

**CITY OF MENOMINEE, MICHIGAN
REGULAR COUNCIL PROCEEDINGS
FEBRUARY 21, 2011**

A regular meeting of the Menominee City Council, City of Menominee, County of Menominee, State of Michigan, was held Monday, February 21, 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, Organ, Plemel, Pohlmann, and Williams; Mayor Krah

ABSENT: Council Member Walker (excused)

PRESENT: 8 ABSENT: 1

A motion was made by Council Member Organ and seconded by Council Member Williams to excuse Council Member Walker from the meeting. This motion was carried unanimously.

A motion was made by Council Member Mick and seconded by Council Member Hudon to approve the agenda for the meeting. This motion was carried unanimously.

There being no additions or corrections to the minutes of the regular meeting of January 17, 2011, the Committee of the Whole meeting of January 27, 2011, the special meeting of February 9, 2011, or the Committee of the Whole meeting of February 9, 2011, the minutes of all of the meetings stood approved as presented.

PUBLIC COMMENT:

Mayor Krah opened the public comment session on agenda items only.

No one was heard.

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

COMMUNICATIONS:

Lloyd Matthes, Executive Director of CUPPAD, spoke regarding the community preparedness worksheet and its relation to the anticipated hiring by local businesses.

A motion was made by Council Member Plemel and seconded by Council Member Williams to receive and place this on file. This motion was carried unanimously.

A motion was made by Council Member Williams and seconded by Council Member Hudon to appoint Thomas Lesperance as the City's representative for nomination to the CUPPAD Regional Commission. This motion was carried unanimously.

James LaMalfa spoke with regard to an art display on panels the Menominee Area Arts Council would like to display at City Hall. A meeting with the Special Projects/Community Relations Committee will be scheduled.

Nancy Douglas reported on the 2010 Waterfront Festival.

A motion was made by Council Member Plemel and seconded by Council Member Fernstrum to plan and budget for the 2011 Waterfront Festival and hire Ms. Douglas to manage the festival. This motion was carried unanimously.

The following report was next on the agenda:

TO: Menominee City Council
FROM: Cemetery Board of Trustees
DATE: February 9, 2011
RE: Annual Report – Fiscal Year Ended June 30, 2010

Cemetery Operating Fund (#209):

Revenues exceeded expenses by \$17,608, which increased the fund balance to \$146,513.

Perpetual Care Fund (#150):

Revenues exceeded expenses by \$22,742, which increased the fund balance to \$1,172,340.

Future plans include the expansion project and improvements to the road and irrigation system.

A motion was made by Council Member Plemel and seconded by Council Member Williams to receive the foregoing report and place it on file. This motion was carried unanimously.

COMMITTEE REPORT:

At a February 8, 2011 meeting, the Planning Commission held a public hearing on the request from Menominee Area Public Schools and the Menominee Seventh-Day Adventist Church to rezone property located at 2008-11th Avenue from PL to R-2 and that no comments were heard regarding the rezoning. They further reported the Findings of Fact (MOC 11:1.1340) for this request were discussed and completed, and they recommended to the city council that they approve the request to rezone the property located at 2008-11th Avenue from PL to R-2.

S/PLANNING COMMISSION

A motion was made by Council Member Hudon and seconded by Council Member Williams to schedule a public hearing on the rezoning request to be held at the March 21st regular meeting. This motion was carried unanimously.

REPORT:

The Water and Wastewater Utility Board reported that they had reviewed the water distribution system in the City and they recommended proceeding with the Wilcox Professional Services recommendation to install a two (2) pressure reducing valve system rather than a five (5) pressure reducing valve system.

S/WATER AND WASTEWATER UTILITY BOARD

A motion was made by Council Member Fernstrum and seconded by Council Member Williams to adopt the foregoing report.

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

NAYS: Organ

This motion was carried.

MOTIONS AND RESOLUTIONS:

The following resolution was considered next:

RESOLUTION

WHEREAS, Bart and Laurie Stupak are very committed to our community, which has been exemplified to our citizens by their leadership, love of country, faith in God and family; and

WHEREAS, Bart and Laurie Stupak's public service as our U.S. Congressman and former Mayor of the City of Menominee, along with their service on many boards, commissions, and committees, has enhanced the reputation and standing of the City of Menominee on national and state levels; and

WHEREAS, February 26, 2011 has been designated as an U. P. Tribute to Bart and Laurie Stupak; and

WHEREAS, the City of Menominee wishes to also recognize and acknowledge the many accomplishments of two of our leading citizens, Bart and Laurie Stupak;

NOW, THEREFORE, BE IT RESOLVED, that the City of Menominee, by its City Council, recognize Bart and Laurie Stupak for their many contributions to this community and communities across the First Congressional District. We wish them well in their new endeavors and are immensely pleased that they will continue to reside "Where the best of Michigan begins".

