

**CITY OF MENOMINEE, MICHIGAN
REGULAR COUNCIL PROCEEDINGS
AUGUST 15, 2011**

A regular meeting of the Menominee City Council, City of Menominee, County of Menominee, State of Michigan, was held Monday, August 15, 2011 at 6 p.m. in the Municipal Complex Council Chambers.

The Honorable George W. Krah called the meeting to order and led the pledge of allegiance to the flag.

PRESENT: Council Members Fernstrum, Hudon, Mick (late), Organ, Plemel, Pohlmann, Walker, and Williams; Mayor Krah

ABSENT: None

PRESENT: 9

ABSENT: 0

A motion was made by Council Member Organ and seconded by Council Member Plemel to delete #3 under public hearings and #6 under motions and resolutions (the application from Middleby Marshall Holding, LLC, dba Nu-Vu Food Service System for an Industrial Facilities Tax Exemption certificate) from the agenda and to approve the agenda as amended. This motion was carried unanimously.

There being no additions or corrections to the minutes of the special meeting of June 30, 2011, the regular meeting of July 18, 2011, or the special meeting of July 28, 2011, the minutes of all of the meetings stood approved as presented.

PUBLIC HEARINGS:

Mayor Krah opened the public hearing called for the purpose of hearing citizen comments on the Anchor Coupling industrial facilities tax exemption certificate application.

No one was heard.

A motion was made by Council Member Williams and seconded by Council Member Mick to close the public hearing. This motion was carried unanimously.

Next, Mayor Krah opened the public hearing called for the purpose of hearing citizen comments on the L. E. Jones Company industrial facilities tax exemption certificate application.

No one was heard.

A motion was made by Council Member Plemel and seconded by Council Member Williams to close the public hearing. This motion was carried unanimously.

PUBLIC COMMENT:

Mayor Krah opened the public comment session called for the purpose of hearing citizen comments on agenda items only.

No one was heard.

A motion was made by Council Member Williams and seconded by Council Member Plemel to close the public comment session. This motion was carried unanimously.

REPORTS OF OFFICERS:

Mr. Cramer gave the following report:

TO: Mayor George Krah and the Menominee City Council
FROM: Michael Cramer, City Manager
DATE: August 15, 2011
RE: City Manager's Report on State Project Updates

During the past three Manager's Reports I have unveiled several projects and action items that I would like to update you on. The projects in question relate to improvements in the following areas: 1.) Organizational Improvements and 2.) the M-35 Request for Proposal.

M-35 Request for Proposal

At the May 20th, 2011 City Council Meeting I recommended that a Special Council Meeting be set for May 23, 2011 regarding the award of the Preliminary Design of the M-35 Project. During those meetings I announced that it was my intent to go out for bid for the Design and Oversight of the Project once the first phase was complete. To date the first phase is approximately 75% complete and as of Tuesday, August 9th the city advertised and has begun to accept Request for Proposals for the next phase of the project. Bids are required to be submitted by August 30th at 5:00 p.m. Review and negotiations will begin soon after.

Organizational Improvements

At the June 30th, 2011 City Council Meeting I explained to council my intention and under your direction, to formulate a plan of action that focuses on the theme of Organizational Improvements. At that time I outlined three main categories of improvements; Organizational Structure, Facility and Equipment Maintenance and Technology.

As a starting point for the Organizational Structure plan I have requested from all Department Heads a clear and concise explanation of the current responsibilities and projects within their respective departments. This document will not only help the discussions with staff and City Council on responsibilities and priorities, but it will also be useful to comply with the October 1, 2011 deadline for reporting for the revised State Revenue Programs. I anticipate information from the departments by August 31, 2011.

Another category for review included the development of a plan for the improvement of known building maintenance issues. At the July 18th, 2011 City Council Meeting, council unanimously approved the adoption of a Budget Amendment to appropriate funds for the known list of improvements to the Fire Department, Police Department, and City Hall Facility. Since that time an engineering plan has been developed for the Police Department Improvements and we have begun to write the specifications for the other improvements. I anticipate that at least two bids will be received regarding these specifications and I will recommend an award in September.

Finally, we have been working on developing specifications on an improvement plan for our Technology Needs. The importance of this issue was highlighted by the fact that our internal city network went down and was inoperable for two days last week and most of this past weekend. Although staff was able to perform duties and functions that did not consist of the use of the computers, total production and efficiency of services was significantly reduced. During the next two weeks we will finalize the specifications and compile a plan to discuss with Council regarding the recommended improvements.

As you can see the past month has been eventful with regards to these issues and the future month should prove to be very productive and set a clear path forward regarding these projects.

