



CITY COUNCIL SPECIAL MEETING
12 N. Charles Street
White Cloud, MI 49349
Minutes for May 21, 2024

A. Meeting Called to Order

The Special Meeting of the White Cloud City Council was held on the above date. Mayor Miller called the meeting to order at 3:00 p.m.

1. Roll Call

Council Members Present: Damon Anuci, Amy Barnhard, Herm Becker, Candice Dault, Brian Miller, Jeff Murchison, Lori Shears

Members Absent: None

Staff Present: City Manager-April Storms, Clerk-Kelli Arnold,

Guest Sign-in: Kay Scott

2. Approval of Agenda

Approval of the Agenda for the Special Meeting May 21, 2024.

Motion by Becker, Supported by Dault to approve the special meeting agenda for May 21, 2024

Vote: Ayes-All Nays- None Absent- None

Motion Carried

3. Invocation & Pledge of Allegiance

Led by Murchison

B. New Business

1. White Cloud/Sherman Utilities Authority Articles of Incorporation

City Manager Storms introduced Utility Attorney, Scott Dienes to discuss the Articles of Incorporation of the White Cloud Sherman Utilities Authority. We have been working to revise the Articles of Incorporation of the Authority which requires Sherman Township and the City of White Cloud boards to approve any amendments. Consensus of Township is needed to move forward on this. One of the proposed amended items in the articles is to remove the County representative from the composition of the Sherman Utilities board.

Recommendation of City Manager Storms is to hold off on a vote for the amended Articles of Incorporation until after the election to know whether the County will continue to want to hold the seat which they currently have on the White Cloud Sherman Utilities Authority (WCSUA) board; a change of Drain Commissioner following the election could change that depending on the elected person.

Motion by Miller, Supported by Dault to not proceed with the Articles of Incorporation amendments for WCSUA at this time.

Vote: Ayes-All Abstain-None Absent-None

Motion Carried

There are two issues at hand; one is how to convey the sewer system and the second is how to define what the sewer system is, what comprises the sewer system.

The City Charter, 7.11, requires a vote of the people before the utility can convey any of its property. In 1974 bonds were issued, paid in 2019/2020. The system was conveyed to the County in 1974 and then again to the authority at the bond in 2019/2020. Those conveyances were not legitimate because it has never gone to the electors. This is an effort to clean that issue up. The council is presented with two proposals.

The first option could amend the City Charter, removing 7.11 entirely by a vote of the electors. The process requires the language to be on the ballot and an explanation to the public what it is trying to accomplish. By doing this it could appear that Council is trying to take the power away from the people and giving it to the Council.

The second option is to comply with the City Charter, 7.11 and ask the electors whether they think the sewer system should be conveyed.

The second issue is what it is we are conveying. In 1974 the City issued debt along with Sherman Township and the County to finance a new portion of the sewer system. There was already an existing sewer system in the City that was called system #1, the new portion that the debt was incurred for was called system #2. System #2 is what has been conveyed to the Authority, then to the County and back to the Authority. System #1 has not. The question being put in front of Council is how much of the system to convey. The system has never been treated as two systems other than on paper, the Authority has always maintained the entire system. If asking the voters to convey the system, it is recommended to convey the entire system, taking out "system #2" in the language.

2. Resolution 2024-28 to approve ballot language for a proposed amendment to the City of White Cloud City Charter; to delete Section 7.11 entitled "Disposal of Utility Plants and Property."

Motion by Murchison, **Supported** by Anuci to adopt Resolution 2024-28.

Roll Call Vote: Ayes-None Nays-Murchison, Anuci, Becker, Barnhard, Shears, Dault, Miller **Abstain-None Absent-None Motion Denied**

3. Resolution 2024-32 to approve disposal of Utility Property ballot language for the November 5, 2024, General Election

A Resolution with ballot language for the November 5, 2024, General election stating: Shall the City of White Cloud be authorized to convey the City of White Cloud Sewer System to the White Cloud/Sherman Area Utility Authority?

Motion by Anuci, **Supported** by Dault to adopt Resolution 2024-32 with the amended language.

Roll Call Vote: Ayes-Anuci, Dault, Murchison, Shears, Barnhard, Becker, Miller
Nays-None **Abstain-None Absent-None Motion Carried**

C. Public Comment


None

D. Adjournment

Motion by Becker **Supported** by Anuci to adjourn the special meeting at 3:36 p.m.

Vote: Ayes-All Nays- None **Absent-None Abstained: None Motion Carried**


Brian J. Miller, Mayor


Kelli Arnold, Clerk
Approved on 6.04.2024