

## MEMORANDUM

**TO: Mayor and City Commission**

**FROM: City Manager Nebel**

**DATE: December 21, 2009**

**SUBJ: 2009 Year End Report**

Annually, it has been my tradition to reflect on the past year's events that have impacted the City of Sault Ste. Marie either at the City Commission level or within the City organization. Enclosed is a report that covers significant actions that the City Commission has taken during the past 12 months.

2009 was a very significant year in which global and state economic issues certainly impacted local governments such as the City of Sault Ste. Marie. I believe that the City did position itself reasonably well in order to take advantage of some of the federal stimulus dollars that were available during the course of the past 12 months due to the global recession that occurred during this time.

The administrative staff and the City Commission acted on a number of issues during 2009 that will have a significant impact on the community in 2010. This includes such projects as the Combined Sewer Overflow (which will take place in 2010 and 2011), the Federal Building renovation into City Hall (which will take place during 2010), the renovation of Rotary Island with a Michigan Department of Natural Resources Trust Fund Grant, and several building projects will have a significant impact on the landscape of Sault Ste. Marie for years to come.

Please note that in 2009, two major projects slowly moved forward that will impact the region. This includes the construction of the coffer dams at the Soo Locks and Mascoma Corporation's plans to construct one of the first cellulosic ethanol plants in neighboring Kinross Township. In both cases, these projects are still moving forward, but due to economic and budgetary constraints, it is unclear whether either of these two projects will be moving forward in a significant way at some point during the 2010 year. Both of these projects would have a significant impact on the economy of the Eastern Upper Peninsula.

2009 also saw the retirement of a number of employees with the City of Sault Ste. Marie. These include:

<u>Employee</u>	<u>Last Date of Employment</u>
Ken Eagle	June 12, 2009
William Kellis	June 30, 2009
Tom Chadwick	July 31, 2009
Pat Lightfoot	December 31, 2009
Chuck Norton	December 31, 2009
Larry Crumley	December 31, 2009

We certainly appreciate their 100+ years of contributions towards the City of Sault Ste. Marie and wish them very well in their retirement.

As has been the case for the past couple of years, I have also outlined what I believe were the top events and issues for the 2009 calendar year. These items are outlined first with the general activities following.

### **TOP EVENTS AND ISSUES FOR THE 2009 CALENDAR YEAR**

Below are some of the top issues that impacted the 2009 year for the City of Sault Ste. Marie. Please note they are not listed in order of priority.

1. The City of Sault Ste. Marie was able to take advantage of a number of funding programs through the American Recovery and Reinvestment Act (ARRA) of 2009. Projects benefiting from this federal reinvestment program include 40% of the eligible combined sewer overflow costs (\$2,766,000), the reconstruction of Oak Street from 4<sup>th</sup> Avenue to the L&M Trailer Park (\$310,000), and purchase of in-car cameras and border protection grant items (\$19,467) and Public Housing Improvements to the Sault Housing Commission (\$521,570). We currently still have applications outstanding for an energy grant and for the construction of a new fire station. In addition, the City plans to use federally subsidized Build America Bonds through ARRA to finance the City Hall and the Water Street Streetscape Project. We will continue to look for opportunities for use of federal stimulus funds for the City of Sault Ste. Marie.

2. Work proceeded throughout 2009 on the City's Sprawl Avoidance and Resource Management Initiative (SARMI) in order to provide a plan for the development of property suitable for commercial development and identifying critical wetland resources that should be preserved, enhanced, or developed in the future. A significant amount of data has been collected for this demonstration project, and it is anticipated that in 2010 a final plan will be ready for approval by the various regulatory agencies. The goal of this plan is to provide up front knowledge about the ability to develop certain parcels of property containing wetlands and preserving those significant environmental areas that would be negatively impacted by development. The goal of this program is to have our SARMI initiative provide information that would satisfy the "reasonable and prudent alternatives" studies required by the MDEQ that are necessary for significant wetland permits.

