

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 5, 2015 at 7:00 p.m.

The meeting was called to order by Mayor Bosbous

Present: Mayor Bosbous, Commissioner Bauer, Gerrie, Lynn, Shimmens Stefanski, and Twardy

Absent:

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

PRESENTATION OF THE HOLIDAY DECORATION AWARDS

CONSENT AGENDA:

Moved by Commissioner Twardy, supported by Commissioner Stefanski

That the following consent agenda items be approved:

Minute Approval:

That the minutes of the regular City Commission meeting held on Monday, December 15, 2014 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. Airport Advisory Board – Sept. 10th, October 17th, and November 12, 2014
- b. Police and Fire Pension Board – October 29th and November 12, 2014

Appointments and Resignations:

That the City Commission reappoint Mark Dobias to the Superior District Library Board for a Term to Expire on December 31, 2017

Communications:

That the City Commission authorize the sale of alcohol at the I-500 Track on Thursday, February 5, 2015 and Saturday, February 7, 2015 for the Annual I-500 Race, subject to the rules of the Michigan Liquor Control Commission and the City of Sault Ste. Marie.

Special Orders of Business:

That the City Commission schedule a Public Hearing on Special Assessment

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Roll SW-01-14 for the Monday, January 19, 2015 City Commission Meeting.

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

COMMUNICATIONS:

FROM COMMUNITY SERVICES BOARD – PROPOSED SUMMER AND WINTER RECREATION USER FEES FOR 2015-2016:

The Community Services Board (CSB), at its Regular Meeting held on Tuesday, November 25, 2014, reviewed, discussed, and approved a recommendation that the included Fiscal Year 2015-2016 recreation user fees schedule be adopted by the City Commission. Parks and Recreation/Assistant Department of Public Works Director Dan Wyers highlighted changes to the existing fee schedule on the included materials.

In addition to recommending that the included fee schedule be adopted by the City Commission, the CSB has further recommended that the rental of the mobile stage owned by the City be eliminated from the fee schedule, as the stage has been declared unusable until further study can be completed on its integrity and until potential major work on it can be performed.

The CSB is also recommending to the City Commission that the City extricate itself from the stage rental business entirely and sell the stage "as is" in lieu of repairs. An e-mail from Mr. Jeremy Gagnon of U.P. Engineers and Architects, who conducted a preliminary inspection of the stage at the request of the administration, has been included for additional reference pertaining to this subject matter.

The CSB completes the fee schedule review each year outside of the regular budget schedule due to the fact the fiscal year ends on June 30, which falls right in the middle of the summer season. Establishing the fees at this time allows citizens and visitors to make appropriate plans for their future intended use of City facilities.

Dan Wyers, Assistant DPW Director/Parks gave a brief overview of the projects user fees.

Moved by Commissioner Stefanski, supported by Commissioner Shimmens

That the City Commission approve the summer and winter recreation user fees schedule for fiscal year 2015-2016, as presented.

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

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**FROM HISTORIC STRUCTURES MANAGEMENT COMMITTEE - PROPOSED
SUMMER USER FEES FOR 2015-2016:**

The Historic Structures Management Committee, at its Regular Meeting held on Tuesday, December 16, 2014, reviewed, discussed, and approved a 2015 user fee schedule for admission to the Historic Homes on Water Street. Included, Commissioners will find a spreadsheet provided by the Finance Department that details the proposed fee schedule.

There are no increases to the existing fee schedule being proposed at this time by either the Historic Structures Management Committee or by the administration. It should also be noted that these fees were first implemented by the City Commission at its April 15, 2013 Regular Meeting, and that all revenues received through these fees are reinvested in the operation of the historic structures on Water Street. The purpose of approving the user fees outside of the regular budget process will provide time for publications and brochure development as well as the accurate and appropriate marketing of the Historic Homes.

The fee for adults (age 18 and over) would remain constant at \$3.00; the fee for children (between the ages of 6 and 17) would remain constant at \$2.00; there would be no fee for children that are 5 years or less in age; the family fee would remain constant at \$8.00; and the fee for a season pass would remain constant at \$15.00.

