

A regular meeting of the City Commission was held in the Commission Room of the City Hall, 225 East Portage Avenue, Sault Ste. Marie, Michigan on Monday, January 3, 2012 at 7:00 p.m.

The meeting was called to order by Mayor Bosbous

Present: Mayor Bosbous, Commissioner Bauer (late arrived at 7:03), Burton, Gerrie, Lynn, Simmens, 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, December 19, 2011 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. Police & Fire Pension Board - December 14, 2011
- b. SSM Housing Commission - November 10, 2011

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

SPECIAL ORDERS OF BUSINESS:

SECOND READING OF A ZONING ORDINANCE LANGUAGE AMENDMENT OF SECTION 1712, MEASUREMENT OF RESIDENTIAL FENCE HEIGHT (A) PUBLIC COMMENTS (B) ACTION ON ZONING ORDINANCE LANGUAGE AMENDMENT:

At the December 19, 2011 City Commission meeting the Commission introduced for first reading an Ordinance to amend the Zoning Ordinance Section 1712 regarding measurement of residential fence height.

In order to facilitate the use of pre-fabricated fences the Planning and Development Commission at the recommendation of the Zoning Board of Appeals is recommending a number of modifications in the way fences are measured in accordance with Zoning regulations. The modifications allow for panels to be placed up

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to 2 inches above the ground on level ground and on uneven ground up to 6 inches can be excluded from the fence height to address topography issues. Decorative fence tops can exceed the maximum fence height by 4 inches. These provisions are the result of a fence variance requested by a property owner as there was a dispute with a neighboring property owner. The regulations certainly make sense since many people use pre-fabricated fence panels for fence construction.

The Mayor allowed public comments on the second reading of a Zoning Ordinance Amendment of Section 1712 regarding measurement of residential fence heights. There were no comments from the public therefore the following action was taken:

Moved by Commissioner Lynn, supported by Commissioner Gerrie

SECTION 10-1.17. GENERAL PROVISIONS ***[Proposed changes are highlighted.]***

1712. Residential fences, walls, and similar protective barriers. Fences, walls and similar protective barriers which are accessory to residential dwelling units are permitted subject to the following provisions. ***All height dimensions are measured from the surface on the ground. [Move this sentence to New Item 10. below.]***

1. Fences, walls and similar protective barriers located within a side or rear yard shall not exceed six (6) feet in height.
2. Fences, walls and similar protective barriers shall not be located in the front yard except as follows:
 - a. Fences up to four (4) feet in height and of no more than seventy (70) per cent solid construction with open spaces spread uniformly over the entire length may be located in the front yard.
3. For the purposes of this section, in the case of double frontage lots, the entire front yard at the front of the main structure and also the required front yard setback area at the rear of the main structure shall be considered front yards, subject to the provisions of subsection 2 above. Any additional yard area at the rear of the main structure shall be considered a rear yard.
4. For the purposes of this section, in the case of lots fronting on both a street and the St. Mary's River, the entire yard area between the main structure and the river and also the required front yard setback area along the street shall be considered front yards, subject to the provisions of subsection 2 above. Any additional yard area along the street shall be considered a rear yard.
5. For the purposes of this section, in the case of corner lots, the side and rear lot areas between the main building setback line and the street or within twenty (20) feet of

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the street, whichever distance is less, shall be considered front yards, subject to the provisions of subsection 2 above.

6. Fences, walls and similar protective barriers up to twenty-five (25) feet in total length which are designed to serve as privacy screens and are located in the side or rear yard at least eight (8) feet from any property line may be up to eight (8) feet in height.

7. No fences, walls and similar protective barriers above a height of three (3) feet from the established street grades shall be permitted within the triangular area formed at the intersection of any street right-of-way lines by a straight line drawn between said right-of-way lines at a distance along each line of twenty-five (25) feet from their point of intersection.

8. Fences, walls and similar protective barriers shall not in any way obstruct or encroach upon any public street, sidewalk, or alley right-of-way.

9. Fences, walls and similar protective barriers shall not contain sharp-pointed materials, barbed wire, electric current or charge of electricity.

[Add New Item 10.]

10. All height dimensions are measured from the surface on the ground. Height measurement may exclude up to two inches (2") for open space between the bottom of a fence panel and the ground surface in most areas and up to six inches (6") for open space between the bottom of a fence panel and the ground in the occasional area of noticeably uneven ground. The height measurement may also exclude up to four inches (4") for decorative post tops.

