

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, February 21, 2011 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 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, February 7, 2011 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. Airport Advisory Board – January 12, 2011
- b. Downtown Development Authority – February 9, 2011
- c. Existing Structures Board of Appeals – February 3, 2011
- d. Historical Development Commission – January 4, 2011
- e. Police and Fire Pension Board – February 16, 2011

Appointments and Resignations:

That the City Commission appoint Gary L. Thesing to the Ethics and Conduct Board for a term to expire 12-17-2013 and send a letter of thanks to Rev. Dave Henderson for his years of service.

City Manager's Report:

That the City Commission introduce for first reading an ordinance to extend the moratorium on marijuana dispensary of manufacturing facilities to September 1, 2011 and schedule public comments on the moratorium extension for the March 7th City Commission meeting.

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

February 21, 2011

SPECIAL ORDERS OF BUSINESS:

SECOND READING OF AN ORDINANCE REZONING FROM RM-1, MULTI-FAMILY RESIDENTIAL (LOW-RISE), TO B-3, GENERAL BUSINESS, THAT PART OF LOTS 10-15, BLOCK 6, STOWELL'S ADDITION AS REQUESTED BY LYNN AUTO PARTS (A) PUBLIC COMMENTS (B) ACTION ON THE REZONING:

At the February 7, 2011 City Commission meeting, the Commission voted (6 for, 0 against with 1 abstention) to introduce for a first reading the rezoning of property located behind the former Robin's Nest Restaurant located on the I-75 Business Spur. This action was based on the recommendation forwarded by the Planning and Development Commission from their regular meeting of January 27, 2011. Commissioner Bill Lynn abstained due to a conflict of interest since he is an owner of Lynn Auto Parts.

The current zoning line runs parallel with the I-75 Business Spur, which runs at an angle through the existing platted areas. The end result is a series of lots that are divided between B-3 zoning and Multiple-Family Residential. The rezoning will place all the lots that are legally described within the B-3 Zoning District.

Five written comments were received on the rezoning with no objections to the rezoning being expressed. There were no objections stated from the public at the public hearing that was held by the Planning and Development Commission.

The Mayor provided an opportunity for public comment on the proposed rezoning from RM-1, Multi-Family Residential (Low-Rise), to B-3, General Business, that part of Lots 10-15, Block 6, Stowell's Addition, which will place all of these lots in the B-3 Zoning District. There were no comments from the public therefore the following action was taken:

Moved by Commissioner Lynn, supported by Commissioner Gerrie

ORDINANCE NO. 525-11

AN ORDINANCE TO AMEND SECTION 10-1.03. (301A), CHAPTER X OF THE SAULT STE. MARIE CODE AND TO ADD ONE NEW SUBSECTION THERETO WHICH NEW SUBSECTION SHALL BE DESIGNATED AS 10-1.03(301A) 195 OF SAID CODE.

THE CITY OF SAULT STE. MARIE ORDAINS:

Section 1. That Section 10-1.03 (301a) of Article 1 of Chapter X of the Sault Ste. Marie Code shall be amended by adding a new subsection thereto, said subsection to read as follows:

February 21, 2011

10-1.03 (301a) 195. The following described property shall be rezoned from RM-1, Multi-Family Residential (Low-Rise), to B-3, General Business:

That Part of Lots 10-15, Block 6, Stowell's Addition currently zoned RM-1 so that the entire subject lots 10-15 are contained within the B-3 Zoning District.

Section 2. This ordinance shall take effect ten (10) days after its adoption and publication.

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

PUBLIC HEARING TO CONSIDER CONVERTING FORT STREET BETWEEN
SPRUCE STREET AND RIDGE STREET FROM ONE-WAY TO TWO-WAY TRAFFIC
(A) PUBLIC COMMENTS (B) ACTION ON CONVERTING TRAFFIC ON FORT
STREET BETWEEN SPRUCE STREET AND RIDGE STREET:

Commissioner Munsell has suggested, based on comments he's received, that the City consider making Fort Street between Spruce Street and Ridge Street a two-way street versus having one-way traffic on that street. With the opening of Freighter View Assisted Living and the reconstruction of Fort Street and Emeline in that area, this section of Fort Street is getting more traffic.

