

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, February 16, 2015 at 7:00 p.m.

The meeting was called to order by Mayor Bosbous

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

Absent:

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

Moved by Commissioner Lynn, supported by Commissioner Twardy

That the absence of Commissioner Stefanski be excused.

Motion carried unanimously.

### **CONSENT AGENDA:**

Moved by Commissioner Twardy, supported by Commissioner Gerrie

That the following consent agenda items be approved:

#### **Minute Approval:**

That the minutes of the regular City Commission meeting held on Monday, February 2, 2015 and Goal Setting Session held on Monday, February 9, 2015 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. Police and Fire Pension Board – January 21, 2015
- b. Osborn Trust – January 22, 2015
- c. Seal Trust – January 22, 2015

#### **Appointments and Resignations:**

That the City Commission confirm Mayor's reappointment of Alberta Dagnall and Dave Thomas to the Seal Estate Board of Trustees for terms to expire July 1, 2016

#### **Special Orders of Business:**

That the City Commission schedule a public hearing for March 2, 2015 to receive public comment regarding AMI Industries CDBG application for job training funds.

February 16, 2015

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

### **SPECIAL ORDERS OF BUSINESS:**

#### **ADOPTION OF CITY COMMISSION GOALS TO BE INCORPORATED INTO THE 2015-2016 FISCAL YEAR BUDGET:**

On Monday, February 9, 2015 the City Commission met in a full day work session to develop the goals for the fiscal year that will begin on July 1, 2015.

The goals that are identified in this report will provide direction to the administration as the 2015-2016 Fiscal Year Budget is developed.

As an integral part of the process of establishing the included goals, the City Commission:

- \* Reviewed the 'Mission Statement and the 2020 Vision'
- \* Reviewed the 'Guiding Financial Principles' of the City of Sault Ste. Marie;
- \* Reviewed basic financial information impacting City operations;
- \* Reviewed the '6 Year Capital Improvement Plan';
- \* Reviewed numerous department fact sheets;
- \* Reviewed the status of those goals established for the 2014-2015 Fiscal Year;
- \* Reviewed the recently completed 2014 Citizen's Survey;
- \* Discussed future development within the City;
- \* And established goals for the 2015-2016 Fiscal Year.

In total, the City Commission established 15 goals (including both new goals and goals that were carried over from the 2014-2015 Fiscal Year) that the administration will address in detail in the upcoming budgeting process.

The administration appreciates the willingness of the Commissioners to devote nearly a full day's worth of time to this effort.

Dr. Pledger spoke briefly to the Commission regarding established goals and the collaboration between the City and LSSU.

Moved by Commissioner Shimmens, supported by Commissioner Bauer

That the City Commission approve the City Commission goals for the 2015-2016 Fiscal Year, as presented.

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

February 16, 2015

Nays: None

FIRST READING OF AN ORDINANCE TO AMEND ARTICLE VII OFF ROAD VEHICLES SECTIONS 24-158, 24-159, AND 24-167 OF THE SAULT STE. MARIE CODE TO ADD SUBSECTION (F) TO SEC. 24-158, AMEND SUBSECTION 24-159(D), AND AMEND SUBSECTION 24-167:

In a recent meeting with the DNR, City staff became aware of an opportunity to improve the quality of the trail between South Street and Ashmun Bay Park. Provided the City is willing to designate portions of South Street and the Ashmun Bay Park Trail as open to Off-Road Vehicles (ORVs), the DNR would pay to upgrade and maintain the surface of the Ashmun Bay Park Trail and also install vault toilet restroom facilities at a new trail-head located in Ashmun Bay Park.

Presently, there is no mechanism in City's Code of Ordinances to allow the City Commission to make such designations. The proposed, included ordinance would create such a mechanism and allow the City Commission to designate portions of City streets and rights-of-way as well as City alleys, parks or parking lots open to ORV use through the adoption of a resolution.

If the adoption of this ordinance were to ultimately be approved, a separate item would be brought before the City Commission at a later date, likely March 16, 2015, to formally designate the necessary sections of South Street and Ashmun Bay Park Trail open to ORV use and satisfy the DNR's designation requirements.

A copy of the current City ordinance governing ORV use within the City is included as well as an aerial photograph showing the area of potential trail improvement. The location of the trailhead and restroom facilities will be determined at a later date.

