Mayor Greg Mapes called a regular meeting of the Alma City Commission to order at 6:00 p.m. The virtual meeting was held via Zoom.com and livestreamed through the City of Alma’s YouTube channel. A quorum of the Commission was present via Zoom for the meeting.

Mayor Mapes led those present in a recitation of the Pledge of Allegiance to the United States of America.

Roll Call
Present: Roger Allman, Roxann Harrington, Greg Mapes, Nick Piccolo, Michelle Pitts, and Audra Stahl.
Absent: Larry Mott.

Motion by Commissioner Allman, seconded by Commissioner Pitts, to approve the amended agenda as presented. Motion carried with a roll call vote.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Approval of Minutes
Motion by Vice-Mayor Harrington, seconded by Commissioner Allman, to approve minutes of the meeting of March 24, 2020 as presented. Motion carried with a roll call vote.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Communications
Motion by Commissioner Allman, seconded by Commissioner Pitts, to receive a communication from the Arbor Foundation announcing that the City of Alma has earned recognition as a 2019 Tree City USA.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Motion by Commissioner Piccolo, seconded by Commissioner Allman, to receive a communication from DNVK Lapeer Inc. requesting an extension of the one-year deadline, granted May 28, 2019, for construction and occupancy of its medical marihuana provisioning center located at 528 Warwick Drive.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Motion by Vice-Mayor Harrington, seconded by Commissioner Pitts, to receive a communication from OakFlint LLC requesting an extension of the one-year deadline, granted May 28, 2019, for construction and occupancy of its medical marihuana provisioning center located at parcel number 29-51-283-505-01.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.
Motion by Commissioner Pitts, seconded by Commissioner Piccolo, to receive a communication from Pure Lapeer LLC requesting an extension of the one-year deadline, granted May 28, 2019, for construction and occupancy of its medical marihuana provisioning center located at 224 E. Center Street.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Motion by Commissioner Allman, seconded by Commissioner Piccolo, to receive a copy of a communication from Assistant City Manager, Aeric Ripley, sent to DNVK Lapeer Inc., OakFlint LLC, and The Pure Lapeer LLC, granting a 66-day extension from the termination date of the Governor’s Executive Order 2020-21.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Hearings
2020-00057 Motion by Commissioner Allman, seconded by Commissioner Piccolo, to approve a resolution to set a public hearing for Tuesday, May 12, 2020 at 6:00 p.m., or as soon after as the agenda allows, for review of the proposed FY 2021 City of Alma Budget and millage rates.

Resolution declared adopted.
Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Recommendation on Bids
David Ringle, Alma Public Services Director, spoke briefly to explain that bids initially presented for approval included alternate items, but the alternate items had been declined by Alma College, so total bids were reduced.

In response to a question from Mayor Mapes, Ringle said the alternate was an upcharge to replace light poles in the parking lot. Alma College declined the upcharge after it was determined that the current light poles could be retrofitted with new lights.

Ringle noted that even after the alternate items were removed from all three bids, Ward’s Excavating remained the low bidder on the project.

2020-00058 Motion by Commissioner Piccolo, seconded by Commissioner Allman, to approve a resolution to receive and award the bid for the Opera House Parking Lot Project to Ward’s Excavating of St. Louis, for the amount of $341,243.00, which excludes the cost of alternate items declined by Alma College, also to approve the corresponding request for purchase.

Resolution declared adopted.
Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.
Resolutions

2020-00059 Arbor Day Proclamation

The following preamble and resolution were offered by Vice-Mayor Harrington, as supported by Commissioner Piccolo:

Whereas, in 1872 J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and
Whereas, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and
Whereas, Arbor Day is now observed throughout the nation and the world, and
Whereas, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife, and
Whereas, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products, and
Whereas, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community, and
Whereas, trees are a source of joy and spiritual renewal, and
Whereas, the City of Alma has been recognized as Tree City USA by The National Arbor Day Foundation and desires to continue its tree-planting ways, and
Whereas, the City of Alma will be planting trees within the City of Alma.

Now, Therefore, the City Commission of the City of Alma does hereby proclaim April 24, 2020, as ARBOR DAY in the City of Alma, and urges all citizens to support efforts to protect our trees and woodlands and to support our city’s urban forestry program, and

Further, we urge all citizens to plant trees to gladden the hearts and promote the well-being of present and future.

