

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, December 21, 2009 at 7:00 p.m.

The meeting was called to order by Mayor Bosbous

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

Absent: Commissioner Burton

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

Moved by Commissioner Lynn, supported by Commissioner Munsell

That the absence of Commissioner Burton be excused.

Motion carried unanimously.

CONSENT AGENDA:

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

That the following consent agenda items be approved:

Minute Approval:

That the minutes of the regular City Commission meeting held on Monday, December 7, 2009 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. Board of Review – December 15, 2009
- b. Community Services Board – November 24, 2009
- c. Downtown Development Authority – Nov. 11th & Dec. 9, 2009

Communications:

That the City Commission approve the proposed lot split of Lot 23, Blk. 16, Milwaukee Syndicate Addition as requested by Robin Colerio and Victoria Fox and David Bowers creating a new lot consisting of the west 20 feet of Lot 23 and Lots 21 and 22 as Parcel A (Fox and Bowers) and creating Parcel B, which is Lot 23, except the west 20 feet and all of Lots 24 and 25, Blk. 16, Milwaukee Syndicate Addition.

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

December 21, 2009

SPECIAL ORDERS OF BUSINESS:

APPROVE A RESOLUTION AUTHORIZING LIMITED TAX GENERAL OBLIGATION BONDS SERIES 2010 IN AN AMOUNT NOT TO EXCEED \$600,000 FOR THE CSO PHASE C PROJECT:

The City of Sault Ste. Marie has awarded bids to various contractors for the CSO Phase C Project, which will be constructed in 2010 and 2011. Based on a compilation of the bids, the CSO work eligible for the State Revolving Fund program exceeded the original authorization. It was administrations intent, at that time, to use bonding through Chippewa County to pay for those costs that exceeded our original SRF authorization. Since that time, City Engineer Dave Strickland has had several discussions with Mike Cox of the MDEQ, and the MDEQ has agreed to increase the SRF portion of eligible costs for this project from \$7.5 million to \$7,955,000.

After reviewing this with Warren Creamer from Baird & Associates and Joel Piel from Miller Canfield, it has been determined that the City can, based on earlier bond authorizations, issue an additional \$600,000 in order to take full advantage of the State Revolving Fund program. This will reduce the amount we need to actually borrow through the County Public Works Bonds for ineligible SRF costs for this CSO Phase C Project. While the City will receive the 2.5% SRF of \$600,000.00 the City will not be eligible for principal forgiveness based on the latest DEQ determination.

The resolution authorizing the sale of bonds in an amount not to exceed \$600,000 to the Michigan Municipal Bond Authority and further authorizes the Mayor, Clerk, City Manager, and Finance Director to execute a purchase contract with the Authority provided that the bonds do not bear an interest rate in excess of 2.5%. The balance of the resolution provides the specific instructions for handling the bonds. The City pledges its limited tax full faith and credit for the prompt payment of the bonds.

Finance Director John Boger was notified by Warren Creamer that Standard & Poors has upgraded the City's credit rating for the bonds for the Federal Building to A+. The last rating we had was a BBB from a few years back. Standard and Poors evaluates the various annual audits, budgets, and actually conducted an on-site visit, and a phone conference call to this end. Standard & Poors is particularly interested in how the City addresses future trends. The fact that the City included a five year projection in the budget message on revenues and expenditures was important to them. City Manager Nebel also shared the financial principal that have been formally adopted by the City Commission. This, along with practices such as establishing financial reserves, showing stability on both the political and administrative parts of the organization, having fiscal responsibility in looking at both revenues and expenditures by assuring, for example, that the water and sewer rates are sufficient to cover the needs instead of politically not increasing rates or decreasing expenditures when services are out of balance were very important to Standard & Poors as well. City

December 21, 2009

Manager Nebel believes this rating speaks well for the Commission and City Administration in how we handle the financial aspects of the operation of the City of Sault Ste. Marie, particularly during very financially trying times in the State of Michigan.