Administration reached out by mail to the owners of the three residential structures along South Street by which the proposed ORV trail would pass asking for comment on the proposal by February 9th. As of February 10th, no comments had been received regarding the same.

Moved by Commissioner Twardy, supported by Commissioner Gerrie

That the City Commission approve a first reading of the ordinance amendment as presented, and schedule a second reading for the regular City Commission meeting of March 2, 2015.

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

February 16, 2015

## **COMMUNICATIONS:**

### **FROM THE SAULT TRIBE OF CHIPPEWA INDIANS – REQUEST TO PURCHASE CITY-OWNED PARCEL 051-354-015-00:**

The Community Development Department has been contacted by Ms. Brenda Jeffreys, Sault Tribe Real Estate Manager, who has indicated that the Sault Tribe has an interest in acquiring a City-owned parcel on Marquette Avenue, just east of JKL Bahweting Elementary School. The parcel in question (Parcel No. 051-354-015-00) consists of a single 40' x 125' lot and has been owned by the City since September 1993.

It was originally acquired from the DNR at no cost to the City and was intended to be used to accommodate the improvement of a potential intersection at Marquette Avenue and East 9th Street. As East 9th Street is not planned to be improved now, or at any point in the future, the subject property is no longer needed by the City. As noted previously, the subject parcel is 40' x 125'. The 40' width of the parcel is below the minimum width required by the Zoning Ordinance for parcels zoned R-1 (the zoning designation that the subject parcel maintains), thereby making this a substandard lot.

Per the City's included land sale policy, substandard lots are to be sold to adjacent owners (as opposed to being put out for public bid). As the Sault Tribe (through its association with JKL Bahweting School) is the owner of the only adjacent parcel, the Sault Tribe would be eligible to purchase the parcel in its entirety. According to Assessor Fuller, the subject property has a total cash value of \$1,576. Staff correspondence with Ms. Jeffreys indicates that the Sault Tribe has budgeted \$600 for the purchase.

This price was determined by the Sault Tribe with the rationale that similarly sized lots have been purchased by the Sault Tribe through tax sales at this price level. Importantly, Planning and Zoning Administrator Freeman polled the department heads regarding the potential sale of this property, and no objections were raised. An aerial photograph detailing the location of the property has been included.

In consideration of the fact that the City obtained this subject parcel at no cost, the fact that the parcel is considered to be a substandard lot under the City's Zoning Ordinance, and the fact that the established land sale policy calls for such lots to be sold only to adjacent property owners, it is my opinion that selling this parcel at a price of \$600 would be an appropriate transaction. This is additionally true in consideration of the fact that the offer of \$600 is slightly more (37.5%) than the 35% minimum bid that is set for parcels that go through the bidding process (in accordance with the established policy)

Moved by Commissioner Lynn, supported by Commissioner Bauer

February 16, 2015

That the City Commission Approve the Sale of Parcel 051-354-015-00 to the Sault Tribe for the offered price of \$600 and authorize the Mayor and City Clerk to sign the deed to facilitate this transaction.

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

### **CITY MANAGER'S REPORT:**

#### **ACCEPTANCE OF A PROPOSAL FOR THE DEPARTMENT OF PUBLIC WORKS COMPLEX SPACE NEEDS AND CONCEPT PLAN:**

The Department of Public Works complex located in the Easterday and Seymour area is in need of significant improvements.

Included within Department of Public Works Director Moreau's memorandum regarding this subject matter, Commissioners will find a detailed history of this property and other properties that have been used for public works purposes in the past.

And while the complex meets the City's most basic operating needs at this time, it should be noted that the buildings and layout of the site were never originally intended to be used as a public works facility and that several deficiencies in the site exist, as follows:

While meeting our basic needs, the buildings and layout of the existing public works site were never originally intended to be a public works facility. A highlight of some of the deficiencies that the site has includes:

1. A lack of sufficient vehicle maintenance and storage work space: The Department is able to perform adequately in the summer months, but has a very difficult time storing its snow removal equipment indoors during winter months. In addition, the majority of the Department's grounds are saturated with salt, which causes excessive corrosion to the City's expensive fleet.

2. Lack of wash bay: The Department needs a dedicated area with the proper equipment to regularly clean the salt from its trucks, graders, and loaders. Their constant contact with concentrated salt levels in the yard and in the course of their jobs are shortening their lifespans, and greatly increasing maintenance costs.

