

A regular meeting of the City Commission was held in the Commission Room of the City-County building, 325 Court Street, Sault Ste. Marie, Michigan on Monday, August 3, 2009 at 7:00 p.m.

The meeting was called to order by Mayor Bosbous

Present: Mayor Bosbous, Commissioner Bauer, Burton, Gerrie, Lynn, Munsell and Stefanski

Absent:

Also Present: City Manager Nebel, City Attorney Cannello, City Clerk Robin R. Troyer, and various department heads

### **CONSENT AGENDA:**

Moved by Commissioner Bauer, supported by Commissioner Stefanski

That the following consent agenda items be approved:

#### Minute Approval:

That the minutes of the regular City Commission meeting held on Monday, July 20, 2009 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. Bayliss Public Library – July 23, 2009
- b. Community Services Board – July 14, 2009
- c. Planning & Development Commission – June 25, 2009
- d. Police and Fire Pension Board – July 15, 2009
- e. SSM Housing Commission – June 11, 2009
- f. Zoning Board of Appeals – June 18, 2009

#### Appointments and Resignations:

That the City Commission confirm the reappointment of Garth MacMaster to the Sault Ste. Marie Housing Commission for a term that will expire July 1, 2014.

That the City Commission accept the resignation of Brad Forgrave from the Planning and Development Commission, and have the City Clerk send a letter of thanks for his service to this board, and announce that there are four vacancies on the Planning and Development Commission.

#### Communications:

That the City Commission approve a license for the Family Fun Circus to operate a circus at the Aune-Osborn Park in Sault Ste. Marie on August 14, 2009.

Carried: Yeas: Mayor Bosbous, Commissioner Bauer, Burton, Gerrie, Lynn, Munsell, and Stefanski  
Nays: None

**SPECIAL ORDERS OF BUSINESS:**

**PUBLIC HEARING OF NECESSITY ON ST-01-09: SWINTON STREET FROM EAST 5<sup>TH</sup> AVENUE TO EAST 7<sup>TH</sup> AVENUE:**

The City Commission has appropriated funding for the reconstruction of Swinton Street from E. 5<sup>th</sup> Avenue to E. 7<sup>th</sup> Avenue. The project consists of complete reconstruction of the road base and road including curb and gutter as well as the construction of new sidewalk along the school property. The school system will pay for the new sidewalk through a separate contractual arrangement with the City based on the cost share provided by ordinance for new sidewalk construction between the City and a property owner. The Special Assessment costs are estimated to be \$35 per front foot. The Commission had approved the First Resolution for Public Improvement at the July 20<sup>th</sup> meeting and scheduled a public hearing for the August 3rd meeting.

The Mayor conducted a Public Hearing of Necessity for the proposed street improvement project on Swinton Street (ST-01-09). There were no comments from the public therefore the following action was taken:

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

**RESOLUTION ORDERING PUBLIC IMPROVEMENT  
SWINTON STREET (ST-01-09)**

WHEREAS, this is the time and the place and the meeting of the City Commission set for considering and taking action upon various street construction work including subbase and base reconstruction, concrete curb and gutter, bituminous pavement, water main and sanitary sewer replacement, storm sewer improvements, partial new sidewalk installation, and various restoration work on Swinton Street from E. 7<sup>th</sup> Avenue to E. 5<sup>th</sup> Avenue, designated as Special Assessment Roll No. ST-01-09.

WHEREAS, this Commission has duly heard and considered all suggestions, protests and petitions in reference to the suggested improvements, together with all matters pertaining thereto.

BE IT THEREFORE RESOLVED, that the aforementioned public improvements are hereby declared to be necessary public improvements and said work is hereby ordered to be completed.

BE IT FURTHER RESOLVED, that a portion of the estimated cost for the project shall be paid for by the City at large, and that a portion of the cost shall be assessed against the adjacent benefiting properties according to foot frontage, said costs to be assessed in ten (10) annual installments with interest to be assessed on the unpaid balance at the rate of 6.0 percent;

The following described property is hereby fixed as the district over which the assessment to pay the cost and expense thereof shall be levied:

**PROPERTY DESCRIPTION**

051-844-011-00

051-848-001-00

051-846-019-00

051-846-019-50  
051-847-019-50

051-846-016-00  
051-847-018-00

051-847-019-00

BE IT FURTHER RESOLVED, that the period of usefulness is determined to be Twenty (20) years and upwards.

