

MINUTES OF REGULAR MEETING OF EAST TAWAS CITY COUNCIL  
SEPTEMBER 8, 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.

Freel moved, Klenow 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.

McMurray moved, Cano seconded, CARRIED, to approve the minutes of the August 17, 2009 regular meeting and August 31, 2009 special meeting as presented.

The following correspondence was noted: a letter of resignation from Maureen Rudel, a letter from Bill Deckett concerning non-conforming signs, a letter from the City of Tawas City concerning the possibility of a joint library, emails from Mike Burdette concerning the Maple Tree Apartments PILOT program, a proposal for auditing services from Stephenson, Gracik and Company, a letter of resignation from the Library Committee from Sue Sozanski, and an invitation from Tawas City for an open house at the new City Hall and Fire Hall on September 16<sup>th</sup>.

Council Committee Reports: City Manager Leslie noted that the Overtime Committee will continue to meet. Councilman Cano requested a monthly report on the amount of overtime and the reason for the overtime pay.

Staff Report: City Manager Leslie reported that the Harbor Committee meeting will be at 1:00 p.m. on Tuesday, October 6<sup>th</sup> at City Hall. He also noted that he had spoken with Shawn Hunt who indicated that Hunt Brothers could install curbing on the second block of West Washington Street without the need for additional engineering and it would not create any drainage problems. The cost would be between \$8,000 and \$10,000. The additional funds would need to come from the General Fund. Look moved, Klenow seconded, CARRIED, to have Hunt Brothers install curbing on the second block of West Washington Street at the same unit cost as bid for the first block. Yes: B. Bolen, Cano, Freel, Klenow, Look, and McMurray. No. L. Bolen.

TIFA Director Pasakarnis reported that work on the corrections to the ADA ramps would begin this week and will be completed within three weeks. She also reported that the bid specifications for the downtown parking lot projects should be available within a couple of days and that the Authority would be making decisions at its next meeting on September 15<sup>th</sup>.

Police Chief Ferguson reported that Labor Day weekend was busy and that this was the first weekend without 24 hour coverage. He noted that he received three calls at home during the time when no

officer was on duty and responded to one of the calls. The other two calls were not deemed to be emergencies. Chief Ferguson noted that criminal complaints were up in East Tawas considerably in August. The officers have been spending more time investigating criminal complaints and in the office preparing reports and have had less time on the road doing traffic control. Chief Ferguson and Sergeant Parent will be working traffic control with the Triathlon this coming weekend.

Klenow moved, Freel seconded, CARRIED, to receive the minutes of the August meeting of the Housing Commission, the August report of the Fire Department, the minutes of the September 3, 2009 special meeting of the Tax Increment Finance Authority and the minutes of the September 3, 2009 Zoning Board of Appeals hearing.

Councilman McMurray reported that the Committee met with Tim Sullivan last week concerning the progress at the Norman's store. The survey of the property has been received so the legal documents can now be drafted. He noted that it appears that progress is being made but is slower than expected. Tim Sullivan indicated that bid documents are being prepared and they have every intention of beginning the project this Fall. The parcel of property needed for the sidewalk and bollards is 5' by 55'. Kim Higgs, attorney for Norman Corporation, drafted a warranty deed for the property in question. Councilman Freel indicated that once the project is completed, the parcel of property could be conveyed with a quit claim deed. The City and Norman Corporation are in the process of completing a Memorandum of Understanding to resolve the issues that need to be resolved before the conveyance of the property will occur. City Manager Leslie noted that there is a sanitary sewer line under the property in question and a utility easement will need to be part of the agreement. Klenow moved, McMurray seconded, CARRIED, to continue the Norman Corporation show-cause hearing to the next meeting. Mayor Bolen suggested that another meeting be held with representatives from Norman Corporation by the end of the month.