3. Aggregate storage: The Department needs to have an improved method of storing its various types of sand, gravel, stone, and top soil for ease of loading and to ensure such items do not mix with other items.

4. Department streamlining: The Department wishes to consolidate all DPW

February 16, 2015

employees (with the exception of employees committed to winter Pullar operations and the two treatment plants) at the DPW complex to increase overall departmental flexibility and to better utilize our employees where needed. The Department currently does not have the space to achieve this goal.

5. Storage (heated and cold): There is a great need for storage for all City Departments. Currently, the public works buildings are full, as is the 'Carbide Building', the 'parks airport buildings', and the 'Cemetery building'. The City also stores items at the Police Station. A lot of equipment and supplies sit outside at the DPW year round.

6. Salt shed and salt/sand storage condition: The Department's salt shed is in poor condition and the Department is waiting for MDOT grant funds (41% of estimated project costs) for replacement. However, the entire salt and salt/sand area does not meet regulations due to run-off and possible groundwater contamination.

7. Composting: The Department's well-used composting area is a bit too small and not properly designed for the total volume that we have, and our customers must travel through the DPW yard where we are running heavy equipment to access this service. Related, the yard has a snowmobile trail running through it and through the Department's work area.

8. Water & Sewer Department Storage: The Department needs to get rid of the old depot along E. Easterday where its keeps water and sewer pipe fittings, parts, and tools.

9. Aesthetics: The Department needs to prioritize improvements to the site—primarily those in view of the public eye to meet the Property Maintenance goals of the City.

A number of years ago, beginning in the mid-1990s, the Stock & Equipment Fund and the Water & Sewer Fund began equally putting money into a DPW Building Fund with the intent to construct a new DPW building. Annual additions to the fund were stopped several years ago.

The DPW Building Fund has a current balance of over \$1,600,000. As the Department will be utilizing the current DPW site long into the future, it is a goal of the administration to utilize the building fund for the needed improvements to the site.

After much reviewing of the department's work space, it became obvious that outside assistance would be needed to guide the administration through the conceptualization and planning of needed improvements to the site. Facilitated by City Engineer Basista, a request for qualifications for a "DPW Complex Space Needs & Concept Plan" was placed on our City's website; a number of design firms were also duly notified of this request for qualifications.

February 16, 2015

On November 24, 2014 the City opened packets from six design firms. After a review of the responses received by the City Manager, City Engineer and Department of Public Works director, U.P. Engineers and Architects as well as Northwest Design Group (NDG) were invited for interviews, which were held on January 12, 2015. After the interviews, it was the unanimous choice of all individuals serving on this committee to select NDG to perform the space needs and concept plan. Their combination of relevant experience with county and municipal public works sites, salt storage design history, competitive rates, and excellent preparation displayed by their knowledge of the complex were the deciding factors in the panel's choice.

On January 26, 2015 the panel, as well as Assistant DPW Director Wyers and Street Superintendent Anderson, met with NDG to further define the scope, goals, and process for the work to be completed by NDG. Discussions were also held to find ways to reduce the overall cost of their work as much as possible, while still achieving desired results. The proposed amount for NDG's work is \$40,894.

Jim Moreau, DPW Director gave a brief overview of the proposed scope of work.

Moved by Commissioner Bauer, supported by Commissioner Shimmens

That the City Commission approve the execution by the City Manager of a contract with Northwest Design Group of Petoskey, Michigan for the creation of a 'DPW Complex Space Needs and Concept Plan' at a cost of \$40,894.

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

ACCEPTANCE OF A PROPOSAL FOR FIREWORKS DISPLAY FOR JULY 4<sup>TH</sup>, 2015, 2016, 2017, 2018 AND 2019:

Fire Chief Jason Thorpe has solicited a proposal from Wolverine Fireworks Display, Inc. to continue providing the City's fireworks display on July 4th. In reviewing this with Chief Thorpe, we have been very happy with our relationship in working with Wolverine Fireworks Display, Inc. for providing this annual show. As you are aware the show is complicated by the fact that we're utilizing a secured area of Federal Corps property for our fireworks show. Wolverine has been able to work very smoothly with the Corps of Engineers as well as the Fire Department in making the necessary arrangements for our annual show. Since this is a professional service there is no charter requirement to bid this work. Wolverine is proposing a nominal increase with a discount for a five-year commitment to continue providing the firework show in the City of Sault Ste. Marie.

