

**OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, May 21, 2015**

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, Ralph B. Blasier, and Michael R. Sattem.

Absent: None

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

Pastor Jacob Comer of New Life Assembly of God Church, gave the invocation and led Council in the Pledge of Allegiance.

City Attorney Peterson asked to amend the May 7, 2015, Council minutes. Attorney Peterson read the amendment into the minutes reflecting further language for use of the Catherine Bonifas Trust Funds.

Blasier moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting Minutes from May 7, 2015, as amended and read.

ADJUSTMENTS TO THE AGENDA

City Manager O'Toole stated it was brought to his attention that CRS, which is the vendor that provides the City of Escanaba with our Workers Comp Excess Insurance and Workers Comp Third Party Admin Services, inadvertently thought our contract with them was up for renewal. Upon doing a records check it was determined that we have 2 more years on their contract. Manager O'Toole asked Council to drop agenda items NB#10 and NB#11 from the Council Agenda.

Baribeau moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to approve the City Council Agenda as amended.

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT – None

PUBLIC HEARINGS

Public Hearing and Adoption – FY 2015-16 Budget.

The Council has conducted five (5) public hearings and two (2) budget work sessions to set a proposed FY2015-16 operating budget. This was the final public

hearing on the FY 2015-16 City operating budget and would establish a City millage rate of 17.00 mills.

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

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

PH-1 Sattem moved, Blasier seconded, to establish the City millage rate at 17.00 mills for 2015-2016 Budget Year and to adopt the 2015-2016 City Budget as published.

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

Ayes: Sattem, Blasier, Baribeau, Beauchamp, Tall
Nays: None

MOTION CARRIED.

UNFINISHED BUSINESS – None

NEW BUSINESS

First Reading of Ordinance No. 1157, the Appropriations Ordinance, Including the Millage Rate of 17.00 Mills and Setting the Date of Thursday, May 28, 2015, 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 Thursday, May 28, 2015, at 7:30 a.m. be scheduled for the second reading, public hearing, and adoption of the Appropriations Ordinance No. 1157.

NB-1 Blasier moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to set the date of May 28, 2015, at 7:30 a.m. for the second reading, public hearing, and adoption of the Appropriations Ordinance No. 1157 and millage rate of 17 mills.

First Reading of Ordinance No. 1158, the Tax Levy Ordinance, and Setting the Date of Thursday, May 28, 2015, 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 Thursday, May 28, 2015, at 7:30 a.m. be scheduled for the second reading, public hearing, and adoption of Tax Levy Ordinance No. 1158.

NB-2 Blasier moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to set the date of May 28, 2015, at 7:30 a.m. for the second reading, public hearing, and adoption

of Tax Levy Ordinance No. 1158.

First Reading of Ordinance No. 1159, the Electric Rate Ordinance, and Setting the Date of Monday, June 1, 2015, 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. 1159 and to schedule the second reading and public hearing for June 1, 2015, at 8:00 a.m.

NB-3 Blasier moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to set the date of June 1, 2015, at 8:00 a.m. for the second reading, public hearing, and adoption of Ordinance No. 1159.

First Reading of Ordinance No. 1160, the Wastewater Rate Ordinance, and Setting the Date of Monday, June 1, 2015, 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. 1160 and to schedule the second reading and public hearing for June 1, 2015, at 8:00 a.m.

NB-4 Beauchamp moved, Blasier seconded, **CARRIED UNANIMOUSLY**, to set the date of June 1, 2015, at 8:00 a.m. for the second reading, public hearing, and adoption of Ordinance No. 1160.

First Reading of Ordinance No. 1161, the Water Rate Ordinance, and Setting the Date of Monday, June 1, 2015, 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. 1161 and to schedule the second reading and public hearing for June 1, 2015, at 8:00 a.m.

NB-5 Beauchamp moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to set the date of June 1, 2015, at 8:00 a.m. for the second reading, public hearing, and adoption of Ordinance No. 1161.

First Reading of Ordinance No. 1162, the Solid Waste Ordinance, and Setting the Date of Monday, June 1, 2015, 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. 1162 and to schedule the second reading and public hearing for June 1, 2015, at 8:00 a.m.

NB-6 Sattem moved, Blasier seconded, **CARRIED UNANIMOUSLY**, to set the date of June 1, 2015, at 8:00 a.m. for the second reading, public hearing, and adoption of Ordinance No. 1162.

Approval – Use of Public Space – North Shore Boat Launch – Bay de Noc Great Lakes Sports Fisherman (GLSF) Bass Tournament.

GLSF requested use of the North Shore Boat Launch on July 18, 2015, for a GLSF Bass Tournament. Administration recommended approval of the request contingent upon the following: 1) Proper insurance was provided naming the City of Escanaba as an additional insured and 2) event sponsors provide all labor material and cleanup at the conclusion of the event.

NB-7 Baribeau moved, Blasier seconded, **CARRIED UNANIMOUSLY**, to approve a request from GLSF for use of the North Shore Boat Launch on July 18, 2015, for a GLSF Bass Tournament, contingent upon the following: 1) Proper insurance was provided naming the City of Escanaba as an additional insured and 2) event sponsors provide all labor material and cleanup at the conclusion of the event.