Discussion was held concerning the proposed application to the United States Department of Agriculture (USDA) for a loan for a potential wastewater system improvement project. Sewer rates would have to be raised to pay for the loan with the amount of the increase dependent on whether or not millage was levied to help pay for the debt. Although it was noted that the City would be under no obligation to proceed with the project even if loan approval was given by the USDA, questions were raised as to how this might affect future applications to USDA. Becky Rivard from Wilcox noted that she did not believe that USDA would hold it against the City if the City determined that accepting the loan package was not in the best interest of the City. Since the Council still had many questions and was not sure if the complete loan application should be submitted, City Manager Leslie suggested that Chris Maxwell from USDA be asked to meet with representatives of the City to try to get the questions answered. It was the consensus of the Council to meet with Ms. Maxwell.

Following discussion, Klenow moved, Cano seconded, CARRIED, to approve the Traffic Control Order for a four-way stop at Newman Street and Westover Street. City Manager Leslie will get prices for larger, more reflective stop signs at this location.

Based on a letter from Bill Deckett stating concerns with the draft, no action was taken on the proposed ordinance in reference to non-conforming signs. The draft ordinance will be tweaked to make it more clear and will be brought back to the next meeting.

Due to the length of the meeting, discussion of the requested letter concerning the Maple Tree Apartments PILOT program was moved up on the agenda. Mike Burdette and Gary Shaw, owners of Maple Tree Apartments, were present at the meeting and reported on the change in how tax credits are now being handled. Based on the availability of federal money through the Michigan State Housing Development Authority (MSHDA) and the regulations for the use of this money, Mr. Burdette and Mr. Shaw have been notified that their application has been shelved because they do not have a PILOT program for the full twenty years of the project. They are asking for a commitment from the Council to change the ordinance to allow the Maple Tree Apartments PILOT program for twenty years. Attorney Freel has been working with Mr. Burdette and Mr. Shaw to draft a letter with the necessary wording. Mr. Burdette and Mr. Shaw noted that the City will be guaranteed that the apartments will continue to be maintained because oversight of the project will be performed by both MSHDA and USDA. Part of the federal funding would create reserve accounts to provide assurance that the project will remain in good condition. It was the consensus of the Council to have Attorney Freel work with City Manager Leslie to draft a letter on behalf of the City that will be acceptable to MSHDA while still protecting the City of East Tawas.

Discussion was held concerning the response from the City of Tawas City to the City's letter asking if Tawas City was interested in pursuing the idea of a joint library. Based on the response from Tawas City, a meeting of the Library Committee will be scheduled.

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

Based on concerns regarding the ability to determine accountability between the City's water billing to customers and Huron Shore Regional Utility Authority's billing to the City, it was the consensus of the Council to postpone action on a resolution to change to a quarterly billing cycle until the next Council meeting.

Discussion was held concerning a distracted driver ordinance drafted by Councilman Freel. Councilman Freel will tweak the draft based on the discussion. Council members indicated that they would be more willing to support the ordinance if a violation was a civil infraction rather than a criminal offense. A civil infraction ordinance has been discussed in the past and it was the consensus of the members to pursue a civil infraction ordinance at this time.

The following bids for a salter/sander for the new snowplow truck were opened: Knapheide Truck Equipment \$15,226, Monroe Snow and Ice Control \$14,222, Monroe Truck Equipment - Flint \$16,775, Truck and Trailer Specialties of Boyne Falls, Inc. \$13,859.55. Freel moved, Klenow seconded, CARRIED, to receive the bids for a salter/sander and refer them to City Manager Leslie and DPW Superintendent Lixey for review with power to act. Yes: B. Bolen, L. Bolen, Cano, Freel, Klenow, Look, and McMurray.

Freel moved, McMurray seconded, CARRIED, to accept the proposal from Stephenson, Gracik and Company for auditing services for a period of five years. Yes: B. Bolen, L. Bolen, Cano, Freel, Klenow, Look, and McMurray.

Freel moved, McMurray seconded, CARRIED, to accept a letter of resignation from Maureen Rudel from both the Zoning Board of Appeals and the Housing Commission with regret and thanks.

Discussion of employee compensation and insurance benefits was postponed until the next meeting to allow time to meet with employees before decisions are made.

A new, large map of the City was displayed.

A meeting with employees and the Compensation Committee will be scheduled.

Meeting adjourned at 10:47 p.m.

Blinda A. Baker  
Clerk/Treasurer