Respectfully,
Michael Cramer
City Manager

MOTIONS AND RESOLUTIONS:

A motion was made by Council Member Fernstrum and seconded by Council Member Organ to adopt the following resolution:

RESOLUTION

Whereas, Adam Eickmeyer was introduced as the Menominee High School representative to the City Council on October 18, 2010; and

Whereas, Adam Eickmeyer has given freely of his time in an effort to better our community; and

Whereas, Adam Eickmeyer has continually made a determined attempt to fairly and wisely represent Menominee High School and its students; and

Whereas, Adam Eickmeyer has been of great assistance to the City of Menominee in helping to continue the Students in Government Program;

Therefore, be it resolved that the City of Menominee, MI, on this 15th day of August, 2011, wishes to formally acknowledge Adam Eickmeyer and to recognize his outstanding service to our City.

This motion was carried unanimously.

A motion was made by Council Member Williams and seconded by Council Member Organ to approve an amendment to the Mutual/Automatic Aid Agreement between Marinette and Menominee to include water and ice rescue incidents for automatic aid and to amend the Menominee Executive Officer as defined in the Agreement from Deputy Fire Chief to Fire Chief. This motion was carried unanimously.

A motion was made by Council Member Mick and seconded by Council Member Plemel to schedule a public hearing on budget ordinance amendment #2 for the appropriation of the MML Liability Pool dividend to be held on September 19, 2011. This motion was carried unanimously.

A motion was made by Council Member Fernstrum and seconded by Council Member Williams to adopt the following resolution:

A RESOLUTION APPROVING THE APPLICATION
OF ANCHOR COUPLING, INC.
FOR A FACILITIES EXEMPTION CERTIFICATE
FOR ITS FACILITY IN
MENOMINEE INDUSTRIAL DEVELOPMENT DISTRICT NO. 1

WHEREAS, pursuant to 1974 P.A. 198, M.C.L. 207.551 et. seq., after a duly noticed public hearing, the Menominee City Council, by Resolution, established Menominee Industrial Development District No. 1 on January 20, 1975;

WHEREAS, Anchor Coupling, Inc. has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility to be acquired and installed within the Industrial Development District No. 1;

WHEREAS, before acting on said application, the Menominee City Council held a hearing on August 15, 2011, at City Hall in the Council Chambers at 6:00 p.m. at which hearing the Applicant,

the City Assessor, and a representative of the effected units were given written notice and were afforded an opportunity to be heard on said Application;

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before June 9, 2011, the date of acceptance of the Application for an Industrial Facilities Exemption Certificate;

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the Certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Menominee;

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Menominee, after granting this Certificate, will 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 thus exempted.

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

1) The Menominee City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Menominee, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Menominee.

2) The Application of Anchor Coupling, Inc. for an Industrial Facilities Exemption Certificate with respect to a new facility to be acquired and installed on the following described parcel of real estate situated within the Menominee Industrial Development District No. 1, to-wit:

Plat of Menominee, Industrial Park #1, Lots 7 and 8

be and the same is hereby approved.

3) The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of twelve (12) years after completion.

AYES: Hudon, Krah, Mick, Organ, Plemel, Pohlmann, Walker, Williams, and Fernstrum
NAYS: None

This motion was carried unanimously.

A motion was made by Council Member Mick and seconded by Council Member Plemel to adopt the following resolution:

A RESOLUTION APPROVING THE APPLICATION
OF L. E. JONES COMPANY
FOR A FACILITIES EXEMPTION CERTIFICATE
FOR ITS FACILITY IN
MENOMINEE INDUSTRIAL DEVELOPMENT DISTRICT NO. 8

WHEREAS, pursuant to 1974 P.A. 198, M.C.L. 207.551 et. seq., after a duly noticed public hearing, the Menominee City Council, by Resolution, established Menominee Industrial Development District No. 8 on November 12, 1998;

WHEREAS, L. E. Jones Company has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility to be acquired and installed within the Industrial Development District No. 8;

WHEREAS, before acting on said application, the Menominee City Council held a hearing on August 15, 2011, at City Hall in the Council Chambers at 6:00 p.m. at which hearing the Applicant, the City Assessor, and a representative of the effected units were given written notice and were afforded an opportunity to be heard on said Application;

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before July 8, 2011, the date of acceptance of the original Application for an Industrial Facilities Exemption Certificate;

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the Certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Menominee;

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Menominee, after granting this Certificate, will 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 thus exempted.

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

1) The Menominee City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Menominee, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Menominee.

