

**CITY OF MENOMINEE, MICHIGAN
REGULAR COUNCIL PROCEEDINGS
MAY 16, 2011**

A regular meeting of the Menominee City Council, City of Menominee, County of Menominee, State of Michigan, was held Monday, May 16, 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, Walker, and Williams; Mayor Krah

ABSENT: None

ALSO PRESENT: Adam Eickmeyer

PRESENT: 9 ABSENT: 0

A motion was made by Council Member Organ and seconded by Council Member Williams 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 April 18, 2011, or the special meeting of April 25, 2011, the minutes of both 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 proposed operating budget for the fiscal year 2011-2012.

Pat Johnson, 1808-16th Street, spoke on the possibility of transferring funds to economic development from the fireworks budget.

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

Mayor Krah then opened the public hearing called for the purpose of hearing citizen comments on proposed amendments to M.O.C. 8:3.1 – Annual Appropriations Bill for the fiscal year 2011-2012.

No one was heard.

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

COMMUNICATIONS:

Nancy Douglas updated City Council regarding the status of the Revolving Loan Fund (RLF).

A letter was received from Menominee County Administrator, Brian Bousley, asking for the nomination of one individual to be considered as a representative of the City to serve on an Ad Hoc Committee for the purpose of exploring options to create a three way road funding program.

A motion was made by Council Member Organ and seconded by Council Member Hudon to nominate City Manager, Michael Cramer. This motion was carried unanimously.

REPORTS OF OFFICERS:

City Manager, Michael Cramer, gave a report to City Council that included the following:

“I bring to you three outstanding issues that I recommend be quickly addressed and that City Council should consider establishing a Special Council Meeting to resolve these issues.

First, is the development and presentation of the new Sidewalk Café Ordinance. Over the past several months, staff has spent a great deal of time and effort following up on the Judicial and Legislative/Personnel and Labor Committee’s request to develop a comprehensive Sidewalk Café Ordinance. I have reviewed and evaluated the proposed ordinance and believe that it meets the intent of the request. As you are aware, the city already has one business interested in applying for the Sidewalk Café Permit and there is the potential that other businesses may follow. With the advent of spring, the presentation, discussion and voting on this ordinance should take place as soon as possible.

Second, is the opportunity for the City of Menominee to apply for the Community Oriented Policing Services "COPS" Grant and utilize federal funding to help develop our police force. The possibility of this grant was brought to my attention by the Chief of Police following our regularly scheduled committee meetings. The COPS grant is a four year grant where the federal government funds the salary and benefits for one additional patrol officer for three years, if the city agrees to fund the position for the fourth and final year. If the city was interested in continuing the services of the additional officer after the fourth year the city would need to find the funds to continue that support. This grant program is utilized in hundreds of communities around the country to help staff the ever increasing needs of security and safety that are present in our cities. I believe this is an excellent opportunity to improve our police services in a cost effective manner. The majority of the grant application has been prepared and the deadline of May 25th, 2011 is fast approaching.

The third and final outstanding issue is related to the M-35 Water and Sanitary Sewer Project. On May 11th, 2011, I had discussions with City Attorney Rob Jamo and Engineer Marv Winberg of Wilcox Engineering Professional Services (Wilcox) regarding the M-35 Project. This project has been in the planning stages for some time and decisions regarding the project have been delayed until I was hired as the City Manager. The timeline for this project is very aggressive, since we are attempting to coordinate the construction of the water and sewer upgrades with the Michigan Department of Transportation (MDOT) M-35 Roadway Improvement project scheduled to begin in April 2013.

In order to meet the coordinated timeline with MDOT, it is necessary for the city to retain these services within the next two weeks. Wilcox has performed the same type of work on the US-41 Water and Sewer Project and already has much of the information needed to perform the services for the M-35 project. Wilcox has presented me with a proposal for the first stage of the design services on the project. These services include the Preliminary Engineering Report, the Environmental Report, and the USDA Funding Application for the project. The cost of the proposal is \$9,500 and is detailed out in your attachments.

