OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, May 16, 2013

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.

Pastor Scott White of the First Presbyterian Church gave the invocation and led Council in the pledge of allegiance.

Nelson moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting Minutes from May 2, 2013, as submitted.

ADJUSTMENTS TO THE AGENDA

Beauchamp moved, Baker seconded, **CARRIED UNANIMOUSLY**, to approve the City Council Agenda as submitted.

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT – None

UNFINISHED BUSINESS – None

PUBLIC HEARINGS

Public Hearing and Adoption – FY 2013-14 Budget.

The Council has conducted four (4) public hearings and two (2) budget work sessions to set a proposed FY2013-14 operating budget. This was the final public hearing on the FY 2013-14 City operating budget and would establish a City millage rate of 17.00 mills.

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

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

PH-1 Baribeau moved, Nelson seconded, to establish the City millage rate at 17.00 mills for 2013-2014 Budget Year and to adopt the 2013-2014 City Budget as published.

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

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

MOTION CARRIED.

Public Hearing – Industrial Facilities Tax Exemption (IFT) for Real Property - 440 North 10th Street.

Basic Marine, Inc. submitted an application for an Industrial Facility Tax Exemption (IFT) for real property they own and control at 440 North 10th Street. If granted, the IFT would allow a partial exemption from property taxes for the term of the IFT (up to 12 years).

City Assessor Daina Norden briefly reviewed the proposed IFT with Council. Lyle Berro, Basic Marine representative, also briefly reviewed the approximate costs and figures to extend the pier, and jobs it would provide to the community.

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

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

PH-2 "By Council Member Nelson, seconded by Council Member Baribeau;

CITY OF ESCANABA RESOLUTION APPROVING THE APPLICATION OF BASIC MARINE, INC. FOR A NEW FACILITY REAL PROPERTY EXEMPTION

WHEREAS, Pursuant to Public Act No. 198 of 1974, MCL 207.551 et seq., after duly noticed public hearing held on August 16, 2001, and March 21, 2013, this City Council, by resolution, established two Industrial Development Districts as requested by Basic Marine, Inc.; and

WHEREAS, Basic Marine, Inc., has filed two applications for Industrial Facilities Exemption Certificates with respect to a new facility to be acquired and installed within the Industrial Development Districts; and

WHEREAS, Before acting on said application, the City of Escanaba held a hearing on May 16, 2013, at the City Hall, 410 Ludington Street, in Escanaba at 7:00 p.m., for which hearing the applicant, assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard at said hearing on said application; and

WHEREAS, Construction of the facility and/or installation of new machinery and equipment had not begun earlier than six (6) months before April 16, 2013, and April 19, 2013, the date of the acceptance of the applications

for the Industrial Facilities Exemption Certificate; and

WHEREAS, Completion of the facility is calculated to and will at the time of issuance of the certificates have the reasonable likelihood of retaining, creating, or preventing the loss of employment in the City of Escanaba; and

WHEREAS, The aggregate State Equalized Valuation (SEV) of real and personal property exempt from ad valorem taxes within the City of Escanaba, after granting this certificate, will not exceed five percent (5%) of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property exempted under Act 198, 1974, or potentially exempted under Act 146, 2000.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Escanaba that:

The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificates considered, together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 shall not have the effect of substantially impeding the operation of the City of Escanaba or of impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Escanaba.

The application of Basic Marine, Inc., for Industrial Facilities Exemption Certificates with respect to a new facility to be acquired and installed on the following described parcels of real property situated within the City of Escanaba:

Basic Marine Industrial Development District

Part of Frl NW 1/4 Sec 29 & NE 1/4 Sec 30 T39N R22W Com at SE Cor Lot 1 Blk 57 "Original Plat of the City of Escanaba", th E alg N ROW line 1st Ave N 151.68 ft to POB, the E 509.19 ft, the N 13D 40M E 22.78 ft, th N 11D W 79.55 ft, th E par w/ sd ROW 325 ft, th S 15D 24M E 132.76 ft, th S 89D 58M E 905 ft, th N 90.75 ft, th S 89D 20M E 180.01 ft, th N 217.64 ft, th N 60D 28M W 72.07 ft, the S 60D 37M W 232.4 ft, th S 80D 29M W 186.65 ft, th N 66D 56M W 1166.4 ft, th N 20D 28M W 315.45 ft, th N 47D 10M W 119.3 ft, th N 77D W 190.33 ft, th N 60D 55M W 594.2 ft, th N 2D 49M W 392.14 ft, th S 37D 52M E 347.62 ft, th S 550 ft M/L to pt 90 ft S of int E ln N 10th St & N ln 3rd Ave N, th E 52 ft, th S 45D 30M E 151.3 ft, th S 84.14 ft, th E 131.2 ft, th SEly 191 ft alg the arc of a curve w/ long chord bearing S 27D 39M E, th S 100.35 ft, th E 45.22 ft, th S 5D 24M E 360.98 ft to POB

