

A regular meeting of the City Commission was held in the Commission Room of City Hall, 225 East Portage Avenue, Sault Ste. Marie, Michigan on Monday, November 7, 2011 at 7:00 p.m.

The meeting was called to order by Mayor Bosbous

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

Absent:

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

Mayor Bosbous Presented a Proclamation for National Caregiver Month.

Mayor Bosbous Presented Mary Jo Barck from War Memorial Hospital with a Proclamation for National Rural Health Day.

CONSENT AGENDA:

Moved by Commissioner Burton, 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, October 17, 2011 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. DDA – August 10, 2011
- b. DDA – September 14, 2011
- c. DDA – Special Meeting October 4, 2011
- d. DDA – October 12, 2011
- e. Local Officer's Compensation Commission – October 28, 2011
- f. PEHP Police Sgt Unit – October 25, 2011
- g. Planning Commission – September 22, 2011
- h. Planning Commission Interim Meeting – October 13, 2011
- i. Police & Fire Pension Board – October 19, 2011
- h. Zoning Board of Appeals – July 21, 2011

Appointments and Resignations:

That the City Commission confirm the Mayor's reappointment of Jim Cooper and

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Gary Sharpe to the Seal Estate Board of Trustees for terms to expire 7/1/2013.

City Manager's Report:

That the City Commission approve a resolution as provided by the MERS Plan Document and in accordance with the employer's policy for the additional credited service of three years at a total estimated actuarial cost for the additional credited service of \$27,187 payable by Christy Zanatta.

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

SPECIAL ORDERS OF BUSINESS:

PUBLIC HEARING ON SINGLE LOT SPECIAL ASSESSMENT SL-2N-11 AND SL-2W-11 AND CONFIRMATION OF SINGLE LOT SPECIAL ASSESSMENTS:

Attached are the single lot special assessments for property maintenance issues, late rental registration fees, and delinquent water and sewer bills related to individual properties located within the City of Sault Ste. Marie. The amounts on the assessment rolls are based on the expenses up to this date plus a \$20 late fee. If any of these bills are paid prior to the City Commission meeting, that \$20 is reduced from the amount listed. If the bills remain unpaid at the time the amounts are posted to the tax roll then an additional \$50 fee is assessed to these property owners. Since the last City Commission meeting, administration has removed two property owners from this list and rebilled them as first time offenses for yard signs in accordance with the revised policies of the City Commission, which states that for a first offense, the property owner will be billed for one sign. For later offenses, property owners will be billed for multiple signs.

Deputy City Treasurer Wilma Rushford provided a revised listing of the unpaid amounts for the Commission based on any payments received through Monday.

The City Commission conducted a public hearing for the confirmation of Special Assessment Rolls SL-2N-11 and SL-2W-11. There were no public comments; therefore, the following action was taken:

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

That the City Commission confirm Special Assessment Rolls SL-2N-11 and SL-2W-11.

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

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COMMUNICATIONS:

COMMUNICATION FROM THE U.S. DEPARTMENT OF TRANSPORTATION REGARDING AIR SERVICE TO SAULT STE. MARIE, MICHIGAN THROUGH CHIPPEWA COUNTY INTERNATIONAL AIRPORT:

Air service to Sault Ste. Marie via the Chippewa County International Airport is currently provided by Delta Airlines, Inc. through a Delta connection carrier. In September Delta Airlines filed a Notice of Intent to discontinue air service to Chippewa County in order to request an increased operational subsidy from the U.S. Department of Transportation.

As part of this process, USDOT responded by issuing a nationwide solicitation for proposals for replacement air service. Two proposals were received. One from Delta Airlines, which provided two options of service and a prospectus was provided by Intrepid International Airlines for service to Sault Ste. Marie and Alpena. Delta Airlines is currently providing scheduled service to and from Chippewa International Airport with 14 weekly non-stop flights to Detroit. They have proposed as a second alternative, 12 weekly non-stop flights to Detroit with one flight daily on Saturday and Sunday. Delta is proposing to use the 50 seat commuter jet CRJ-200 for these flights. The subsidy required for the first option is \$1,978,910 with the subsidy for the second option being \$1,373,361.

The second proposal was received from Intrepid International Airlines, who is proposing to provide essential air service to Sault Ste. Marie and Alpena with flights from Sault Ste. Marie to Alpena then to Lansing. The subsidy requested for Intrepid is \$1,823,599 for this service. They are proposing to use BAE Jetstream 32, which is a 19 seat aircraft, for this service. They would consider upgrading to larger aircraft in the future. They are only proposing one round trip per day, four days a week.