A motion was made by Council Member Fernstrum and seconded by Council Member Williams to adopt the foregoing resolution. This motion was carried unanimously.

The following resolution was next on the agenda:

**RESOLUTION
TO SELECT STARTING DATE OF
THE CITY OF MENOMINEE BOARD OF REVIEW**

WHEREAS, Public Act 194 of 2003, effective November 10, 2003 allows the City Council by resolution to select an alternative starting date in March when the Board of Review shall initially meet, and

WHEREAS, MCL 211.30 provides the alternative starting date shall be the Tuesday or Wednesday following the second Monday of March.

NOW THEREFORE BE IT HEREBY RESOLVED, that the Menominee City Council approves selection of the Wednesday following the second Monday of March as the starting date for the City of Menominee's 2011 March Board of Review.

A motion was made by Council Member Fernstrum and seconded by Council Member Williams to adopt the foregoing resolution. This motion was carried unanimously.

The following resolution was considered next:

**CITY OF MENOMINEE
RESOLUTION #**

**A RESOLUTION SUPPORTING MDOT'S REQUEST TO CONVERT M-35
FROM A 4 LANE CROSS SECTION TO A 3 LANE CROSS SECTION.**

WHEREAS, the Michigan Department of Transportation (MDOT) proposes to reconstruct M-35 from its intersection with US-41 to 48th Avenue in the City of Menominee; and

WHEREAS, the proposed project is scheduled for 2013; and

WHEREAS, MDOT representatives have presented the proposed plans to the Menominee City Council and residents of the City during public meetings; and

WHEREAS, MDOT has requested the conversion of the existing 4 lane cross section (2 lanes in each direction) to a proposed 3 lane cross section (1 lane in each direction with a center left turn lane) on M-35 in conjunction with the proposed reconstruction project;

BE IT RESOLVED that the City of Menominee does support the conversion of M-35 to a 3 lane cross section.

A motion was made by Council Member Plemel and seconded by Council Member Williams to adopt the foregoing resolution. This motion was carried unanimously.

The final resolution on the agenda was as follows:

**CITY OF MENOMINEE
RESOLUTION #**

**A RESOLUTION SUPPORTING MDOT'S REQUEST TO USE
48TH AVENUE AS A DETOUR ROUTE FOR THE M-35 RECONSTRUCTION**

WHEREAS, the Michigan Department of Transportation (MDOT) proposes to reconstruct M-35 from its intersection with US-41 to 48th Avenue in the City of Menominee; and

WHEREAS, MDOT representatives have presented the proposed plans to the Menominee City Council and residents of the City during public meetings; and

WHEREAS, a detour route for M-35 traffic will be necessary; and

WHEREAS, MDOT has requested the use of 48th Avenue as the designated detour route from M-35 to US-41 for the reconstruction of M-35 currently planned in 2013;

BE IT RESOLVED, that the City of Menominee does support the use of 48th Avenue as the designated detour route during the reconstruction of M-35.

A motion was made by Council Member Plemel and seconded by Council Member Mick to adopt the foregoing resolution. This motion was carried unanimously.

A motion was made by Council Member Mick and seconded by Council Member Fernstrum to approve the change orders for the 14th Avenue project increasing the contract amount (with Barley Trucking and Excavating) by \$24,523.42. This motion was carried unanimously.

A motion was made by Council Member Plemel and seconded by Council Member Organ to approve payment of the US-41 wastewater project invoices in the amount of \$6,948.86. 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 water project invoices in the amount of \$5,034.06. 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 Williams and seconded by Council Member Fernstrum to close the public comment session. This motion was carried unanimously.

MAYOR KRAH'S STATE OF THE CITY ADDRESS:

Mayor Krah presented the following:

STATE OF THE CITY

I would like to start tonight by taking an excerpt from the Detroit Free Press dated February 16, 2011. State Revenue Sharing would be eliminated for many of the 510 cities, villages, and townships that now divvy up nearly \$300 million under a budget plan Governor Rick Snyder will propose on Thursday to save the State about \$145 million. Instead, local governments would compete for a smaller state pot of \$200 million based on their willingness to reduce employer retirement and health care costs, shared services, and make their spending more transparent to taxpayers. In March, Governor Snyder will announce details about how the \$200 million in revenue sharing will be distributed based on the competition among communities. A Municipal League spokesperson said the change could force some cities into insolvency and even a state takeover, as they struggle to maintain essential services with less money.