AND

City Industrial Development District – unpatented Lake Michigan Bottomlands opposite & adjacent to Sections 29 & 30 T39N R22W identified as the full extent of Basic Marine's shoreline, and extending outward 1797.4' along the northern section of

the boundary line, at S 87-degrees, 50'20" E to S 18-degrees, 47'53" E for 1367.21' and back to the Basic Marine shoreline at N 53-degrees, 38' W

The Industrial Facilities Exemption Certificate, when issued, shall be and remain in force and effect for a period of twelve (12) years beginning December 31, 2013, and ending December 31, 2025."

Be and the same is hereby approved.

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

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

RESOLUTION DECLARED ADOPTED.

NEW BUSINESS

First Reading of Ordinance No. 1134, the Appropriations Ordinance, Including the Millage Rate of 17.00 Mills and Setting the Date of Monday, May 20, 2013, for the Second Reading, Public Hearing, and Adoption.

Once the City Council approves the budget, the Council must approve a tax levy and authorize appropriations to implement the budget. Administration recommended a special meeting for Monday, May 20, 2013, at 8:00 a.m. be scheduled for the second reading, public hearing, and adoption of the Appropriations Ordinance No. 1134.

NB-1 Beauchamp moved, Nelson seconded, **CARRIED UNANIMOUSLY**, to set the date of May 20, 2013, at 8:00 a.m. for second reading, public hearing, and adoption of the Appropriations Ordinance No. 1134 and millage rate of 17 mills.

First Reading of Ordinance No. 1135, the Tax Levy Ordinance, and Setting the Date of Monday, May 20, 2013, for the Second Reading, Public Hearing and Adoption.

Section 9, Chapter VIII, of the City Charter requires the City, by Ordinance, levy taxes that may be necessary to meet the appropriations' needs. Administration recommended a special meeting for Monday, May 20, 2013, at 8:00 a.m. be scheduled for the second reading, public hearing, and adoption of Tax Levy Ordinance No. 1135.

NB-2 Beauchamp moved, Nelson seconded, **CARRIED UNANIMOUSLY**, to set the date of May 20, 2013, at 8:00 a.m. for second reading, public hearing, and adoption of Tax Levy Ordinance No. 1135.

First Reading of Ordinance No. 1136, the Electric Rate Ordinance, and Setting the Date of Monday, June 3, 2013, for Second Reading, Public Hearing, and Adoption.

Annually, the City Council sets electric utility rates for the next fiscal year.

Council was asked to consider this the first reading of Ordinance No. 1136 and to schedule the second reading and public hearing for June 3, 2013, at 8:00 a.m.

NB-3 Beauchamp moved, Nelson seconded, **CARRIED UNANIMOUSLY,** to set the date of June 3, 2013, at 8:00 a.m. for second reading, public hearing, and adoption of Ordinance No. 1136.

First Reading of Ordinance No. 1137, the Wastewater Rate Ordinance, and Setting the Date of Monday, June 3, 2013, for the Second Reading, Public Hearing, and Adoption.

Annually, the City Council sets wastewater utility rates for the next fiscal year. Council was asked to consider this the first reading of Ordinance No. 1137 and to schedule the second reading and public hearing for June 3, 2013, at 8:00 a.m.

NB-4 Baribeau moved, Baker seconded, **CARRIED UNANIMOUSLY**, to set the date of June 3, 2013, at 8:00 a.m. for second reading, public hearing, and adoption of Ordinance No. 1137.

First Reading of Ordinance No. 1138, the Water Rate Ordinance, and Setting the Date of Monday, June 3, 2013, for Second Reading, Public Hearing, and Adoption.

Annually, the City Council sets water utility rates for the next fiscal year. Council was asked to consider this the first reading of Ordinance No. 1138 and to schedule the second reading and public hearing for June 3, 2013, at 8:00 a.m.

NB-5 Beauchamp moved, Baribeau seconded, **CARRIED UNANIMOUSLY**, to set the date of June 3, 2013, at 8:00 a.m. for second reading, public hearing, and adoption of Ordinance No. 1138.