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

COMMUNICATIONS:

**FROM THE INTERNATIONAL BRIDGE ADMINISTRATION – PRESENTATION
ON THE INTERNATIONAL BRIDGE PLANS TO IMPROVE TRAFFIC FLOW ACROSS
THE INTERNATIONAL BRIDGE:**

International Bridge Administrator Phil Becker has requested to address the Commission regarding concerns expressed by the Commission regarding delays for people crossing the border at Sault Ste. Marie across the international Bridge. Mr. Becker shared a PowerPoint presentation on some statistical information and the upcoming plans that the International Bridge has for improving traffic flow on both the

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U.S. and Canadian Bridge Plazas. Mr. Becker answered questions from the City Commission.

FROM U.S. CUSTOMS AND BORDER PROTECTION – DISCUSSION OF CONCERNS RELATING TO THE U.S. BORDER CROSSING AT SAULT STE. MARIE:

At the December 5, 2011 City Commission meeting Commissioner Stefanski raised several concerns regarding the crossing of the U.S. Border at Sault Ste. Marie. At that time the Commission requested that City Manager Nebel contact Port Director of U.S. Customs and Border Protection, Devin L. Chamberlain regarding discussion of various concerns regarding crossing the border at Sault Ste. Marie. Mr. Chamberlain agreed to address the City Commission at the January 3, 2012 City Commission meeting. Commissioner Burton had requested that an agenda item be placed on the December 19, 2011 meeting regarding a possible resolution regarding border crossing delays in Sault Ste. Marie. The City Commission discussed a number of concerns regarding the border. Amy Bergland, Staff Representative from Senator Levin's office was present to discuss some of the specific appropriations requests that their office has made in order to try to address traffic flow issues at the International Bridge. International Bridge Administrator Phil Becker also responded to concerns regarding concerns expressed at the meeting regarding the Bridge's capability of carrying traffic that is backed up on the Bridge. Mr. Becker indicated that the Bridge is inspected annually and that this traffic has not had an impact on the structural integrity of the Bridge.

Commissioner Burton had proposed a resolution requesting a Senate investigation of the traffic delays at Sault Ste. Marie. The Commission voted two to five not to proceed with a decision on a resolution until after having an opportunity to hear from Mr. Chamberlain regarding the concerns expressed at the Commission meeting regarding delays and treatment of citizens and visitors crossing the border. An excerpt from the minutes including Commission Burton's resolution from the December 19, 2011 was included in the agenda packet for review.

Mr. Chamberlain presented a PowerPoint presentation, DVD on the operations of the Custom and Border Protection, and answered questions from the City Commission.

Linda Hoath informed the Commission that Convention and Visitors Bureau hasn't received one complaint in 2011 regarding the international boarder crossing. Ms. Hoath indicated that there has been several complaints in the past; however, the CVB and CBP have been working together to resolve the problems.

CITY MANAGER'S REPORT:

AUTHORIZATION OF A LEASE AND DESIGN SERVICES TO RELOCATE THE CITY POLICE DEPARTMENT TO THE CLOVERLAND ELECTRICAL COOPERATIVE

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BUILDING LOCATED AT 401 HURSLEY STREET:

Police Chief John Riley, City Attorney Steve Cannello and City Manager Nebel have been involved in negotiating a lease with Cloverland Electrical Cooperative for the premises located at 401 Hursley Street for use as a Police Department. The City Police are currently in the City-County Building with a lease that's set to expire on June 18, 2012. Chief Riley has evaluated a number of locations including the pole barn at Alford Park, the Hallmark building downtown, Soo Motors dealership, the basement of new City Hall, Hiawatha National Forestry building, and the Cloverland building on Hursley Street as possible alternative locations to the City-County Building. Upon evaluation of these locations there were two options that were explored more fully. The first was the City-County Building; the second location that was thoroughly evaluated was the Cloverland building located on Hursley Street. Proposals were requested from both the County and Cloverland regarding the use of each of those locations. The total cost for lease and expenditures for staying in a renovated space in the City-County building was \$66,233.00 a year with Cloverland coming in at \$42,271.00 per year. The space available at Cloverland is substantially larger than what would be available in the City-County Building for the Police Department. Space has been a critical issue for the Police Department in the existing facility. Officers have no where to deal with citizens in a more private setting, Officers have very limited work space and vehicle parking is extremely tight at the current location.