3. Work has continued in a significant way for the implementation of a SmartZone for the City of Sault Ste. Marie. This included the adoption of a Tax Increment Financing Plan by the Local Development Finance Authority, amendment of the Airport TIFA to allow funding to be used for the SmartZone, application for a federal EDA grant to help offset construction for a breeder building, and improvements to the incubator building and other similar work. Sault Ste. Marie's SmartZone is a partnership with Lake Superior State University and is one of only 15 designated in the State of Michigan for the purpose of taking technology and concepts and converting those into business opportunities and jobs for the Eastern Upper Peninsula.

4. The Sault Ste. Marie City Commission and City Administration has now officially gone paperless with the agenda packets for the City of Sault Ste. Marie. This will save the printing of almost 2,000 pages per City Commission agenda, which equates to about 48,000 pages of printed material through the course of a calendar year. The City will be saving the paper, printing, transportation, electrical resources, and time by utilizing an electronic agenda packet format in the future. The City Commission now receives Commission packet materials electronically and reviews this information on City issued laptop computers.

5. The City established Community Gardens in 2009. These gardens were utilized by members of the community to grow produce and/or flowers through the course of the summer. Overall, the gardens were very well received, and this program provides an outlet for residents to spend more time outside growing food that they can use for their families.
6. The City Commission expanded the Downtown Development Authority and the TIFA to include property from the Ashmun Street Bridge south through the Easterday intersection. This will help facilitate a future streetscape project for Ashmun Street from the power canal south through Easterday Avenue.
7. The City took major steps in the restoration of the Maple Ridge Cemetery Project, including the construction of a new wrought iron style fence around this facility. The fencing project was dedicated in August and this project has resulted in many positive comments from the community about restoring this significant cemetery located in the heart of Sault Ste. Marie.
8. Sault Ste. Marie was named as a Preserve America Community in 2009. This was a White House initiative under the previous President in order to recognize those communities that understand the importance of preserving their history and culture.
9. The City of Sault Ste. Marie purchased a new Pierce fire apparatus at a cost of \$469,970 utilizing a cash payment from the fund that the City has established to replace fire equipment. No financing was necessary for this purchase.
10. The biannual City election was held on November 3<sup>rd</sup> with Mayor Bosbous being re-elected as Mayor, and Commissioners Lynn, Bauer, and Burton being re-elected to terms on the City Commission.
11. The City of Sault Ste. Marie has received an Investment Grade of A+ from Standard and Poors despite the challenges communities in the State of Michigan are facing. This is an improvement over the last bond rating that was received by the City, which was a BBB rating. The basis for this rating is the City's practices of projecting revenues and expenditures into the future, levying sufficient fees to cover services when needed such as water and sewer fees, reducing expenditures when that's necessary, and maintaining proper fund balances in its operating funds.
12. The Michigan Municipal League has selected the City of Sault Ste. Marie as one of five demonstration communities for their 21<sup>st</sup> Century Cities Program. The Michigan Municipal League will be working with these five communities to demonstrate ways to improve the communities' livability for 21<sup>st</sup> century employees.
13. 2009 was extremely busy in moving forward with the Combined Sewer Overflow Control Program in order to take advantage of American Recovery and Reinvestment Act funds for 2010 and 2011. The City had an extremely narrow window in which to accelerate these projects in order to take advantage of 40% principal forgiveness for eligible separation costs as part of this project, which will result in a savings in principal repayment to water and sewer rate payers in an amount of \$2,766,000 plus interest that would have accrued on this amount. The City Engineering Department and Water & Sewer Department, along with C2AE consolidated what would normally be an 18 month process into a very consolidated 5 month period. The

design had to be completed in order to qualify for what appears to be a one time opportunity for principal forgiveness for that part of the project eligible for State Revolving Fund low interest loans. In addition to the design efforts, we have had to put together some fairly complicated financing in order to proceed with the bonding for these projects through both the Finance Department and Engineer Department.