First Reading of Ordinance No. 1139, the Solid Waste Ordinance, and Setting the Date of Monday, June 3, 2013, for the Second Reading, Public Hearing, and Adoption.

Annually, the City Council sets solid waste rates for the next fiscal year. Council was asked to consider this the first reading of Ordinance No. 1139 and to schedule the second reading and public hearing for June 3, 2013, at 8:00 a.m.

NB-6 Beauchamp moved, Nelson seconded, **CARRIED UNANIMOUSLY**, to set the date of June 3, 2013, at 8:00 a.m. for second reading, public hearing, and adoption of Ordinance No. 1139.

Approval – Resolution - Act 51 Street System Map – South 38th.

Council was requested to readopt an amended Resolution of Street Acceptance

to include South 38th Street from 8th Avenue South to 0.21 miles north to its dead end into the City of Escanaba Act 51 Street System Map.

NB-7 "By Council Member Nelson, seconded by Council Member Baker;

RESOLUTION OF STREET ACCEPTANCE

WHEREAS, the City of Escanaba did on October 20, 2005, acquire title to South 38th Street from 8th Avenue South to 0.21 miles north to its dead end; and

WHEREAS, the City of Escanaba is committed to improving their recreation facilities for the use and enjoyment of residents, tourists and visitors; and

WHEREAS, it is necessary to furnish certain information to the State of Michigan to place this street within the City/Village Local Street system for the purpose of obtaining funds under Act 51, P.A. 1951 as amended; and

NOW, THEREFORE:

1. That the center line of said street is described as: South 38th Street from 8th Avenue South to .21 miles North to its dead end as recorded and described at the Delta County Register of Deeds, 12/12/2005 Liber 0829, Page 933, 934,935, & 936: (See Attachment – A).
2. That said street is located within the City right-of-way and is under the control of the City of Escanaba.
3. That said street is a public street and is for public street purposes.
4. That said street is accepted into the City Local Street System and was open to the public on January 15, 2005."

Upon a call of the roll, the vote was:

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

RESOLUTION DECLARED ADOPTED.

<u>Approval - Use of Public Space – Fishing Tournament – Northern Lakes Walleye Club.</u>

The Northern Lakes Walleye Club sought Council approval to reserve the North Shore Boat Launch for a fishing tournament to be held on Saturday, August 10, 2013 from 6:00 a.m. to 4:00 p.m. Administration recommended approval provided 1) proper insurance naming the City of Escanaba was filed with the City, 2) the Northern Lakes Walleye Club cleans up the area after the event and 3) public access to the launch was not impeded.

NB-8 Beauchamp moved, Baribeau seconded, **CARRIED UNANIMOUSLY**, to approve a request from Northern Lakes Walleye Club to reserve the North Shore Boat Launch for a fishing tournament to be held on Saturday, August 10, 2013 from 6:00 a.m. to 4:00 p.m., provided 1) proper insurance naming the City of Escanaba was filed with the City, 2) the Northern Lakes Walleye Club cleans up the area after the event and 3) public access to the launch was not impeded.

Approval - Traffic Control Order (TCO) – No. 981 - Department of Public Safety.

Administration sought Council approval of Traffic Control Order No. 981. If approved a "No Parking Between Signs" sign would be installed in front of the main entrance of 1812 9th Avenue North. On April 16, 2013, the Traffic Safety Advisory Committee met and recommended City Council approval of the order.

NB-9 Baribeau moved, Baker seconded, **CARRIED UNANIMOUSLY**, to approve Traffic Control Order No. 981, a "No Parking Between Signs" sign to be installed in front of the main entrance of 1812 9th Avenue North.

Update – Power Generation/Plant Operation Options – City Administration.

Manager O'Toole briefly updated the City Council and public on the operation and maintenance transition of the Power Plant. He advised a MISO payment was received for the operation of the Power Plant.

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

Mayor Evans, with Council consensus, reappointed Henry "Chip" Cipolla, and Mark Ammel to the Harbor Advisory Committee, terms ending June 2016.

BOARD, COMMISSION, AND COMMITTEE REPORTS

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

GENERAL PUBLIC COMMENT – None

ANNOUNCEMENTS

- Mayor Evans Proclaimed: **NATIONAL PUBLIC WORKS WEEK – May 19 – 25, 2013.**

Hearing no further public comment, the Council adjourned at 7:37 p.m.

Respectfully submitted,

Robert S. Richards, CMC
City Clerk

Approved: _____
Leo J. Evans, Mayor