At the February 7th City Commission meeting, the Commission scheduled a public hearing on this conversion. The Commission asked administration contact the property owners along this section of Fort Street. Of the eight property owners, seven property owners provided either signed letters or verbal consent to this change, which would include the elimination of parking on Fort Street. One owner did not respond.

The Mayor conducted a public hearing on converting Fort Street between Spruce Street and Ridge Street from one-way traffic to two-way traffic, including the elimination of parking in this section of Fort Street. There were no comments from the public therefore the following action was taken:

Moved by Commissioner Munsell, supported by Commissioner Stefanski

That the City Commission authorize a Traffic Control Order converting Fort Street between Spruce Street and Ridge Street from one-way traffic to two-way traffic with the restriction of parking on both sides of Fort Street in this two block area to be effective as soon as signs can be placed in the ground or May 1st, whichever comes first.

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

February 21, 2011

Nays: None

PUBLIC HEARING ON THE CONDEMNATION OF STRUCTURES LOCATED AT 2130 W. 4TH AVENUE (A) PUBLIC COMMENTS (B) ACTION ON THE CONDEMNATION:

At the February 7th City Commission meeting, the Commission scheduled a public hearing on the condemnation of structures located at 2130 W. 4th Avenue. The title search indicated that the property is owned by Gerald L. McKinney, Katherine S. McKinney, husband and wife. Katherine McKinney still resides in the structure.

The Existing Structures Board of Appeals held a public hearing on February 3, 2011 on this matter. At the public hearing, one citizen spoke in support of condemnation of this structure indicating that they felt that the occupants are living in a very hazardous situation and that the building creates a hazard for the neighborhood. The Existing Structures Board did not hear from the occupants themselves.

Information on the condition of this structure was included in the Commission packet. No work has been done on the structure since the initial notices were sent to the property owners regarding the violations. The attached records are part of the City Commission's review of the conditions at 2130 W. 4th Avenue. This property is on the tax foreclosure list of the County Treasurer. It is important that actions on the condemnation occur prior to this property being sold to another party. In the past, the County Treasurer has utilized funding to demolish structures. Administration will work with the County Treasurer on this particular project as well.

If the Commission elects to condemn the structures, then the property owners have 30 days in which to obtain a demolition permit and then an additional 30 days in which to actually demolish the structure.

This house has been identified by the City's Blight Committee as one of the priority blighted structures to address in 2011.

Darien Neveu, City of Sault Ste. Marie Building Official, addressed the City Commission with the following communication:

As the City Manager stated, this property was one of the properties on the City's Blight list.

We (Building Department) conducted an inspection of the property and sent a formal violation notice letter to the owners dated March 12, 2010.

The violations were not corrected in the prescribed time.

The specific violations were as follows:

February 21, 2011

- The majority of the roof covering is in poor shape, having broken, curled, missing, and/or worn shingles. The flashing throughout is in a state of disrepair, much of it is severely corroded, much of it is no longer secured to the roof as the underlying roof deck has rotted away, and much of the unsecured flashing is now severely distorted, separated at the joints, etc., no longer serving the intended purpose.
- There are structural problems with the roof structure, noting that a portion of the roof has collapsed, other areas are bowed, and some areas appear to be severely rotted.
- The exterior wall surfaces are in a state of disrepair. There is rotted, broken, missing siding in many areas, and the paint is worn, peeling, or missing throughout.
- A large portion of the exterior door(s), door trim, window trim, fascia and soffit trim, rim boards and other trim work associated with this structure is in a state of disrepair, loose and not properly secured, no longer weather resistant and weather tight and in some areas are completely rotted, lacking adequate weather protection such as paint or stain, trim work which is broken, rotten, or lacking surface protection against the weather.
- The block work associated with the basement/foundation for this structure is in disrepair, having broken, crack, shifted members, and or missing mortar. In several areas there are significant breaks which have shifted an inch or more out of the plane of the wall.
- The front porch of this structure is severely deteriorated, having rotted floor boards, rotted floor joist, rotted roof rafters, rotted roof supports, loose/hanging members, and open holes in both the ceiling and the floor. In some areas the roof and the floor have partially collapsed. The steps for this porch are leaning and have pulled away from the main structure. Also all wood work associated with the porch lacks weather protection.
- The rear enclosed porch is missing its landing, railing, guards, and steps.
- There is a basement window and second floor window, both in the west wall of the home, which have torn insect screens.
- The electrical light fixture and adjacent 4 x 4 junction box located on the underside of the front porch ceiling, (located above the entry door to the home) is posing an electrical hazard as the ceiling surface upon which these devices are secured is itself (ceiling) falling away from the porch ceiling framing.