Moved by Commissioner Gerrie, supported by Commissioner Lynn

February 16, 2015

That the City Commission accept the proposal from Wolverine Fireworks Display, Inc. of Kawkawlin, Michigan for the annual 4th of July fireworks show for the 2015, 2016, 2017, 2018 and 2019 year.

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

AUTHORIZATION OF A CONTRACT WITH CENTERPOINT ENERGY FOR THE PURCHASE OF NATURAL GAS THROUGH THE MICHIGAN MUNICIPAL LEAGUE NATURAL GAS PURCHASING PROGRAM:

On March 18, 2013 the City Commission authorized the City Manager to execute a Michigan gas customer choice contract with CenterPoint Energy Services, Inc. of Minneapolis, Minnesota through the Michigan Municipal natural gas purchasing program. The League selected Fellon-McCord, a national leader in energy management and procurement to manage this program. The program also required a critical mass of local units of government in order to provide the savings through this collected purpose. The League then went through a proposal process where request for proposals were requested. Each supplier was fully vetted by Fellon-McCord for the Michigan Municipal League with CenterPoint being the selected MML program supplier.

Communities wishing to participate or renew their contract must execute an agreement by February 23, 2015 for the April 1 renewal. The City has a choice of a variable rate or a fixed rate. The Michigan Municipal League is advising that based on current pricing trends a fixed rate would most likely provide the best return to the City of Sault Ste. Marie. The League also points out that there are no guarantees that the market rates will provide a better return through the CenterPoint purchasing program during the next 12 months compared with the rates that DTE will charge for natural gas.

Based on 2013 usage and the rates we were charged in comparison with the published DTE rates the City achieved a savings of \$6,356.89 from March, 2013 through January, 2014. However, based on 2014 usage and the rates we were charged in comparisons with the published DTE rates the City paid an additional cost of \$8,215.74 from January, 2014 through December, 2014.

There were no guarantees that the market rates would provide a better return. The variable rate for CenterPoint was based on the NYMEX natural gas future's index. Utilities have historically been very conservative in their gas purchases, which does not allow spikes in their gas prices but does include a premium. Before the winter price spikes last year, CenterPoint's price provided a 9% savings against the utility. The 12 month price quote from CenterPoint is a 22% savings against the last 12 months price from DTE. Unfortunately, CenterPoint did not anticipate the winter storms last year and the variable price did not prevent the losses incurred during the months of highest usage. The Michigan Municipal League and CenterPoint are recommending a fixed

February 16, 2015



price quote which will help mitigate the risks of market volatility going forward.

Staff has been approached by other natural gas providers in the past. It always has been a primary concern of going forward with an alternate source of natural gas due to the limited ability to monitor the performance of this alternative provider. Administration is much more comfortable going forward with this program since it has been vetted and is being coordinated by the Michigan Municipal League. While the contract will be between the City and the gas provider, MML will be monitoring and reviewing this program throughout the course of the year and will be determining whether the provider should be renewed for another year at the end of this first 12 month period.

Moved by Commissioner Twardy, supported by Commissioner Bauer

That the City Commission authorize the City Manager to execute a Michigan gas customer choice contract with CenterPoint Energy Services, Inc. of Minneapolis, Minnesota for a one-year term with a fixed price contract.

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

APPROVAL OF A FIRST RESOLUTION FOR PUBLIC IMPROVEMENTS FOR PROSPECT ALLEY:

As part of the 13/14 FY Budget, the City Commission appropriated funds for a project to repair the Prospect Alley (aka Evening News Alley) between Arlington Street and West Spruce Street with 60% of the funds to come from the benefiting property owners.

The cost of construction is estimated to be approximately \$25,000 with a City appropriation of \$10,000 or 40% of the project and \$15,000 or 60% as special assessment. The actual dollar amount of the special assessment will be based on the actual bid price for the project. The special assessment roll and associated roll hearing for this project will not be set until after the project is bid, a contractor is identified and the dollar amount for special assessment is calculated.

Downtown Development Director, Justin Knepper has made personal contact with the affected property owners and has reported that there is unanimous support for the project.