The Chippewa County Economic Development Corporation has provided their response urging the U.S. Department of Transportation to select Delta Airlines Option 1, which would provide 14 round trips per week.

Flight service in and out of Sault Ste. Marie and Chippewa County is critical to the future development. Utilization of the CRJ-200 jet aircraft for these routes has significantly improved access to Sault Ste. Marie. Two flights a day on Saturdays and Sundays are important for the travel and tourism industries here as well. Delta's service provides cross-border competition with Canadian flights that draws many Canadians to a U.S. airline when they are flying within the United States. By going backwards with smaller commuter planes and a very limited frequency of service, access by air to Sault Ste. Marie would become extremely limited.

Moved by Commissioner Gerrie, supported by Commissioner Burton

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That the City Commission indicate the necessity for the U.S. Department of Transportation to accept Option 1 from Delta Airlines for continued service to Chippewa County International Airport for 14 flights per week to Sault Ste. Marie, Michigan and authorize a letter to be sent by the Mayor and City Manager communicating this position.

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

CITY MANAGER'S REPORT:

AWARD OF BID FOR ALL WHEEL DRIVE SKID STEER:

In order to improve the efficiency of utilization of manpower in the Department of Public Works, an all-wheel drive skid steer was budgeted for purchase during this fiscal year. This unit would primarily be used for cleaning the drying beds and snow removal at the Wastewater Treatment Plant. This unit would also be used by the sidewalk replacement crews for restoration projects and snow removal on the upper deck of the parking structure. Administration believes that utilization of the skid steer will more efficiently reduced manpower to accomplish these tasks.

Moved by Commissioner Burton, supported by Commissioner Bauer

That the City Commission award the bid to AIS of Williamsburg, Michigan in the amount of \$31,665 for a skid steer, being the low bid and meeting specifications and also purchase the extended 60 month warranty for powertrain and hydraulics at an additional cost of \$1,800 for this unit.

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

BID FOR THE PURCHASE OF TWO 2-WHEEL DRIVE ½ TON PICK UP TRUCKS:

During this year's budget process; administration budgeted for the replacement of two 2-wheel drive pickup trucks being utilized in the Department of Public Works. One truck is used by the Water Department and has a cracked frame and many other problems. The second truck used in the Street Department is a high mileage vehicle that will be utilized by the DDA as a trash truck, replacing a truck that is no longer serviceable for the DDA.

The low bid from Fernelius Toyota Chrysler Dodge of Cheboygan, Michigan did

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not include the required brake controller. This is an option that administration puts on these trucks, since trailers are towed with these trucks. The second low bidder bid the vehicles with the brake controllers.

Moved by Commissioner Lynn, supported by Commissioner Munsell

That the City Commission award the bid for the purchase of two 2-wheel drive 1/2 ton pickups with brake controller from Soo Motors of Sault Ste. Marie, Michigan in the total amount of \$34,756.80, being the low bid and meeting specifications.

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

AUTHORIZATION OF THE USE OF THE I-500 PROPERTY FOR A 4 ON 4 POND HOCKEY TOURNAMENT:

Sault Events, Inc. has approached the City of Sault Ste. Marie and the I-500 Project, Inc. to host a pond hockey tournament on the straight away portion of the track for the I-500. Sault Events has received approval from the I-500 Board of Directors for this event. Because of the lease the City has with the I-500, the City's authorization is also required. It is the administration's intent to have both Sault Events and the I-500 Project, Inc. sign the Letter of Agreement regarding these provisions.

Pond hockey teams play on a small rink with much smaller goals, which requires the players to keep the puck close to the ice. They would anticipate creating four rinks on the straight away next to the hill.

As part of this event, Sault Events, Inc. is requesting permission to sell alcohol during this event. Approval of the City Commission is required for any events where alcohol is sold on City property.

Sault Events, Inc. is naming this event the I-500 Puck-a-Paloosa Pond Hockey Tournament and is planning to hold this event on January 28-29, 2012 one week prior to the I-500 Race.

Linda Hoath and Dennis Brooks were present and spoke briefly to the Commission regarding the 4 on 4 hockey tournament. Linda also thanked the I-500 Committee for their support in the event.