February 21, 2011

- The yards of this property are littered with junk and debris, some of it being building components that have fallen from the structure, vehicle parts, scrap lumber, and other miscellaneous junk and debris.

I believe that you have photos showing these deficiencies, as well as other support documents included in the informational packets provided to you for this agenda item.

In closing, it is the opinion of the Existing Structures Board of Appeals and my opinion as Building Official, that this structure is dilapidated, unsound, is a blight to the neighborhood, and a public nuisance to the community. The Existing Structures Board of Appeals, and myself, believe the structure should be formally condemned and razed.

The following items were included in the City Commission agenda packet and documented as part of the record: (1) February 3, 2011 Existing Structures Board of Appeals agenda (2) minutes of the Existing Structures Board of Appeals meeting of March 11, 2010 (3) February 3, 2011 Existing Structures of Appeals Background Information (4) 2130 West Avenue Chronological Outline (5) correspondence to Katherine McKinney dated March 12, 2010 (6) correspondence from Katherine McKinney to the Building Department dated July 1, 2010 (7) correspondence to Katherine McKinney dated July 13, 2010 (8) correspondence to Katherine McKinney dated August 5, 2010 (9) correspondence to Katherine McKinney dated August 17, 2010 (10) exterior photos of August 17, 2010

The Mayor conducted a public hearing on the condemnation of structures located on Lot 17, Block 4, Beadle's Addition located at 2130 W. 4th Avenue in Sault Ste. Marie, Michigan. There were no comments from the public therefore the following action was taken:

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

That the City Commission condemn the structures on property with the legal description of Beadle's Addition, Lot 17, Block 4, commonly known as 2130 W. 4th Avenue (property tax I.D. No. 051-163-017-00) as recommended by the Existing Structures Board of Appeals.

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

**PUBLIC HEARING REGARDING THREE POSSIBLE POLICY APPROACHES
FOR LOCAL REGULATIONS OF MEDICAL MARIJUANA:**

At the February 7th City Commission meeting, the City Commission scheduled a public hearing to gain input on how to best approach medical marijuana issues in Sault

February 21, 2011

Ste. Marie. The Planning and Development Commission forwarded a report to the Commission outlining three possible approaches to the local regulation of medical marijuana. This included an approach by a number of communities to prohibit this activity from the community under the theory that federal law prohibits all marijuana cultivation, sale, and use. There are several communities that have taken this approach, which has resulted in those communities being involved in litigation on this matter.

The second approach is referred to in the attached report as the Limited Activity Approach. This approach would view that the intent of the law was to create an opportunity for patients to utilize medical marijuana. Under this scenario, the cultivation, processing, and use by patients would, in effect, not be specifically regulated by local ordinance. Caregivers would be allowed grow and process marijuana solely in the patient's primary place of residence under the provisions of the Medical Marijuana Act with no specific local marijuana regulations. Off-premise patient/caregiver activity could be prohibited or permitted on an individual basis only so the maximum number of patients served at any one location is five, plus one if the caregiver is also a registered patient. Caregiver regulations could be developed for offsite growing and processing of medical marijuana. This would prohibit the use of larger scale dispensaries for the cultivation, processing, and dispensing of medical marijuana.

The third category of action would be a broader approach to medical marijuana, which would permit large scale commercial dispensary operations or cooperatives of patients and caregivers to cultivate, sell, or dispense medical marijuana. This position tends to view the cultivation and sale of marijuana as an economic activity, which is the approach that the cities of Marquette, Traverse City, and Ferndale have either implemented or are considering.

Attached is a report from the Planning and Development Commission that goes into significantly more detail on these options. The medical marijuana issue is poorly defined by the State of Michigan at this point, leaving much speculation as to how these issues can be addressed from community to community. This is a provision that was approved by a significant majority of voters in the State of Michigan in the 2008 election. The detail of how this is to be implemented is still quite vague.

The City Commission is planning a moratorium until September 1, 2011.

