

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, January 4, 2010 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

The Mayor and Becky Bottrell presented the 2009 Holiday Decoration Awards to the following people: Wendy and Andrew Beaudoin – 1600 Swinton, Central Savings Bank – 511 Bingham, Tim Korcal Family – 1601 Swinton Street, Ron Green and Raela Christie – 1020 East 9th Avenue, Aaron and Shannon Eastham – 1106 Washington Way, Catherine and Wallace MacLean -1106 Bingham Avenue, Sharon and Orval Wollan – 2121 West 3rd Avenue, Dr. Rangaswamy and Kannamma Thilackchanger – 2118 West 3rd Avenue, Terry and Robin Myers - 2115 West 3rd Avenue, and Donald and Michele MacPherson – 318 Barbeau.

Moved by Commissioner Lynn, supported by Commissioner Gerrie

That the request from the Sault High Devils Blue Line Club be added to the agenda.

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

CONSENT AGENDA:

Moved by Commissioner Stefanski, supported by Commissioner Burton

That the following consent agenda items be approved:

Minute Approval:

That the minutes of the regular City Commission meeting held on Monday, December 21, 2009 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. Construction Board of Appeals – October 1, 2009
- b. Police and Fire Pension Board – December 16, 2009

January 4, 2010

Appointments and Resignations:

That the City Commission accept the resignation of Larry Crumley from the Department of Public Works PEHP Board and direct the City Clerk to send a letter of appreciation for his service as one of the founding members of that Board.

That the City Commission accept the nomination of Robert Brown from the United Steel Workers Local 13635 to fill the balance of Mr. Crumley's term which will expire on November 18, 2012.

That the City Commission appoint Ken Lajoie to the Historic Structures Management Committee for a term to expire November 1, 2012.

City Manager's Report:

That the City Commission authorize an agreement for the collection of the Sault Area Public School District's summer taxes.

That the City Commission adopt a resolution for the City to participate in the installation, maintenance and electrical service costs in accordance with the revised MDOT cost agreement for traffic signal control at the I-75 Business Spur and Mackinac Trail intersection based on 25% of the costs of that signal.

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

Moved by Commissioner Munsell, supported by Commissioner Burton

That the Zoning Board of Appeals minutes from the meeting of October 15, 2009 was subsequently deemed invalid because after meeting it was discovered exterior doors were locked and public was not able to attend.

Motion carried unanimously.

COMMUNICATIONS:

FROM COMMISSIONER STEFANSKI – NATIONAL HOCKEY LEAGUE PLAYERS ASSOCIATION HOCKEY GRANT PROGRAM:

Commissioner Stefanski has requested that the City Commission consider authorizing a request for funding from the National Hockey League's Players Association "Roles and Dreams" Fund for making improvements to Sault Ste. Marie's hockey facilities. It appears that this fund is intended to provide equipment grants for grass roots hockey programs and has paid for boards and glass and ice resurfaces in

January 4, 2010

various facilities. Over the past ten years the fund has provided \$17,000,000.00 to grass root hockey programs throughout the world.

City Manager Nebel believes that this is something that is worth exploring. If the Commission is in agreement, City Manager Nebel recommended that the Commission refer the matter to the Community Services Board to identify possible projects and/or programs where an application could be put together meeting the goals of this program. It would appear that the emphasis of the program is on affording children the opportunity to play hockey. This may lend itself towards a Kaines Rink type application or even outdoor ice that would provide low cost options for children to play hockey.

Moved by Commissioner Stefanski, supported by Commissioner Burton

That the City Commission refer the matter to the Community Services Board to identify possible projects and/or programs where an application could be put together meeting the goals of this program with emphasis of the program is on affording children the opportunity to play hockey.

Motion carried unanimously.

COMMISSIONER MUNSELL – ALGONQUIN SKI TRIAL:

Commissioner Munsell requested a discussion on the Algonquin Ski Trail be. Commissioner Munsell has indicated that the trail has not been groomed by the DNR over the long Holiday weekend. Many skiers have looked at the trails and decided not to ski. Lisa Mansfield from the Chamber of Commerce was present and spoke to the City Commission regarding the efforts in keeping the trails groomed.

