

**OFFICIAL PROCEEDINGS  
CITY COUNCIL  
CITY OF ESCANABA, MICHIGAN  
Regular Council Meeting  
Thursday, February 18, 2016**

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 Al Schubert of Our Savior Lutheran Church, gave the invocation and led Council in the Pledge of Allegiance.

Sattem moved, Blasier seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting Minutes from February 4, 2016, as submitted.

**ADJUSTMENTS TO THE AGENDA**

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

**CONFLICT OF INTEREST DECLARATION** – None

**BRIEF PUBLIC COMMENT** – None

**PUBLIC HEARINGS**

**Public Hearing – Citizen Participation – 2016/17 Fiscal Year Budget Preparation.**

Each year Council holds public hearings to facilitate input from its citizens for the City's next fiscal year budget. This was the second of five (5) scheduled public hearings.

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

Sue Roll, from the Bonifas Art Center, thanked Council for their past support, briefly reviewed past year accomplishments, and asked for Council's continued support in the next fiscal year budget.

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

**NEW BUSINESS**

**First Reading – Payment in Lieu of Taxes Ordinance No. 1166 – Excel Realty Group Deal 24, LDHA LP.**

Mr. Peter Jobson, President of Excel Realty Group, Deal 24, LDHA LP requested the City Council re-authorize a Payment in Lieu of Taxes Ordinance, which would allow Excel Realty Group, Deal 24, LDHA LP to seek funding from the State of Michigan Tax Credit Program for the renovation and upgrading of property located at 223 Ludington Street and 216 1st Avenue South. Administration recommended the City Council set March 3, 2016 as the second reading, public hearing and approval date.

**NB-1** Blasier moved, Beauchamp seconded, to set March 3, 2016 as the second reading, public hearing and approval date of Ordinance No. 1166.

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

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

**MOTION CARRIED.**

**Approval – Three Year Auditing Services Agreement – The Rehmann Group.**

Administration sought Council approval to retain the Rehmann Group of Traverse City, Michigan, in an amount not to exceed \$22,500 per year for mandated audit services through 2019. This item was included in the current fiscal year budget.

City Controller Melissa Becotte reviewed the proposals received and how each one was rated.

**NB-2** After further discussion, Sattem moved, Blasier seconded, to retain the Rehmann Group of Traverse City, Michigan, in an amount not to exceed an average of \$22,500 per year for mandated audit services through 2019.

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

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

**MOTION CARRIED.**

**Approval – Resolution to Terminate the City of Escanaba Economic Development Administration (EDA) Revolving Loan Fund (RLF).**

Administration sought Council approval of a resolution to voluntarily terminate the City EDA RLF with the federal Economic Development Administration.

City Treasurer/Human Resources Director briefly review the RLF and its history. He advised the original local match of \$375,000 would stay in the community, and would be unrestricted funds City could use.

**NB-3** By Council Member Beauchamp, seconded by Council Member Baribeau;

**A RESOLUTION  
AUTHORIZING THE CITY MAYOR TO TAKE CERTAIN ACTIONS CONCERNING  
THE EDA TITLE IX REVOLVING LOAN FUND GRANT NO. 06-19-02071**

**WHEREAS:** In April 1989, the City of Escanaba received a grant, number 06-19-02071, in the amount of \$504,806 from the Economic Development Administration for the purpose of establishing a Revolving Loan Fund (RLF) to promote business development, and

**WHEREAS:** The grant was 75% Federal Funds and 25% was local funds, and

**WHEREAS:** The City's RLF is currently out of compliance with EDA guidelines, and

**WHEREAS:** The City Council voluntarily requests that the grant be terminated for convenience, and

**WHEREAS:** the City Council voluntarily agrees to return 75% of the funds in the Revolving Loan Fund bank accounts to the Economic Development Administration.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT:** The City Council hereby authorizes its Mayor to execute and submit to EDA an offer to Terminate Grant Agreement Number 06-19-02071 for Convenience, and

**BE IT FURTHER RESOLVED THAT:** The City of Escanaba will voluntarily return 75% of the Revolving Loan Funds to the Economic Development Administration as per the date of termination.

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

Ayes: Beauchamp, Baribeau, Sattem, Blasier, Tall

Nays: None

**RESOLUTION DECLARED ADOPTED.**

**Approval – Electrical Distribution Replacement Poles – Electric Department.**

Administration sought Council approval to retain MJ Electric of Greenville, WI to provide labor and equipment to install forty-five (45) new electrical distribution poles in an amount not to exceed \$86,000. This item was included in the current fiscal year budget.

Electric Superintendent Mike Furmanski briefly reviewed the annual testing pole program. He advised this was the fifth year of a 10 year cycle for the whole City.

**NB-4** Blasier moved, Sattem seconded, to approve to retain MJ Electric of Greenville, WI to provide labor and equipment to install forty-five (45) new electrical distribution poles in an amount not to exceed \$86,000.

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

Ayes: Blasier, Sattem, Baribeau, Beauchamp, Tall

Nays: None

**MOTION CARRIED.**

**Approval – North Substation Re-closer(s) Purchase – Electric Department.**

Administration sought Council approval to purchase four (4) substation re-closers from RESCO, of Middleton, WI in an amount not to exceed \$103,500. This item was included in the current fiscal year budget.

Electric Superintendent Mike Furmanski briefly reviewed the four (4) substation re-closers and they would be located within the City, and how they were operated.

**NB-5** Blasier moved, Beauchamp seconded, to approve to purchase four (4) substation re-closers from RESCO, of Middleton, WI in an amount not to exceed \$103,500.

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

Ayes: Blasier, Beauchamp, Baribeau, Sattem, Tall

Nays: None

**MOTION CARRIED.**

**Approval – ATC Project Commitment Agreement – Electric Department.**

Administration sought Council approval of a project commitment agreement between the City of Escanaba and the American Transmission Company which commits both parties in the construction of the new North substation to be located on City-owned property.

**NB-6** Sattem moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve a project commitment agreement between the City of Escanaba and the American Transmission Company which commits both parties in the construction of the new North substation to be located on City-owned property.

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

Mayor Tall, with Council consensus made the following appointments:

The Electrical Advisory Committee was hereby reorganized with the following individuals appointed to staggered terms:

Glendon Brown and Tim Wilson, terms ending January 1, 2019;  
Jack Mellinger and John Anthony, terms ending January 1, 2018;  
Ann Bissell , term ending January 1, 2017.

Tim Kobasic to the Loan Administration Board, term extended for one year, June 1, 2017.

## **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**

- Encouraged the public to attend the opening ceremonies of the Special Olympics games at the Escanaba Area High School;
- Angel Program Public Relations Announcement Tuesday, February 23<sup>rd</sup>.

Hearing no further public comment, the Council adjourned at 7:25 p.m.

Respectfully submitted

Robert S. Richards, CMC  
City Clerk

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