CITY OF EVART
SPECIAL VIRTUAL COUNCIL MEETING
Thursday, May 6, 2021 @ 7:30PM

The meeting was called to order by Mayor Chris Emerick at 7:31pm.

Present (via roll call): Sean Duffy, City of Evart, Osceola County MI, attending remotely
Dan Elliott, City of Evart, Osceola County MI, attending remotely
Mayor Emerick, City of Evart, Osceola County MI, attending remotely

Absent (via roll call): Matt Hildebrand, Sandra Szeliga

Present (City Staff): City Manager Sarah Dvoracek, Finance Director/Treasurer Pepper Lockhart (Meeting Host), City Clerk Kathy Fiebig

Guests (per Zoom ID): John Tanner (OHM Engineering), Andy Campbell and Matt Feldpausch (Baker Tilley), Evart Farmers Market

Citizens' Comments: *none*

Approval of Agenda
Motion by Mayor Emerick to approve the agenda as presented. Support by Mr. Duffy. Motion passed with a roll call vote; all were in favor.

Mr. Hildebrand joined the meeting remotely at 7:35pm.

New Business
A. Proposed 2021-2022 Budget (Work Session)
Ms. Dvoracek has made several changes to the proposed budget, most notably moving funds from major streets to minor. This will allow the city to repave sections of 1st, 10th and 12th Streets. She reminded council that the Baker Tilly rate study recommends raising the sewer commodity rate 2% annually, and all water rates 3.5% annually. The budget is based on revenue from these raises. Council verbally approved the changes, agreed to the water and sewer rate increases and authorized Ms. Dvoracek to publish the budget as presented tonight, then move forward with the public hearing at the next regular council meeting on May 17, 2021. While discussing funding street improvements, Andy Campbell of Baker Tilly explained that water and sewer funds cannot be used for repaving except for that portion of a street that must be torn up to access water or sewer infrastructure. Water and sewer funds can not be used for curb and gutter or storm water infrastructure. He gave council several options for financing these large projects: issuing bonds, using special assessments or raising the City millage (currently limited by City Charter to a maximum of 15 mills.) Mr. Hildebrand opposes issuing bonds **and** levying a special assessment. Mr. Elliott noted that the City has set a precedent for using special assessments for such projects and believes it unfair to those paying them now to have futures projects ignore that option. Mr. Campbell suggested that council target projects, determine the cost, and then decide how to fund them. Mr. Tanner agreed and stated that OHM Engineering could provide estimated costs fairly quickly.
B. Community Development Block Grant (CDBG) Application Water Related Infrastructure
Mr. Tanner explained the parameters of the CDBG grant and identified some of the projects that the funds could be used for. This is a match grant with the City's match set at 25%. Motion by Mr. Hildebrand to authorize Ms. Dvoracek to pursue a CDBG grant in the amount of $605,000

FINAL

with the City's match to be $151,250. Support by Mr. Duffy. Motion passed with a roll call vote; all were in favor.

Citizens' Comments: *Evart Farmers Market noted that it's time for bed.*

Motion by Mr. Hildebrand to adjourn. Support by Mayor Emerick. Motion passed with a roll call vote; all were in favor. The meeting was adjourned at 9:10pm.

Kathy Fiebig

Kathy Fiebig
City Clerk

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