

**OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, March 1, 2012**

The meeting was called to order by the Honorable Mayor Leo J. Evans at 7:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Leo J. Evans, Council Members, Walter A. "Pete" Baker, Patricia A. Baribeau, Ronald J. Beauchamp, and Brady L. Nelson.

Absent: None

Also Present: City Manager James V. O'Toole, City Attorney Ralph B.K. Peterson, City Department Heads, media, and members of the public.

City Clerk Robert S. Richards gave the invocation and led Council in the Pledge of Allegiance.

Baker moved, Nelson seconded, **CARRIED UNANIMOUSLY**, to approve Special Meeting Minutes from February 8, 2012, February 13, 2012, February 15, 2012, and Regular Meeting Minutes from February 16, 2012, as submitted.

ADJUSTMENTS TO THE AGENDA

Mayor Evans asked to move NB-4, first reading of Ordinance No. 1122, after PH-1 the Downtown Development Public Hearing.

Baker moved, Nelson seconded, **CARRIED UNANIMOUSLY**, to approve the City Council Agenda as amended.

CONFLICT OF INTEREST DECLARATION - None

BRIEF PUBLIC COMMENT - None

UNFINISHED BUSINESS - None

PUBLIC HEARINGS

Public Hearing – Amended and Restated Downtown Development Tax Increment Financing Plans.

On January 19, 2012, Council set the date of March 1, 2012, at 7:00 p.m. as a public hearing date on the amended and restated Downtown Development Plan and Tax Increment Financing Plan. The Downtown Development Authority, after the Public Hearing, requested Council formally approve the amended and restated Downtown Development Plan and Tax Increment Financing Plan, in accordance with Act 197 of Public Acts of 1975, commonly referred to as the Downtown Development Authority Act, which required that a

Downtown Development Authority have a Development Plan and Tax Increment Financing Plan for the future.

This being a public hearing, Mayor Evans asked if there was any public comment.

Hearing no public comment, Mayor Evans closed the public hearing.

Council Member Nelson spoke in favor of the restated and amended DDA Plan.

First Reading Ordinance No. 1122 - Downtown Development Authority (DDA) Development Plan.

Ordinance No. 1122 is an Ordinance to approve the Amended and Restated Downtown Development Authority Development Plan and Tax Increment Financing Plan. Council was requested to consider this the first reading and schedule the second reading, public hearing for March 15, 2012.

(NB-4) Nelson moved, Baker seconded, to consider this meeting as the first reading of Proposed Ordinance No. 1122, and schedule the second reading, public hearing of Ordinance No. 1122 for March 15, 2012.

Upon a call of the roll, the vote was as follows:

Ayes: Nelson, Baker, Baribeau, Beauchamp, Evans
Nays: None

MOTION CARRIED.

NEW BUSINESS

Scheduling of Public Hearing - Citizen Participation - 2012/13 Fiscal Year Budget Preparation.

Each year, City Council holds public hearings to facilitate input from citizens for the City's next fiscal year budget. Administration requested Council set the third of five public hearings for March 15, 2012.

Council Member Nelson encouraged public comment at the March 15, 2012, Council Meeting.

NB-1 Nelson moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to set the third citizen participation public hearing on the 2012/13 Fiscal Year Budget for March 15, 2012.

Approval – Liquor License Transfer - 2011 “Class C” Licensed Business – 907 Ludington Street.

On February 16, 2012, the Local Liquor License Review Board met and unanimously recommended City Council approve a request to transfer ownership of 2011 Class C Licensed Business with Dance-Entertainment permit, located at 907 Ludington, Escanaba, MI 49829, Delta County from PENCOM DEVELOPMENT CORP. to D &R MITCHELL PROPERTIES, LLC. Administration recommended approval of the transfer in accordance with the provisions of MCL 436.1501 of the Liquor Control Code of 1998.

NB-2 Beauchamp moved, Baker seconded, **CARRIED UNANIMOUSLY**, to approve a request to transfer ownership of 2011 Class C Licensed Business with Dance-Entertainment permit, located at 907 Ludington, Escanaba, MI 49829, Delta County from PENCOM DEVELOPMENT CORP. to D &R MITCHELL PROPERTIES, LLC. in accordance with the provisions of MCL 436.1501 of the Liquor Control Code of 1998.

Approval – Transfer of Stock - 904 Ludington Street.

On February 16, 2012, the Local Liquor License Review Board met and unanimously recommended City Council approve a request made by LEIGH’S GARDEN WINERY, INC. to transfer stock by adding CONNIE M. SCHMIDT as joint stockholder with LEIGH A. SCHMIDT on 2,000 shares located at 904 Ludington St, Escanaba, MI 49829, Delta County.

NB-3 Nelson moved, Baker seconded, **CARRIED UNANIMOUSLY**, to approve a request made by LEIGH’S GARDEN WINERY, INC. to transfer stock by adding CONNIE M. SCHMIDT as joint stockholder with LEIGH A. SCHMIDT on 2,000 shares located at 904 Ludington St, Escanaba, MI 49829, Delta County.

Approval – Wells Township Fire Coverage Agreement – Department of Public Safety.

Administration sought Council approval of a five (5) year Fire Coverage Agreement between the City of Escanaba and Wells Township for an annual sum of \$52,500.

NB-5 Baribeau moved, Beauchamp seconded, to approve a five (5) year Fire Coverage Agreement between the City of Escanaba and Wells Township for an annual sum of \$52,500.