The Mayor held a public hearing on the three options identified in the attached public notice. There were no comments from the public.

Discussion ensued on the three possible policy approaches for local regulations of medical marijuana. Commissioner Burton favored option #2, Commissioner Stefanski inquired on the opinion from a law enforcement standpoint, Commissioner Munsell inquired if there have been any discussions with other communities and if facilities could be required to have an electrical inspection, Commissioner Lynn inquired

February 21, 2011

if the State will be defining the current law, Commissioner Gerrie supported option #2, Commissioner Bauer indicated that regardless of the outcome there will be criticisms on both sides of the decision, noted that nobody took advantage of the public comment opportunity, and questioned what involvement the Health Department would have in the process.

Following the public hearing, City staff will consider the comments made and develop a recommendation for the Commission's action at a future meeting.

COMMUNICATIONS:

FROM DIAL-A-RIDE (A) APPROVAL OF OPERATIONS PLAN (B) APPROVAL OF OPERATING BUDGET FOR 2012 (C) RESOLUTION OF INTENT TO APPLY FOR STATE AND FEDERAL ASSISTANCE FOR FY 2012:

Annually, the City of Sault Ste. Marie applies for funding through the Michigan Department of Transportation for operating funds for the Dial-a-Ride Transportation System, which is administered by the Community Action Agency for the City of Sault Ste. Marie. As part of the agreement for the operation of the system, the Community Action Agency is required to submit an Operation Plan and Budget prior to March 15th of each year for the City's consideration. There are no plan changes in the Operation Plan for Dial-a-Ride for the 2011 program year, which will begin on October 1, 2010.

The budget for the 2011-12 fiscal year includes a request of \$146,995 in state operating assistance plus \$63,360 in federal operating assistance. The City's current contribution is \$92,313.59, and it is anticipated that this amount will not change in the coming fiscal year. The expenditures will remain within the total budgeted revenues of \$396,000 for the coming year.

The Local Advisory Council recommends approval of the Plan, Budget, and Resolution for the fiscal year beginning October 1, 2011.

Moved by Commissioner Munsell, supported by Commissioner Lynn

That the City Commission accept the Operation Plan for the Fiscal Year Beginning October 1, 2011.

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

Moved by Commissioner Munsell, supported by Commissioner Gerrie

That the City Commission appropriate \$396,000 in revenues and expenditures for the operation of the system as presented within the attached materials for the fiscal year 2011 beginning October 1, 2011.

February 21, 2011

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

Moved by Commissioner Munsell, supported by Commissioner Gerrie

That the City Commission approve a Resolution of Intent to Apply for Financial Assistance for the Fiscal Year 2011 Under Act 51 of Public Acts of 1951, as Amended authorizing the application for state financial assistance and appointing Ron Calery as Transportation Coordinator for all public transportation matters.

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

COMMUNICATION FROM THE MICHIGAN LIQUOR CONTROL COMMISSION
REGARDING A RESOLUTION FOR THE ISSUANCE OF A NEW MICRO BREW
LICENSE TO BE LOCATED AT 223 W. PORTAGE AVENUE, SAULT STE. MARIE,
MICHIGAN, AS REQUESTED BY SOO BREWING COMPANY:

Soo Brewing Company is an LLC that has been established by Raymond Bauer and will be located in the western portion of the retail space that was occupied by Superior Impressions. Since this is a change of use, the plans had to be submitted to the Building Department to convert this retail use into a micro brew and tasting room space. In cases where either a new facility is being constructed or a change of use is occurring where construction is required in order to address various code issues for that change of use, the City Commission has approved the licenses with the condition that the Michigan Liquor Control Commission does not issue the license until a copy of an occupancy permit to the Liquor Control Commission certifies that all building codes and regulations have been met by the proposed business and subject to the City supplying a statement at the time the occupancy permit is issued which indicates that there are no delinquent payments due to the City of Sault Ste. Marie. By approving this conditionally, it helps expedite the permit process, which otherwise would require that all the improvements be made first before the City Commission considers the license.

Administration has consulted with the Michigan Liquor Control Commission, and they have indicated that this is an acceptable way for the City of Sault Ste. Marie to proceed.