PRESENTATION BY THE US CENSUS BUREAU – EMPLOYMENT OPPORTUNITIES:

The U.S. Census Bureau made a brief presentation to the City Commission encouraging local residents to take advantage of part time employment that will be available through the U.S. Census Bureau during the coming months. There is a potential of hiring up to 750 individuals in Chippewa County to conduct the census. It is critical that the City have people working for the Census Bureau that are familiar with the residents of Sault Ste. Marie to assure that every resident of the City is counted as part of the census. For the next ten year period a number of the revenues the City receives from the State of Michigan will be based on the population for each resident under counted that will result in a direct reduction in revenue to fund City services for the next decade.

Vicki Estes Bruff gave a brief presentation and answered questions from the City Commission.

January 4, 2010

HOSPICE OF THE E.U.P. – ACQUISITION OF CITY PROPERTY LOCATED AT THE CORNER OF 12TH AVENUE AND RYAN:

Hospice of the E.U.P. intends to construct a six bed facility for use by the community for hospice services when care in an individual's home is no longer an option for the terminally ill. Hospice of the E.U.P. has specific interest in property that is currently owned by the City located at the corner of West 12th Avenue and Ryan Street immediately to the north of Dr. Ranta's building and to the east of the Locey Ball field. At a staff level, it was determined that this property is surplus and could be sold by the City. Hospice is requesting that the City Commission authorize direct negotiations with Hospice for the sale of a portion of this property to Hospice for the construction of a six bed hospice facility for the Eastern Upper Peninsula. In reviewing the matter with the City Attorney the City cannot gift any property to a non-profit organization.

The Commission has in the past conveyed property as part of a development agreement property to Habitat for Humanity that has been tax reverted in order to create taxable value through the construction of a home that is privately owned on those parcels. This would not be the case with Hospice of the E.U.P. since their facility would be off of the tax roles and the property is not tax reverted. If the Commission authorizes direct negotiations with Hospice on the sale of the property a proposal will be brought back to the City Commission for the Commission's review on selling the property.

Moved by Commissioner Bauer, supported by Commissioner Burton

That the City Commission deem that the northwest corner of 12th and Ryan be surplus property and authorize City Administration to negotiate a purchase agreement with Hospice of the E.U.P. for this property.

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

CITY MANAGER'S REPORT:

AUTHORIZATION OF A CONTRACT WITH C2AE FOR CSO CONTROL PHASE C-1 & C-2 ENGINEERING AMENDMENT #7 CONSTRUCTION PHASE:

The City is proceeding with the bonding for the CSO Control Phase C1 and C2 project that will be constructed during the 2010 and 2011 construction seasons. The project was broken up so that multiple contracts could be awarded for this project. There is a cost in administering separate contracts for this work. Originally C2AE had indicated that multiple contracts could add as much as \$158,000.00 in additional engineering costs. City Engineer Dave Strickland has negotiated a final additional cost to administering the multiple contacts for this project of \$50,000.00 with C2AE. In

January 4, 2010

reviewing the bids that were tentatively awarded by the Commission for construction work at the October 19th City Commission meeting, by breaking the bids up separately for the CSO work the City did see a savings in excess of \$102,000.00 by accepting Burton's bids over the low bid of Bacco Construction who was the low bidder for the majority of the CSO work. While the contract administration costs will be higher on the construction engineering end of things, the rate payers will still saved in excess of \$52,000.00 by splitting the bids up. By breaking the bids up a significant amount of work was awarded to a local contractor.

In reviewing this information City Manager Nebel believes that this is a reasonable amendment to the contract to administer multiple contracts for the CSO project.

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

That the City Commission authorize the execution of Contract Amendment No. 7 with C2AE of Escanaba, Michigan for construction engineering services in an amount not to exceed \$50,000.00 for the CSO Control Phase C1 and C2 project, bringing the total contract amount to \$1,024,090.00 with the amendment being contingent upon completion of financing for this project.