Approval - Recreation Water Equipment Vendor - Aronson Island Beach House.

Administration sought Council approval to award Mish Watersports, LLC. of Escanaba, Michigan, the 2015 recreational water equipment concession which will be located at the Aronson Island Beach House facility in Ludington Park.

NB-8 Blasier moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to approve to award Mish Watersports, LLC. of Escanaba, Michigan, the 2015 recreational water equipment concession which will be located at the Aronson Island Beach House facility in Ludington Park.

Approval - Janitorial Services - City Hall/Library Complex.

Administration sought Council approval to award a 1 year janitorial services contract for the City Hall/Library Complex to Hi Tec Building Services of Jenison, Michigan in the amount of \$38,400. Under the terms of their proposal, Hi Tec Building Services will provide all janitorial supplies, custodial services and sidewalk snow removal.

NB-9 Beauchamp moved, Sattem seconded, to approve to award a 1 year janitorial services contract for the City Hall/Library Complex to Hi Tec Building Services of Jenison, Michigan in the amount of \$38,400.

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

Ayes: Beauchamp, Sattem, Blasier, Baribeau, Tall

Nays: None

MOTION CARRIED.

The following two items were removed from the Council Agenda:

Approval – Workers Compensation Excess Insurance.

Administration requested Council authorization for a two year renewal of its workers compensation excess insurance policy with Midwest Employers Casualty at an annual premium of \$147,309.

Approval – Workers Compensation Third Party Administrative Services.

Administration requested Council authorization for a three year renewal of its workers compensation, third party administrative services agreement with Comprehensive Risk Services. The renewal rate is to remain at the current annual rate of \$7,200 plus expenses and plus cost for claims above the quoted threshold.

Approval – Water/Wastewater Chemical Purchases.

Administration sought Council approval on the following chemical bids:

1. Wausau Chemical Co., Wausau, WI. Award of a bid to furnish approximately 35,000 pounds of Hydrofluosilicic acid for use in drinking water treatment of \$44.15 /cwt in 2750 pound totes.
2. ChemTrade Chemicals US, LLC, Parsippany, NJ. Award of bid to furnish approximately 100 net tons of Aluminum Sulfate liquid in the amount of \$309.00 per dry ton.
3. BHS Marketing, LLC, Salt Lake City, UT. Award of bid to furnish approximately 95 tons of Soda Ash in 50 pound bags for use in drinking water treatment in the amount of \$18.746/ cwt 50lb bags.
4. Kirmira Water Solutions, Inc. Lawrence, KS. Award of bid to furnish approximately 50 tons of dry weight Ferric Chloride in the amount of \$579.00 / dry ton.
5. Hydrite Chemical Company, Oshkosh, WI. Award of bid to furnish approximately 10 tons of Liquid Chlorine in amount of \$59.50 per cwt in ton cylinders.
6. Hawkins Inc., Roseville, MN. Award of bid to furnish approximately 10 tons of Liquid Chlorine in amount of \$59.50 per cwt in 150 pound cylinders.

7. Thatcher Co, Salt Lake City, UT. Award of bid to furnish Powdered Activated Carbon in the amount of \$0.839 per pound bagged.

NB12(1-7) By Council Member Blasier, seconded by Council Member Beauchamp, that the Chemical Bid agenda items be approved as proposed in the unit prices as stated.

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

Ayes: Blasier, Beauchamp, Sattem, Baribeau, Tall

Nays: None

MOTION CARRIED.

Update – Power Generation– City Manager’s Office.

Manager O’Toole updated the Council and public on the latest developments related to the Escanaba Power Plant and the Upper Peninsula electrical situation in general. The following was reviewed:

- Letter of intent and term sheet to Sterling;
- Power Plant shutdown continues for June 14, 2015;
- Monitoring UP Electrical Transmission bills;
- Discussed preparing a resolution of intent regarding SB 282.

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

Mayor Tall, with Council consensus, made the following appointments:

- Reappointed Robert Buckbee to the Harbor Advisory Committee, term ending June 2018;
- Reappointed Jonathan Harris to the Recreation Advisory Board, term ending June 2018;
- Reappointed Jon Liss to the Board of Appeals for a one year extension, ending June 2016;
- Reappointed Patrick Connor to the Planning Commission for a one year extension, 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

- Delta County Credit Union and Members of the Animal shelter, and members of the public were thanked for their cleanup efforts;
- Council Members Congratulated all area Graduates;
- Wished everyone a safe Memorial Day Weekend;
- Mayor Tall thanked Middle School Teacher Michelle Dykema for her coordination efforts of her 6th grade classes to discuss City issues with himself and Mayor Pro Tem Beauchamp.

Hearing no further public comment, the Council adjourned at 7:32 p.m.

Respectfully submitted

Robert S. Richards, CMC
City Clerk

Approved: _____
Marc D. Tall, Mayor