Moved by Commissioner Gerrie, supported by Commissioner Stefanski

That the City Commission consider a resolution approving the request that has been made by Soo Brewing Company LLC for a new micro brewer license to be located at 223 W. Portage, Sault Ste. Marie, Michigan subject to the following conditions:

February 21, 2011

1. That the on-premise license not be issued by the Michigan Liquor Control Commission until the Building Department of the City of Sault Ste. Marie supplies a copy of an occupancy permit to the Liquor Control Commission, which certifies that all building codes and regulations have been met by Soo Brewing Company, LLC, and
2. That the on-premise license not be issued by the Michigan Liquor Control Commission until the City supplies a statement at the same time as the occupancy permit that indicates that there are no delinquent payments due to the City of Sault Ste. Marie from Soo Brewing Company, LLC.

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

CITY MANAGER'S REPORT:

ACCEPTANCE OF A PROPOSAL FOR GROUP LIFE INSURANCE, ACCIDENTAL DEATH AND DISMEMBERMENT, SHORT-TERM DISABILITY, AND LONG-TERM DISABILITY INSURANCE COVERAGE:

On November 23, 2010, a Request for Proposals was advertised in The Evening News and on the City's web site for group life, accidental death and dismemberment, short-term disability and long-term disability insurance coverage for the City of Sault Ste. Marie. Historically, the City has purchased the life insurance separate from the disability insurance.

Three proposals were received from the following agencies: Michigan Planners (current health insurance provider), Gallagher Benefit Services (Ron Sober), and Don Wilson Insurance Agency. The proposals were reviewed by Human Resources Director Valerie Povey, City Clerk Robin Troyer, and Purchasing Clerk Joyce Firack. The lowest cost proposal came from Hartford through the Don Wilson Insurance Agency with coverage beginning March 1, 2011. The Hartford proposal rates are guaranteed for three years on the group life and accidental death and two years on the short-term and long-term disability. Administration plans to get this coverage on a regular bid rotation with the next proposals being requested in November of 2013.

This combined proposal results in an annual decrease in premiums of \$30,062.04.

Moved by Commissioner Lynn, supported by Commissioner Bauer

That the City Commission accept the proposal from Hartford as provided by the Don Wilson Insurance Agency for providing group life, accidental death and dismemberment, short-term disability, and long-term disability insurance coverage for

February 21, 2011

the period beginning March 1, 2011.

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

ACCEPTANCE OF A PROPOSAL FOR THE TECHNOLOGY BIDDING
PACKAGE FOR THE FEDERAL BUILDING PROJECT:

The final component of the Federal Building Project was advertised with proposals being received on February 1, 2011. This bid package included the telephone and voice mail messaging system, including a number of remote locations, the cabling for all the technology needs throughout the building, including terminations, the network electronics, the digital signage system for the building, AV conference room systems, the surveillance and security camera systems, emergency call system, and teleconferencing systems.

Two bids were received for this work with the low bid coming in significantly over the \$170,000 that has been allowed for the technology package. In working with the City's construction manager, DeVere Construction Company, a number of items were jointly identified between DeVere and City staff for removal from this bid in order to bring these costs within better scale of the appropriations available for this work. In order to do this, the replacement of the phones for the remote location was deleted from the bid, the City will be providing some of the network electronics directly, administration eliminated the purchase of two teleconferencing units and will be using the full duplex speaker phones instead, administration deleted the technology for three of the four conference rooms so that the City has one conference room that is set up for teleconferencing instead of all of the conference rooms, and for purposes of the bid, administration deleted two 55 inch monitors from the main City Commission conference room. As a result, the two bidders provided the City with a new price with these deletions of \$176,473 from Ascomnorth, Inc and \$223,155 from BL Communication and Cabling.

Based on this, administration is recommending the acceptance of a proposal from Ascom, Inc., which is the lowest proposal. Ascom, Inc. has been operating for 27 years and has installed and maintained numerous AV systems similar to those proposed for this project. BL Communications and Cabling has been operating for two years and has not installed an AV system of this magnitude. The proposal provided that the phone system be from one manufacturer to avoid conflicts. Ascom was compliant with this proposal, while BL Communications and Cabling proposed a system comprised of two different manufacturers.