Resolution declared adopted.
Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

2020-00060 Resolution for Reallocation of Assets

The following preamble and resolution were offered by Vice-Mayor Harrington as supported by Commissioner Piccolo:

Whereas, the City of Alma has been a participating municipality in the Municipal Employees' Retirement System of Michigan (MERS); and
Whereas, pursuant to Municipal Employees’ Retirement Board requirements, since December 31, 1994, asset accounting had been separated for each division, instead of aggregate for the entire municipality; and
Whereas, over time, significant disparities have arisen in the City’s MERS plan as result of allocating the fair market value of plan assets on a divisional basis instead of on an aggregate basis, which disparities the City of Alma wishes to eliminate; and
Whereas, in order to address the anticipated increase in unfunded liability for pensions to be provided participants in the defined benefit plan that is likely to occur as a result of diminished contributions to that plan, the City wishes to reallocate certain divisional market assets between these divisions;
Now therefore be it resolved, that the governing body of the City of Alma, a participating municipality as defined in the Municipal Employees’ Retirement Act as recodified by Act no. 427 of the Public Acts of 1984, as amended, and as the employer, hereby requests MERS to reallocate the total market value of assets as of April 1, 2020 as follows:

<table>
<thead>
<tr>
<th>Division Number</th>
<th>Division Name</th>
<th>Decrease in Employer Reserve Assets</th>
<th>Increase in Employer Reserve Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>29010102</td>
<td></td>
<td>$1,191,295</td>
<td></td>
</tr>
<tr>
<td>29010120</td>
<td></td>
<td>$1,102,908</td>
<td></td>
</tr>
<tr>
<td>29010121</td>
<td></td>
<td>$88,387</td>
<td></td>
</tr>
</tbody>
</table>

This will enable the actuary to prepare the 2020 actuarial valuation with the transferred assets; and

Resolution declared adopted.
Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

2020-00061 Resolution to Encourage the Governor to Issue an Executive Order Regarding Nominating Petitions

The following preamble and resolution were offered by Commissioner Harrington and seconded by Commissioner Piccolo:

Whereas, the Governor has issued Executive Order 2020-42, ordering all individuals living within the State of Michigan to stay at home or at their place of residence, subject to limited exceptions;
Whereas, Section 4.3 of the Alma City Charter requires a person desiring to qualify for an elective City office to file with the Clerk a nomination petition;
Whereas, Section 4.3 further requires that a person seeking nomination to City Commission to obtain between 25 and 50 signatures of registered electors of the jurisdiction from which the person seeks to be elected;
Whereas, the Alma City Charter does not allow for the payment of a filing fee in lieu of obtaining signatures;
Whereas, under MCL 168.551 candidates seeking to be placed on the ballot for the August primary election must submit their nominating petitions to the City Clerk by 4 p.m. eastern standard time on the fifteenth Tuesday before the August primary;
Whereas, for 2020, the fifteenth Tuesday before the August primary election is April 21, 2020; and
Whereas, gathering signatures in-person is not consistent with Executive Order 2020-42;

Now therefore, be it resolved, the Alma City Commission encourages the Governor to issue an Executive Order that provides potential candidates an opportunity to meet the nomination requirements for the August 2020 primary election while following the requirements of Executive Order 2020-42.

Resolution declared adopted.
Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.
Agreements
Aeric Ripley, Assistant City Manager, explained the reason for the proposed addendum to Centria’s lease agreement is to restructure payments for the next year to allow for a temporary suspension of payments due to hardships caused by the COVID-19 pandemic.

2020-00062 Motion by Commissioner Pitts, seconded by Commissioner Allman, to approve a resolution authorizing the execution of an Addendum to #2 RENTAL payment in the Lease Use Agreement between the City of Alma (Lessor), and Centria Healthcare, LLC (Lessee).

Resolution declared adopted.
Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Reports
Motion by Vice-Mayor Harrington, seconded by Commissioner Allman, to remove the City Manager’s report for discussion and to receive the following reports: Alma Transit Report for March 2020, Alma Transit MDOT Satisfaction Survey Results, and Building Permit March 2020 Report. Motion carried with a roll call vote.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

City Manager, Matt Schooley, offered a summary of his report, beginning with a status update on current operations. It has been determined that the Governor’s Stay Home, Stay Safe Order does not qualify as an isolation order, so the sick time afforded by the FFCRA does not apply to employees who have the ability to work from home. Discussion continues on the subject, and he follow the progress.

PW, WWTP, and WTP crews have been split to ensure that not everyone would become sick at the same time in the event of an exposure to the virus. City Hall remains closed to the public, and employees working in the building are limited to a total of five. Employees are being questioned about possible symptoms at the start of each shift, and some are having temperatures checked on a regular basis. One employee in the Fire Department has tested positive and is suffering mild symptoms. Work areas were carefully cleaned, and the employee is off work at this time.

Pavilions and playgrounds in the park have been closed, and garage sales will be prohibited thru the end of the Governor’s order.

Schooley also provided an update on the Transit question. Pine River Township has passed a resolution to put language on the August ballot, but Ithaca and St. Louis are up against charter millage caps. Discussion continues with the possibility of creating an Authority. It will be up to those municipalities to go from here.