BE IT FURTHER RESOLVED, that the City's portion of the cost and expense of such improvement shall be met from monies appropriated for such purpose, and that the remaining sum shall be paid from Special Assessments to be levied therefore.

BE IT FURTHER RESOLVED, that a Public Hearing for Confirmation of the Special Assessment Roll No. ST-01-09 be scheduled to be held at 7:00 P.M. on Monday, August 17, 2009.

Carried: Yeas: Commissioner Bauer, Burton, Gerrie, Lynn, Munsell,  
Stefanski, and Mayor Bosbous  
Nays: None

### **COMMUNICATIONS:**

#### **FROM COMMISSIONER BURTON:**

##### **Discussion of an Ordinance Prohibiting Cell Phone Use While Driving in the City:**

Commissioner Burton has indicated that she has both received complaints and has personally witnessed bad driving due to the drivers of vehicles utilizing cell phones by text messaging or other distractions while driving in their vehicles.

In checking with City Attorney Steve Cannello, there is no prohibition he is aware of the City approving such an ordinance.

The City Commission discussed the implications of an ordinance prohibiting cell phone use while driving.

Moved by Commissioner Burton, supported by Commissioner Lynn

That the City Commission send a letter to the State expressing concerns with cell phone use and texting while driving.

Motion carried unanimously.

##### **Discussion of an Ordinance Relating to the Placement and Use of Food Smokers:**

Commissioner Burton has received a complaint about smoke from a food smoker causing problems with an adjacent property owner. Commissioner Burton discussed the possible need of regulating smokers within the City.

The Commission discussed the pros and cons of implementing an ordinance regulating the placement and use of food smokers.

#### Discussion of Local Purchasing for Contracting and Supplies from Local Vendors

Commissioner Burton indicated that with the economic challenges facing Sault Ste. Marie and the State of Michigan, she discussed how the City can best assure purchases of contracted services and supplies from local vendors.

The Commission discussed the Federal Building Renovation Project, Smartzone Breeder Building, and the CSO project. City Manager Nebel informed the Commission that these projects will be broke out into smaller contracts to allow local bidders an opportunity to bid. The local purchase policy will also be taken into consideration at the time of bid award.

Commissioner Burtons asked that her prepared comments be included as part of the record:

“We had briefly discussed this at the end of our last meeting, but I feel that the City Commission, which represents the citizens of Sault Ste. Marie, should make a formal declaration on the need for City jobs to be awarded to local bidders. This has to be determined before the bid specs are set and bids are let, not after. If a job is let in a big package, then local contractors will not be able to bid on local work. The local City jobs that are imminent are the LSSU Breeder Building, which is being constructed to encourage local entrepreneurs to being local businesses, the rehab of the former Federal Building to become City Hall, and the CSO work, whereby separation of storm and sewer and reconstruction of streets will be paid for by special assessments on property owners of homes and businesses and higher prices on our water and sewer rates by local users.

When I got home and opened the packet that was given to us at the meeting, there were a number of local businesses that were identified as not being able to pay their personal property taxes. These are good people, and I have not seen their names or this number of defaults previously. This signifies that our business community is suffering. The only way that we, as a City can begin to help local business is to award local jobs, paid for by locals to local firms. It is vital to the economic health of our own community. I checked with Super Value, as all of the people they employed to rehab their store were local and I was informed that they had told their construction mgt. firm that they wanted local employment. I then called the Chippewa County Controller and asked the same question and I was informed that they instructed their construction mgt. firm that they were to hire local. We need to do the same.

I do not have the information on how many times a local dollar circulates in a community. But I do know that, if a local dollar is paid to someone from another community that is where it is spent. Any person or firm that operates in a City or County

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and receives a pay check there, it is generally spent in their own area: the employee pays their rent or house payment, puts gas in the car, has car repairs made or buys parts or tires, buys food, clothing, pays utilities, pays their taxes, and thus enables their suppliers to pay their employees and so on. The business owner has City taxes, County taxes, State taxes, Federal taxes, Payroll taxes, property payments, equipment payments, utilities, employee wages, gas, parts, tires, infintim!

When persons who get paid a City check, they are paid by the taxpayers, who are the City. Sometimes when a person gets a City, State, or Federal paycheck they have no idea of what it means to be self employed. It means that the company has to somehow secure work to keep the business solvent and to keep bills and workers paid, and this is the money that keeps on circulating in this community and keeps it alive and running. We represent citizens of the City.