Once the recommendation was made with Ascom, administration did request a final revised price that added back the two flat panel monitors in the first floor corridors and a digital signage and character generator as well as restoring the two monitors in the main City Commission room. Administration balanced this by reducing the number

February 21, 2011

of data phone drops in the building, bringing the final proposal from Ascom North, Inc. to \$172,465. Ascom had assisted DeVere and the City with the development of specifications for this work.

Administration discussed with DeVere Construction pulling this contract from DeVere's Construction Management Agreement. This will have the effect of eliminating a construction management fee of 9.85% on the technology components as part of this bid. Administration certainly appreciates DeVere Construction's willingness to work with the City to keep this work very close to the budget allowance that was initially established for this work.

Moved by Commissioner Burton, supported by Commissioner Lynn

That Ascom, Inc. of Traverse City, Michigan be awarded the Federal Building technical bid package in the amount of \$172,465, based on the proposal as revised.

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

APPROVAL OF CHANGE ORDER NO. 6 FOR THE CSO CONTROL PHASE C-1 AND C-2, DIVISIONS A&B PROJECT:

The City Commission has awarded a contract to Bacco Construction for Divisions A & B of the CSO Phase C-1 and C-2 Project.

At the September 7th City Commission meeting, the Commission conceptually approved of a plan to upsize the storm sewer in Portage Avenue to 48 inches in order to access funding from the Michigan Department of Transportation to participate in this project. At the time, it was estimated that the construction cost for upsizing the system to 48 inches would be approximately \$417,000. In addition, there would be approximately \$25,000 of additional design engineering necessary to redesign the 24 inch storm sewer to a 48 inch storm sewer in E. Portage Avenue. The City Commission accepted the funding agreement with the Michigan Department of Transportation at the October 18th City Commission meeting in the amount of \$705,464.

C2AE has finalized the Change Order with Bacco Construction to build the 48 inch storm sewer in accordance with the funding requirements that are part of the MDOT grant. Change Order No. 6 includes a net increase of \$391,345.50 to construct the revised storm sewer in the I-75 Business Spur (E. Portage Avenue). By building the storm sewer to MDOT standards, the City will access \$705,464 in funding for this project.

Moved by Commissioner Bauer, supported by Commissioner Gerrie

That the City Commission approve Change Order No. 6 with Bacco Construction
February 21, 2011

in the amount, based on unit prices, of \$391,345.50 to construct a 48 inch storm sewer to meet the MDOT requirements for the City to receive the MDOT funding for this project.

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

AUTHORIZATION OF AN ENGINEERING AGREEMENT AMENDMENT WITH C2AE FOR THE PORTAGE AVENUE MDOT STORM SEWER TO BE BUILT AS PART OF THE CSO PROJECT:

At the September 7, 2010 City Commission meeting, the Commission authorized the City Administration to proceed with an agreement with MDOT to participate in an amount of \$705,464 to upsize the storm sewer in Portage Avenue. In order to proceed with this work, the estimated increase in construction cost was \$417,000. In addition, there would be additional design engineering and construction engineering cost related to the redesign of a 48 inch storm sewer for this project.

At the October 18th City Commission meeting, the Commission approved the participatory Special Trunkline Joint Sewer Contract with the Michigan Department of Transportation for the funding for this work. C2AE has proceeded with the design work and has finalized a Change Order with Bacco to add this work to the project. The actual Change Order No. 6 resulted in a net increase in the project of \$391,345.50. In addition, C2AE has developed an Engineering Contract Amendment to address the redesign of the 48 inch storm sewer to meet the requirements of the MDOT agreement as well as to handle the construction engineering for the upsizing of the proposed storm sewer to 48 inches. The additional design work included in the contract amendment is \$24,000. This was estimated at \$25,000 in the report to the Commission in September. Finally, the Change Order also includes an increase in construction administration in the amount of \$46,000 based on the same cost percentage as the original agreement for the CSO work which is based on 11.76% of construction cost.

The engineering agreement must be also approved by the Michigan Department of Environmental Quality as part of the State Revolving Fund financing for this project.

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

That the City Commission authorize Engineering Amendment No. 12 to the CSO Project for the Portage Avenue Storm Sewer Upsizing in conjunction with the additional funding provided by the Michigan Department of Transportation.