Moved by Commissioner Stefanski, supported by Commissioner Lynn

That the City Commission approve the request of Sault Events, Inc. to conduct a pond hockey tournament on the I-500 track with the authorization of the I-500 Project, Inc.

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That the City Commission authorize the sale of alcohol at the I-500 track for this event.

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

AUTHORIZATION OF LEASE AMENDMENTS FOR THE AT&T ANTENNA SYSTEM ON THE 4TH AVENUE WATER TOWER:

AT&T leases space on the 4th Avenue water tower for cellular phone antennas. AT&T is proposing to expand the area they are using in order to enhance services to this area. Based on the additional area of use of the water tank, administration is recommending that the lease be increased by an additional \$100 per month. With this increase, the base lease for 2012 amounts to \$15,111 for the year.

Water Superintendent Jim Moreau believes that the adjustment is commensurate with the additional amount of space that will be used on the tower by AT&T. City Attorney Steve Cannello has reviewed the lease amendment.

Moved by Commissioner Bauer, supported by Commissioner Gerrie

That the City Commission approve the lease amendment to reflect the additional equipment that will be mounted on the 4th Avenue water tank by AT&T by adding an additional \$100 per month to the lease payments.

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

APPROVAL OF POLICIES AND PROCEDURES FOR THE CITY OF SAULT STE. MARIE PUBLIC, EDUCATION, AND GOVERNMENT ACCESS CHANNEL:

The City of Sault Ste. Marie has a public, educational, and governmental access channel (PEG) Channel 97 for use as a government channel or public access channel. For many years this channel was operated by Charter Communications under the original franchise with them. With the implementation of the Uniform Franchise by the State of Michigan, local units of government can no longer require, as part of the franchises, that the cable company provide these services.

During the construction of the new City Hall, administration built in the capability to broadcast the Commission meetings as well as other activities that may take place in the Commission chambers. Administration will be responsible for the messages that are currently found on Channel 97. The audio visual equipment that is now owned by

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the City has the character generator capable of producing these messages.

The City Commission approved a 1 1/2% franchise fee with those funds being utilized to cover the cost of the equipment and operations of our PEG channel.

The City has two options in regards to the use of our PEG channel. The City could allow for locally originated video programming to be broadcast on this station. The City would have very limited editorial control over these types of programs. The level of involvement with the PEG channel would be significantly greater than what administration anticipated at the time the 1 1/2% franchise fee was implemented.

Administration is recommending that the City continue the community bulletin board and allow for any City broadcasts of Commission meetings or other City meetings, other government meetings (if provided video for rebroadcast by that entity) and for any special events as authorized by the City Commission. This would include the long-standing programs such as the Rotary Auction and candidate forums or other similar community programs as approved by the City Commission. Messages would strictly be governmental and not for profit organizations to advertise events. Commercial use or political advertising would be prohibited on this channel.

The City Attorney has advised that the cleanest way to regulate the channel would only be allowing government messages and videos. City Manager Nebel does concur with this opinion; however, City Manager Nebel believes that this channel has provided useful community information that would be lost by strict adherence to only governmental messages. Fundraisers for community efforts such as the annual Rotary Auction and candidate forums have long used the Commission Chambers and Charter coverage for those events. City Manager Nebel proposed that the City Commission specifically approve a request for any non-governmental use of the PEG channel for activities that have a community-wide impact.

The City can request reimbursement for actual time and expenses of personnel required for televising another governmental entity's meeting or community event.

Moved by Commissioner Munsell, supported by Commissioner Stefanski

That the City Commission approve the Policy and Procedures for the Use of the Government Access Channel and Community Bulletin Board for the City of Sault Ste. Marie.

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

REAPPROPRIATION OF FUNDING FOR DESIGN AND ENGINEERING FOR
THE KEMP MARINA:

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In the current fiscal year budget, \$10,000 was approved for engineering, investigation and design for repairs and other improvements to the wave attenuator wall and issues with the stiffening struts on the north walkway. Administration has solicited proposals for general repairs marina work and would like to utilize this appropriation for the actual work to address these issues. Since the funds were appropriated for engineering analysis and design, City Manager Nebel is requesting that the Commission instead allow administration to utilize these funds for actual repairs. Administration did receive proposals from Marine contractors and will proceed with this if the funds are reappropriated. The contract amount can be authorized administratively since it will not exceed \$10,000.