The City Commission can determine who will get our jobs that are paid for by city residents. In the case of the Water Street CSO work, City residents will have to bear the brunt of payments for the State mandated CSO work, as the old Federal Building is owned by the City, so are the Historic Homes, the Kemp property, the City Marina, and the Pullar property. No State or Federal entity is required to pay special assessments, so the US Coast Guard property is exempt, as is all of the Federal property along the Locks. We, taxpayers, will pay their share. We, City taxpayers will also pay the bill for all of the work on the old Federal Bldg. Our local economy is no different than State or National. We are all hurting for jobs and it is our responsibility to assure that work is awarded to local contractors, in bid packages small enough for them to bid on.”

Moved by Commissioner Burton, supported by Commissioner Lynn

That the City Commission authorize the City Administration to review the CSO project to see if the project can be broken into smaller contracts to allow local bidders the opportunity to bid and report back to the City Commission at the August 17<sup>th</sup> City Commission meeting.

Motion carried unanimously.

FROM THE COMMUNITY SERVICES BOARD – 2009-2010 PROGRAM FUNDING:

The Community Services Board heard presentations from ten organizations for funding for the new fiscal year. The appropriation of \$35,000 to ten organizations is outlined for your review in the attached report.

Moved by Commissioner Stefanski, supported by Commissioner Burton

That the City Commission approve the appropriation of \$35,000 to the ten organizations as recommended by the Community Services Board in the attached

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report.

Carried: Yeas: Commissioner Burton, Gerrie, Lynn, Munsell, Stefanski,  
Mayor Bosbous, and Commissioner Bauer  
Nays: None

COMMUNICATION FROM THE RIVER OF HISTORY MUSEUM –  
CONSIDERATION TO FORGIVE FINAL RENT PAYMENTS FOR THE FEDERAL  
BUILDING:

The Sault Ste. Marie Foundation for Culture & History has recently reopened the River of History Museum in its new location in the former Woolworth Building in cooperation with the Sault Tribe of Chippewa Indians. The Museum's Grand Opening was this past Tuesday. This move was facilitated by an agreement between the City of Sault Ste. Marie and the Sault Ste. Marie Foundation for Culture & History that provided a payment to the Sault Ste. Marie Foundation for Culture & History of \$325,000 and with the River of History Museum paying rent for the continued use of the Federal Building from the point the City took over this building through May 22, 2009.

To date, the Museum has paid \$ 58,907.95 in rent and utilities. The City's February 26<sup>th</sup> billing, March 31<sup>st</sup> billing, and May 7<sup>th</sup> billing for rent and utilities have not been paid by the River of History Museum. The total amount due is \$12,696.02 in these rents that are in arrears. Administration has offset that amount from the final payment to the Sault Ste. Marie Foundation for Culture & History for the move. In turn, the Sault Ste. Marie Foundation for Culture & History has paid to the Tribe the amount less the amount of rent in arrears that has been deducted from the \$325,000.

Over the course of the past few weeks, there have been a number of discussions between the Tribe, the Museum, and the City regarding this matter. The Tribe notes that their investment in the renovation of the River of History Museum far exceeded the \$325,000 that was agreed to between them and the Museum and they would like to be paid the contract amount of \$325,000, which was agreed to between them and the River of History Museum.

The River of History Museum has exhausted all of its financial resources in covering expenses in excess of the \$325,000 that was required to be incurred by them to make this move.

The options that the City has is to continue to withhold the money from the Sault Ste. Marie Foundation for Culture & History, which is currently being held from the contractor (Sault Tribe Construction), payment of that amount of money and pursuing, separately, the reimbursement from the Sault Ste. Marie Foundation for Culture & History, or agreeing to forgive the rents from February through May for this building. From a legal standpoint, the City Attorney and City Manager Nebel believe that the agreement is clear and that the Sault Ste. Marie Foundation for Culture & History has

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The City received two bid proposals for the reconstruction of Swinton Street. The low bid meeting specifications was Fox Excavating of Brimley, Michigan. This project includes the replacement of adjacent water main and sanitary sewer main, addition of storm drainage, new road subbase, road base, new concrete curb and gutter and bituminous pavement as well as a new sidewalk along the west side of the street for the block of 6<sup>th</sup> Avenue to 5<sup>th</sup> Avenue as requested by the Sault Schools for the Lincoln School pedestrian traffic.

The water and sewer component ended up being higher than the amount budgeted for this project. There is sufficient funding in the Water Depreciation and Sewer Depreciation Reserve accounts to cover this difference.