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

February 21, 2011

CONFIRMATION OF THE APPOINTMENT OF LINDA BASISTA AS CITY ENGINEER BY THE CITY MANAGER:

Section 4.6 Administrative Services indicates that "The administrative officers of the City shall be the City Manager, Attorney, Clerk, Treasurer, Assessor, Police Chief, Fire Chief, Accountant, Court Clerk, Superintendent of Water, Superintendent of Public Works, or Engineer (who shall preferably be a Registered Engineer), if the City Manager deems necessary, a Purchasing Agent, and if the Commission deems necessary, a Health Officer and a Harbor Master." Section 4.6 goes on to state "All administrative officers except the City Manager, Attorney, and Court Clerk, and except administrative officers of independent boards and commissions, shall be appointed by the City Manager for an indefinite period subject to the confirmation by the Commission."

The City Engineer's position is being filled after the untimely loss of City Engineer Dave Strickland, who died in a motorcycle accident this past Memorial Weekend. The appointment process was delayed until staff was able to get a handle on the major construction issues that were ongoing in 2010 (the Combined Sewer Overflow Project and the Federal Building, which were the two major construction projects). The first round of interviews for City Engineer occurred on Monday, September 27th.

The interview process is quite intensive, which includes Jim Moreau taking each candidate on a tour of the City prior to their first interview, a 45 minute interview with a technical panel that consisted of former City Engineer Steve Gregorich, Sault Ste. Marie, Ontario City Engineer Don Elliott, Ken Greenfield (Mechanical Engineer for War Memorial Hospital), and Chuck Lawson, Civil Engineer from C2AE. The second panel included staff members Valerie Povey, Parks & Recreation Director Dan Wyers, Building Official Darien Neveu, and Fire Chief Jason Thorpe. City Manager Nebel conducted the third interview with each of the candidates. Following this interview, each candidate was required to do a written essay to allow us to evaluate their writing skills.

At the end of the interview process, all the panels met to discuss their findings. All three interview panels had determined the same top candidate. Negotiations ensued and an agreement for this candidate with this candidate later not accepting the job due to the loss he would incur from selling his home in southeast Michigan.

After concluding discussions with the top candidate, follow-up interviews were conducted with two of the other candidates that did not score as highly in the interview process. Following these interviews, the committee made a decision to readvertise to take a look at additional candidates before selecting a City Engineer for the City of Sault Ste. Marie. This was also being done in the context of interviews for the EDC Director and Police Chief, which created some scheduling dilemmas.

As a result of the December advertisement, 10 new applications were received during this time. Preliminary phone interviews were set up with four of these

February 21, 2011

candidates. As a result of the phone interviews, three candidates were invited to participate in full interviews, which were scheduled for Friday, January 28th.

The panels were reassembled with several changes, which included Steve Cannello sitting on the technical panel replacing Steve Gregorich and City Engineer Don Elliott from Sault, Ontario, who were unavailable to participate in the second round of interviews. On the staff panel, Jim Atkins replaced Dan Wyers. The unanimous choice, as a result of the interview process, at all levels, was to pursue the appointment of Linda Basista.

Linda has been employed as a Senior Project Manager by TetraTech with her employment beginning with TetraTech in 1999. Her primary role in this capacity has been to serve as TetraTech's representative as the City Engineer for the City of Brighton, Michigan. Prior to working with TetraTech, Linda was employed as a Project Engineer for McNamee, Porter & Seeley from August, 1995 to 1999 and prior to that time, worked as Project Coordinator from 1989 to 1991 with ASC, Inc. of Southgate, Michigan.

Following the interviews, various background checks have been done regarding Linda's work performance for the City of Brighton and for TetraTech. While employed with McNamee, Porter & Seeley, Linda had worked with former Sault Ste. Marie resident and former Lansing City Engineer Robert Clegg, who is now City Engineer for Port Huron, Michigan. All the interviews with individuals that Linda has worked with have indicated that Linda tackles her job in a very organized, methodical way, and gets very good results from working with people. City Manager Nebel spoke with both the former Mayor and the current City Manager of Brighton regarding her role as City Engineer for Brighton. Linda regularly participated in staff meetings, did site plan reviews, and other typical City Engineer work for the City, and was deemed to be a critical asset to the City of Brighton on projects ranging from construction of curbs and gutters in residential areas to designing roundabouts, dealing with a corridor signal interconnection project, realigning intersections, dealing with water, wastewater, and storm drainage issues, overseeing various utility studies, and when with McNamee, Porter & Seeley, direct involvement with the Lansing, CSO Control Program.