Overall, it was very important that we set other things aside in order to get through this extensive process in a record time.

14. In 2009, the City's Blight Buildings Committee identified 82 properties that had some sort of blighted conditions. Of those 82 properties, the committee selected 17 priority properties for addressing for enforcement efforts. Of these 17 properties, 10 have been razed, 3 are working on corrections, 1 has been completely remodeled, 1 remains in non-compliance, and 2 are still within time limits for addressing violations. The Committee has also met and identified its priority properties for 2010. By focusing on the highest priorities, the department has been able to make significant progress in eliminating a number of substandard structures from Sault Ste. Marie. Furthermore, all 82 property owners were contacted and many addressed problems voluntarily in addition to the 17 priority properties.

15. Planning occurred throughout 2009 on the renovation of the Federal Building as a new City Hall with the City Commission accepting the plans in November of this year. This project will be bid yet this year and awarded early in 2010 when work will begin. It is the City's intention to take advantage of the American Recovery and Reinvestment Act Build America Bonds to finance the project at a reduced cost to the City taxpayers over conventional bonding.

16. Design work occurred with a steering committee, including representatives of the neighborhood, Historical Society, the Corps of Engineers, and others developing a streetscape to interpret the history of Water Street for construction in 2010 following the Combined Sewer Overflow work that will occur in 2010 on this street.

17. A number of major projects were completed during 2009, including the opening of a Super Wal-Mart Store, the major expansion and remodeling of the SuperValu Store, Riverside Medical, construction of an assisted living facility, renovation of a downtown building for medical offices, with total building permits equaling \$7,688,000 being issued to date in 2009. The total new building permits issued in 2009 are down significantly from last year's record amount of \$23,337,498.

18. The City went through a significant enhancement of its financial software system by upgrading the Civic System with the new Clarity software. This is enabling City staff to more easily generate various reports, and will help as we make more information available to the general public via web applications.

19. The City worked very closely with War Memorial Hospital and Moyle Construction on the development of a four story Medical Office Building under construction immediately to the north of the parking structure. This building will be connected via an elevated walkway to the parking structure and to the hospital as well. This project continues to build Sault Ste. Marie's medical office services downtown anchor.

20. The City of Sault Ste. Marie and immediate region recognized the ultimate sacrifice that individuals in the military make for their country with the loss of Army Specialist Brandon Steffey from the City of Sault Ste. Marie, Michigan, Master Corporal Scott Vernelli from Sault Ste. Marie, Ontario who served in the Canadian Armed Forces, and Army Sergeant Christopher Griffin who resided in Kincheloe. The support of the community was notable in recognizing the sacrifices made by these individuals in the defense of freedom. This certainly brought to all of our attention the personal cost paid to defend freedom in far away lands to individuals in the military and their families and friends. It was truly a humbling experience to see this community responded to these families in need during these challenging times.

## **YEAR END REPORT 2009**

### **Highlights of activities from the City Commission are as follows:**

- Authorize the collection of summer school taxes.
- Name the southeast corner lot as Market Corner.
- Authorize professional services for the design, environmental investigation, and permitting process for the Ashmun Bay Dredging Project.
- Heard the 2008 Year End Report.
- Provided an Obsolete Property Rehabilitation Exemption Certificate for the Old Central Savings Bank/Masonic Hall Rehabilitation Project.
- Approved an extension of a lease for the I-500.
- Approved an agreement with MDOT for modifications to the I-75 Business Spur and Meridian Street traffic signal to accommodate snowmobiles.
- Proceeded with the design of the renovations to the Federal Building to convert that facility into a City Hall.
- Approved Legislative Priorities for 2009.
- Participated in a Joint Meeting of the City Council of Sault Ste. Marie, Ontario and the City Commission of Sault Ste. Marie, Michigan at the Civic Centre in Sault Ste. Marie, Ontario.
- Heard a report on the establishment of the first Sault History Festival for Sault Ste. Marie.
- Approved a Finance and Development Plan for the Local Development Finance Authority in conjunction with the SmartZone.