Moved by Commissioner Stefanski, supported by Commissioner Munsell

That the City Commission accept the low bid from Fox Excavating, Inc. of Brimley, Michigan in the amount of \$390,002.56, based on a compilation of unit prices for the reconstruction of Swinton Street between E. 5<sup>th</sup> Avenue and E. 7<sup>th</sup> Avenue.

Carried: Yeas: Commissioner Munsell, Stefanski, Mayor Bosbous,  
Commissioner Bauer, Burton, Gerrie, and Lynn  
Nays: None

Moved by Commissioner Munsell, supported by Commissioner Bauer

That the City Commission reconsider the award of the Swinton Street Reconstruction project.

Motion carried unanimously.

Moved by Commissioner Stefanski, supported by Commissioner Bauer

That the City Commission accept the low bid from Fox Excavating, Inc. of Brimley, Michigan in the amount of \$ 337,765.00, based on a compilation of unit prices for the reconstruction of Swinton Street between E. 5<sup>th</sup> Avenue and E. 7<sup>th</sup> Avenue.

Carried: Yeas: Mayor Bosbous, Commissioner Bauer, Burton, Gerrie, Lynn,  
Munsell, and Stefanski  
Nays: None

#### OFFER TO SELL PARCEL AND STRUCTURES AT 313 SHERIDAN STREET:

The City has received a Neighborhood Improvement Grant from MSHDA to address various issues within the Little Italy Neighborhood. In this program, there is a budget of \$25,000 for demolition. In discussing this with Jim Davis of MSHDA, he has indicated that the funds may be used to acquire the property for demolition as well as

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for the actual demolition itself. The estimated cost for demolition could be \$18,000 to \$20,000 due to the very close proximity to neighboring structures and the size of this particular structure. The porch, siding, and foundation appear to be in poor condition. The City Assessor has appraised the property in its current condition at \$9,400.

The City has several options that it can pursue with this structure. The first option would be to purchase the structure and demolish the structure. If the cost for this exceeds the \$25,000 then the City would have to use its Contractual Fund in the Building Department for any additional balance for the demolition of this structure.

In the alternative, the City could consider the normal enforcement processes, which could lead to condemnation of this structure. These processes take an extensive amount of time, and if the property is condemned and the cost of demolition exceeds the value of the remaining property, the City ends up placing a lien for the demolition costs on the property. This causes the property to revert back eventually to Chippewa County in a three year period. During this time, the City typically ends up being responsible for mowing and other items, which get added to the lien on the property.

Moved by Commissioner Bauer, supported by Commissioner Gerrie

That the City accept the offer of \$10,000 from Northern Lights Rentals (Matt Tucker) for the purchase of 313 Sheridan Drive, subject to conveyance of a title acceptable to the City Attorney with the intent of using the funding for the Little Italy Neighborhood Program to demolish said structure.

Carried: Yeas: Commissioner Stefanski, Mayor Bosbous, Commissioner Bauer, Burton, Gerrie, Lynn, and Munsell  
Nays: None

#### CONTRACT AMENDMENT #1 R. BROWN & ASSOCIATES:

In November, the City Commission approved a Professional Services Agreement with R. Brown & Associates, Inc. for the development of a Wetlands Master Plan for the City along with the establishment of a steering committee composed of local citizens and interested state and federal agencies to help guide the analysis and plan for the City's Sprawl Avoidance and Resource Management Initiative (SARMI). The Agreement that was approved last November was in the amount of \$20,000 in order to get this process started. As the scope of the process is being determined by the Task Force and its Technical and Development Committees, it was recommended that a Contract Addendum for continuation of these services be awarded by the City Commission in the amount of \$25,000. This will allow the process to continue forward utilizing the services of R. Brown & Associates.

Moved by Commissioner Munsell, supported by Commissioner Bauer

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That the City Commission approve Amendment #1 to the Professional Services Agreement with R. Brown & Associates for professional support to the Sprawl Avoidance and Resource Management Initiative (SARMI).

Carried: Yeas: Mayor Bosbous, Commissioner Bauer, Burton, Gerrie, Lynn, Munsell, and Stefanski  
Nays: None

#### DISC GOLF COURSE PROPOSAL:

The City Commission has received a proposal from Richard Dalimonte to operate a disc golf course at the Sault Seal Recreation Area beginning this summer.