Moved by Commissioner Stefanski, supported by Commissioner Burton

That the City Commission reappropriate the \$10,000 in the 2011-12 fiscal year for engineering to be utilized for specific repairs at the Kemp Marina.

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

GENERAL CITY ELECTION AND SETTING THE ORGANIZATIONAL MEETING:

City Clerk Robin Troyer gave a brief overview of the voting places for the General City Election to be held on Tuesday, November 8th with polls being open from 7:00 a.m. to 8:00 p.m.

The City Organizational Meeting will take place on Monday, November 14th in the City Commission Chambers. The Charter provides that this meeting be held at 8:00 p.m. By tradition, this meeting has been held at 7:00 p.m. by resolution of the City Commission. At this meeting, the newly elected Mayor and Commission will be sworn in, a Mayor Pro-Tem will be elected from the Commissioners, the meeting schedule will be set for the next two year period, and various appointments of Commissioners as liaison and board members will be made.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the City Commission set the organizational meeting for Monday, November 14, 2011 at 5:30 p.m. in the City Commission Chambers.

Motion carried unanimously.

Status Reports:

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SEPTEMBER 30, 2011 REVENUE AND EXPENSE REPORTS:

Acting Finance Director Kristin Collins has prepared revenue and expense reports for all accounts for the first three months of the 2011-12 fiscal year.

In general, the accounts are operating within reasonable parameters for the first quarter of the fiscal year. The individual line items that a number of revenues and expenses are not evenly spread throughout the fiscal year. For example, bond payments, liability insurance payments, and other types of things are paid once a year. Once those are paid, 100% of that expense is recognized in the financial reports. The same is true with revenues. Property taxes are recorded as a revenue at the time that they are billed, state sales tax revenues come later in the fiscal year with the last payment being made well into the 2012-13 fiscal year but is recorded as a revenue for the current fiscal year.

Administration is not recommending any amendments to the budget at this time. The next report administration provides will be for the first six months of the fiscal year with that report being provided by the first meeting in February.

DEDICATION AND OPEN HOUSE FOR CITY HALL ON NOVEMBER 14, 2011:

On Monday, November 14th at 1:30 p.m. administration has scheduled the formal dedication and open house for City Hall. The open house will follow the dedication until 5:00 p.m. on Monday.

The Organizational Meeting will follow at 5:30 p.m. on Monday night for the swearing in of the Mayor and Commissioners.

Dr. and Mrs. Lou Lukenda will be participating in the dedication ceremonies for one of Sault Ste. Marie's iconic 100 year old structures. This project was made possible by the generous gift from Tendercare, Inc. and Dr. Lukenda to the City of Sault Ste. Marie in 2007. Through renovating this building as a modern City Hall, the City has both addressed Chippewa County's desire to buy the City out of the City-County Building, restore a landmark building within the City of Sault Ste. Marie, and provided a home for City Government for the next century.

Introduction of DDA Director:

City Manager Nebel introduced the new DDA Director Justin Knepper. Justin updated the Commission on his first week on the job.

MATTERS PRESENTED BY THE PUBLIC:

Bob Matley spoke to the Commission regarding the MLCC License and ownership of the Bomb Shelter. Mr. Matley indicated that he is not putting any more

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money into the Bomb Shelter. Commissioner Lynn asked Mr. Matley why he didn't sit down with City Manager Nebel to discuss his issues of concern. City Manager Nebel gave the Commission some background information regarding the project and Mr. Matley's concerns. City Manager Nebel and Mr. Matley will meet to discuss the outstanding building code issues as it relates to the Bomb Shelter.

Randy Scott spoke briefly to the City Commission regarding his history with Commissioner Munsell. Mr. Scott thanked Commission Munsell for his years of service.

Cathy Maleport who was recently appointed to fill the unexpired term of Diane Cork as Chippewa County Clerk introduced herself to the City Commission.

MATTERS PRESENTED BY THE CITY COMMISSION:

Mayor Bosbous thanked Commissioner Munsell for his years of service to the City of Sault Ste. Marie. Commissioner Munsell commented on his time and history with the City. Commissioner Lynn indicated that this City is a better place because of Commissioner Munsell. City Manager Nebel congratulated Commissioner Munsell on behalf of himself and the City employees.

Moved by Commissioner Munsell, supported by Commissioner Lynn

That the meeting adjourn at 8:20 p.m.

Motion carried unanimously.

ANTHONY G. BOSBOUS, MAYOR

ROBIN R. TROYER, CITY CLERK

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