- Approved the Budget and Operations Plan for Dial-a-Ride.
- Approved an agreement modifying and terminating the lease with Sault Ste. Marie Foundation for Culture and History regarding the relocation of the River of History Museum.
- Authorized the sale of the recycling building to Northern Transitions, Inc.
- Heard a report on the record setting contributions by City employees for the 2008 United Way Campaign.
- Approved a contract with the Fire Captains Bargaining Unit.
- Held a Goal Setting Session for the 2009-10 fiscal year.
- Discussed and approved, after review by the Planning and Development Commission and the DDA, a new ordinance allowing for private signs to project over the right-of-way in the Central Business District.
- Awarded bids for the Maple Ridge Cemetery Fencing Project.
- Purchased a 2009 4-wheel drive half-ton pick-up truck for the Water and Sewer Dept.
- Accepted a grant agreement from the Michigan DEQ for assistance in doing the Water Street Restoration Design work.
- Proceeded with the establishment of a Community Garden Program.
- Authorized a grant application for the old Merchant Marine Library – This was granted.
- Held hearings and approved a Local Development Finance Authority Tax Increment Financing and Development Plan for the SmartZone Implementation
- Applied for funding and was granted funding from the Michigan Natural Resources Trust Fund for pavilion at Sherman Park
- Approved a Brownfield Redevelopment Plan for the Medical Office Building Project located immediately to the north of the parking structure.
- Approved a moratorium on windmill use in the City until a new ordinance can be put into place. This moratorium did expire; however, the Planning and Development Commission is expecting to have an ordinance for the City Commission's review after the first of the year.
- Amended the Airport Tax Increment Financing Authority to facilitate use of funds for SmartZone purposes.
- Approved MDOT contract for operating funding for Dial-a-Ride.

- Held hearings on the amendment to the 1994 and 1997 SRF and DWRP project plans to facilitate the CSO Control Program Phase C.
- Appointed a task force related to the implementation of Tree City USA.
- Authorized a Kresge Foundation Grant for LEED Certification for the Federal Building. This grant was not approved.
- Heard a report on the use of streets by snowmobiles for the 2008-09 winter season. Overall, not an unusual number of complaints were filed with the police regarding use of streets by snowmobiles.
- Authorized the purchase of four laryngoscopes for the Fire Department, Kinross EMS, and Bay Mills EMS.
- Authorized a spring clean-up for 2009.
- Approved contracts with the Department of Public Works Unit and the Fire Fighters Unit of the United Steelworkers of American Local 13635.
- Reviewed project selection for the Small Urban Program under the American Recovery and Reinvestment Act. Oak Street from W. 4<sup>th</sup> Avenue to the railroad tracks was selected for this project.
- Heard a report from the Airport Board recommending the installation of a temporary sea plan dock near Rotary Island. This has been put into place.
- Heard a report from David Wentzel on the current condition of the Police-Fire Pension Fund.
- Participated in various aspects of developing the budget for the fiscal year beginning July 1 and ending July 31, 2010.
- Converted the Civic Systems computer software to the new Caselle Clarity system.
- Acquired document management in Agenda Plus software.
- Authorized engineering for the Rotary Island Improvement Project.
- Authorized several grants for the Fire Department.
- At a special meeting, the Commission approved the resolution adopting Phase C Amendment No. 3 to the 1994 SRF and 1997 DWRP Project Plan, authorized a Professional Service Agreement for the Water Street Streetscape and Roadway Project, and authorized a Professional Service Agreement for the Combined Sewer Overflow Project Phase C.
- Renewed the Fixed Base Operator Agreement with Soo Air.