City Manager Nebel believes that Linda will be a significant asset to move this community forward with future and final phase of CSO work, updating and revising various street, water, and sewer master plans, and dealing with various state and federal agencies on regulatory issues facing the City.

Moved by Commissioner Munsell, supported by Commissioner Burton

That the City Commission confirm the City Manager's appointment of Linda Basista, PE as City Engineer for the City of Sault Ste. Marie with a start date of work on or before March 14, 2011.

That the City Commission authorize a salary of \$72,000 as pay for this position
February 21, 2011

along with other benefits provided to Department Heads and adding an additional week of vacation in the second and third years of employment (which will allow for three weeks of paid vacation in those years) and allowing for the added option of taking up to five days off per year without pay in years two and three with those days being approved by the City Manager.

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

REVIEW AND APPROVAL OF THE STATE AND FEDERAL LEGISLATIVE PRIORITIES:

With a majority of State Senate members and State House members being new to their legislative seats beginning on January 1st of this year and with a new Federal Representative, it was suggested by Commissioner Burton that the City provide the Legislative Priorities as the City of Sault Ste. Marie to these newly elected officials. City Manager Nebel put together the issues that he believes are important to convey to the state and federal officials. A rough draft of this document was included for review to determine whether any additional items should be added or any items should not be included on the list of City priorities.

City Manager Nebel believes this is an excellent idea, and once approved by the Commission, it is the intent of Mayor Bosbous and City Manager Nebel to convey these items personally to the state legislators. It's critical that with a brand new State House member and a brand new State Senator, the City establish a strong relationship so that we can share information about priorities both at a local level and at a state level with the new representatives. Governor Snyder is clearly moving things along at a brisk pace, and it will be important that the legislators understand what concerns, issues, and priorities the City has relating to local government in Sault Ste. Marie.

Commissioner Munsell suggested adding the cruise ships that come to the Sault, Commissioner Burton indicated that federal funds are available for the Carbide Dock and that the City should pursue those funds, Commission Gerrie thought it would be important to recognize the Pure Michigan Campaign, Commission Stefanski stressed the importance of cross boarder traffic and the wait times entering the U.S., Commissioner Munsell thought it would be helpful to compare the City's health care numbers to the state's health care numbers. City Manager Nebel also informed the Commission that the prison crews will not be available to the City as of March 1, 2011.

Moved by Commissioner Lynn, supported by Commissioner Bauer

That the City Commission review and then approve a list of Legislative Priorities for the 2011 calendar year.

Motion carried unanimously.

February 21, 2011

DISCUSSION ON THE FORMAT FOR THE FEBRUARY 28TH GOAL SETTING SESSION:

On Monday, February 28th, the City Commission will be meeting to undertake its annual goal setting session. The goal setting session will take place in the Housing Commission Community Room. It is City Manager Nebel's intent to focus a fair amount of time on dealing with the potential loss of statutory revenue sharing and its impact on the City of Sault Ste. Marie's budget. This would certainly be a different format from previous goal setting sessions, but dealing with revenue shortfalls is going to be a very significant part of the activities during the upcoming fiscal year that will end on June 30, 2012.

These are certainly challenging times, and even under the best case scenario, the City will have to come to terms with the fact that the State of Michigan will not be able to fund things at the same level as they previously have. This will make us need to evaluate the City's existing services and determine what the highest priorities for the City are in going forward from this point.

MATTERS PRESENTED BY THE PUBLIC:

Mark Meiners hopes the Commission will welcome a medical marijuana small business with open arms as they did with Commissioner Bauer's new Brewery and expressed disappointment that he didn't receive a call regarding his application for the Ethics and Conduct Board vacancy.

MATTERS PRESENTED BY THE CITY COMMISSION:

Commissioner Bauer inquired if the Ethics and Conduct Board meets.

Mayor Bosbous asked City Manager Nebel to explain increase in inflation as it relates to personal property tax and social security.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the meeting adjourn at 9:02 p.m.

Motion carried unanimously.

ANTHONY G. BOSBOUS, MAYOR

ROBIN R. TROYER, CITY CLERK

February 21, 2011