

**OFFICIAL PROCEEDINGS  
CITY COUNCIL  
CITY OF ESCANABA, MICHIGAN  
Regular Council Meeting  
Thursday, January 2, 2014**

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

Present: Mayor Marc D. Tall, Council Members, Patricia A. Baribeau, Ronald J. Beauchamp, and Leo J. Evans

Absent: Ralph B. Blasier

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

Reverend Scott White, of First Presbyterian Church, gave the invocation and led Council in the Pledge of Allegiance.

Evans moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting Minutes from December 19, 2013, as submitted.

**ADJUSTMENTS TO THE AGENDA**

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

**CONFLICT OF INTEREST DECLARATION** – None

**BRIEF PUBLIC COMMENT**

Tara Weaver from the Health Department's Great Start Program, and her son Lucas Weaver, spoke in favor of Ordinance No. 1141. Lucas Weaver stated he had allergies and asthma, and didn't like the smell of cigarettes or cigarette butts. He asked Council to protect children because they were the future.

**UNFINISHED BUSINESS** – None

**PUBLIC HEARINGS**

**Public Hearing – Second Reading - Ordinance No. 1141 – An Ordinance to Amend Chapter 18 (Offenses) and 19 (Parks and Recreation), of the City Code of Ordinances to Prohibit Smoking and Apply Park Rules to the John D. Besse Park.**

A public hearing to amend Chapter 18 (Offenses), Section 18.203 (1) and Chapter 19 (Parks and Recreation), Section 19-2, of the City Code of Ordinances to prohibit smoking and apply park rules to the John D. Besse Park was conducted.

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

Amber Hartman and her daughter Dahlia, spoke in favor of Ordinance No. 1141.

Recreation Director Tom Penegor advised he recently spoke with Patt Besse, wife of the late John Besse regarding Ordinance No. 1141. Mrs. Besse stated it would have been John's wish not to allow smoking in the kids Playground at Besse Park.

Hearing no further public comment, Mayor Tall closed the public hearing.

- Evans reviewed why Council enacted the 100 foot ban at City Parks and Municipal Buildings;
- Beauchamp again commented on how the ordinance was written. Mr. Beauchamp stated the ordinance should have mentioned children, and believed the smoking ordinance was overreaching.

**PH-1** "By Council Member Baribeau, seconded by Council Member Evans;

**Resolved,** That Ordinance No. 1141, an Ordinance to Amend Chapter 18, (Offenses) and 19 (Parks and Recreation), of the City Code of Ordinances to Prohibit Smoking and Apply Park Rules to the John D. Besse Park, given its public hearing at this meeting, be and is hereby adopted and that it be published in accordance with the requirements of the City Charter with revisions."

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

Ayes: Baribeau, Evans, Tall

Nays: Beauchamp

**RESOLUTION DECLARED ADOPTED."**

Herewith Ordinance No. 1141 adopted by title:

**"AN ORDINANCE TO AMEND CHAPTER 18 (OFFENSES) AND 19 (PARKS AND RECREATION), OF THE CITY CODE OF ORDINANCES TO PROHIBIT SMOKING AND APPLY PARK RULES TO THE JOHN D. BESSE PARK"**

Full text in Ordinance Record "K".

## **NEW BUSINESS**

### **Scheduling of Public Hearings - Citizen Participation - 2014/15 Fiscal Year Budget Preparation.**

Each year, the City Council holds public hearings to facilitate input from citizens for the upcoming fiscal year budget. The first of five (5) scheduled public hearings was

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scheduled for January 16, 2014. Additionally, Administration sought City Council approval to schedule additional budget input public hearings on February 20, 2014, and March 20, 2014.

**NB-1** Beauchamp moved, Evans seconded, **CARRIED UNANIMOUSLY**, to schedule public hearings for January 16, 2014, February 20, 2014, and March 20, 2014, for citizen input on the 2014/15 Fiscal Year Budget.

### **Approval – Bond Redemption and Internal Refinancing of Escanaba Building Authority Debt.**

The Escanaba Building Authority (EBA) approved a plan to pay off \$2.415 million in EBA debt contingent upon City Council approval. Toward that end, Administration sought Council approval to initiate an internal loan to the EBA in the amount of \$1.25 million from the Electrical Fund over ten years at an interest rate of 2.5%. Additionally, Administration sought approval to pre-pay the EBA lease commitment by \$975,000 from the General Fund.

City Manager O'Toole, and Controller Mike Dewar reviewed details of the EBA Plan. The following other items were discussed:

- Made financial sense to pay off the Bond;
- There still would be a balance of over 3 million dollars left in the General Fund. Administration felt comfortable and recommended the EBA Plan;
- The approved EBA plan to pay off \$2.415 million in EBA debt would free up General Funds for City capital projects;

**NB-2** After further discussion, Baribeau moved, Beauchamp seconded, to approve a plan by the Escanaba Building Authority (EBA) to pay off \$2.415 million in EBA debt and authorized approval to initiate an internal loan to the EBA in the amount of \$1.25 million from the Electrical Fund over ten years at an interest rate of 2.5%, and further authorized to pre-pay the EBA lease commitment by \$975,000 from the General Fund.

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

Ayes: Baribeau, Beauchamp, Evans, Tall  
Nays: None

**MOTION CARRIED.**

### **Approval – Lease Renewal – Community Action Senior Center – Escanaba Civic Center.**

Administration sought Council approval of the annual lease between the City of Escanaba and the Community Action Agency Senior Center for leased space at the Civic Center building. In the new lease, Administration recommended that Community

Action Agency be responsible for maintaining the sidewalk and entrance on the west side of the building. On December 10, 2013, the Recreational Advisory Board reviewed the proposed lease and has recommended Council approval.

**NB-3** Evans moved, Baribeau seconded, **CARRIED UNANIMOUSLY**, to approve of the annual lease between the City of Escanaba and the Community Action Agency Senior Center for leased space at the Civic Center building, and that Community Action Agency be responsible for maintaining the sidewalk and entrance on the west side of the building.

**Power Plant Update – Sale of the Power Plant.**

Manager O’Toole updated the Council and public on the latest developments related to the sale and transfer of the Escanaba generating facility. (See Attachment – A)

**APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES – None**

**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**

- Council Members thanked the 150 Committee for the New Year’s Fireworks;
- Encouraged everyone to be careful in the cold weather, and encouraged residents to check on their neighbors.

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

Respectfully submitted,

Robert S. Richards, CMC  
City Clerk

Approved: \_\_\_\_\_  
Marc D. Tall, Mayor



January 2, 2014

Dear Jim:

Here is EGE's latest update.

The Escanaba Green Energy ("EGE") loan being arranged by Corban Financial is one of three loans that the Corban group is finalizing with its funding sources. The EGE loan has been approved but because these sources were closed for the week between Christmas and New Year's, Corban was not able to secure a committed closing date as was hoped for by yearend.

Corban has told EGE that its loan, as well as the other two loans, is still projected to close by the end of January or early February. A formal closing date is expected to be set within the next 10 days.

Regards.

(original signed)

Charles Detiege