

MONTROSE CITY COUNCIL SPECIAL MEETING MINUTES

February 11, 2025

CALL TO ORDER: Mayor Tom Banks called the special Council meeting to order at 7:00 p.m. The meeting was held at the City Offices located at 139 S. Saginaw Street, Montrose, MI.

ROLL CALL: Present council members were Mayor Tom Banks, Mayor Pro-Tem Mark Richard, Robert Arnold, Ryan Heslop, Todd Pangle, Lori Machuk and Melissa Wallace-Hoose. Also present was City Manager Barbara Valentine, City Assessor Bob Naumann, and City Clerk Tina Rush.

PLEDGE OF ALLEGIANCE TO THE FLAG: The Pledge of Allegiance was cited.

PUBLIC COMMENTS: NONE

MATTERS OF COUNCIL ACTION:

1. *DISCUSSION/DIRECTION OF ADDING A 2ND MONTHLY MEETING TO 2025 COUNCIL MEETING SCHEDULE:* Mayor Banks expressed the need for additional meetings to address various topics and information. Valentine recommended starting the 2nd meeting in April. Heslop asked if there was a possibility of cancelling a meeting if it is not necessary and Valentine replied yes, but we are required to notify the public of these meeting dates on the city's website ahead of time.

- **MOTION** by Heslop **SECOND** by Mayor Pro-Tem Richard to add an additional council meeting on the 2nd Tuesday, for the months of April, May & June and revisit at that time and extend if necessary. Roll Call Vote: Arnold – Aye, Hoose – Aye, Heslop – Aye, Pangle – Aye, Richard – Aye, Machuk – Aye, and Mayor Banks – Aye. All Ayes. Motion Carried.

2. *DISCUSSION/DIRECTION OF NEP GRANT FOR 200 E. MAPLE STREET:*

- **MOTION** by Pangle **SECOND** by Mayor Pro-Tem Richard that the City of Montrose pay the invoice to contractor Gary Knapp in the amount of twenty-eight hundred dollars and no cents, (\$2,800.00), and note that it was based on an error by a city employee. Roll Call Vote: Pangle – Aye, Machuk – Aye, Arnold – Aye, Hoose – Aye, Richard – Aye, Heslop – Aye, and Mayor Banks – Aye. All Ayes. Motion Carried.

3. *DISCUSSION/DIRECTION E & O CLAIM TO CITY INSURANCE:*

- **MOTION** by Arnold **SECOND** by Mayor Pro-Tem Richard that we have the city manager file an E & O claim to the City's insurance company to address this matter. Roll Call Vote: Machuk – Aye, Hoose – Aye, Richard – Aye, Heslop – Aye, Pangle – Aye, Arnold – Aye, and Mayor Banks – Aye. All Ayes. Motion Carried.

4. *DISCUSSION/DIRECTION OF MIHOPE GRANT:* Valentine explained that she is working on several uncompleted applications even though some of the work has been completed.

- **MOTION** by Mayor Pro-Tem Richard **SECOND** by Machuk that we remove Neil Rankin and designate our new City Manager Barbara Valentine and City Clerk Tina Rush as the authorized signers for the grants. Roll Call Vote: Richard – Aye, Hoose – Aye Heslop – Aye, Arnold – Aye, Pangle – Aye, Machuk – Aye, and Mayor Banks – Aye. All Ayes. Motion Carried.

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5. **DISCUSSION/DIRECTION OF USDA GRADUATION LETTER:** According to the audit as of June 30, 2024, it showed the city had an excess of over 1 million dollars as a cash asset because payments for the project had not yet been made. Based on the city's audit, USDA has recommended the city refinance and pay off the loan with the USDA as soon as possible. According to the city's auditor, Ken Berthiaume, USDA should have taken into consideration the 1 million showing allocated in accounts payable, however, Valentine noted that it's not USDA's responsibility to look for things like this. Valentine will need to work with bond counsel to resolve this issue. No action taken, informational only.

6. **DISCUSSION/DIRECTION ON THE CDBG SIDEWALK GRANT:** Valentine informed the council that she is in touch with Planning Specialist Gwynneth Couselman with the Genesee County Metropolitan Planning Commission and Valentine & Spence will be working on creating a project list. No action taken, informational only.

7. **DISCUSSION/DIRECTION CHARTER COMMITTEE:** Mayor Pro-Tem Richard recommended updating the charter and placing proposed changes on a ballot in 2026, discussion ensued. Valentine suggested involving Foster & Swift.

- **MOTION** by Mayor Pro-Tem Richard **SECOND** by Heslop to have the city manager contact Foster & Swift. All Ayes. Motion Carried.

8. **DISCUSSION/DIRECTION ON IT UPGRADES:** Valentine announced that the immediate issues were addressed. Valentine reached out to Michigan Municipal Services Association which meets the RFP requirements for municipalities, and she will be meeting next week with a company called Dewpoint for IT consulting services. No action taken, informational only.

9. **RRD BEST PRACTICES TRAINING:** Valentine asked the council to let her know which classes they are wanting to sign up for.

TRAINING OPPORTUNITIES:

1. **MSU FRC (FISCALLY READY COMMUNITIES) TRAINING:** Hoose would like to attend this.

A. **2025 COMMUNITIES WEBINAR SERIES:**

B. **2025 FRC WEBINAR SERIES:**

PUBLIC COMMENTS: Foust complained about the recent crack and seal claiming the company did not remove the debris prior to re-filling the cracks and holes.

MAYOR AND COUNCIL COMMENTS: Pangle thanked Valentine for getting them up to date and the direction she is taking. Hoose expressed gratefulness for being able to help the property owner at 200 E. Maple Street. Heslop asked if the issues problem with the city staff plowing the downtown alleyways was settled due to an easement issue and Valentine replied yes, they are considered public spaces and the city already bonded for the improvements of those alleys and the city is now responsible for maintaining what they purchased with taxpayer's funds.

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ADJOURNMENT:

- **MOTION** by Richard **SECOND** by Heslop to adjourn. All Ayes. Motion Carried.

Mayor Banks adjourned the meeting at 8:42 p.m.

Prepared by City Clerk, Tina Rush