

MINUTES OF REGULAR MEETING OF EAST TAWAS CITY COUNCIL MARCH 2, 2009

Meeting called to order by Mayor Bruce Bolen at 7:30 p.m. in the Council Chambers of the East Tawas City Hall.

Present: B. Bolen, L. Bolen, Cano, Freel, Klenow, Look and McMurray.

The Pledge of Allegiance was offered.

McMurray moved, Look seconded, CARRIED, to approve the agenda as presented.

There were no public comments on agenda items.

There were no public comments on non-agenda items.

Freel moved, Klenow seconded, CARRIED, to approve the minutes of the February 16, 2009 regular meeting and February 19, 2009 special meeting as presented.

The following correspondence was noted: a copy of the Main Street Program Notice of Intent, the STING newsletter and two thank you notes from the Chamber of Commerce for the City's involvement with Perchville 2009.

There were no Council Committee reports.

Staff Report: On behalf of TIFA Director Pasakarnis, City Manager Leslie presented a request for the Council to pay for four hanging baskets for the light poles at the Newman Street/Lincoln Street intersection that are outside of the TIFA district. McMurray moved, L. Bolen seconded, DENIED, to purchase four hanging baskets for the light poles at the north side of the Newman Street/Lincoln Street intersection at a cost not to exceed \$100 per basket. Yes: L. Bolen, Klenow, and McMurray. No: B. Bolen, Cano, Freel, and Look.

Freel moved, Klenow seconded, CARRIED, to receive the minutes of the February meeting of the Tawas Utilities Authority.

Becky Rivard was present to answer any questions concerning the Preliminary Engineering Study for the wastewater system improvements. Phase One would include a new lift station at Wadsworth Street, new generators for each lift station and replacing sewer lines in the older portions of the City. Due to the Federal Stimulus package, USDA is receiving three to four times their usual funding. Ms. Rivard indicated that the City still will not qualify for a grant but should be eligible for a 40-year loan at the current interest rate of 3.625%. Phase One of the plan totals \$4,000,000 and accepting a loan from USDA will increase the cost of the project by 10%-15% due to requirements of the federal monies. She also indicated that she expects the interest rate to go back up next year to a rate of approximately 5%. The next step to be eligible for the loan would be the Environmental Review and completion of the actual application. The City would have some funds available for the loan when the current sewer bonds are retired in November 2009 but sewer rates would probably need to be increased to have enough funds for the loan payments. Ms. Rivard reported that an organization called Rural Community Assistance Program from Gaylord will complete the Environmental Review at no cost to the City. Ms. Rivard told the Council that she has no history with this organization and does not know the quality of the work it performs. She stated that the City has time to complete the process so she would recommend that Rural Community Assistance Program be used for the Environmental Review and if there is a problem with the quality of the

organization's performance, the City would still have enough time to hire a firm to complete another Environmental Review. She indicated that the full application could be prepared concurrently with the Environmental Review or the City could wait until the Environmental Review is completed before completing the full application. It was the consensus of the Council to have Rural Community Assistance Program proceed with the Environmental Review.

Fire Chief Deckett reported on the information he received at the Fire Chiefs Conference. He reported on the ICS/EOC training and possible new procedures for obtaining burn permits. The past two years the burn permits have been handled through the State of Michigan but there is no longer enough money in the state budget to operate the system in the same way. The State is looking at ways to operate the system more efficiently. The new system will probably not give an actual permit or record the call but will only notify the caller if burning is allowed.

Bills and transfers having been properly presented, Look moved, McMurray seconded, CARRIED, that these transactions be approved. Yes: B. Bolen, L. Bolen, Cano, Klenow, Look, and McMurray.
Abstain: Freel.

Two proposals were opened for the use of the City-owned waterfront building. The first proposal was from Kit Egal of Tawas Bay Center for the Arts. He requested that the service to the community provided by the Center be considered toward the expense of the yearly lease. The second proposal was from Steve Klenow of Klenow's Market to lease the building for the sale of general merchandise and offered to pay \$1,500 for a lease from May 1, 2009 to September 30, 2009 with five equal monthly payments. Freel moved, Cano seconded, CARRIED, to receive the proposals and refer them to the Waterfront committee for review and recommendation.

It was the consensus of the Council to change the date of the next meeting from March 16th to March 23rd as requested by Clerk/Treasurer Baker.

Klenow moved, Look seconded, CARRIED, to adopt a resolution recognizing Dennis Frank for his outstanding service to the City of East Tawas and the Tawas Police Authority and officially thanking him for his twenty-two years of dedication to the protection and well-being of this community and offering him best wishes for health and happiness in his retirement. A copy of the resolution will be presented to Dennis Frank at his retirement party on March 14, 2009.

Councilwoman Bolen reported that she had talked to Gary Kellan from Oscoda Township and he thought there might be a couple spare generators on the former Air Force Base that the City may be able to get for the Community Center. Fire Chief Deckett indicated that he is working on other options for a generator but would also follow up with Gary Kellan. Councilwoman Bolen also noted that the streetlight at the corner of Newman Street and Tawas Lake Road may not be needed now that the decorative lighting is in place on Newman Street.

Mayor Bolen requested that the meeting with other municipalities interested in recycling be scheduled as soon as possible.

Meeting adjourned at 8:18 p.m.

Blinda A. Baker
Clerk/Treasurer