Schooley mentioned the County Commission is considering changing ballot language to allow for an 80/20 split on the Parks millage, with the 20% to be administered to eligible municipalities by grants.

Motion by Commissioner Pitts, seconded by Commissioner Piccolo, to receive the City Manager’s Report for April 14, 2020.
Brief discussion followed about expected administration of parks grants if proposed and approved.

Motion to received City Manager’s Report carried with a roll call vote.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

New Business
City Manager Schooley presented the proposed FY 2021 Budget. He said it is difficult to project what will happen in FY 2021. The COVID 19 pandemic will bring many changes and financial challenges. They tried to offer projections based on different possible future scenarios.

One concern is that federal emergency funding is being mostly allocated to southeastern counties. At this point, there is no way to know if local municipalities will receive anything, and we appear to be exempt from 941 tax credits. Notice has already been received from MDOT of reduced funding. Revenue sharing is also in question, as it is based on sales tax.

We are looking at ways to reduce future costs such as freezing wages and reducing overtime. Departments will be encouraged to research grants for additional funding. Special funds may also require adjustments.

Additional budget review sessions may be necessary.

Finance Director, Kathy Phillips, read a letter (Attachment A) regarding the proposed budget and the COVID-19 pandemic.

Mayor Mapes noted a conservative approach to budgeting has served us well in the past and should continue to serve well in the future.

Motion by Commissioner Piccolo, seconded by Commissioner Allman, to receive the presentation on the proposed FY 2021 City of Alma Budget.

Discussion followed about budget review sessions. Commissioner Stahl commended staff for the progress they have made with what they are working with currently. She suggested shift staggering may need to continue for some time for the safety of employees. City Manager Schooley agreed there will be many cultural changes because of this and will make staff safety a priority.

Mayor Mapes asked if the projections were educated guesses on behalf of the Finance Director, or if these projections were a result of guidance from the state. Phillips said she had already been considering alternate budgeting with the upcoming election, but she is doing her best to stay on top of all of the information available.

Motion to receive FY 2021 Budget Presentation carried with a roll call vote.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.
2020-00063 Motion by Vice-Mayor Harrington, seconded by Commissioner Allman, to adopt a resolution to set the following dates for review and approval of the proposed FY 2021 City of Alma Budget and millage rates:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 28, 2020</td>
<td>Budget Review Session (regular meeting)</td>
<td>5:00 p.m.</td>
</tr>
<tr>
<td>May 7, 2020</td>
<td>Budget Review Session (special meeting)</td>
<td>5:30 p.m.</td>
</tr>
<tr>
<td>May 12, 2020</td>
<td>Budget Review Session (regular meeting)</td>
<td>5:00 p.m.</td>
</tr>
<tr>
<td>May 28, 2020</td>
<td>Public Hearing: Budget Presentation and Adoption of Resolution Approving FY 2021 millage rates</td>
<td>6:00 p.m.</td>
</tr>
<tr>
<td>May 28, 2020</td>
<td>Adoption of FY 2021 Budget</td>
<td>6:00 p.m.</td>
</tr>
</tbody>
</table>

Resolution declared adopted.
Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Appropriations 2020-00064 Motion by Commissioner Allman, seconded by Commissioner Piccolo, to adopt a resolution approving Warrant No. 20-19 and authorizing the City Treasurer to issue checks in payment of all claims.

Resolution declared adopted.
Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Commissioner Comments
Commissioners thanked city leadership and city staff for forward thinking and working together to get through these strange times.

Commissioner Stahl said Child Advocacy is still working, still doing interviews on severe cases, and still serving the public. Appointments can be made for services. She asked fellow Commissioners to share this information. They have plans to work alternating days to stay safe when they are allowed to re-open to the public.

Mayor Mapes thanked staff for coming together as a team to get through. He offered his thoughts and prayers to the firefighter and his family. He also reminded residents to keep grass clippings out of the road, as they will clog up storm drains, and we don’t currently have staff to handle this problem.

Invitation to Public
Marvin Karana, 29500 Telegraph Road, Suite 250, Southfield, MI spoke to the Commission about DNVK Lapeer Inc.’s request to extend the provisioning center’s timeline. He acknowledged the City’s deadline extension due to the pandemic but said they will have trouble commencing work at the end of the emergency. He asked the Commission to consider an additional 180-day extension.
Motion by Commissioner Piccolo, seconded by Vice-Mayor Harrington, to adjourn the meeting at 7:34 p.m. Motion carried with a roll call vote.

Yes: Allman, Harrington, Mapes, Piccolo, Pitts, and Stahl.
No: none.
Absent: Mott.