Moved by Commissioner Munsell, supported by Commissioner Lynn

**RESOLUTION AUTHORIZING
LIMITED TAX GENERAL OBLIGATION BONDS,
SERIES 2010**

City of Sault Ste. Marie
County of Chippewa, State of Michigan

WHEREAS, the City does hereby determine that it is necessary to acquire and construct certain capital improvements related to the City's sanitary sewer system together with all necessary and related appurtenances and attachments therefore (the "Project"); and

WHEREAS, the cost of this portion Project is estimated not to exceed Six Hundred Thousand Dollars (\$600,000); and

WHEREAS, to finance all or part of the cost of the Project, this Commission deems it necessary to borrow the principal sum of not to exceed Six Hundred Thousand Dollars (\$600,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001 ("Act 34") and Act 451, Public Acts of Michigan, 1994, as amended ("Act 451"), to pay all or part of the cost of the Project; and

WHEREAS, a notice of intent was published in accordance with Act 34 which provides that the capital improvement bonds may be issued without a vote of the electors of the City unless a proper petition for an election on the question of the issuance of the bonds is filed with the City Clerk within a period of forty-five (45) days from the date of publication; and

WHEREAS, said referendum period has expired and no petition for referendum has been filed; and

WHEREAS, it is proposed to sell said bonds to the Michigan Municipal Bond Authority (the "Authority") pursuant to the State Revolving Fund Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the City designated LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2010 (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Six Hundred Thousand Dollars (\$600,000) or as otherwise determined by order of the Michigan Department of Environmental Quality ("MDEQ") for the purpose of paying all or part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds. The Bonds shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the full principal amount thereof, dated as of the date of delivery of the Bonds, payable in principal installments serially as finally determined by order of MDEQ at

December 21, 2009

the time of the sale of the Bonds, and the Mayor, Clerk, City Manager and Finance Director (each an "Authorized Officer") are each authorized and directed to execute a purchase contract with the Authority (the "Purchase Contract") when it is in final form and to make the determinations set forth above. The Bonds shall bear interest at a rate of not to exceed 2.5% on the par value thereof or such other lesser rate as evidenced by execution of the Purchase Contract, but in any event not to exceed the rate permitted by law and an Authorized Officer shall deliver the Bonds in accordance with the delivery instructions of the Authority.

The Bonds shall be offered to the Authority at a discount of not to exceed five (5%) percent as finally determined in the Purchase Contract. The Bonds will not be convertible or exchangeable into more than one fully registered bond. The principal of and interest on the Bonds shall be payable as provided in the Bond form set forth in this resolution.

The bonds or principal installments thereof will be subject to prepayment prior to maturity in the manner and at the times as provided in the form of Bonds set forth herein or as may be approved by an Authorized Officer at the time of sale of the Bonds or by the Authority at the time of prepayment.

The City Treasurer shall record on the registration books payment by the City of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payment shall be returned to and retained by the City Treasurer. Upon payment by the City of all outstanding principal of and interest on the Bonds, the Authority shall deliver the Bonds to the City for cancellation.

2. Execution of Bonds. The Bonds of this issue shall be executed in the name of the City with the facsimile signatures of the Mayor and the City Clerk and shall have the seal of the City, or a facsimile thereof, printed or impressed on the Bonds. The Bonds bearing the manual signatures of the Mayor and City Clerk sold to the Authority shall require no further authentication.

3. Registration and Transfer of Bonds. A transfer agent shall keep the books of registration for this issue on behalf of the City. The Bonds may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bonds for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The transfer agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

The transfer agent shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Bonds contained in this Resolution and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The City shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

December 21, 2009

The transfer agent shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the City; and, upon presentation for such purpose, the transfer agent shall, under such reasonable regulations as it may prescribe, transfer or cause to be transferred, on said books, Bonds as hereinbefore provided.

If any Bond shall become mutilated, the City, at the expense of the holder of the Bond, shall execute, and the transfer agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the transfer agent of the mutilated Bond. If any Bond issued under this Resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the transfer agent and, if this evidence is satisfactory to both and indemnity satisfactory to the transfer agent shall be given, and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), being sections 129.131 to 129.135, inclusive, of the Michigan Compiled Laws have been met, the City, at the expense of the owner, shall execute, and the transfer agent shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond the transfer agent may pay the same without surrender thereof.