The Cloverland facility addresses many of the space issues. With the fenced yard area the Police could operate an impound yard, there would be substantial storage space for the Police and other City Departments (which is something very much needed within the City). It was felt that this location would enhance the overall operation of the Department. It will put into productive use of a building that Cloverland intends to vacate for electrical utility purposes. It is administrations intent in looking at the Cloverland building that it be utilized as a long-term temporary facility. As such when administration looks at renovations for this building the goal is to make it functional for the Department for a period of 5-10 years. It remains the City's long-term intent to locate the Police and Fire Departments at the Airport. This project is dependent on other development occurring with the Airport TIFA in order to facilitate financing for such a development at the Airport.

Earlier this year the City Commission accepted the location of Cloverland as the Police Department's new home. A lease has been negotiated with Cloverland that's presented for Commission review and approval. City Attorney Steve Cannello has reviewed the lease and has no objections to any of the language in the lease. The lease provides that the City will rent the Cloverland building and grounds with the exception of a storage building located on the east of the main building and a portion of the storage yard on the property at a rate of \$2,725.00 per month. The property owner will pay all property taxes as well as fire and extended coverage insurance on the building. The City would be responsible for insuring any contents and general liability insurance for use of the building. The building owner will be responsible for all electrical

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service costs with the City being responsible for any gas, telephone or other services or utilities used for this building. The primary heat for the building is electrical. The Lease period would begin on March 1, 2012. Cloverland would give the City possession as early as February 2012 to initiate renovation and construction as is necessary.

The second issue that the Commission needs to move forward with for this project is a proposal for design services for the conversion of this building into a usable Police Department. Northwood's has provided a proposal in an amount not to exceed \$24,000.00 for preparing design and bidding documents to convert the Cloverland Electric Service Center into a temporary facility for the City Police Department based on a floor plan that was developed on August 10, 2011 as has been modified since that time. A floor plan for the facility is attached as well as a report from Police Chief John Riley. Northwood's Land Surveying, Inc. has estimated that building renovation costs to house the City Police Department will run an estimated \$250,000.00 for construction. Police Chief John Riley wants to work to reduce that expense to the extent possible in order to make this a usable facility for the Police Department but have it meet code and other service requirements to adequately serve the citizens of Sault Ste. Marie over the next 5-10 years.

Acting Finance Director Kristin Collins, Police Chief John Riley and City Manager Nebel are working through the various options of how to finance these improvements. It is administrations belief that the City should utilize the General Fund balance to meet these expenses. Based on the City audit received earlier this year the City ended the year approximately \$200,000.00 better than what was anticipated at budget time. As a result this funding could be used for this expense. As an alternative, the City Commission could do a purchase installment type financing agreement for these improvements if the City wanted to spread these expenses out over two or three years.

A third alternative would be to utilize a loan of funds from some of the other reserves in the General Fund where the City does not anticipate utilizing those reserves in the next few years with payment back to those reserves being done via budget. Once administration has a clear understanding of the expenses for renovating this structure and once design is complete then administration will bring back a specific recommendation to the Commission. It is both the opinion of Acting Finance Director Kristin Collins and City Manager Nebel that the City has the financial capability of covering the expenses for renovations of this facility.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the City Commission authorize the City Manager to execute a lease with Cloverland Electric Cooperative for the building and premises located at 401 Hursley Street, Sault Ste. Marie, Michigan with the exception of a storage building located to the east of the main building and a portion of the storage yard on the property for a period of time beginning March 1, 2012 and ending March 1, 2017 for a monthly lease amount of \$2,725.00 including lease modifications allowing the City to opt out should bids for renovations come in over budget and options for renewal.

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

Moved by Commissioner Lynn, supported by Commissioner Bauer

That the City Commission authorize the City Manager to execute an agreement with Northwood's Land Surveying, Inc. in an amount not to exceed \$24,000.00 through the bidding process for the preparation of a final design and bidding documents to convert Cloverland Electric Service Center building into a temporary facility for the City Police Department.

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

Moved by Commissioner Lynn, supported by Commissioner Shimmens

That the City Commission appropriate the \$30,000.00 reserve established for Police Department renovations in the General Fund in the current year budget to cover engineering expenses for this project.