Moved by Commissioner Lynn, supported by Commissioner Gerrie

That the City Commission approve the First Resolution for a Public Improvement for a Street Improvement Project on Prospect Alley between Arlington Street and

February 16, 2015

Spruce Street with a Public Hearing of Necessity being scheduled for 7:00 P.M. on Monday, March 2, 2015.

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

APPROVAL OF A SERVICE PROVIDER AGREEMENT BETWEEN THE CITY OF SAULT STE. MARIE AND THE SOO LOCKS VISITOR CENTER ASSOCIATION:

The Soo Locks Visitor Center Association (SLVCA) initiated discussion with the City of Sault Ste. Marie in October 2014 about the possibility that both entities could enter into an agreement whereby both parties would equally share costs that would be incurred by the Soo Locks Visitors Center Association to sponsor the use of Army Corp of Engineers volunteers at the Soo Locks for the purposes of promoting the community and its history.

More specifically, these Army Corp of Engineers volunteers could support economic development and community relations by regularly walking through the observation deck at the Soo Locks; greeting visitors; answering questions about the Soo Locks; answering questions about local attractions, businesses, and services; and, schedule-permitting, be on-hand during Music in the Park events and additionally be available to assist with other special events. In essence, this agreement could represent both an economic development and a community relations partnership through which both entities would receive a tangible benefit.

The funding received by the SLVCA from the City through this agreement would be intended for use (along with SLVCA's equal share of funds) to pay for the rental of a non-waterfront campsite at the Aune-Osborn campground at which these Army Corp of Engineers volunteers could stay. The SLVCA would be responsible for paying for the site that would be used for these volunteers, as they secured the site from the operator of the campground for the same purpose.

Currently, it is anticipated that the cost for the SLVCA to reserve a non-waterfront campground site for these volunteers would total no more than \$2,890 for the 2015 season; this is the reason why the included agreement that could support this partnership provides that the City would not contribute more than \$1,445 (50% of overall expected costs) through this agreement to the SLVCA. In the event the volunteers were used for less than the full 2015 season, the City would only pay up to 50% of the costs associated with the number of nights at which the volunteers were staying at the Aune-Osborn campground.

Due to the fact that the City receives at least 55% of the revenue generated through the rental of campground sites at the Aune-Osborn campground, it is expected that the City would minimally recover most if not all of the full amount of the \$1,445 that

February 16, 2015

would be spent by the City through the included agreement. Additionally, the fact that these volunteers would be staying at the Aune-Osborn campground site may provide an additional benefit to the community as a result of interactions that could occur between patrons of the campground and these volunteers that may provide additional resources to the tourists, guests, and residents of the City and surrounding areas.

U.S. Army Corp of Engineers Park Ranger Michelle Briggs made a presentation regarding this subject matter. Furthermore, City Attorney Cannello drafted and approved of the use of this agreement, which the SLVCA has approved.

Moved by Commissioner Bauer, supported by Commissioner Twardy

That the City Commission approve the included agreement between the City of Sault Ste. Marie and the Soo Locks Visitor Center Association, as presented.

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

APPROVAL OF A SHUTTLE SERVICE AGREEMENT BETWEEN THE CITY  
OF SAULT STE MARIE AND CLM-CAA:

The City and EDC have diligently been working over the course of the past several months to secure LEED certification for the Technology 'Breeder Building' located at 2345 Meridian Street. As Commissioners are additionally aware, the initial application submitted by Integrated Designs (the architectural/engineering firm that designed the Breeder Building to achieve LEED certification) to the U.S. Green Building Council for the 'Breeder Building' to obtain LEED certification only scored 38 points out of the 40 points that are necessary for this designation.

In completing a thorough review of the standards used by the U.S. Green Building Council to score such applications for the awarding of LEED certification, Integrated Designs informed the City and EDC that it would be possible to obtain six points through a resubmission of this application if the City were to establish regular shuttle service transportation that provides direct access to two bus lines within two miles of the 'Breeder Building' that is available to all building tenants and would only be a 5-10 minute drive from the structure (as outlined within the included communication from Integrated Designs). The need to pursue this type of regular shuttle service arose from the fact that the U.S. Green Building Council, unfortunately and unexpectedly, did not consider the on-demand call services currently provided by Dial-A-Ride locally to meet the transportation scoring criteria against which all applications are scored by the U.S. Green Building Council.