4. Limited Tax Pledge; Debt Retirement Fund; Defeasance of Bonds. The City hereby pledges its limited tax full faith and credit for the prompt payment of the Bonds. The City shall each year budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget obligation from its general funds or other funds lawfully available therefore, or, if necessary, levy taxes upon all taxable property in the City subject to applicable constitutional and statutory tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

The Treasurer is authorized and directed to open a depository account with a bank or trust company designated by the City Commission, to be designated 2010 LIMITED TAX GENERAL OBLIGATION BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, this resolution shall be defeased and the owners of the Bonds shall have no further rights under this resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Proceeds of Bond Sale. The Treasurer is authorized and directed to open a separate depository account with a bank or trust company to be designated by the City Commission to be designated LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2010 CONSTRUCTION FUND (the "Construction Fund") and deposit into said Construction Fund the proceeds of the Bonds less accrued interest and premium, if any, which shall be deposited into the Debt Retirement Fund. The moneys in the Construction Fund shall be used solely to pay the costs of the Project and the costs of issuance of the Bonds. Following the completion of the Project, any amounts remaining in the Construction Fund shall be transferred to the 2010 Debt Retirement Fund.

6. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF CHIPPEWA

CITY OF SAULT STE. MARIE

LIMITED TAX GENERAL OBLIGATION BONDS
SERIES 2010

Registered Owner: Michigan Municipal Bond Authority

Principal Amount: _____ Dollars

Date of Original Issue: _____, 2007

The City of Sault Ste. Marie, County of Chippewa, State of Michigan (the "Issuer"), acknowledges itself to owe and for value received hereby promises to pay to the Michigan Municipal Bond Authority (the "Authority"), or registered assigns, the Principal Amount specified above, or such portion thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority, and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, unless prepaid prior thereto as hereinafter provided.

During the time the Principal amount is being drawn down by the Issuer under this Bond, the Authority will periodically provide to the Issuer a statement showing the amount of principal that have been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information, provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding Principal Amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

December 21, 2009

The Principal Amount shall be payable on the dates and in the annual principal installment amounts set forth on the Schedule attached to the Purchase Contract, as such Schedule may be adjusted if less than \$_____,000 is disbursed to the Issuer or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the date each said installment is delivered to the holder hereof until paid at the rate of _____ percent (___%) per annum. Interest is first payable on _____ 1, 201_ and semiannually thereafter on the first day of _____ and _____ of each year, as set forth in the Purchase Contract.

The Bonds are subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

Notwithstanding any other provision of this Bond, as long as the Authority is the owner of this bond, (a) this bond is payable as to principal, premium, if any, and interest at the corporate trust office of _____ or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this bond in immediately available funds at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; and (c) written notice of any redemption of this bond shall be given by the Issuer and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

This bond is a single, fully registered, non convertible bond in the principal sum indicated above issued for the purpose of paying all or part of the cost of certain capital improvements for the Issuer. This bond is issued under the provisions of Act 34, Public

December 21, 2009

Acts of Michigan, 2001, as amended Act 451, Public Acts of Michigan, 1994 and a duly adopted resolution of the Issuer.

This bond is transferable only upon the registration books of the Issuer kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefore as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed.

This bond, including the interest thereon, is payable as a first budget obligation from the general funds or other lawfully available funds of the Issuer, and the Issuer is required, if necessary, to levy ad valorem taxes on all taxable property in the Issuer for the payment thereof, subject to applicable constitutional and statutory tax rate limitations.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the Issuer, including this bond, does not exceed any constitutional and statutory debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the Issuer, by its City Commission, has caused this bond to be signed in the name of the Issuer by the facsimile signatures of its Mayor and Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF SAULT STE. MARIE
County of Chippewa
State of Michigan

By _____

Anthony G. Bosbous, Its Mayor

(SEAL)

By _____

Robin R. Troyer, Its City Clerk

December 21, 2009

7. Application to MDEQ and Authority. The Authorized Officers are hereby authorized to make application to the Authority for placement of the Bonds with the Authority. The Authorized Officers are further authorized to execute and deliver such contracts, documents and certificates including a revenue sharing pledge agreement as are necessary or advisable to qualify the Bonds for the State Revolving Fund. In the event of a sale of the Bonds to the Authority, an Authorized Officer is hereby authorized to make such changes to the form of Series Bond contained herein as may be necessary to conform to the requirements of 1985 PA 227 (“Act 227”), including, but not limited to changes in the principal maturity and interest payment dates and references to additional security required by Act 227. In the event the Bonds are sold to the Authority, the taxes collected by the State of Michigan and returned to the City may be pledged for payment of the Bonds, and an Authorized Officer is further authorized to negotiate, execute and deliver an agreement with the Authority for payment of such taxes to the Authority or to a trustee as provided in Section 23 of Act 227.