Gregory S. Mapes, Mayor, City of Alma

Sara Anderson, City Clerk, City of Alma

April 28, 2020
Date of Approval
Dear Commission Members and Citizens of Alma,

As we enter our fourth week of social distancing and quarantine, it would be an understatement to say that this global pandemic has changed the world’s economy.

On rare occasions when we venture away from home, we see the stark economic impact from COVID-19 in very real terms: restaurants are closed, long lines at the grocery stores and empty shelves, schools are closed and friends and neighbors are working from home or have lost their jobs. We too closed the doors of City Hall and transitioned to work from home for some essential staff while emergency responders bravely continue to risk their health by coming to work every day. These measures are necessary from a public health standpoint; it is saving lives as we try to control the spread and flatten the curve.

We are still responding daily to new mandates, requirements and directives. We carefully monitor and analyze what is happening and react in the best way that we can. Our priorities are to the residents, to continue to provide critical services and support provided by the the city and to keep our employees safe.

However, it is not without a financial impact and difficult decisions. The loss of revenue projected in the budget as a result of the pandemic is staggering and we are facing budget challenges that you would have thought were crazy just 2 months ago. We are conservatively estimating that the city would lose nearly 1 million dollars in revenue in 2021.

As you know, our fiscal year runs July to June and the City Manager is required by charter to present to the Commission a balanced budget for the next fiscal year by April 20th. We are fulfilling that requirement this evening; however, we need your help over the next couple weeks to help us make difficult decisions that will impact how we operate and what level of services we can be provided to our community. As we adjust to new social norms and economic realities personally, we must also continue to plan and adapt at the City as well.

Some Bright Points

1. The City of Alma is financially very healthy despite this overwhelming situation. Operationally, the City manager’s office and the finance department has struggled in the past, but their conservative nature has given us the opportunity to react responsibly and not out of desperation. The fund balance in the General Fund is currently at $4,781,040.24 up from $3,713,675.86 from April 2019. It is likely that we will have to use some fund balance to balance the budget.

2. Right now, the costs of responding to the crisis day-to-day costs for responding to the virus cannot be reduced. Our highest priority is providing public safety and we will do whatever we can to provide services to our residents. There is a reasonable chance that we will get some reimbursement from the Federal and State government. We do not expect all costs will be covered but no direct documentation on funding has been provided, so we have not included any Covid-19 disaster funding in the analysis. The finance department is maintaining records associated with the costs so if reimbursement is possible, we will have documentation.
3. In January, Treasury implemented a new credit card processing system through our accounting software. This system gives us many more opportunities to communication with residents and provide other payment options like pay by an 800 number, pay by text, payment reminders and flexible autopay arrangements.

4. Over the last few months, the City Manager has redefined several positions to provide better operational support to staff and the community. The new Human Resources Manager and part time IT Support Services rep were critical in making sure the city was able to respond quickly to operational challenges.

5. The need for certain supplies changed very quickly in early March but department heads were all ready ahead of it and their forward thinking allowed the City to collect the resources needed to establish remote work options, maintain a rigorous cleaning regime and keep staff informed of changes.

Planning Recommendations

1. The full extent of the damage to the economy and to the City will continue to change through the fall of 2020. While we know that a balanced budget is required by June 30th, it is likely to change, and it would be prudent to revisit the budget on a quarterly basis to revisit State and Federal funding levels as well as appropriations.

2. The City Manager and I are recommending a wage freeze until December 31, 2020 on cost of living increases as well as merit increases. December will be halfway through the fiscal year and with hope, this impact of this crisis may be more defined, and a clearer projection can be determined whether the freeze on wage increases can be lifted.

3. There are many capital projects that have already been put in place for year ending 2020 and at this point, those projects are expected to be completed. There are many projects for year ending 2021, and due to the scope of the situation, we feel that guidance from either the full commission or the finance committee as what projects should be prioritized.

4. The City Manager and I will prepare recommendations for other reductions that may have to occur. Other areas of consideration are:
   1. Training
   2. Overtime
   3. Maintenance and Supplies

5. The completion of a balanced budget by June 30th under these circumstances is a difficult task to ask a Commission to assist with but we feel it is important that the full Commission or Finance Committee should be part of the process.

Many of the departments began discussing options when we closed building to public and reduced operations last month. We have been operating in a two-week window for the past month. Over the next few days, directors will be submitting options that will include changes to programs, services and staffing levels for the next month if operations most operations continue to be shut down. Our leadership team will continue working this week to assess options and to make recommendations.

I know this is a difficult message in an already difficult time. I want to assure you that we are making these decisions with a compassion and a heavy heart. Thank you for all that you have done and continue to do to support our community.

With deep appreciation,

Kathrine Phillips, MBA
Finance Director
City of Alma
525 East Superior St
Alma, MI 48801
kphillips@ci.alma.mi.us
989-463-9504