Upon receiving this feedback from Integrated Designs, the administration immediately contacted Mr. Ken Stott of Chippewa-Luce-Mackinac Community Action

February 16, 2015

Agency to determine if Dial-A-Ride would be able to provide such a regular shuttle service between the 'Breeder Building' and the EUPTA Transportation Center (a site that would provide access to two bus lines as required). Following multiple conversations involving the City, the EDC, the U.S. Economic Development Administration, Mr. Stott of CLM-CAA, and Integrated Designs, the included 'Shuttle Service Agreement' was drafted in an effort to meet the needs of all of the involved stakeholders and meet the scoring criteria of the U.S. Green Building Council so that the City and EDC could be awarded up to six additional points that would facilitate the 'Breeder Building' formally receiving LEED certification.

While Integrated Designs has expressed confidence that this agreement will complete the City's efforts to obtain the required, additional points through a resubmission of its LEED certification application, other changes may need to be made to this agreement, depending upon the formal review completed by the U.S. Green Building Council of the same. Critically, the 'Breeder Building' must obtain LEED certification so that the City's grant with the U.S. Economic Development Administration (EDA) can be duly closed out and so that the remaining grant funds issued by the U.S. EDA for the construction of the 'Breeder Building' totaling \$160,973 can be released to the City. The agreement has already been signed by CLM-CAA. Importantly, City Manager Turner thanked Mr. Stott and Mr. Ron Calery of CLM-CAA for their support of the City's efforts to obtain LEED certification for the 'Breeder Building' and lend the services of Dial-A-Ride toward this important effort.

Moved by Commissioner Gerrie, supported by Commissioner Twardy

That the City Commission authorize the City Manager to execute the 'Shuttle Service Agreement' between the City of Sault Ste. Marie and Chippewa-Luce-Mackinac Community Action Agency, as presented.

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

APPROVAL OF POLICE DEPARTMENT ACCOUNTING FOR RESERVES PA  
302 TRAINING, TRIDENT, POLICE FORFEITURE, AND DRUG ESCROW:

It has been brought to our attention that the State is looking to better enforce requirements for local units to hold PA 302 Police training funds in a reserve account which would match the dollar amount reported to the State annually. These PA302 training funds are to be spent locally on training according to a set of qualifications, and then reported to the State for reimbursement purposes. The reimbursements come in as grant revenue.

Finance Director Collins and Police Chief Riley would like to keep all PA 302 training activities in a Special Revenue Fund # 253, to included revenue, expenses and

February 16, 2015

a reserve. As a result of this request, Finance Director Collins is recommending a budget revision to move budgeted revenue from Miscellaneous Police Grants #101-43541, to the new account in the Special Revenue Fund called PA 302 Grant Revenue #253-43302, and to move budgeted expense for PA 302 Training #101-53303-861 into the same fund with the new number 253-53300-861. This has no net effect to either fund because the revenue and expenditure, both in the amount of \$4,800, net to zero. There will also be a reserve and offsetting receivable (balance sheet items) established to record the current unexpended balance of \$8,730.61.

Chief Riley would like to establish and track donations in the newly formed drug enforcement group TRIDENT. There are donations being made to the team, but a reserve needs to be established to prevent unspent funds from rolling into the General Fund balance at the end of the year. TRIDENT is an active department within the General Fund, with donations specifically tracked in the TRIDENT Donations account 101-43302, and expenditures tracked in TRIDENT operational expenses from outside contributions #101-53302-746, and the difference between the two (unspent donations) moved to the reserve annually. These funds would be spent at the direction of the multi-agency team of which TRIDENT is comprised, so this reserve would be designated as "Restricted".

Additionally, there are two other reserves that currently held and tracked for the Police Department in the Special Revenue Fund: Police Forfeiture account #253-30263 with a current balance of \$3,499.90, and Drug Escrow account #253-30264 with a current balance of \$14,656.14. These funds are collected in accordance with Police requirements and held in the balance sheet accounts in this fund so activity can be carefully tracked and to avoid comingling. These funds must be spent for specific purposes, and so Finance has recently set up a line item within the Police operational budget to better track the spending, the line item is called Drug Forfeiture Expenses, #101-53300-746 and it has a budget of \$5,000. Finance Director Collins would like to have the expense line item moved into the Special Revenue Fund so that it is in the same fund as the reserve; recommending a new line item 253-53300-746, and a transfer of the budget from the General Fund into the Special Revenue Fund of \$5,000, in order to simplify the year-end process and clarify the purpose at budget time.