8. Useful Life of Project. The estimated period of usefulness of the Project is hereby declared to be not less than thirty (30) years.

9. Tax Covenant. The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds.

10. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

RESOLUTION DECLARED ADOPTED.

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

COMMUNICATIONS:

FROM THE SAULT AREA CHAMBER OF COMMERCE – REQUEST TO HOLD MARATHON RACE IN SAULT STE. MARIE:

The Sault Area Chamber of Commerce has been exploring the possibility of developing a marathon event that would bring runners to Sault Ste. Marie. The Chamber has done preliminary investigation on the feasibility of holding a marathon in Sault Ste. Marie. This past month, the Chamber received permission from the International Bridge Authority to include the International Bridge as part of the marathon route. The Chamber has received a determination from Border Protection Services to allow the runners to run across the International Bridge and back without requiring passports or other forms of I.D. This is contingent upon the runners turning around on

December 21, 2009

the bridge before they get to Canadian Customs. With the International Bridge as part of this event, there is significant potential for this race to draw runners due to the unique route that would be developed for this race.

It is anticipated that the race would begin on the campus of Lake Superior State University and eventually cross over the International Bridge and back, travel along Portage Avenue by the Locks, and then follow Riverside into Soo Township with the route being reversed with the finish at Brady Park.

The Chamber of Commerce is requesting support from the City of Sault Ste. Marie with four particular aspects. The first is the use of streets as part of the marathon route. There would be no major street closures in holding this event; however, in certain areas, the parking lane may be restricted during the race event to allow runners a safe area to run in outside of the traffic lanes.

The second request is that the City seek permission from the Michigan Department of Transportation to allow the use of the Business Spur (W. Portage Avenue) from Ashmun Street to the Sugar Island Ferry.

Thirdly, is the request that the City provide barricades and/or cones where necessary for this race event.

The final request is that the City provide police support and auxiliary police support at key intersections along the race route.

Parks and Recreation Director Dan Wyers has talked to a number of communities that are home to marathons. In the three Michigan communities that he spoke with, the actual marathon event has not required an undue amount of auxiliary support from the local units of government.

This certainly could become a significant event that would draw people to Sault Ste. Marie for the marathon weekend. The proposed date is September 25, 2010 for the inaugural marathon race if the City Commission consents to having the race be held within the City of Sault Ste. Marie on this date.

Lisa Mansfield from the Chamber of Commerce gave a brief presentation to the City Commission.

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

That the City Commission authorize the use of certain City streets, support to obtain any necessary permits from the Michigan Department of Transportation for a marathon event on Portage Avenue, provide use of barricades and cones where necessary for traffic control purposes, and provide police/auxiliary police support for the marathon, which is scheduled to be held on Saturday, September 25, 2010 in Sault Ste.

December 21, 2009

Marie.

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

CITY MANAGER'S REPORT:

AMBULANCE SERVICE PROVIDER AGREEMENT WITH WMH:

The City has been involved with a provider agreement, in conjunction with Kinross Township, with War Memorial Hospital for emergency transfer services. Under this agreement, Kinross and Sault Ste. Marie split the responsibility of ambulance transfers by having personnel on-call for this service. The Sault Ste. Marie Fire Department is responsible for having two crew members and an ambulance on call for 9 days and, at the end of the 9th day, Kinross Township provides that support for the next 9 days. By all accounts, this has worked well for Kinross Township, Sault Fire, and for War Memorial Hospital. More importantly, it has eliminated delays in transferring out critically ill people from the hospital that was experienced prior to implementation of this agreement.

From a financial standpoint, from August 19, 2008 through June 30, 2009 the City billed \$289,325 for the transfer services for transfers under this agreement. The actual write-offs during this same period of time were \$82,008.03, and it is estimated that an additional \$33,576 will be written off of the uncollected revenue for these calls resulting in total write-offs of \$115,584.73. Actual revenues collected to date from these runs is \$155,441.78. On the expense side of the ledger, the City provides two personnel on 24 hour call for these transfers at a cost of \$32,800 along with bridge, meals, overtime, fringe benefits, maintenance and depreciation on the ambulance and fuel. The total expenses for making these calls was \$137,843.67. After write-offs, the net profit for this service is projected to be \$35,896.60.

