

**OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, November 5, 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.

Retired Pastor Dean Peterson of Bethany Lutheran Church gave the invocation and led Council in the Pledge of Allegiance.

Baribeau moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting Minutes from October 15, 2015, as submitted, and Special Meeting Minutes from October 22, 2015, as amended.

ADJUSTMENTS TO THE AGENDA

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

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT – None

PUBLIC HEARINGS

Power Plant Reuse Proposals.

The City Council conducted a public hearing on the re-use proposals of the Power Plant and grounds that were presented to the City Council and Electrical Advisory Committee on October 22, 2015.

Manager O'Toole advised two presentations were received, Greenwood Fuels, Inc. who asked for a 60 – 90 feasibility study to see if their proposal would be feasible, and a proposal from Northern Machining and Repair Inc. of Escanaba who wished to purchase the property and building to expand their business.

This being a public hearing, Mayor Tall asked if there was any public comment from Escanaba City residents.

Tony Klenow, former Power Plant employee suggested the City should sell the power plant to those who wish to operate the facility as a power plant. He encouraged Council to approved the request from Greenwood Fuels.

Hearing no further public comment from City residents, Mayor Tall asked if there was any public comment from Escanaba City rate payers. None were heard.

This being a public hearing, Mayor Tall asked if there were any public comment from any other members of the public.

- Tony Klenow read a letter from Richard Johnson, Union president of Area Local 510 who represented union workers at the Power Plant. Mr. Johnson encouraged Council to support of the sale of the Power Plant to Greenwood Fuels, Inc.;
- Joe Spenano, spoke in support of Northern Machining and Repair Inc.;
- Tom Lofquist, Mead Service Manager, spoke in support of the sale of the power plant to Northern Machining and Repair Inc.;
- Dave Hamlin, employed in Maintenance Supervisor for years, spoke in support of the sale of the Power Plant to Northern Machining and Repair Inc.;
- Mike McDermit, of Avon Lake Ohio, customer of Northern Machining and Repair Inc. spoke in support of Northern Machining and Repair Inc.. They were a customer of Northern Machining and Repair Inc. and were very encouraged about the possibility of the establishment of a dock facility.

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

City Manager O'Toole reviewed the process on which City Administration evaluated the proposals, and reviewed its recommendations for the purchase of the City Power Plant. The proposal evaluation (See Attachment – A) from Greenwood Fuels was reviewed first, and Ted Hansen, CEO of Greenwood Fuels, was allowed to comment on their evaluation:

- Mr. Hansen stated the rating system was good;
- They believed Greenwood Fuels would be the right people for continued operation of the Power Plant;
- The Jobs would be high paying;
- MISO unknowns really were not unknowns in their opinion;
- Closing date would take time, but Northern Machining and Repair Inc. may need to take some time also;
- Their proposed fuel pellets should be certified soon by the State of Michigan;
- If they were approved, they would like to work with Northern Machining and Repair Inc. for a possible construction of a building on the property, and work with them on a possible dock;
- Mr. Hansen stated they would cover their trucks to ensure no blowing of confetti residue;
- Greenwood Fuels would need a signed proposal to work with MISO and with their corporate structure.

Manager O'Toole reviewed Northern Machining and Repair Inc. Proposal evaluation. (See Attachment – B) Mr. John Liss, of Northern Machining and Repair Inc., commented on their proposal as follows:

- The Power Plant property and building would be a great expansion for their business and customers;
- Would support 40 jobs who live in the community;
- Would not let the community down;
- The existing Power Plant building would be an asset to their company. They felt they could not work in the same building with Greenwood Fuels, and use the property and the dock facilities. They just do not want any limitations by working with anyone;
- They have skilled workers who work at \$50/hr and minimum paid workers at \$11 and \$12 hour.

At this point in the meeting, City Administration recommended City Council move forward with the proposal from Northern Machining and Repair Inc. with an asset purchase agreement for the City Power Plant.

During follow up discussion, Council Members stated they all heard from City residents who wished Council approve the proposal received from Northern Machining and Repair Inc. The City Administration analysis was sound. It was always the City's intention to try and sell the Power Plant to someone who wished to keep it operating as a Power Plant, but after years of trying to sell the Power Plant and delays, there were too many unknowns with the proposal received from Greenwood Fuels.

