) (County)

at a REGULAR meeting held on the 25TH day

of JANUARY A.D. 2014

Signed Shannon Smith Title CITY CLERK

Motion by Council Member Caffrey, supported by Council Member Crawford to authorize advertising the City Treasurer position in the Midland Daily News, Gladwin County Record and online at the Michigan Municipal League. There will be a March 31, 2014 response date. All ayes. Motion carried.

CITY OF GLADWIN
COUNTY OF GLADWIN
STATE OF MICHIGAN

RESOLUTION APPROVING PURCHASE CONTRACT,
NOTE AGREEMENT AND RELATED MATTERS

Minutes of a regular meeting of the City Council of the City of Gladwin, County of Gladwin, State of Michigan, held on the 20th day of January, 2014, at 5:00 p.m., prevailing Eastern Time.

PRESENT: Caffrey, Crawford, Hawblitzel, Jungman, Mienk, Rowley, Smith, Stout

ABSENT: None

The following preamble and resolution were offered by Member Jungman and supported by Member Caffrey

WHEREAS, the City Council of the City of Gladwin, County of Gladwin, State of Michigan (the "Municipality"), determines it to be necessary for the public health, safety and welfare of the Municipality and its residents to acquire the equipment described on Exhibit A attached hereto and made a part hereof (the "Equipment"); and

WHEREAS, under the provisions of Act 99, Public Acts of Michigan, 1933, as amended ("Act 99"), the City Council is authorized to enter into a contract or agreement for the purchase of the Equipment to be paid for in installments over a period of not to exceed the useful life of the Equipment as determined by resolution of the City Council; and

WHEREAS, the outstanding balance of all purchases by the Municipality under Act 99, exclusive of interest, may not exceed one and one quarter percent (1-1/4%) of the taxable value of the real and personal property in the Municipality at the date of such contract or agreement; and

WHEREAS, the purchase of the Equipment pursuant to an installment purchase agreement will not cause the outstanding balance of all such purchases to exceed the limitation contained within Act 99 as set forth above; and

WHEREAS, the Municipality has received a proposal from the United States Department of Agriculture, Rural Development (the "U.S.A.") with respect to the financing of the Equipment; and

WHEREAS, the Municipality has received an offer from AIS Construction Equipment Corporation, Williamsburg, Michigan (the "Vendor"), for the sale to the Municipality of the Equipment, which proposal has been reviewed by the City Council and the City Council has concluded that the offer of the Vendor is in the best interest of the Municipality and said offer has been approved; and

WHEREAS, the City Council has reviewed (1) the form of Purchase Contract (the "Purchase Contract") setting forth the terms and provisions of the sale of the Equipment to the Municipality and the payment by the Municipality therefor, (2) the form of the Assignment of Purchase Contract from the Vendor (the "Assignment"), and (3) the form of Note Agreement between the Municipality and the U.S.A. (the "Note Agreement"), and it is the desire of the City Council to approve the financing of the Equipment and to approve the general terms of the financing thereof as set forth in the Purchase Contract, the Assignment and the Note Agreement and the execution thereof, subject to the completion of negotiations with the Vendor and the U.S.A. on the timing of the sale and purchase.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Purchase Contract is hereby approved in substantially the form attached hereto as Exhibit B, with such additions, changes and modifications as shall be approved by the Mayor, the City Administrator or the City Clerk of the Municipality. Any two of the Mayor, the City Administrator and the City Clerk are hereby authorized and directed to execute the Purchase Contract when it is in final form.

2. The Assignment in the form attached hereto as Exhibit C is acknowledged.

3. The Note Agreement is hereby approved in substantially the form attached hereto as Exhibit D, with such additions, changes and modifications as shall be approved by the Mayor, the City Administrator or the City Clerk of the Municipality; provided, however, that the principal amount of the Note to be issued to the U.S.A. pursuant to the Note Agreement (the "Note") shall not exceed \$30,000, the Note shall be payable over a period of not to exceed fifteen (15) years from the date of issue, and the interest rate payable to the U.S.A. under the Note shall not exceed 3.50% per annum. Any two of the Mayor, the City Administrator and the City Clerk are hereby authorized and directed to execute the Note Agreement and the Note, when in final form, and deliver such instruments to the U.S.A.

4. The useful life of the Equipment is hereby determined to be not less than fifteen (15) years.

5. The Mayor, the City Administrator and the City Clerk are each hereby directed and authorized to execute such additional documentation as shall be necessary to effectuate the closing contemplated by the Purchase Contract and the Note Agreement.

6. The Municipality hereby agrees to include in its budget for each fiscal year during the term of the Note Agreement a sum which will be sufficient to pay the principal installment of and the interest coming due under the Note Agreement before each following fiscal year. In addition, the Municipality hereby pledges to levy ad valorem taxes on all taxable property in the Municipality each year in an amount necessary to make its debt service payments under the Note Agreement, subject to applicable constitutional, statutory and charter tax rate limitations.

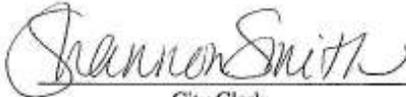
7. The acquisition of the Equipment and the approval of the Purchase Contract and the Note Agreement hereby are found and declared to be for a valid public purpose and in the best interest of the health and welfare of the residents of the Municipality.

8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded to the extent of such conflict.

AYES: Caffrey, Crawford, Hawblitzel, Jungman, Mienk, Rowley, Smith, Stout

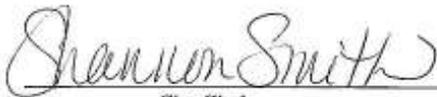
NAYS: None

RESOLUTION DECLARED ADOPTED.



City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Gladwin, County of Gladwin, State of Michigan, at a regular meeting held on January 20, 2014, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



City Clerk

Comments

Mayor Winarski stated that the Industrial Drive water tower is about half down.

Council Member Caffrey stated that Margaret Noble will be 100 years old on Thursday.

Council Member Hawblitzel asked about the scrap from the old water tower. Administrator Moffit stated that the money from the scrap goes to the contractor.

Assessor Weaver stated that the Fruchey building Commercial Rehabilitation District was approved. She also passed out the 2013 Apportionment Report.

Administrator Moffit stated that updates are being made to the personnel manual and he also discussed the Downtown Development Authority façade grants that have been awarded.

Motion by Council Member Jungman, supported by Council Member Rowley to adjourn. All ayes. Motion carried.

Meeting ended at 5:35 p.m.

Thomas L. Winarski, Mayor

Shannon Smith, City Clerk