Webster defines solvency as “capable of meeting one’s financial obligations”.

I want our residents to know – we are capable of meeting our financial obligations. If you keep up with the financial status of the State of Michigan which I alluded to with the Free Press article the solvency of many communities throughout Michigan is on the line. As of now, we are holding our own.

We know revenue sharing is a big part of our budget process, and we also know revenue sharing isn’t likely to improve in the near future.

Menominee’s 2010 year end audit showed good financial practices by the City. Ending numbers showed a revenue of \$238,000 over expenses – maybe not a large amount; but a plus amount.

To keep on top of our financial picture, the Finance Committee of the City Council sits down monthly with the clerk/treasurer to review our operating budget. And, the good news is, and I quote the city clerk/treasurer as saying, "we are okay". I just want to add as of now **we are okay**.

So as in the past, this year is no different than previous years when the mayor stands up and reports on the City's financial condition. So let's feel good about where we're at, but the road ahead is going to be tough.

For those of you who know me, you will very seldom hear me be negative about our community, unemployment, or the affairs of the City. But, there are times when I hear Menominee has no jobs, no future, the economy is bad.

Let me say this tonight! Sit back – take a deep breath, relax, and look to see what is happening not only in Menominee, but our area.

Most of our industry is either at full strength or almost at full strength. Each year our corridor is more appealing not only to our residents, but to the people travelling through our community. We have good things going.

So I ask the Council tonight – where do you want to go now? We know we must always maintain the financial stability of the City. This council must prepare to change direction and be ready; I believe for the job growth and economic opportunities forecast for this area.

It is unlikely that there will be sufficient qualified labor to fill all of these positions locally. People will migrate to the U P to fill these vacant positions, and what will they need – schools, housing, food, and public services.

Council – if you fail to plan for this increased population or over-react to the perceived opportunities presented, it could possibly lead to serious social and financial problems in our community.

I don't have all of the answers to how we prepare, but I think one way to keep abreast of the changing that will take place here is to continue to work closely with our partners; Menominee County and the private sector in the Menominee Business Development Corporation.

We've already seen the fruits of the MBDC's labor through their close working relationship with the State of Michigan to support the Marinette Marine contract and to prepare existing small and contracting businesses across the U P to become suppliers to Marinette Marine, and let's not forget the assistance given to Nu Vu to make their expansion and 40 new jobs possible.

Moving forward and having the MBDC continue assisting the City, I would like to see the MBDC group combine with our MIDC, add some new members, and serve as an advisory board to the City on development issues. This could be one of the many ways for our community to be ready for the economic growth that I feel will be coming.

Let me now move to another subject and do a quick review of this past year's council actions.

- This Council streamlined departments and made personnel changes.
- This Council signed and approved three union contracts.
- This Council approved using revolving loan funds for infrastructure projects such as US-41 lighting, and the 13th Street traffic signal upgrade.
- This Council approved a resolution regarding how we conduct council meetings, and initiated a new business policy and the manager's purchasing authority.
- This Council privatized our waste program.
- This Council privatized our water distribution staff as part of our water system.
- This Council approved the following street projects: US-41, 14th Avenue, 38th Avenue, and 18th Avenue, along with numerous mill and pave streets.
- This Council approved a franchise agreement with Wisconsin Public Service and placed it on the November 2010 ballot.
- This Council approved the bidding of our cemetery expansion to go out this spring.
- This Council approved the rehabilitation of our elevated water tank early this summer.

This past year, the council worked through the difficult issues of a city manager. I am pledging that we do a better job this time around and am confident the result will be a much better outcome.

I want to compliment the Council on the unity you showed last Wednesday night as we selected five candidates to interview and possibly find a manager for our city. I would also like to mention to the public that we will be doing interviews on March 5th beginning at 9:15 a.m., and the public is invited.

I want to also commend the city employees who have stepped up and kept business as usual at City Hall. And of course, a special thank you to the individual I work closely with – our City Manager Rob Jamo.

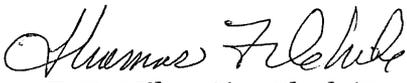
Many challenges will face this Council this upcoming year – hiring of a city manager, changes that will affect the community because of economic growth, the financial condition of our state, council seats will open up due to the upcoming election, and last but not least, just the day to day operation of the City.

With all that will be happening in the year to come, as council members you must remember you not only represent the two, three, or half dozen individuals you visit with at the local restaurant or gas station, but the entire community relies on your decisions for their future.

Thank you for listening to me tonight. It is always an honor and pleasure to represent the community and its residents at the functions I attend as your Mayor.

ADJOURN:

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


Thomas F. DeNike, City Clerk/Treasurer

/skj