Council Member Baribeau moved, Council Member Sattem seconded, to accept the offer to purchase the City Power Plant from Northern Machining and Repair Inc..

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

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

MOTION CARRIED.

NEW BUSINESS

Approval – Resolution Opposing HB 4138 (H-4) Presumptive Parole.

Administration sought Council authorization of a resolution opposing House Bill No. 4138, the Presumptive Parole Act, which could allow violent felons to be released on parole without a full and detailed evaluation by an educated and experienced parole board.

Manager O'Toole briefly reviewed the proposed HB 4138 bill. Delta County Prosecutor Attorney Phil Strom and Public Safety Director Ken Vanderlinden commented on HB 4138, intended effect was to reduce State Prisoners, and which would only save State Funds, and would transfer costs to local communities. They

asked Council to adopt the resolution and for any help they could. Local parole officers were already overburdened. There were no programs to support this House Bill. They urged Council to support the resolution.

NB-1 “Upon motion made by Council Member Blasier, seconded, by Council Member Beauchamp, the following resolution was made:

**Resolution Opposing HB 4138 (H-4)
Presumptive Parole**

WHEREAS, After being fully informed by our City Manager and law enforcement representatives; and

WHEREAS, Violent felons should not be presumed eligible for parole at their earliest prison release date; and

WHEREAS, Our city recognizes that 23% of parolees and 24% of probationers are rearrested within one year of release from supervision and 50% of offenders entering prison are sentenced for violating probation or parole. See: Michigan Department of Corrections, 2013 Statistical Report; and

WHEREAS, The above mentioned statistics show that public safety is compromised by the early release of convicted felons; and

WHEREAS, The above mentioned statistics also show that the probation and parole systems are currently underfunded and could not handle an additional influx of probationer or parolees; and

WHEREAS, It is also apparent that without investment in front-end probation and parole services, the cycle of jail and prison will not end, and local communities will continue to see the negative consequences of repeat offenders that have not been adequately rehabilitated; and

WHEREAS, Our city has been directly affected by parolees imported to our community by way of contracts with the Michigan Department of Corrections and opportunist landlords. The units have been established in our historic residential and business districts and overall have caused public safety and property value issues in these neighborhoods. Additional fast tracks to parole would continue to have this affect in our community and across the state; and

WHEREAS, The City of Escanaba cannot support any Presumptive Parole measure, which is designed directly or indirectly as a cost saving measure for the State of Michigan Department of Corrections if that cost saving measure is displaced upon the various local units of government within the State of Michigan.

NOW, THEREFORE, BE IT RESOLVED For the reasons stated, the city of Escanaba opposes HB 4138 (H-4), presumptive parole, as written and to urges exemption of violent crimes from eligibility. Further, we urge that any savings be directed to the local services that will be burdened by this legislation.

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

RESOLUTION DECLARED ADOPTED.”

Council Members directed City Administration send out copies to the Governor, Legislators and media.

Approval – Resolution of Support – Community for a Lifetime.

Administration sought Council approval of a resolution of support which recognizes the City of Escanaba as a Community for a Lifetime from the Michigan Commission on Services to the Aging.

NB-2 “Upon motion made by Council Member Sattlem, seconded by Council Member Beauchamp, the following resolution was made:

Resolution in Support Community for a Lifetime

WHEREAS, The State of Michigan has created the opportunity for local municipalities and counties to apply and be recognized as a Community for a Lifetime; and

WHEREAS, it is imperative that the city of Escanaba proactively plan for the aging of the population and assure that senior citizens can maintain a high quality of life in an elder friendly community; and

WHEREAS, many retirees today are healthier and more financially independent; and

WHEREAS, many retirees today will stay in or relocate to an area that offer a lifestyle more compatible with that which the retiree is seeking; and

WHEREAS, retirees who relocate bring with them financial resources, life experiences, work skills, time, and talents which become part of the new community; and

WHEREAS, new retirees create jobs, income, and resources in the community and add to the creation of a strong and stable economy; and

NOW, THEREFORE, BE IT RESOLVED The City Council accepts and fully supports the City of Escanaba’s recognition as a Community for a Lifetime from the Michigan Commission on Services to the Aging, and supports continued efforts to assess, develop, and promote our community as an area in which retirees who live here will want to stay and as a place where other retirees will choose to live.

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

RESOLUTION DECLARED ADOPTED.”