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

AUTHORIZATION OF A CONTRACT WITH C2AE FOR CONSTRUCTION ENGINEERING SERVICES FOR THE EMELINE STREET AND FORT STREET RECONSTRUCTION PROJECT:

The reconstruction of the Emeline and Fort Street project was bid at the same time as the various CSO control programs. Burton Excavating was awarded the contract for Emeline and Fort Street (in addition to two phases of the CSO Phase C1 and C2 Control Project). It is necessary for the City to enter into a construction engineering agreement to supervise this construction.

Moved by Commissioner Munsell, supported by Commissioner Lynn

That the City Commission authorize the execution of a contract with C2AE of Escanaba, Michigan for construction and engineering services for the Emeline Street and Fort Street construction project in an amount not to exceed \$18,800.00 contingent upon the sale of the necessary construction bonds for project financing.

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

January 4, 2010

AUTHORIZATION OF A CONSTRUCTION ARCHITECTURAL / ENGINEERING SERVICES AGREEMENT WITH WILCOX FOR THE FEDERAL BUILDING PROJECT (NEW CITY HALL):

City Engineer Dave Strickland has negotiated an agreement with Wilcox Professional Services to provide various services to complete the bidding process and provide twenty site visits during construction to insure compliance with contract specifications, review various mechanical, electrical, structural and architectural submittals for compliance with contract documents and to assist the City's construction management firm with required or requested changes during construction.

Administration is recommending that a fee not to exceed \$47,135.00 be authorized by the Commission for these services. These costs are substantially lower than what would be normal for construction inspection services since the City is using construction management for this project. Under construction management a number of the issues that would normally be handled by the engineers/architects are coordinated through the construction management firm. This will provide inspections services independent from the construction manager to assure that the project is being done in accordance with specifications.

The City will contract separately with Cornerstone for any consulting services required of them during construction. It is anticipated that this will be more incidental (less than \$10,000.00) to the overall project since Wilcox has the bulk of the efforts during the renovation project.

Moved by Commissioner Burton, supported by Commissioner Lynn

That the City Commission authorize the City Manager to execute a contract with Wilcox Professional Services of Escanaba, Michigan for construction engineering services in an amount not to exceed \$47,135.00 for the Federal Building renovation project contingent upon the sale of the necessary construction bonds for project financing.

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

REPORT AND POSSIBLE ACTION ON SNOWMOBILE USE OF CITY STREETS:

The Mayor and each member of the Commission has contacted City Manager Nebel regarding a complaint received from residents in the 1300 block of Marquette Avenue regarding snowmobiles utilizing the sidewalk directly in front of a home. Prior to this letter, the police have posted the sidewalk with signs reminding people that

January 4, 2010

snowmobiles are not allowed on sidewalks. The letter indicates that this problem has continued at that location.

In reviewing the complaint administration also at a staff level have taken a look at the various uses along Marquette Avenue, which includes the Sault High School, the Sault Middle School and Bahwating and use of this sidewalk area is a concern due to children and adults that walk on that trail to school or to other locations. With bus traffic and the high level of vehicular traffic on this road, it may make sense to include Marquette Avenue as a prohibited street for snowmobiles.

Marquette Avenue is generally maintained in such a way that the street itself is not typically good for snowmobiling and that may increase the tendency for people to utilize the walkway instead. Snowmobiles would still be allowed to cross Marquette Avenue and there are unplowed and unopened right-of-ways in proximity of Marquette Avenue that can be used by snowmobiles along with the snowmobile trail itself. City Manager Nebel does not believe that Marquette Avenue provides a meaningful addition to the streets for snowmobiles to use to get from point to point or to access the snowmobile trails.

One of the concerns about making a change in the streets allowed for snowmobiling relates to the information that has been published, provided on the website and included on snowmobiling maps for the City of Sault Ste. Marie which does not specifically prohibit snowmobiles on Marquette Avenue. City Manager Nebel has talked to the Street Department and they have indicated that they could have temporary signage up on Marquette Avenue within a week of the City Commission's action to prohibit snowmobiling on Marquette Avenue. Administration would also need to re-publish the resolution outlining those streets that are prohibited from snowmobiles to provide proper public notice if the Commission wanted to make this change in mid-winter. The alternative would be making a change for next winter's consideration.