Upon a call of the roll, the vote was as follows:

Ayes: Baribeau, Beauchamp, Nelson, Baker, Evans
Nays: None

MOTION CARRIED.

Approval – Traffic Control Order 979 – Department of Public Safety.

On February 21, 2012, the Traffic Safety Advisory Committee recommended approval of Traffic Control Order No. 979, parking shall be limited to a maximum of two (2) hours on the South side of the 1600 Block of Ludington Street. Traffic Control Orders have an immediate effect but must be approved by Council within 90 days to become permanent.

NB-6 Baribeau moved, Nelson seconded, **CARRIED UNANIMOUSLY**, to approve Traffic Control Order 979, parking shall be limited to a maximum of two (2) hours on the South side of the 1600 Block of Ludington Street.

Update – Power Generation/Plant Operation Options/Power Purchase – Electric Department.

City Manager O’Toole updated the City Council and public on the status of City Power, and Power Plant Sale. The Council and Electrical Advisory Committee were scheduled to meet March 7, 2012, to receive monthly updates and discuss a proposed sale of the Power Plant.

Approval – Liquor License Transfer - 2011 “Class C” Licensed Business – 1213 Ludington Street.

On February 27, 2012, the Local Liquor License Review Board met and unanimously recommended City Council approve a request to transfer ownership of an escrowed 2011 Class C Licensed Business, located at 1213 Ludington, Escanaba, MI 49829, Delta County from the Bay Bank Corporation to M.J. Decker Enterprises, LLC. Administration recommended approval of the transfer in accordance with the provisions of MCL 436.1501 of the Liquor Control Code of 1998.

NB-8 Nelson moved, Baribeau seconded, **CARRIED UNANIMOUSLY**, to approve a request to transfer ownership of an escrowed 2011 Class C Licensed Business, located at 1213 Ludington, Escanaba, MI 49829, Delta County from the Bay Bank Corporation to M.J. Decker Enterprises, LLC. in accordance with the provisions of MCL 436.1501 of the Liquor Control Code of 1998.

Approval – Demolition Bid – 700 Ludington Street.

On February 16, 2012, the City Council condemned the structure located at 700 Ludington Street and ordered the building be removed. Administration sought Council approval to retain Pearson Asbestos Abatement, Inc., Escanaba, MI, in the amount of \$5,989. for environmental contamination component removal and Brunette & Sons, Inc., Escanaba, MI in the amount of \$5,105.60 to furnish all labor, machinery or equipment to demolish and remove the structure in accordance with the request for demolition issued by the City.

NB-9 Beauchamp moved, Nelson seconded, to approve to retain Pearson Asbestos Abatement, Inc., Escanaba, MI, in the amount of \$5,989 for environmental contamination component removal and Brunette & Sons, Inc., Escanaba, MI in the amount of \$5,105.60 to furnish all labor, machinery or equipment to demolish and remove the structure in accordance with the request for demolition issued by the City.

Upon a call of the roll, the vote was as follows:

Ayes: Beauchamp, Nelson, Baker, Baribeau, Evans

Nays: None

MOTION CARRIED.

Discussion – Municipal Employees’ Retirement System of Michigan (MERS) and Public Safety Retirement Act 345 Retirement System.

A discussion on the various City employee pension programs took place. The item was placed on the Council Agenda to have discussion among Council Members and to make public aware of the contributions being made to the City pensions systems. The following items were discussed:

- Briefly reviewed City contributions as presented in the latest Audits;
- Unfunded liabilities, and actuarial reports had been presented to Council;
- Pension Fund interest was down due to the economy requiring increased contributions from the City;
- City had been good stewards with the City Investment Funds;
- Pension Funds were contractual with the City Unions;
- Manager O’Toole recommended a Special Work Session with Council to get a better clarification and understanding of its Pension Funds;
- City has been very proactive with dealing with the Pension Fund contributions;
- The current economy deeply affects the City Pension Funds and its performance;
- Members and its benefits should not be alarmed. City Pension Funds were operating properly, but it was very difficult to continue to fund the current Pension contributions;
- City Pension Funds were better off than the State and Federal Government.

It was Council consensus to schedule Pension Fund Actuarial representatives to come and make a presentation to Council at a special Council Meeting.

APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES

Mayor Evans, with Council Consensus, appointed Thomas Warstler to the City Planning Commission, term ending June 2014.

BOARD, COMMISSION, AND COMMITTEE REPORTS

Council Members reviewed City Board and Commission meetings each attended since the last City Council Meeting.

GENERAL PUBLIC COMMENT

City resident Scott Carlson invited Council Members to the their Local Advisory Committee, encourage recycling which would help Lake States of Escanaba and the employees who worked there.

Tony LaPlant Command Unit Union Stewart at Public Safety asked Council where the concerns were and historical rate of returns, and where would the City Pension Plan stand compared to other communities around the state.

Mayor Evans asked Mr. LaPlant to get with Council Members and Administration after the conclusion of the meeting for answers to his questions.

ANNOUNCEMENTS

- Girls championship tournaments begin March 2, 2012;
- March 11, 2012, daylight saving time begins;
- Snow plow cleanup will continue from the latest storms.

Hearing no further public comment, the Council adjourned at 8:04 p.m.

Respectfully submitted,

Robert S. Richards, CMC
City Clerk

Approved: _____
Leo J. Evans, Mayor