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

AUTHORIZATION OF AN APPLICATION FOR THE 2012 ELECTRONIC POLL BOOK LAPTOP PROCUREMENT PROGRAM FOR THE ACQUISITION OF LAPTOP COMPUTERS FOR THE CITY'S ELECTION PRECINCTS:

The Department of State Bureau of Elections has announced the third round out of the electronic poll book program. This program provides laptop computers to the Cities and Townships who wish to use the qualified voter files software provided by the State of Michigan. As part of this program the Bureau of Elections will purchase one laptop computer and associated equipment for each precinct in the jurisdiction. As an incentive to go forward with this technology, the State has agreed to cover 50% of the voting system extended service and warranty contract costs for voting equipment in addition to providing the computers for jurisdictions that implement the program in 2012. By having this software on laptops at the polling stations, election workers will be able to swipe drivers licenses to expedite the review of registered voters and help voters who are at the wrong polling place find the correct polling place for them. The experience of various Clerks' who have implemented this system has been very favorable.

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Moved by Commissioner Burton, supported by Commissioner Gerrie

That the City Commission authorize the submission of a request for qualified voter files electronic poll book (EPB), laptop and accessories for each of the City's three election precincts.

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

ACCEPTANCE OF DTE ENERGY FOUNDATION TREE PLANTING GRANT AND APPROPRIATION OF LOCAL AND GRANT FUNDS FOR THE PROJECT:

On December 20, 2010 the City Commission authorized the application for a grant of \$3,000.00 from the DTE Energy Foundation with a local commitment of \$4,151.31 in local funds and \$1,062.09 in in-kind funding for the this project. The City Tree Commission will determine where the trees will be planted along the City streets. Administration has been focusing on those areas where CSO construction required the removal of trees as a first priority.

Moved by Commissioner Stefanski, supported by Commissioner Burton

That the City Commission accept the grant of \$3,000.00 from the DTE Energy Foundation Tree Planting Program.

That the City Commission appropriate the \$3,000.00 of grant revenues and \$7,152.00 in expenditures with \$4,152.00 being appropriated from the City's contingency fund to match this grant.

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

AUTHORIZATION OF A SUB-CONTRACT FROM THE SAULT TRIBE OF CHIPPEWA INDIANS FOR "HEALTHY PEOPLE 2020 ACTION PROJECT FUNDING" THROUGH THE SAULT TRIBE'S STRATEGIC ALLIANCE FOR HEALTH:

The City Commission has agreed to participate in a Safe Routes to School improvement project that will construct sidewalks on Seymour and Marquette Avenue. In discussions between the engineering staff and the Sault Tribe Strategic Alliance for Health (SAH) it was decided that \$2,250.00 of these grant funds could be used to offset engineering expenses for the construction of the sidewalk. In order to proceed with receiving these funds it is necessary for the Commission to approve the attached agreement with the Tribe.

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The agreement provides that the City submit a work plan proposal and signed contract no later than December 31, 2011. City Engineer Linda Basista has discussed this with the Tribe and they have indicated that it is acceptable for the City to submit the signed agreement and work plan during the first week in January.

Moved by Commissioner Bauer, supported by Commissioner Gerrie

That the City Commission approve a sub-contract between the Sault Ste. Marie Tribe of Chippewa Indians and the City of Sault Ste. Marie for \$2,250.00 of funding from the Healthy People 2020 Action Project funds to offset engineering expenses related to the Safe Routes to School sidewalk to be constructed on Marquette and Seymour Streets.

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

BIDS FOR THE DEMOLITION OF A RESIDENTIAL STRUCTURE LOCATED AT 2130 W. 4TH AVENUE:

On Tuesday, January 3, 2012 bids will be opened for the demolition of a structure located at 2130 W. 4th Avenue. This structure was originally condemned and later acquired by the City in the tax foreclosure sale on July 1, 2011.

The former owner became an unauthorized tenant. Eviction proceedings were initiated with the structure being vacated by the end of October. Once the structure was vacated the City pursued quotes on conducting the required asbestos survey and authorized that work to proceed and once that data was available bids were issued for demolition. Due to the unseasonably mild winter, administration wanted to get the bids in early enough in January where a contractor would have an opportunity to tear this building down this winter. Administration has also asked the contractors to give a second alternative price if the City allowed them to wait until the end of May to complete this work. The actual bids will be received on the day of the Commission meeting with a supplemental report being provided to the Commission with a recommendation on how to proceed with awarding this bid.

This was one of the structures that was identified by the Blight Committee as a problem property. This property took a few twists and turns in order eventually gain control of the property and evict the tenants of the property to allow the asbestos evaluation work and demolition to go forward.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the City Commission award the bid to Reid Contractors, Inc. Of Dafter, Michigan in the amount of \$ 11,035.00 with substantial completion by the February 6th

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deadline, with restoration work taking place in the spring.