Overall, most of the complaints that administration has received this year are about local circumstances typically with local residents abusing the privilege that the City Commission has given for using snowmobiles on City streets. It is absolutely critical that the local residents follow and respect the Ordinance on use of snowmobiles on City streets or this privilege could be revoked in the future.

In regards to the specific complaint about snowmobiling on sidewalks, Police Chief Lou Murray has issued instructions to the Department that warnings will not be given for this violation - tickets will be issued. The Police Department has issued a number of citations so far this year and they have also confiscated two sleds where the operators were disregarding the City's Ordinance for the operation of snowmobiles. The Police Department will continue taking a tough line on snowmobilers who are in violation of the Ordinance allowing limited use of City streets by snowmobiles.

Martin Cottle was present and expressed concern regarding the closing of

January 4, 2010

Marquette Avenue to the use of snowmobiles.

Moved by Commissioner Stefanski, supported by Commissioner Lynn

That the City Commission amend the resolution approved on September 2, 2008 by adding Marquette Avenue from the I-75 Business Spur to Shunk Road as a street right-of-way that's prohibited for use by snowmobiles effective January 15, 2010.

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

REQUEST TO SCHEDULE A SPECIAL MEETING FOR BID AWARDS FOR THE FEDERAL BUILDING PROJECT (NEW CITY HALL):

At 2:00 p.m. Tuesday, December 29th bids were opened for the various trades involving the Federal Building renovation project for the new City Hall facility. The City's Construction Manager, Devere Construction, will be involved in a process of analyzing and reviewing the various low bids for the various trades to make sure that the bids were complete and that the contractors are capable of doing the work covered by those individual components. This process will take most of the first full week of January. In order to expedite the initiation of construction of the building administration is recommending that the City Commission hold a special meeting for 12:00 noon on Wednesday, January 13, 2010 for the purpose of awarding various construction trade contracts for the Federal Building renovation project. There were fifteen (15) separate contracts that were bid for this work. Based on a very preliminary analysis of the low bids, it appears that the construction costs are under the construction estimate for this project. There is a significant amount of analysis that will need to occur to confirm this.

City Engineer Dave Strickland, City Attorney Steve Cannello, Devere and Wilcox will be present at the special meeting to answer any specific questions that the Commission may have in awarding these bids.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the City Commission schedule a special meeting on Wednesday, January 13, 2010 at noon for the purpose of awarding various construction trade contracts for the Federal Building renovation project.

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

REPORT ON THE BUDGET PREPARATION SCHEDULE FOR THE 2010-2011 FISCAL YEAR:

January 4, 2010

The City of Sault Ste. Marie has initiated the budget preparation process for the fiscal year that will begin July 1, 2010 and end on June 30, 2011. Dates of specific interest to the City Commission are as follows:

Monday, February 22, 2010 - A day long goal setting work session is scheduled to identify priorities for the next fiscal year.

Monday, April 19, 2010 - City Manager submits the annual budget to the City Commission.

Tuesday, April 20, 21 & 22, 2010 - Tentative dates for work sessions scheduled at 5:15 p.m.

Monday, April 26, 2010 - Special meeting to reconcile the proposed budget at 7 :00 p.m.

Monday, May 3, 2010 - The City Commission introduces the proposed budget and schedules a public hearing.

Monday, May 17, 2010 - A public hearing is held and the Commission can approve the budget immediately following the public hearing.

Moved by Commissioner Munsell, supported by Commissioner Bauer

That the City Commission schedule a day long goal setting session for Monday, February 22, 2010 beginning at 9:30 a.m. and ending by 3:00 p.m. for the purpose of establishing goals for the 2010 - 2011 fiscal year budgeting process.

Motion carried unanimously.