- Authorized a grant for polling place improvements at Washington Elementary School. This grant was approved.
- Approved going forward with Community Gardens with an agreement with Edison Sault Electric Company for use of property along the power canal.
- Approved Single Lot Special Assessments for the summer and winter taxes.
- Heard requests from the Soo Township third grade class regarding walking and biking paths along the power canal.
- Heard a request from Sandy Gervais regarding development of a late night bus route and time restrictions for outdoor events.
- Purchased two large lawnmowers for the golf course with the purchase being financed then paid back with golf course revenues.
- Purchased surveillance camera equipment for the International Bridge through a federal grant that was awarded to the City.
- Authorized the Construction Management Services Agreement with DeVere Construction Company of Alpena, Michigan for serving as construction manager for the Federal Building.
- Approved a request for funding through the Local Bridge Program to the Michigan Department of Transportation. This grant has been awarded for the replacement of the Mission Street Bridge in 2012.
- Authorized a curfew extension for downtown outdoor events.
- Heard a report from Nikki Dowd regarding improvements to the playground at the corner of Shunk and 10<sup>th</sup> Avenue. Since that time, 2% funds in the amount of \$40,000 have been awarded by the Tribe towards the development of this park.
- Approved new State Trunkline Maintenance Contract.
- Heard a report on the proposed road width for the CSO Control Program Phase C-1 and C-2.
- Condemned the structure at 1801 Ashmun Street – the Bambi Motel.
- Expanded the Downtown Development Authority and the Tax Increment Financing Plan by including an area south of the Edison Sault power canal to Pine Street on the west, Court Street on the east, and Adams Avenue and Pine Street on the southerly boundary of the new district.
- Authorized bids to demolish a residential structure at 1017 Minneapolis Street.

- Authorized bids for the placement of pedestrian crossing signals at Osborn and Portage Avenue and to replace a traffic signal on W. Easterday Avenue at Ryan.
- Accepted a proposal from Anderson Tackman to conduct the City's annual audit.
- Extended the Purchase Agreement with Moyle Development for properties located south of Sanderson Field.
- Authorized a contract with Wilcox Professional Services, LLC to provide design engineering services for a proposed W. Portage Avenue Multi-Use Bike Path Construction Project.
- Authorized an application for funding for the construction of a new Fire Hall – this is still pending.
- Authorized an amendment to the June 17, 2002 vacation of Division Street for facilitating the new Medical Office Building.
- Approved new agreements for the operation of the Water Street Historic Structures with Le Sault de Sainte Marie Historic Sites and the Chippewa County Historical Society.
- Applied for and received Snowmobile Enforcement Reimbursement funds from the Department of Natural Resources.
- Amended the ordinance by providing a four year period to complete construction on the Park Place City Center Development as part of the payment in lieu of taxes agreement.
- Awarded a contract with Wilcox Professional Services for the design engineering services for a proposed Downtown Interpretive Trail Construction Project.
- Approved a contract with Wilcox Professional Services for design engineering services for Oaka Street.
- Renewed the Pullar Concession Agreement.
- Approved a Brownfield Redevelopment Plan for the Bambi Motel.
- Approved the use of the Sault Seal Recreation Area for disc golf on a trial basis.
- Approved a contract with Info Geographics, Inc. for GIS Parcel Base Map finalization.
- Approved engineering for Fort and Emeline Streets.
- Approved a contract for design services on the proposed SmartZone Breeder Building Project.
- Approved program funding as recommended by the Community Services Board.