Based on the fact that the transfers are paying for themselves, and based on the consequences of another ambulance service coming in to provide full-time transfer services for the hospital, since this would likely eliminate other revenue the City currently receives for transfers from Tendercare to the hospital and other similar transfers, City Manager Nebel believes it is in the City's best interest to continue this agreement for another year. This has been a good model of cooperation between the Kinross EMS, the Sault Fire Department, and War Memorial Hospital in meeting the areas' needs for transfers.

Moved by Commissioner Gerrie, supported by Commissioner Stefanski

That the City Commission authorize an agreement for the 12 month period beginning January 1, 2010 for ambulance transfer services from War Memorial

December 21, 2009

Hospital.

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

APPOINTMENT OF FIRE CHIEF:

City Manager Nebel was pleased to announce the appointment of Jason Thorpe as Fire Chief for the City of Sault Ste. Marie. Mr. Thorpe has served as Acting Chief since the retirement of Fire Chief Ken Eagle earlier this year.

Mr. Thorpe was first employed by the Fire Department as a Fire Fighter in March of 1989. He was promoted to Captain in March of 2002. He attended Lake Superior State University for two years in the Fire Science program. He was hired by the Fire Department out of that program prior to earning his degree. He has completed the Michigan State Fire Officers Command School I and II and has successfully completed numerous other training programs offered by the State of Michigan and the National Fire Academy.

During his tenure as Acting Chief, Jason has shown a great amount of skill in navigating through the various responsibilities of Acting Fire Chief.

The salary established for this position is \$70,500. This is what the rate for Fire Chief would have been with the adjustment that was approved by the Commission effective as of July 1st.

Jason Thorpe was present and spoke briefly to the City Commission.

Moved by Commissioner Lynn, supported by Commissioner Bauer

That the City Commission confirm the appointment of Jason Thorpe as Fire Chief for the City of Sault Ste. Marie and establish a salary of \$70,500 for this position.

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

APPROVAL TO ALLOW EXISTING ENCROACHMENT INTO THE PUBLIC RIGHTS OF WAY – PARK PLACE CITY CENTER:

As part of the process for finalizing financing, Park Place City Center has conducted a property boundary survey. The survey information has shown that there are several encroachments into the right-of-ways at the boundaries of the buildings. These encroachments have been in place since the early 1900's when the building was

December 21, 2009

originally constructed. As part of the financing for the project, the loaning agencies require that any encroachments be approved by the holder of the affected right-of-way, in this case the City.

The four encroachments include the facade and columns of the Adams Building, which encroaches into the W. Spruce Street and Ashmun Street rights-of-way by 0.05 feet and 4.3 feet to the westerly line of the Adams Building, encroaches into the Prospect Street right-of-way (alley) by 0.4 feet, the fire escape on the westerly side of the Masonic Building encroaches into the alley right-of-way by 4.6 feet, and the westerly line of the Masonic Building encroaches into the alley right-of-way by 0.5 feet. The City Engineer has prepared a formal agreement that will authorize these encroachments to remain within the public right-of-way.

Moved by Commissioner Munsell, supported by Commissioner Gerrie

That the Commission authorize execution of an Agreement of Understanding allowing the existing encroachments to remain within the public rights-of-way as outlined in the attached document.

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

Status Report:

Federal Building Surplus Sale:

The City Manager informed the Commission that the Federal Building surplus sale is tentatively scheduled for Tuesday, January 5, 2010.

2009 Year End Report:

The City Manager outlined the accomplishments of the City during the 2009 Calendar Year.

Sault Seal Recreational Area Winter Opening:

City Manager Nebel informed the Commission that the Sault Seal Recreation Area has opened to the public for the season.

MATTERS PRESENTED BY THE PUBLIC:

None

MATTERS PRESENTED BY THE CITY COMMISSION:

December 21, 2009

Mayor wished everyone a Merry Christmas and Happy New Year.

Commissioner Stefanski asked for police patrol on Johnston and Superior Street regarding snowmobile enforcement. Thanks the DPW staff for the efforts so far this winter.

Moved by Commissioner Lynn, supported by Commissioner Munsell

That the meeting adjourn at 8:05 p.m.

Motion carried unanimously.

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

December 21, 2009