Moved by Commissioner Lynn, supported by Commissioner Gerrie

That the City Commission authorize a new reserve and line items be set up in the Special Revenue Fund to track PA 302 Police Training funds, and all accounting for this activity be moved out of the General Fund.

That the City Commission authorize a new reserve be established to track the excess TRIDENT donations, and be adjusted annually when donations exceed expenses.

That the City Commission authorize two new line items be set up to track Police

February 16, 2015

Forfeiture and Drug Escrow expenses in the Special Revenue Fund, and all accounting for this activity be moved out of the General Fund.

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

APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE  
CITY OF SAULT STE. MARIE AND THE DEPARTMENT OF PUBLIC WORKS  
BARGAINING UNIT:

City administration and the Department of Public Works bargaining unit [as represented by the United Steelworkers] have successfully negotiated a Collective Bargaining Agreement between both parties with an effective date of July 1, 2014 and an expiration date of June 30, 2017.

Significant changes contained within this proposed Collective Bargaining Agreement, as compared to the last Agreement negotiated between both parties, include:

- \* The inclusion of a 1.75% wage increase that is to become effective with the execution of the included agreement; the inclusion of a 1.75% wage increase that is to become effective on July 1, 2015; and the inclusion of a 1.75% wage increase that is to become effective on July 1, 2016;

- \* The inclusion of language that reflects the health care expenditure thresholds recently established by the City Commission that apply to the 2015 calendar and medical plan year;

- \* The inclusion of 'right-to-work' language, as specified in Section 1.2 of the included Agreement;

- \* An increase in call-pay, as defined within Section 5.3 of the included Agreement, from \$280.00 to \$300.00;

- \* An increase from \$5.00 to \$10.00 in each meal reimbursement paid to employees who work over two additional hours beyond their regularly scheduled shift (as determined by the employer);

- \* The payment of signing bonuses in the amount of \$500 to each bargaining unit member upon the execution of the included agreement;

- \* An increase in the shift differential paid for afternoon shifts from \$0.20 to \$0.40 per hour and an increase in the shift differential paid for evening shifts from \$0.30 to \$0.50 per hour;

February 16, 2015

\* And an increase in the annual boot allowance paid to bargaining unit members from \$75.00 to \$150.00.

The administration would like to express its sincere appreciation to the members of this bargaining unit and to all of the employees of the City for their continued professionalism and service to the City.

Moved by Commissioner Bauer, supported by Commissioner Shimmens

That the City Commission approve the Collective Bargaining Agreement negotiated between the 'City of Sault Ste. Marie' and the 'Public Works Unit' as presented and as negotiated by both parties.

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

APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF SAULT STE. MARIE AND THE CLERICAL BARGAINING UNIT:

City administration and the Clerical bargaining unit [as represented by the United Steelworkers] have successfully negotiated a Collective Bargaining Agreement between both parties with an effective date of July 1, 2014 and an expiration date of June 30, 2017.

Significant changes contained within this proposed Collective Bargaining Agreement, as compared to the last Agreement negotiated between both parties, include:

\* The inclusion of a 1.75% wage increase that is to become effective with the execution of the included agreement; the inclusion of a 1.75% wage increase that is to become effective on July 1, 2015; and the inclusion of a 1.75% wage increase that is to become effective on July 1, 2016;

\* The inclusion of language that reflects the health care expenditure thresholds recently established by the City Commission that apply to the 2015 calendar and medical plan year;

\* The inclusion of 'right-to-work' language, as specified in Article I - Section 2 of the included Agreement;

\* The inclusion of bereavement benefits in Article VII - Section 4 of the included agreement that are identical to those bereavement benefits received by non-union employees who are subject to the provisions of the employee handbook;

February 16, 2015

\* The deletion of outdated maternity language from Article VII - Section 5 of the included agreement;

\* And the provision of \$350 signing bonuses to each bargaining unit member upon the execution of the included agreement.

The administration would like to express its sincere appreciation to the members of this bargaining unit and to all of the employees of the City for their continued professionalism and service to the City.