- Awarded the bid for the reconstruction of Swinton Street.
- Requested that Charter not eliminate the weather channel from the cable basic tier, since it was being offered in other places in the U.P. Charter did agree to restore the weather channel to the cable basic tier as long as anyone else in the U.P. is receiving it as part of that viewing package.
- Authorized continued use of the Pullar by the Soo Eagles Junior A Hockey Team.
- Awarded the bid for a new police car.
- Purchased three new defibrillators for the City ambulance system.
- Authorized an agreement with the Michigan Natural Resources Trust Fund for funding for the Rotary Park Redevelopment Project.
- Approved a Purchasing Policy and Procedure, which implements the capabilities of our new Civic software for purchasing.
- Discontinued the in-city goose hunt for 2009. Populations of geese will be evaluated during the hunting season to determine whether there will be an in-city goose hunt for 2010.
- Approved a contract with the Police Patrol Unit.
- Provided a pay increase for non-union, department heads, and the City Attorney.
- Held a special meeting for the bid award for the Washington School improvements in order to accomplish that work before the beginning of the school year. This work was awarded and substantially completed prior to the start of school.
- Provided conceptual approval to the establishment of a dog park in Sault Ste. Marie.
- Approved a request from the Historic Development Commission to appropriate Osborn Trust Funds to publish a book on Sault Ste. Marie's buildings present and past.
- Heard a report on the success of the Blight Committee.
- Approved 20 Special Assessment Districts for the CSO Phase C Project.
- Amended the Local Bid Adjustment and Award provisions so that the differential between a local bidder and a non-local bidder is the value of personal property, not just the taxes paid.
- Approved a policy for the City Commission's use of laptop computers.
- Authorized a letter to the DNR requesting that the DNR continue maintaining the Algonquin Ski Trail. After receiving a letter from the DNR indicating that they would maintain the ski trail, a press release was issued indicating that they wouldn't be maintaining the ski trail. In

conjunction with the Sault Area Chamber of Commerce, funding has been secured to assure a maintenance level of the ski trail for this winter.

- Purchased a new tow-behind stump cutter.
- Accepted a proposal for the operation of the Sault Seal Recreation Area concession by a private contractor.
- Renewed proposals for advertisement for the Pullar Building with Legends.
- Accepted design proposals for the Oak Street Resurfacing Project.
- Approved a contract with the Police Sergeants.
- Heard a report on the impact of revenue sharing cuts for the City of Sault Ste. Marie.
- Heard a report from the Local Officers Compensation Committee with a recommendation for a 2.5% increase in compensation for the Mayor and Commission. The Commission rejected this recommendation.
- Purchased an all-wheel drive front-end loader.
- Purchased a loader-mounted snow blower.
- Provided a tentative construction contract award for the CSO Control Phase C-1 and C-2 Utility Improvement Projects.
- Applied for a Michigan Energy Efficiency and Conservation Block Grant through the federal stimulus. This grant is still pending.
- Approved a resolution in opposition to EPA guidelines that would have mothballed a number of Great Lakes freighters. In the Appropriation's Bill, Congress prohibited the implementation of those new guidelines keeping those ships in service.
- Established an account for improvements to the Shunk Road Park as part of the Bill Down Memorial.
- Authorized an amount not to exceed \$16 for various bond issues to complete the CSO Phase C work, including financing through the Chippewa County Department of Public Works.
- Amended the ordinance for the Park Place City Center Development service charge in lieu of taxes to include a definition required by MSHDA.
- Held an organizational meeting following the re-election of Mayor Bosbous, Commissioners Lynn, Bauer, and Burton to new term on the City Commission.
- Applied for an EDA grant to offset costs for the construction of a breeder building and incubator improvements as part of the City's new SmartZone.

- Authorized bidding to go forward on the Federal Building Renovation Project.
- Authorized a lease to Durocher Dock and Dredge for the use of the Carbide Dock for the coffer dam project.
- Heard a report from Anderson Tackman regarding the City's audit for the fiscal year that ended June 30, 2009. Anderson Tackman was able to provide an unqualified opinion as to the financial statements accurately reporting the City's current financial status.
- Authorized negotiations of an agreement for the purchase of the I-500 property to Atto USA Development LLC.
- Awarded the bid for the Wastewater Treatment Plant roof replacement.
- Awarded a proposal to operate the Aune-Osborn Campground to Jeff and Becky Collia.
- Approved a Poverty Exemption Policy for those who are unable to pay property taxes with the Board of Review having final authority over exemptions granted.
- Authorized the establishment of a non-profit entity to operate the City's SmartZone.
- Heard a report on the current City staffing vacancies and authorized employees to be hired for a specific term ending June 1, 2010 in order to provide flexibility in addressing budget situations that will occur by that time.
- Heard a report from the Sault Area Chamber of Commerce about establishing a marathon race in Sault Ste. Marie in the fall of 2010.
- Considered approval of an Ambulance Service Provider Agreement with War Memorial Hospital.
- Considered confirmation of appointment of Jason Thorpe as the City's next Fire Chief.