Although I would rather go out for a formal bid regarding these services and the second phase of the project, which includes the Construction Engineering and Project Management services all at the same time, I do not believe that we have the time to do that. Given the urgency of this project and the need for the USDA Funding to continue the improvement work from US-41 to the city limits, I respectfully request that the City Council waive the formal bidding requirements and grant the City Manager the ability to engage Wilcox for the first phase of the project. This action will give city staff enough time to develop a formal Request for Proposals for the second phase of the engineering services.

As you can tell, the past several weeks have been very active for me and I request that the City Council establish a Special Council Meeting the week of May 23rd to resolve above mentioned issues.”

A Special City Council meeting was scheduled for Monday, May 23rd at 8 a.m.

COMMITTEE REPORT:

At a meeting held on May 10, 2011, the Cemetery Board of Trustees reviewed the bids that were received for the expansion project, and they recommended to City Council that they accept the low bid submitted by Barley Trucking and Excavating, Inc., for the Base Bid plus Alternate #1 and both Alternate #'s 2 in the total amount of \$83,692.00.

S/CEMETERY BOARD OF TRUSTEES

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

COMMITTEE REPORT:

At a meeting held on May 11, 2011, the Menominee Industrial Development Corporation (MIDC) recommended that the Menominee City Council approve a Revolving Loan Fund (RLF) loan in the amount of \$100,000 to Bay View Bowl, LLC and Bay View Lounge, LLC to support the purchase of Holiday Lanes and Sheridan Lounge in Menominee's Historic Waterfront District. They further recommended that the term be 15 years at 6½%, and approval of the loan must be ratified by the Michigan Economic Development Corporation, and a public hearing be scheduled.

S/M I D C

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

COMMITTEE REPORT:

At a meeting held May 10, 2011, the Planning Commission reviewed the request from Fibrek Recycling, U.S. Inc. to vacate the unused portion of 5th Avenue (approximately 265.5') located west of 8th Avenue, the unused portion of 9th Street (approximately 225.75') located north of 4th Avenue, and two unused alley ways running parallel to and located east and west of 9th Street, and to forward the recommendation to City Council for final approval. They further recommended the request be approved subject to:

- 1) A minimum thirty foot (30') sewer easement be retained in the vacated 5th Avenue right-of-way.
- 2) Construction of any building be prohibited within or over the retained easement.

S/PLANNING COMMISSION

A motion was made by Council Member Williams and seconded by Council Member Mick to accept the report and schedule a public hearing on the request to be held at the next regular meeting. This motion was carried unanimously.

MOTIONS AND RESOLUTIONS:

The following proposed ordinance amendment was presented next:

TITLE 8: TAXING, FINANCIAL
CHAP. 3: BUDGETS, APPROPRIATIONS **8:3.1**

ORDINANCE: ADOPTING THE ANNUAL APPROPRIATION BILL FOR THE
 FISCAL YEAR BEGINNING JULY 1, 2010~~1~~ AND ENDING JUNE 30,
 2011~~2~~.

BE IT HEREBY RESOLVED, THE CITY OF MENOMINEE ORDAINS:

WHEREAS, pursuant to Article 5 of the Charter of the City of Menominee, the City Manager and Finance Committee have prepared a proposed budget for the fiscal year beginning July 1, 2010~~1~~ and ending June 30, 2011~~2~~; and

WHEREAS, pursuant to MCL 141.412, a public hearing has been held on said proposed budget; and

WHEREAS, the total taxable valuation for all the real and personal property within said city liable to taxation has been determined according to applicable law in the sum of \$188,039,337 ~~\$189,959,708~~.

SECTION 1. That for the purpose of defraying the expenditures and liabilities of the City of Menominee, Michigan for the fiscal year beginning July 1, 2010~~1~~ and ending June 30, 2011~~2~~ and to meet the deficiencies of the several funds of said city for the past fiscal year and former years, if any, there is hereby provided for and appropriated the sum of \$12,875,584 ~~\$10,846,223~~ from which sum there shall be deducted the estimated revenues for said year, the sum of \$12,310,350 ~~\$10,846,223~~.