Moved by Commissioner Shimmens, supported by Commissioner Lynn

That the City Commission approve the Collective Bargaining Agreement negotiated between the 'City of Sault Ste. Marie' and the 'Clerical Unit' as presented and as negotiated by both parties.

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

#### APPROVAL OF A 0.25% WAGE INCREASE FOR NON-UNION EMPLOYEES:

The City Commission has taken previous action to approve formal collective bargaining agreements between the City and its Police Records and Police Patrol bargaining units that include three successive, annual 1.75% wage increases.

The administration is proposing that the City Commission approve two other collective bargaining agreements between the City and its Public Works and Clerical bargaining units that include identical successive, annual wage increases during its February 16, 2015 Regular Meeting. Historically, employees who are considered to be of either 'non-union, non-department head' or 'non-union, department-head' status have received wage increases comparable to those increases that are received by employees belonging to the various bargaining units of the City.

Given that non-union employees previously received approval for a 1.5% wage increase at the July 7, 2014 Regular Meeting of the City Commission, these employees would need to receive an additional 0.25% wage increase so that their compensation could increase in a manner that is comparable to members of the bargaining units with which the City has recently settled collective bargaining agreements.

Accordingly, an 'Administrative Staff Salary Schedule' for non-union, non-department head employees as well as a revised 'Department Head Salary Schedule' both reflecting a 0.25% wage increase for employees subject to these salary schedules have been prepared and included for review and consideration by Commissioners.

February 16, 2015



Importantly, it should be noted that no salary increases would be granted to the City Manager, DDA Director or EDC Director should these salary schedules be adopted by the City Commission.

The administration expressed its appreciation to the employees covered by both of these salary schedules for their continued dedication and service to the City.

Moved by Commissioner Lynn, supported by Commissioner Gerrie

That the City Commission approve the 0.25% wage increase reflected in both the revised 'Administrative Staff Salary Schedule' and 'Department Head Salary Schedule', as presented.

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

### **Status Report:**

#### **City Hall Signage:**

During last year's goal setting session the City Commission adopted a goal for City Hall signage. Subsequently, a City Commission sub-committee consisting of Commissioners Lynn, Shimmens, and Twardy was appointed to meet with the City Manager and Engineering staff to review options and select a signage plan for the grounds.

Furthermore, an \$8,000 was budgeted was established in FY 2013/2014 for City Hall exterior signage. The budget was based on installing various parking and directional signage and placing "City Hall" lettering on the building on the Portage Avenue & Water Street faces of the building.

The proposed plan option is attached along with the cost estimate. The selected plan includes a pole mounted permanent sign for the front and the overall plan estimate is within the budgeted amount. The City Hall grounds are on the State Historical Registry and therefore modifications to the site plan that was approved during the Federal Building Renovations project must be approved by the State.

While waiting for approval from SHPO, quotes for the signage will be obtained. Signage will be installed shortly after receiving SHPO approval and/or when weather permits.

City Engineer Basista gave a brief overview of the project.

#### **Master Plan Update:**

February 16, 2015

The City's Master Plan update process is set with the first of three planned community meetings to be held on February 25, 2015, from 4:00 p.m. to 7:00 p.m. in the City Commission Chambers at City Hall.

This meeting will be an open house-type format where residents can come and go at their leisure. City and EUP Regional Planning staff will be available to answer questions during that time as well as discuss the planning process and the results of the community survey. Mapping tools will be available to help attendees get a feel for how the City has changed through time.

Furthermore, additional public meetings are planned for April and June to receive public feedback on more specific elements of the Master Plan. Attached is a proposed schedule of the update time frame as well as months in which various chapters of the will be reviewed by the Planning Commission's Master Plan sub-committee which was established to provide more direct process oversight.

**MATTERS PRESENTED BY THE PUBLIC:**

None

**MATTERS PRESENTED BY THE CITY COMMISSION:**

Commissioner Twardy was saddened by the loss of Sonja Norris and congratulated Sam Gilbert on his recent employment with JP Morgan.

Commissioner Shimmens announced that she will not be running for re-election.

Commissioner Lynn commented on the new seating at the Pullar.

Moved by Commissioner Lynn, supported by Commissioner Bauer

That the meeting adjourn at 8:25 p.m.

Motion carried unanimously.

**ANTHONY G. BOSBOUS, MAYOR      ROBIN R. TROYER, CITY CLERK**

February 16, 2015