Furthermore, during the course of 2009, the City Commission had various presentations on the agendas including the following:

The 2008 Holiday Decoration Awards

Humanitarian Distinguished Award to Scott Albon for his life saving efforts

Presentation by the Soo Township 5<sup>th</sup> grade class on their trip to Lansing

Presentation by the Chippewa County Health Department on walkability

Recognition of the 30<sup>th</sup> Anniversary of Hoover Precision Products

Proclamation for National Uninsured Week

Moment of silence for Canadian Forces Master Corporal Scott Vernelli of Sault Ste. Marie, Ontario, Kincheloe resident Christopher Griffin, and Sault Ste. Marie resident Army Spc. Brandon Steffey, who lost their lives in the war with Afghanistan defending their countries

Proclaimed "Take Back Give Back Week"

Received a presentation of the original Sister City Agreement between Ryuo-cho and the City of Sault Ste. Marie by Johann and Waltraut Ingold, and

Proclaimed National Long-Term Care Residents Rights Week

In addition, based on my review of the agendas for the past year, the City Commission took the following actions:

Approved minutes for 32 City Commission meetings

Approved minutes for 123 boards and committee meetings

Approved 11 Liquor Control Resolutions

Held 4 closed sessions

Appointed 27 individuals to serve on various boards and commissions

Conducted 2 rezoning hearings

Authorized 3 Right-of-Way Use Agreements

Approved 21 Special Assessments for road improvements.

Approved 3 land divisions/lot splits

Approved 1 street vacation

Approved 3 Traffic Control Orders

**Other highlights from staff are as follows:**

- Completed reconstruction of W. 10<sup>th</sup> Avenue
- Completed reconstruction of 7<sup>th</sup> Street
- Completed drainage improvements on W. 26<sup>th</sup> Avenue
- Reconstructed Swinton Street
- Placed walkway lights at the intersection of Osborn Blvd. and Portage

- Installed LED traffic signal at Easterday and Ryan
- Completed work on the Easterday Avenue water standpipe restoring functionality to the structure
- Applied for an Enhancement Grant for Water Street Streetscape
- Coordination of a possible grant from the Great Lakes Restoration Initiative for significant environmental cleanup activities in the St. Mary's Watershed
- Updated the Master Recreation Plan for 2010 – 2014
- Proceeded with Ashmun Bay land acquisition with the Michigan Natural Resources Trust Fund
- Continued with the Little Italy Neighborhood home improvement program
- Initiated various steps with the 2010 U.S. Census
- Participated in U.P.-wide Regional Innovation Grant for the creation of a U.P. Development Strategy
- Expanded use of GovDeals, which is an internet site for selling government used equipment with 41 items being sold generating total revenue for the City of over \$19,000
- Updated the City of Sault Ste. Marie Purchasing Policy
- Finalized the sewer back-up claims from the Eureka/Peck back-ups from 2007
- Purchased new in-car cameras for patrol units
- Implemented advanced accident reporting software, which will enable officers to do reports electronically in patrol units.
- Implemented thermo imaging technology for mobile use in the Police Department
- Took advantage of a number of federal grants to increase patrol coverage in conjunction with other federal agencies
- Utilized Buffer Zone Grants to purchase equipment for the City of Sault Ste. Marie as well as other agencies
- Police Officers of the department achieved Advanced Police Officer status
- In the Assessor's Office, software has been updated to a .net version with the upcoming GIS base map of the City's tax records.