AUTHORIZATION OF IMPROVEMENT TO E. 8TH STREET AND SAULTUER DRIVE PROJECTS – ARRA FUNDING FROM BIA:

City Administration has been working with the Sault Tribe on improvements to City streets that serve reservation lands. The Tribe has secured \$245,000.00 in American Recovery and Reinvestment Act funds administered by the Bureau of Indian Affairs. With the cooperation of the City Engineering Department the Tribe has retained a design consultant for the reconstruction of these two streets. All work will need to be done in accordance with City standards and specifications. All work will be done by the Sault Tribe with authorization from the City Commission to proceed with this work. The actual work will depend on the design and the amount of BIA funds that are available.

Moved by Commissioner Gerrie, supported by Commissioner Burton

January 4, 2010

That the City Commission authorize the Sault Tribe to proceed with improvements to East 8th Street from Marquette Avenue to 10th Avenue (near the JKL Bahwating School) and Saultuer Drive subject to the projects meeting the City standards and specifications as determined by the City Engineer.

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

SAULT HIGH DEVILS BLUE LINE CLUB:

The Sault High Devils Blue Line Club is requesting that the City Commission approve a resolution supporting the issuance of a license that will allow the sale of alcohol on a military installation on Saturday, January 23, 2010. City Commission approval is required for a temporary license on a military installation according to state law. If recommended for approval by the City Commission, then the Michigan Liquor Control Commission (MLCC) will consider issuing the license.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the City Commission approve a resolution that the request for the Sault High Devils Blue Line Club be recommended for issuance of a one-day liquor license on a military installation on January 23, 2010 by the Michigan Liquor Control Commission.

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

Status Report:

Aune Osborn Campground – 2009 Annual Report:

Attached is the Annual Report for the operation of the Aune Osborn Campground for 2009. The 2009 season resulted in record net revenues of \$170,419.77 being provided to the City of Sault Ste. Marie through the operation of the Campground. This was the final year of the Operator Agreement with Mr. Robert Collia. Mr. Collia has done a tremendous job in the operation of the Campground. Through his proposal submitted three years ago, the City is receiving a significantly higher return. The Campground has been operated over the past three years with very minimal number of complaints, many compliments about the service and the Campground continues its tradition of being a favorite spot for many folks who camp in Sault Ste. Marie.

2009 was the last season of operating the Aune Osborn Campground under a contract with Robert Collia. Jeffrey Collia and Becky Collia submitted the successful

January 4, 2010

proposal for the operation of the Campground for the upcoming 2010 season. On behalf of the City Commission City Manager Nebel will be preparing a letter thanking Mr. Collia for a job well done in operating the Campground for the 2007, 2008 and 2009 seasons.

Sale of Federal Building Surplus Equipment:

When Tendercare gifted the Federal Building to the City, there was much office equipment left in the building. City Departments have gone through and removed those items that can be used in the Federal Building or in other City offices. There still are a large number of desks, chairs, file cabinets, carpet remnants and other items that remain in the building. An auction will be conducted between the hours of 1:30 - 7:30 p.m. on Tuesday, January 5, 2010 to give individuals, businesses, non-profit organizations and others an opportunity to bid on some of this equipment. The condition of the equipment left in the building ranges from poor to good. The form of auction that will be used to liquidate this equipment will be a silent auction. Bidders can come in at any time between the hours of 1:30 - 7:30 p.m. and place bids on items that they are interested in obtaining. Bidders can bid on any item at any time up until the sale for those items is closed out. The successful bidder is responsible for removal of the equipment from the building. The auction will take place on Tuesday, January 5, 2010 in the Lobby of the Federal Building located at 209 E. Portage Avenue, Sault Ste. Marie, Michigan.

MATTERS PRESENTED BY THE PUBLIC:

Zach Green of 117 Peck Street wanted to publicly thanked Robert Brown, Enforcement Officer for his service.

MATTERS PRESENTED BY THE CITY COMMISSION:

Mayor Bosbous wished City Manager Nebel a Happy Birthday.

Commissioner Munsell asked City Manager Nebel to review the ordinance regarding snow removal.

Commissioner Stefanski received a complaint regarding the side walk on the south side of the City County Building is not being plowed.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the meeting adjourn at 8:35 p.m.

Motion carried unanimously.

ANTHONY G. BOSBOUS, MAYOR

ROBIN R. TROYER, CITY CLERK

January 4, 2010