Moved by Commissioner Shimmens, supported by Commissioner

That the City Commission approve the fee schedule for admission to the Historic Homes on Water Street for the 2015 operating season as presented

Motion carried unanimously.

CITY MANAGER'S REPORT:

**AWARD OF BID FOR THE PURCHASE OF SPIRAL SLUDGE HEAT
EXCHANGER FOR WASTEWATER TREATMENT PLANT:**

A replacement heat exchanger for the wastewater treatment plant was included in the current fiscal year budget. The heat exchanger is an essential part of the wastewater treatment process in that it heats the sludge in the primary digester to a temperature of about 100 degrees Fahrenheit, which is the ideal temperature for anaerobic bacteria to break down raw sludge into stable bio solids of significantly lesser volume. Without this elevated temperature in the digester, the biological action would be very slow in the summer and cease in the winter months, with likely damage to the digester occurring from freezing.

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The City's existing heat exchanger was installed during the plant expansion in 1985 and is becoming a maintenance problem. The abrasive action of the sludge (which contains a small amount of sand) as it passes through the channels has worn away the metal to the point that leaks regularly occur. So far the leaks have been on the exterior walls of the unit, which can be repaired by welding a patch. However, the interior surfaces are thinning to the point that a future leak between the sludge and the boiler water is becoming likely. Should that happen, the entire boiler system could become contaminated with sludge and need to be drained and flushed at the same time immediate repairs would need to be made to the unit to keep the digester from cooling. This is a scheduled replacement of a piece of equipment at the end of its lifespan.

As a heat exchanger is specifically engineered for a particular application, specifications identical to the plant's existing Alfa Laval unit were prepared. It is a requirement that the new unit have the exact same capacity, size, and connection locations so it can be connected to the complex piping the City has in the digester plumbing. A request for proposals was placed in the Evening News and on the City website using these specifications. The City also contacted a number of waste water supply companies to inform them of the available bid.

Two sealed bids for this heat exchanger were opened on December 29, 2014. One bid from Alfa Laval of Richmond, VA, (the company that supplied the original heat exchanger) was received in the amount of \$36,100 and a second bid from Process Equipment Solutions of Bay City, MI was received in the amount of \$32,000. After reviewing both bid packets, it was determined that the purchase that would be in the best interest of the community would be the spiral heat exchanger from Process Equipment Solutions of Bay City in the amount of \$32,000, as this company met specifications and was low bidder. Process Equipment Solutions will also ship the unit 2 months quicker than Alfa Laval.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the Commission approve the purchase of a spiral sludge heat exchanger from Process Equipment Solutions of Bay City, Michigan in the amount of \$32,000, as that company was the low bidder meeting required specifications.

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

AUTHORIZATION TO RECLASSIFY CITY APPRAISER POSITION TO DEPUTY ASSESSOR:

Current City Appraiser Glenda King has informed the administration that she intends to retire by the end of March 2015.

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During the course of the past two months, the administration has been conducting an extensive review of the position of appraiser, its placement within the administrative structure of the City government, and the job description established for the execution of the work duties inherent to this position.

As outlined within the included memorandum from Assessor Fuller, the existing job description of appraiser has become outdated, and no longer reflects the operational demands or professional expectations that are integral to the effective operation of an efficient assessing department.

Moreover, as outlined within the included memorandum from Assessor Fuller, the educational requirements for assessing professionals have evolved during the course of the past twenty years; this increase in educational expectations has been accompanied by an increasing need to ensure that when assessing professionals are hired to serve a community, that they not only possess a skill set that lends itself to the accurate administration of relevant taxation laws and regulations (which have been changing at an accelerating pace), but that they also possess relevant and critical experience that is increasing in demand as well as the citizen service skills needed to handle complicated situations with tact while serving as an effective ambassador for the City government.