- The Assessor's Office dealt with an increased number of commercial property owners wishing to have their valuations decreased based on the current economic conditions.
- The Finance Department has implemented a fringe benefit allocation based on actual expenses versus a pooling of all expenses distributed as a percentage of payroll in each account area.
- Finance Director John Boger received Advanced Fiduciary designation from MAPER (the retirement administrator's association).
- Completed renovations to the Sault Seal Recreation Area bog walk, including pavilion roof replacement, brushing, boardwalk repair and replacement, and general maintenance
- Parks and Recreation Department assisted with the James Laucks Ballfield Improvement Project
- Information Systems has installed the new Clarity version Dashboard for use by departments for checking financial information.
- The BS&A software has been upgraded in order to utilize SQL server to handle data
- The Water Treatment Plant completed the fluoride storage and feed system project, which has been placed into service.
- Repaired 26 water main breaks in 2009 (to date)
- Continued efforts on mapping the City's water, sewer, and storm utilities
- The Water & Sewer Department spent a significant amount of time planning and gathering data for the upcoming CSO Phase C Project.
- The Fire Department was awarded a grant for video laryngoscopes. We are one of the first paramedic services in the nation with this capability.
- The Fire Department trained all personnel on the operation and maintenance of the new fire engine – Unit 52.
- The Fire Department was awarded grants for exercise equipment, new nozzles, and a thermo imaging device for the department.
- The Fire Department has implemented a new EMS report writing system and added a laptop for report purchases for out of town transfers.
- The Fire Department has reviewed expenditures for the ambulance transfers for War Memorial Hospital with the recommendation to continue providing that service based on the revenues covering the costs of the transfers.

- The Street Department dealt with snow plowing and removal services for the street system with an official seasonal snowfall of 123.7 inches of snowfall in the 2008-09 winter season.
- The Street Department replaced a large number of sidewalks utilizing crews supplemented with the Michigan Works program with 6 youth workers.
- Conducted a substantial brush removal program utilizing City staff and Michigan Works youth workers.
- The Street Department had a crew that focused extensively on the replacement and repairs to catch basins and culverts throughout the City.
- Efforts were coordinated by Human Resources on doing final testing for the time clock system, including the running of parallel payrolls with the time clock system and manual reports. Human Resources has indicated that we will initiate our reliance on the timekeeping system (without manual backup) in the second payroll of January of 2010. All departments are utilizing the time clock system for clocking in and out of work.
- In order to create separation of duties, a policy shift has occurred with payroll entry being completed by Human Resources and verified by Finance.
- Completed the first draft of a new employee handbook, which is currently under review.
- Re-established an Employee Assistance Committee to work with our Employee Assistance provider to maximize the benefit of this program to City employees and their families
- The Special Health Determining Committee has spent a considerable amount of time in reviewing various proposals and developing health care programs within the allowable thresholds for the employees within the City of Sault Ste. Marie. From a personal standpoint, while the added financial responsibility has been challenging for all employees in relationship to their health care needs, I have been particularly impressed with the knowledge and sophisticated level at which the employee Health Determining Committee is now functioning.

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Overall, much has happened within the City of Sault Ste. Marie during 2009. As I indicated in the beginning of this report, I believe that we have laid the groundwork for a number of significant projects and processes that will be occurring in this upcoming calendar year. I do appreciate the diligence of the City Commission in providing both direction and oversight of City operations. I also believe that Sault Ste. Marie is certainly blessed with an excellent staff who is really committed to providing the services that we are all hired to provide to the citizens of this community. While there certainly may be disagreements from time to time on various activities, I do believe that within the resources available, we are providing a high quality level of service to the citizens of this community.

I look forward to the issues that will face the City in 2010 in many ways with some of the major projects that will be going on. 2010 will help reshape the face of this community for many years to come.

Respectfully submitted,

SPENCER R. NEBEL  
City Manager

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