Following the last City Commission meeting, a meeting was set up with Mr. Dalimonte, Denny Dougherty of Project Park, Steve Gordon, Sault Area Public Schools, Dan Wyers, Parks and Recreation Director, and City Manager Nebel to discuss this use. The following day, Mr. Dalimonte and Denny Dougherty did a walkthrough on the site and agreed upon specific areas where the disc golf can exist with minimal impact on walkers on the trail system.

It is the opinion of those involved with the discussions that an agreement be entered into for the balance of this summer season to be done on a trial basis (from August 4<sup>th</sup> through October 15<sup>th</sup>) for the play of disc golf at the Sault Seal Recreation Area. Following the close of this season, the operator and the City will evaluate the mutual benefit of providing this service and determine whether to continue this activity under a new contract in 2010. As proposed, this would basically be a pilot project for the balance of this season.

Moved by Commissioner Stefanski, supported by Commissioner Burton

That the City Commission authorize an agreement with Customer Technical Services, Inc. (Richard Dalimonte) for the operation of disc golf at the Sault Seal Recreation Area for the time period from August 4, 2009 to October 15, 2009 for a rental payment to the City of \$225 per month with the concessionaire being responsible for all purchase, set-up, clearing, and utilities (subject to the approval of the Parks and Recreation Department) required for the set-up of this endeavor.

Carried: Yeas: Commissioner Bauer, Burton, Gerrie, Lynn, Munsell, Stefanski, and Mayor Bosbous  
Nays: None

#### Status Report:

Dedication of the Maple Ridge Cemetery Project Friday, Aug. 14<sup>th</sup> at 4:00 p.m.:

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The dedication of the Maple Ridge Cemetery Fencing Project will take place on Friday, August 14<sup>th</sup> at 4:00 p.m. at the cemetery. This will kick-off the History Fest celebrations that will follow on that evening and on Saturday.

Annual report of the Sault Ste. Marie Housing Commission:

Attached is the annual report from the Sault Ste. Marie Housing Commission for the fiscal year ending March 31, 2009.

Report on prison releases:

At the last Commission meeting, Commissioner Burton indicated concerns that a prisoner released in Sault Ste. Marie was involved in an assault of an innocent bystander following his release from prison. City Manager Nebel did discuss this with Corrections to get some additional information. In this case, the released convict was sentenced out of Montcalm County and ultimately was discharged from the St. Louis Correctional Facility in St. Louis, Michigan. Mr. Thunder was not released in Sault Ste. Marie. It was indicated that prisoners are typically paroled to where they are from. If paroled, their placement must be approved. Under Michigan law, however, if a prisoner serves their full sentence (as was the case here), they are discharged and under no legal supervision.

**MATTERS PRESENTED BY THE PUBLIC:**

Mr. Bruce Burton from Burton Excavating asked if the taxpayers were paying for the Contract Amendment # 1 with R. Brown & Associates. City Manager Nebel responded to Mr. Burton's questions. Mr. Burton also congratulated Fox Excavating on the award of the Swinton Street project. Mr. Burton questioned the bid award amount on the project. City Engineer David Strickland informed the Commission that there was a typo on the recommendation and that the bid award amount should be \$ 337,765.00; therefore the City Commission moved to reconsider the Swinton Street Reconstruction Project.

Carmine Bonacci indicated that he was happy that the City Commission was discussing the bidding opportunity for the local contractors. Expressed concerns with companies owned by the Construction Management Company bidding on the project. City Manager Nebel responded to Mr. Bonacci's questions.

**MATTERS PRESENTED BY THE CITY COMMISSION:**

Commissioner Stefanski informed the citizens of the upcoming DDA Beach Party scheduled for August 15<sup>th</sup> and the Soo Eagles hockey season will start in September.

Commissioner Munsell commented on the negative article in the Soo Evening News regarding Sault Ste. Marie and expressed appreciation for those who responded

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to the article in support of the positive things in Sault Ste. Marie.

Commissioner Burton raised concerns over the intersection at Johnston and E. Easterday Avenue and informed City Manager Nebel that kids were playing on the fencing at Rotary Park which has been put in place for the soil erosion.

Commissioner Bauer commented on the Arts Festival which will be held on 8/4 on the Federal Building grounds.

Mayor Bosbous informed the Commission of the WMH groundbreaking.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the meeting adjourn at 8:48 p.m.

Motion carried unanimously.

**ANTHONY G. BOSBOUS, MAYOR      ROBIN R. TROYER, CITY CLERK**

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