Following an extensive review of the appraiser position; the need for the Assessing Department to have appropriate succession planning and operational redundancy; the current educational and professional standards governing the assessing field; comparable levels of compensation for similarly structured and credentialed posts throughout the State of Michigan; recent progress made by the Assessing Department in modernizing its practices (as outlined within Assessor Fuller's memorandum); and the expenses that would be incurred to hire an individual without Michigan Certified Assessing Officer (Level 2) certification, it is my intent as City Manager to restructure the Appraiser position into a Deputy Assessor position.

If restructured in this manner, the Deputy Assessor position would either be classified on Grade B or Grade C of the included 'Administrative Staff Salary Schedule'; it should be noted that the current Appraiser position is classified on Grade B of this Salary Schedule. As outlined within Assessor Fuller's memorandum, the current market demand for individuals maintaining the credential of Michigan Certified Assessing Officer (Level 2) could justify placing this position on Grade C of the 'Administrative Staff Salary Schedule'.

The actual salary received by an individual who fills this position would not necessarily need to begin at the first year's compensation level for a grade classification, and may increase from a lesser amount to these levels over a period of time.

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As an example, the administration could elect to hire an individual with the credential of Michigan Certified Assessing Officer (Level 2) and classify their position at the Grade C level but compensate them in an amount less than the first year amount for a Grade C classification (\$39,728) for 12 - 18 months (or a longer period of time). Alternatively, the level of compensation could be increased within the established wage parameters if needed to recruit a seasoned professional to fill this position.

In either event, it is the intent of the administration that the individual who would fill the post of Deputy Assessor would not receive more compensation than is currently being received by the current Appraiser unless a very experienced and seasoned professional were to be recruited [and only then would the compensation be slightly higher than that being received by the current Appraiser]. Ultimately, the most prominent benefits of reclassifying this position would be to further emphasize that an individual filling this role would need to be prepared to step into the role of Assessor on an extended basis if necessitated by extraordinary circumstances; to prepare for future staffing transitions, as they may arise; and to reflect the increasing needs to cross-training employees within small departments, such as the Assessing Department, to ensure that services continue to be delivered in a reliable and uninterrupted manner to the community.

Accordingly, the Deputy Assessor position would be advertised as having a salary ranging between \$34,000 and \$41,500 to provide maximum flexibility to the City as it advertises for an individual to fill the Deputy Assessor position. It should be noted that the salary for the current Appraiser is \$40,433.

City Manager Turner thanked Ms. King for approximately twenty (20) years of service to the community. City Manager Turner noted that Ms. King has been a reliable, professional, and intelligent individual, and the administration compliments her on her achievements.

Moved by Commissioner Twardy, supported by Commissioner Shimmens

That the City Commission Accept the Administration's Actions to Restructure the Appraiser Position into a Deputy Assessor Position

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

ADOPTION OF THE 2015-2021 6-YEAR CAPITAL IMPROVEMENT PLAN:

The 2015 through 2021 six year recommended capital improvement plan provides a longer term look at large scale public expenditures which are necessary to meet various City needs over a six year planning period. City Engineer Linda Basista requested that various departments identify specific projects in an amount of \$10,000 or

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more that are contemplated during the next six year period. City staff then met to prioritize the various projects and to identify the years in which certain projects would go forward. The Historic Development Commission reviewed the capital improvement plan to determine whether any of the projects would have any potential effect on historic development and/or preservation within the City of Sault Ste. Marie. Furthermore, the Planning Commission reviewed the plan and formally recommended approval by the City Commission at their December 4, 2014 meeting.

The 6 year capital improvement plan is a planning document not an appropriation of funding for any projects. The appropriation process will be done annually as part of the City's budget development, review and approval process by the City Commission. Until funds are appropriated by the Commission as part of the adopted budget or as a budget amendment to the existing budget, there is no authority to proceed with any of these projects. The plan is helpful, however, to policy makers in the City to understand what needs have been identified and how they fit in over a longer term period with other projects that are significant from an expenditure standpoint for the City of Sault Ste. Marie. This is also a very important tool for City engineering in that proper planning can be done to make sure that various steps are taken to assure that a project can be built within the fiscal year where funds are appropriated. This has historically been a problem for the City of Sault Ste. Marie in that some years we assumed more work than can be effectively administered. The capital improvement plan will certainly assist in determining what work should be occurring in what year.