2) The Application of L. E. Jones Company for an Industrial Facilities Exemption Certificate with respect to a new facility to be acquired and installed on the following described parcel of real estate situated within the Menominee Industrial Development District No. 8, to-wit:

All that part of Blocks 3 and 6 of "COLEMAN LUMBER COMPANY'S FIRST ADDITION" to the City of Menominee, Michigan, as described in Liber 280 of deeds on page 221, Liber 305 of deeds on page 314 - 318 and Liber 317 of deeds on page 618, AND all that part of the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ -NE $\frac{1}{4}$) of Section 34, Township 32 North - Range 27 West, City of Menominee, Michigan as described in Liber 219 of deeds on page 401, all being bounded and described as follows:

From the Northeast Corner of said Section 34, measure N89°07'50"W, 406.00 feet along the North Line of said NE $\frac{1}{4}$ -NE $\frac{1}{4}$, to the West line of 11th Street and the point of beginning of the parcel hereinafter described; thence S02°07'13"W, 664.58 feet along said West Line; thence N88°24'30"W, 549.05 feet along a line parallel with the North Line of 30th Avenue, to the West Right of Way of the Chicago and Northwestern Railroad; thence N02°43'21"E, 988.06 feet along said right of way, to the Northwest Corner of Block 6 of Coleman Lumber Company's First Addition; thence S89°07'34"E, 55.15 feet along the North Line of said Block 6, to the Northerly Line of the former Chicago and Northwestern Spur Track; thence Southeasterly 568.53 feet along said line, along the arc of a 591 foot radius curve to the left, whose chord bears S60°01'36"E, 546.86 feet to the East Line of Block 3 of Coleman Lumber Company's First Addition; thence S02°08'33"W, 64.03 feet along said East Line, to the point of beginning, containing 10.3358 acres. Said parcel is subject to all easements, restrictions and reservations of record.

be and the same is hereby approved.

3) The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of twelve (12) years after completion.

AYES: Krah, Mick, Organ, Plemel, Pohlmann, Walker, Williams, Fernstrum, and Hudon

NAYS: None

This motion was carried unanimously.

A motion was made by Council Member Fernstrum and seconded by Council Member Williams to adopt the following resolution:

RESOLUTION

At a regular meeting of the Menominee City Council called to order by Mayor George W. Krah on August 15, 2011 at 6 p.m. the following resolution was offered: Moved by Council Member Fernstrum and supported by Council Member Williams that the request to transfer ownership of an escrowed 2011 Class C licensed business with dance-entertainment permit, located at W5504 First, Hermansville, MI 49847, Meyer Township, Menominee County, from Alias, Inc. to La Cabana Mexican Restaurant, Inc. and transfer location (governmental unit) MCL 436.1531(1) to 2812 Tenth, Menominee, MI 49858, Menominee County, be considered for approval. It is the consensus of this legislative body that the application be recommended for issuance.

This motion was carried unanimously.

A motion was made by Council Member Mick and seconded by Council Member Williams to adopt the following resolution:

RESOLUTION

At a regular meeting of the Menominee City Council called to order by Mayor George W. Krah on August 15, 2011 at 6 p.m. the following resolution was offered: Moved by Council Member Mick and supported by Council Member Williams that the request to transfer ownership of an escrowed 2011 Class C licensed business, located at 414 Tenth, Menominee, MI 49858, Menominee County, from Mary C. McVane-Blake to Ogden Club LLC; and request a new entertainment permit and outdoor service area, be considered for approval. It is the consensus of this legislative body that the application be recommended for issuance.

This motion was carried unanimously.

A motion was made by Council Member Plemel and seconded by Council Member Fernstrum to approve the change order for the M-35 utility project increasing the contract amount with Wilcox Professional Services by \$3,500. This motion was carried unanimously.

A motion was made by Council Member Fernstrum and seconded by Council Member Williams to approve payment of the US-41 wastewater invoices in the amount of \$147,222.75. This motion was carried unanimously.

A motion was made by Council Member Mick and seconded by Council Member Walker to approve payment of the US-41 water invoices in the amount of \$160,521.54. This motion was carried unanimously.

PUBLIC COMMENT:

Mayor Krah opened the public comment session.

No one was heard.

A motion was made by Council Member Fernstrum seconded by Council Member Hudon to close the public comment session. This motion was carried unanimously.

ADJOURN TO CLOSED SESSION TO DISCUSS PENDING LITIGATION AND CONSULT WITH THE CITY ATTORNEY:

A motion was made by Council Member Mick and seconded by Council Member Plemel to adjourn to closed session to discuss Jeffrey L. Hallfrisch v. City of Menominee and Teamsters and Chauffeur Union Local No. 214, Menominee County Circuit Court Case No. 11-13634-NZ.

AYES: Organ, Plemel, Pohlmann, Walker, Williams, Fernstrum, Hudon, Krah, and Mick
NAYS: None

This motion was carried unanimously.

RETURN TO OPEN SESSION:

A motion was made by Council Member Organ and seconded by Council Member Mick to return to open session. This motion was carried unanimously.

A motion was made by Council Member Mick and seconded by Council Member Organ that the City Council shall follow the recommendation of the City Attorney regarding the matter of Hallfrisch v. City of Menominee.

AYES: Plemel, Pohlmann, Walker, Williams, Fernstrum, Hudon, Krah, Mick, and Organ
NAYS: None

This motion was carried unanimously.

ADJOURN:

A motion was made by Council Member Plemel and seconded by Council Member Williams to adjourn the meeting. This motion was carried unanimously.

/skj

Thomas F. DeNike, City Clerk/Treasurer