SECTION 2. For the purpose of paying the operating expenses of the General Fund a tax levy of 14.8087 mills on the dollar on all taxable property in the city according to valuation of same, which amount is included in the amount appropriated in Section 1, is hereby provided and appropriated.

SECTION 3. For the purpose of paying the principal and interest on bonds of said city due and payable during such fiscal year, there is hereby provided and appropriated the sum of ~~\$612,011~~ \$621,165 of which ~~\$612,011~~ \$620,254 will be levied by a tax of ~~3.3000~~ 3.265 mills.

SECTION 4. For the purpose of maintaining the garbage system for collection and disposal of garbage in the city a tax levy of 1.0000 mills on the dollar of all taxable property in the city according to valuation of the same, which amount is included in the amount appropriated in Section 1, is hereby provided and appropriated.

SECTION 5. For the purpose of paying the cost of the city share of policemen and firemen pension expenditures tax levy of ~~2.3200~~ 2.194 mills on the dollar on all taxable property in the city according to the valuation of the same, which amount is included in the amount appropriated in Section 1, is hereby provided and appropriated.

SECTION 6. For the purpose of establishing a fund for city street ~~and road repair~~ and maintenance a tax levy of 0.9872 mills on the dollar on all taxable property in the city according to valuation of same which amount is included in the amount appropriated in Section 1 is hereby provided and appropriated.

SECTION 7. For the purpose of paying the operating expenses of the Spies Public Library pursuant to MCL 397.201 a tax levy of .9965 mills on the dollar on all taxable property in the city according to valuation of same, which amount is included in the amount appropriated in Section 1, is hereby provided and appropriated.

SECTION 8. The amounts provided for and appropriated by Section 1, 2, 3, 4, 5, 6, and 7 shall total ~~23.4124~~ 23.2514 mills on the dollar valuation hereof ordered to be raised by general tax on all taxable property, both real and personal, within the city.

SECTION 9. The objects and purposes for which the amounts appropriated in Section 1, 3 and 4 hereof for the City General Fund Operations are as follows:

City Council	\$	21,000	.....	<u>\$14,632</u>
Judicial		1,500.		
Mayor		1,322	.....	<u>1,352</u>
Manager		174,050	.....	<u>171,280</u>
Board of Review		2,700	.....	<u>2,548</u>
Assessor		78,285	.....	<u>77,946</u>
Clerk/Treasurer		315,171	.....	<u>294,304</u>
Elections		13,034	.....	<u>18,186</u>
Buildings and Grounds		158,157	.....	<u>167,671</u>
Attorney		134,207	.....	<u>129,224</u>
Fixed Expenses.....		419,143	.....	<u>308,223</u>

Police	1,403,661	<u>1,403,373</u>
Auxiliary Police	2,000	<u>3,000</u>
Crossing Guards.....	16,400	<u>16,550</u>
MI Justice Training Fund.....	5,000	<u>4,000</u>
Fire.....	1,151,866	<u>1,117,336</u>
Building Inspector	114,830	<u>116,249</u>
Animal Control.....	18,000	<u>18,500</u>
Sidewalks.....	63,848	<u>16,273</u>
Highways, Streets, Bridges	238,000	<u>170,000</u>
Street Lighting.....	130,426	<u>130,773</u>
Alleys	22,886	<u>21,273</u>
Zoning Board.....	1,500	<u>750</u>
Economic Development.....	35,500	<u>39,500</u>
Community Development	25,600	<u>5,600</u>
Recreation	95,313	<u>94,943</u>
Parks Maintenance	174,563	<u>103,412</u>
Spies Field Maintenance.....	79,553	<u>73,818</u>
Henes Park.....	79,679	<u>70,796</u>
TOTALS	\$4,977,222	<u>\$4,593,012</u>

SECTION 10. The said estimated revenues and their sources for the city general fund operations are as follows:

Total Taxes	\$3,255,869	<u>\$3,249,282</u>
Taxes Other Than Assessed	114,450	<u>111,900</u>
Business Licenses and Permits.....	95,350	<u>105,800</u>
Non-Business Licenses and Permits	48,600	<u>24,530</u>
Federal Grants.....	24,000	<u>-0-</u>
State Grants.....	2,500	<u>2,000</u>
State Shared Revenues	937,500	<u>608,000</u>
Charges for Services.....	8,250	<u>3,500</u>
Other Revenues.....	241,500	<u>303,500</u>
Fines and Forfeits	30,000	<u>25,500</u>
Interest Earned	20,000	<u>15,000</u>
Rents and Royalties	28,000	<u>24,000</u>
Other Reimbursibles.....	183,200	<u>120,000</u>
TOTALS	\$4,987,219	<u>\$4,593,012</u>

SECTION 11. That for the purpose of defraying the expenditures and liabilities of the several other funds of the City of Menominee for the fiscal year here-to-fore mentioned and to meet the deficiencies of these funds for the past fiscal year and former years, if any, there is hereby provided for and appropriated the following sums:

Major, Local Street, and Trunkline Maintenance ~~\$2,049,496.~~ \$848,000.; Cemetery Fund ~~\$236,445.~~ \$171,174.; Rubbish ~~\$548,935.~~ Solid Waste \$628,270.; Library ~~\$422,577.~~ \$401,458.; Water/Sewer Utility ~~\$2,974,489.~~ \$2,633,178.; Special Revenues ~~\$384,511.~~ \$227,750.; Debt Service ~~\$612,011.~~ \$620,254.; Other Funds ~~\$1,950.~~ \$5,500.; River Park ~~\$132,731.~~ \$126,838.; and Marina ~~\$525,220.~~ \$590,789.

The objects and purposes for which the amounts appropriated in this Section are as follows:

Major, Local Street and.....	\$2,049,496.	<u>\$848,000.</u>
Trunkline Maintenance Expenses		
Cemetery Expenses	236,445.	<u>171,174.</u>
Rubbish <u>Solid Waste</u> Expenses	548,935.	<u>628,270.</u>
Library Expenses.....	422,577.	<u>401,458.</u>
Water/Sewer Utility Expenses	2,974,489.	<u>2,633,178.</u>
Special Revenues.....	384,511.	<u>227,750.</u>
Debt Service	612,011.	<u>620,254.</u>
Other Funds	1,950.	<u>5,500.</u>
River Park.....	132,731.	<u>126,838.</u>
Marina	525,220.	<u>590,789.</u>

SECTION 12. The Manager and City Council are hereby authorized to make such transfers as deemed necessary within the limits of applicable law.

SECTION 13. This ordinance shall take immediate effect.

PASSED AND APPROVED: MAY _____, 2011

A motion was made by Council Member Organ and seconded by Council Member Fernstrum to adopt the foregoing ordinance as amended.

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

This motion was carried unanimously.

The following amended resolution was considered next:

Moved by Council Member Mick and supported by Council Member Plemel that the request to transfer ownership of 2010 Class C licensed business with Dance Permit, located at 425 First, Menominee, MI 49858, Menominee County, from Ebco, Inc. to Bay View Lounge, LLC request to add entertainment permit done in field.

be considered for approval.

It is the consensus of this legislative body that the application be recommended for issuance.

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

A motion was made by Council Member Plemel and seconded by Council Member Mick to approve Amendment No. 1 to the Engineering Agreement with Wilcox Professional Services for the US-41 project. This motion was carried unanimously.

A motion was made by Council Member Fernstrum and seconded by Council Member Williams to approve Change Order No. 1 for the US-41 wastewater work increasing the contract amount by \$4,663.29. This motion was carried unanimously.

A motion was made by Council Member Fernstrum and seconded by Council Member Plemel to approve Change Order No. 1 for the US-41 water main work increasing the contract amount by \$43,362.71. This motion was carried unanimously.

A motion was made by Council Member Williams and seconded by Council Member Plemel to approve payment of the US-41 wastewater project invoices in the amount of \$12,357.50. 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 \$52,927.95. 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 Plemel and seconded by Council Member Williams to close the public comment session. 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.



Thomas F. DeNike, City Clerk/Treasurer