In addition to the Capital Improvement Plan, Engineering has been working with Public Works and the Street Department to develop a plan to address various types of heavy maintenance activities on City streets in conjunction with a transportation asset management plan for the City of Sault Ste. Marie. This plan is attached as Appendix D of the 6 year recommended capital improvement plan for your review. In the future it is the intent of the administration now that it has a format to initiate the up-dating of this plan in the fall of each year, with the Planning Commission initiating public comment on potential projects for potential inclusion in the update of the 6 year capital plan. Projects could be submitted by the public during a 30 day period. These projects would be received by the Planning Commission and forwarded to staff for possible incorporation in a 6 year capital outlay plan. A draft plan will be developed by City staff and presented both to the Historic Development Commission and the Planning Commission by December of each year. The plan would be then presented to the City Commission in January of each year. The first year projects would be identified and departments responsible for those projects would be invited to submit a request for funding as part of the capital outlay budget for the following fiscal year. It is my opinion that this schedule will work well for future up-dates and provide for more public participation in the process going forward.

Linda Basista, City Engineer gave a brief overview of the Capital Improvement Plan for 2015.

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Moved by Commissioner Bauer, supported by Commissioner Gerrie

That the City Commission adopt the six year capital improvement plan for 2015 through 2021.

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

APPROVAL OF A CITY OF SAULT STE. MARIE FREEDOM OF INFORMATION REQUEST POLICY AND PROCEDURE:

House Bill 4001 will amend the provisions of the Freedom of Information Act (FOIA) concerning fees charged by public bodies for public records, civil actions brought under the Act, and the receipt and denial of request; and would add provisions allowing a person to appeal to a public body or bring a civil action if he or she believed that a fee was unreasonable.

The Michigan Freedom of Information Act (FOIA) identifies what constitutes public records subject to disclosure and requires public bodies to adopt a written Freedom of Information Act policy. As a result of these amendments and to encourage transparency when it comes to the release of public records I am recommending the adoption of Freedom of Information Act Request Policy and Procedure for the City of Sault Ste. Marie which has been attached for your review.

City Attorney Cannello has reviewed and approved the policy as drafted.

Moved by Commissioner Stefanski, supported by Commissioner Gerrie

That the City Commission adopt the Freedom of Information Act Policy and Procedure.

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

CITY OF SAULT STE. MARIE PERSONNEL POLICY HANDBOOK AMENDMENTS:

Action was taken during the December 2, 2013 Regular Meeting of the City Commission to formally approve the adoption and use of a 'City of Sault Ste. Marie Personnel Policy Handbook'.

At the time, the Handbook had been compiled in an effort to provide a central resource regarding the personnel policies of the City to employees, Department Heads,

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the City Commission, and the public, as well as any other interested party.

Section E of the adopted Handbook (which is specifically located on Page 55 of the same) states the following:

"The Personnel Policy Handbook will be amended from time to time as City needs require. Any changes to this policy shall be recommended by the City Manager and introduced for a first reading by the City Commission. Notice shall be provided to City Employees by posting a link to the proposed changes where various notices are given to City employees. Any comments received by the City Clerk 5 days prior to the next regularly scheduled City Commission meeting will be provided to the City Commission for their consideration. Personnel Policy changes / updates will be presented at the 1st City Commission meeting of each January."