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

REPORT ON OPTIONS FOR AUDIO ON THE CITY'S PUBLIC, EDUCATION,
AND GOVERNMENT (PEG) CHANNEL:

At the November 7, 2011 City Commission meeting the Commission approved Policies and Procedures for the City of Sault Ste. Marie Public Education and Government Access Channel (PEG) use. The Policy did not address the transmission of audio information over the PEG Channel.

Receiving a clear-cut answer has been a bit challenging as to whether the City would incur any costs for rebroadcasting music from a radio station. Tom Ewing, Vice President and General Manager of Sovereign Communications contacted the Michigan Association of Broadcasters legal advisor outlining the City's concerns about having to pay companies such as ASCAP a fee for re-broadcasting music that's played over the radio station. Mr. Ewing was not aware of anyone paying fees for rebroadcasting a local radio station over a public system. Cable companies are not required to pay any fees for the re-transmission of local stations.

The opinion from legal counsel for the Michigan Broadcasters Association is that if the City were just re-transmitting the local radio station over the air on the cable system that should be okay. Based on this opinion, and hearing of no other communities with PEG Channels having to deal with any additional fees for re-broadcasting radio stations, City Manager Nebel believes that it would be appropriate for the Commission to play one of the local radio stations on the PEG Channel for background audio. City Manager Nebel believes that this would create additional interest for people checking out the notices on Channel 97. This would be consistent with Charter's operation of Channel 97 prior to the City taking over this channel.

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

That the City Commission authorize the playing of a local radio station on Channel 97 to provide background audio for this information channel.

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

Status Report:

Economic Vitality Incentive Program (EVIP) – Collaboration Report:

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As part of the requirements under the Economic Vitality Incentive Program (EVIP) communities are required to take several actions to both document and improve the efficiency for local governments providing services to their citizens. The first report that had to be submitted this fall required local units of government to create a dashboard that would be placed on local unit of governments websites to allow citizens a simple explanation of the status and trends of finances for each local unit of government. The City completed this task and submitted the certification to the Department of Treasury to make the City eligible for 1/3rd of the EVIP payments (formerly statutory revenue sharing payments). This effort was completed prior to the deadline of October 1, 2011.

The second deadline was for the development of a report and plan regarding collaborative efforts that have occurred within a local unit of government and those collaboration efforts that are proposed for the future. Attached is the report submitted to the Michigan Department of Treasury to outline the past collaboration activities as well as outline those issues that will be addressed in the future. This plan was submitted to the Department of Treasury prior to the January 1, 2012 deadline.

The final requirement of EVIP will be to address long term health insurance and retirement benefits for public employees. This report is due in May.

Each of these steps equate to 1/3 of the EVIP payment. The EVIP payments are equal to 2/3rds of the statutory revenue sharing that the City received in the previous year. If the City qualifies for all three payments then the total statutory revenue sharing will be approximately 1/3rd less that what the City received last year in statutory revenue sharing.

City Manager Nebel appreciates the efforts of all the various departments to provide information required by the State for this effort and City Clerk Robin Troyer for compiling and drafting this report to meet the requirements under the Economic Vitality Incentive Program as approved by the legislature as part of the State's annual budget process in May of this year.

Worksession on Monday, January 9th at 7:00 p.m. on Reorganization Alternatives:

City Manager Nebel has been working with City staff on various aspects of evaluating the organizational structure and evaluating how the peer cities (those cities with 10,000 or more population north of Mt. Pleasant) are organized to provide services to their citizens. It is City Manager Nebel's hope that the City can incorporate various best practices and organizational structure to the City of Sault Ste. Marie in order to maintain services for the citizens at a lower cost.

The City has an opportune time to take a look at reorganization with the

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significant number of vacancies the City currently has in various administrative positions within the organization

MATTERS PRESENTED BY THE PUBLIC:

Bob Matley of the Bomb Shelter asked the City Manager status of his outstanding issues at the Bomb Shelter. City Manager Nebel asked Mr. Matley to contact the City Manager's office to set up a time to meet.

MATTERS PRESENTED BY THE CITY COMMISSION:

Commissioner Stefanski asked if snowmobile signs could be placed on Easterday.

Commission Lynn asked Assistant Port Director Lynn the process for applying for a job with the Customs and Boarder Protection.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the meeting adjourn at 9:00 p.m.

Motion carried unanimously.

ANTHONY G. BOSBOUS, MAYOR

ROBIN R. TROYER, CITY CLERK

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