Approval – Sale of Recycled Asphalt – Department of Public Works.

Administration sought Council approval to sell surplus recycled asphalt to Payne & Dolan, Inc. of Gladstone, MI at \$0.80 per ton.

Manager O'Toole reviewed the details of the proposal, after discussion the following motion was made.

NB-3 Blasier moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve to sell surplus recycled asphalt to Payne & Dolan, Inc. of Gladstone, MI at \$0.80 per ton.

Approval – Patrol Car Purchase – Department of Public Safety.

Administration sought Council approval to purchase a 2016 Chevrolet Impala Patrol car from Riverside Chevrolet of Escanaba in an amount not to exceed \$23,517. The purchase of this vehicle was included in the current fiscal year budget.

Public Safety Director briefly reviewed the details of the proposed bid.

NB-4 Blasier moved, Sattem seconded, to approve to purchase a 2016 Chevrolet Impala Patrol car from Riverside Chevrolet of Escanaba in an amount not to exceed \$23,517.

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

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

MOTION CARRIED.

Approval – Bulletproof Vest(s) Purchase – Department of Public Safety.

Administration sought Council approval to purchase 29 bulletproof vests from The Vest Man, LLC of Lawndale, CA in an amount not to exceed \$34,365. The purchase of the vests was included in the current fiscal year budget.

Public Safety Director briefly reviewed the details of the proposed bid.

NB-5 Sattem moved, Baribeau seconded, to approve to purchase 29 bulletproof vests from The Vest Man, LLC of Lawndale, CA in an amount not to exceed \$34,365.

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

Ayes: Sattem, Baribeau, Beauchamp, Blasier, Tall

Nays: None

MOTION CARRIED.

Approval – Pole Mount Transformer(s) Purchase – Electric Department.

Administration sought Council approval to purchase 12 pole mount transformers from Power Line Supply of Reed City, MI in an amount not to exceed \$48,688. The purchase of the transformers was included in the current fiscal year budget.

NB-6 Blasier moved, Beauchamp seconded, to approve a purchase of 12 pole mount transformers from Power Line Supply of Reed City, MI in an amount not to exceed \$48,688.

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

Ayes: Blasier, Beauchamp, Sattem, Baribeau, Tall

Nays: None

MOTION CARRIED.

Approval – Pad Mount Transformer(s) Purchase – Electric Department.

Administration sought Council approval to purchase 2 pad mount transformers from Resco, Inc. of Middleton, WI in an amount not to exceed \$35,996. The purchase of the transformers was included in the current fiscal year budget.

NB-7 Baribeau moved, Blasier seconded, to approve to purchase 2 pad mount transformers from Resco, Inc. of Middleton, WI in an amount not to exceed \$35,996.

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

Ayes: Baribeau, Blasier, Sattem, Beauchamp, Tall

Nays: None

MOTION CARRIED.

Approval – Trailer Purchase – Department of Public Works.

Administration sought Council approval to purchase a 22 foot long trailer with a clear 80” opening from Trailer Sales of Michigan of Jackson, MI in an amount not to exceed \$3,990. The trailer was needed to transport the City of Escanaba Cross Country Ski Trail grooming equipment. The purchase of the trailer was not included in the current fiscal year budget.

NB-8 Sattem moved, Beauchamp seconded, to approve to purchase a 22 foot long trailer with a clear 80” opening from Trailer Sales of Michigan of Jackson, MI in an amount not to exceed \$3,990.

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

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

MOTION CARRIED.

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

Richard Johnston commented on the proposed Hyde Service Pump Project and read a letter protesting the bid process. Mr. Johnston stated:

- The Bond and Cashier Check requirement was not followed;
- The Project Bid winner did not meet bid nor EPA metal requirements;
- Propeller was not compared properly and did not meet the requirements of the bid package;
- If requirements were not being met, all bidders should be able to deviate from the bid requirements;
- Project should be reviewed regarding the bid prior to the project being started.

Manager O’Toole stated Pump met EPA and no lead standards. His office would review the bid again, but what was stated was not accurate.

ANNOUNCEMENTS

- Reorganizational meeting November 9, 2015, 7:30 p.m.

Hearing no further public comment, the Council adjourned at 8:43 p.m.

Respectfully submitted

Robert S. Richards, CMC
City Clerk

Approved: _____
Marc D. Tall, Mayor

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