In accordance with this Section of the Handbook, the administration is hereby presenting the following proposed changes to this critical document:

- * The term 'Human Resources Director' has been changed throughout the Handbook to 'Human Resources Generalist' to reflect the recent restructuring of this position;

- * Health care thresholds figures have been updated on Page 43 of the Handbook to reflect those thresholds recently established by the City Commission;

- * The titles of those positions for which employees must take the Oath of Office have been updated on Page 6 of the Handbook (note: the position of Purchasing Clerk has been removed from the table in the current Handbook as the duties of this position have been assigned to Assistant City Manager/Clerk Troyer);

- * The amount paid to individual employees who opt out of City health insurance coverage has been changed to \$450 in both sentences in which this is mentioned on Page 53 of the Handbook, as the current provisions reference \$450 in one sentence and reference \$425 in another sentence; existing practice provides employees opting out of single level health insurance coverage \$450 monthly and it was determined that the \$425 figure was a misprint;

- * And the total number of visits that employees may use the Employee Assistance Program (EAP) at no cost has been updated from five to eight on Page 45 of the Handbook to reflect action taken by the City Commission at its May 5, 2014 Regular Meeting to execute a contract with NorthStar Employee Assistance Program which provides for employees to utilize the EAP eight times without charge.

In addition to these substantive changes, a number of grammatical and organizational changes were also made; none of these grammatical changes alter the substance of this document.

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Finally, it should be emphasized that the Handbook establishes a process whereby employees have an opportunity to comment on proposed changes to this document, assuming the City Commission holds a first reading of the same at the January 5, 2015 Regular Meeting.

Assuming a first reading of these changes is held, and assuming there is no feedback from employees that requires extensive research and/or deliberation, this item will be returned to the City Commission for final approval during the January 19, 2015 Regular Meeting.

Moved by Commissioner Gerrie, supported by Commissioner Bauer

That the City Commission Approve a First Reading of the City of Sault Ste. Marie Personnel Policy Handbook as Amended to Include those Modifications Presented by the Administration.

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

STATUS REPORT:

2014 OPERATIONS FOR THE AUNE-OSBORN CAMPGROUND:

Included is a report from Parks and Recreation/Assistant Department of Public Works Director Dan Wyers regarding the operations of the Aune-Osborn Campground by Mr. Roger Stevenson during the 2014 calendar year.

The calendar year of 2014 represents the second year of the agreement between Mr. Stevenson and the City of Sault Ste. Marie for the operation of the campground.

As noted within the included documents, the calendar year of 2014 yielded revenues of \$188,184.60 for the City, which is only \$629.20 less than the calendar year of 2013 during which \$188,813.80 was collected (and represented the best year for the City under any such agreement for such revenues).

The administration would like to thank Mr. Roger Stevenson and his staff for continuing to improve the operation and bottom line of the Aune-Osborn Campground during the second year he held the operations agreement.

Dan Wyers, DPW Director/Parks gave a brief overview of the 2014 Operations.

2015 MUNICIPAL ELECTION SCHEDULE:

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This November, the four year terms of Commissioners Don Gerrie, Jeff Stefanski, and Patricia Shimmens will expire. In addition, the two year term for Mayor Tony Bosbous will also expire in November.

The dates for prospective candidates are as follows:

March 31st- Clerk publishes Notice for Filing Declaration of Intent and Affidavit of Qualifications for the City Commission seats that are up for election.

April 14th to 21st - Declaration of Intent and Affidavits for potential candidates are available and must be filed by prospective candidates with the City Clerk by 4:00 p.m. on April 21st.

May 12th - Nominating Petitions and Affidavit of Identity are to be filed with the City Clerk by 4:00 p.m. on this date.

August 4th - Primary Election Day (if there are more than two candidates for Mayor and/or more than six candidates for City Commission).

November 3rd - General Election Day.

MATTERS PRESENTED BY THE PUBLIC:

None

MATTERS PRESENTED BY THE CITY COMMISSION:

Commissioner Twardy thanked Jim Moreau and Dan Wyers for the efforts in removing the snow from the sidewalks and thanked them for opening the Sault Seal.

Moved by Commissioner Lynn, supported by Commissioner Stefanski

That the meeting adjourn at 8:01 p.m.

Motion carried unanimously.

ANTHONY G. BOSBOUS, MAYOR

ROBIN R. TROYER, CITY CLERK

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