

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, December 5, 2016 at 7:00 p.m.

The meeting was called to order by Mayor Bosbous

Present: Mayor Bosbous, Commissioner Bauer, Gage, Gerrie, Lynn, Osterhout, Twardy

Absent:

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

PROCLAMATION RECOGNIZING THE 2016 SAHS GIRLS' CROSS COUNTRY

TEAM which included Courtney Arbic, Megan Arbic, Josie Roos, Shelby Eavou, Nicky Kucharczyk, Rebekka Ranta, Mackenzie Kalchik and Ellie Marger; Assistant Coaches Terry Wilkins, Stephanie Vert, Randy Vining, and Head Coach Jim Martin.

CONSENT AGENDA:

Moved by Commissioner Gage, supported by Commissioner Osterhout

That the following consent agenda items be approved:

Minute Approval:

That the minutes of the regular City Commission meeting held on Monday, November 21, 2016 be approved as written and circulated and the minutes of the following boards and commissions received and placed on file:

- a. Airport Advisory Board – October 13, 2016
- b. Planning Commission – October 20, 2016
- c. Tree Commission – September 20, 2016
- d. Zoning Board of Appeals – October 13, 2016

Special Orders of Business:

That the City Commission schedule a public hearing for Monday, December 19, 2016 at 7:00 pm in accordance with the Open Meetings Act and applicable statutes to approve the Bambi Redevelopment Plan.

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

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SPECIAL ORDERS OF BUSINESS:

ANNUAL AUDIT PRESENTATION FOR THE YEAR ENDING JUNE 30, 2016:

Auditors from Dennis, Gartland & Niergarth have completed their review of the City's financials for the fiscal year ending June 30, 2016. The City received an unqualified opinion, which is the highest opinion that auditors can give.

Ms. Trina Edwards of Dennis, Gartland & Niergarth provided a brief presentation of the completed audit, express her professional opinion, and answer questions regarding the same.

Ms. Edwards will provide the fund balance ratio to expenditures in the General Fund and attest to its compliance with the City's adopted Fund Balance Policy. A calculation of the fund balance ratio, along with historical comparisons, has been included for the Mayor and Commissioners' review.

Additionally, a copy of the audited financial statements along with the auditor's opinion is included and will be made available to all interested parties on the City's website at www.saultcity.com.

This report will be submitted to the Municipal Securities Rulemaking Board's portal via the Electronic Municipal Market Access (EMMA) as stipulated by the City's continuing disclosure requirements and a formatted summary report will be submitted to the State of Michigan Department of Treasury prior to the due date of December 31.

Also included is a summary of the City's debt issues to date, which have been adjusted for activity since the new fiscal year has begun and show the balance in each obligation as of the end of November, 2016 and show a grand total debt obligation of \$41,286,110.

This information is not part of the audit, but rather was provided to the Department of Treasury and to the citizens as a part of the City, Village and Township Revenue Sharing Program reporting which is also available on the City's website.

City Manager Turner thanked all Finance Department staff for their continued dedication and work ethic and specifically Finance Director/Treasurer Collins for her efforts as well as the other City Departments that assisted in this effort and are committed to a prudent management of their respective budgets.

Moved by Commissioner Gerrie, supported by Commissioner Osterhout

That the City Commission accept the annual audited financial statements report for the period ending June 30, 2016.

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

COMMUNICATIONS:

**FROM THE EASTERN UPPER PENINSULA PLANNING & DEVELOPMENT
COMMISSION – REQUEST FOR A LETTER OF SUPPORT FOR AN EPA
BROWNFIELD ASSESSMENT GRANT:**

The Eastern U.P. Regional Planning and Development Commission is in the process of developing an application for the 2017 EPA Brownfield Assessment Grant and are requesting continued cooperation and support in their regional collaboration efforts with a letter of support.

EUPRPDC intends to apply for a Brownfield Assessment Grant. A brownfield assessment is conducted at the beginning of a proposed brownfield redevelopment project and is intended to evaluate the level of contamination and associated cleanup costs necessary to make a site environmentally safe for a proposed future use.

To maximize the grant award and the economic impact on the region, EUPRPDC is proposing a regional “EUP Brownfield Coalition” between Chippewa, Luce and Mackinac Counties, the City of Sault Ste. Marie and the Bay Mills Indian Community and the Sault Ste. Marie Tribe of Chippewa Indians. Through this coalition, they are eligible to apply for the maximum grant award of \$600,000, which can be spent over a period of three years. This grant does not require matching funds.

EUPPDC presented on this request.

Moved by Commissioner Gage, supported by Commissioner Twardy

That the City Commission authorize the City Manager to sign a letter of support as provided herein.

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

CITY MANAGER’S REPORT:

**AWARD OF BID FOR THE WINTER SNOW CLEARING SERVICES FOR THE
DOWNTOWN, CITY HALL, AND PARKING STRUCTURE:**

On Friday, September 23, 2016, one proposal was received and opened in the City Clerk’s Office for Downtown Snow Clearing Services. At the October 2016 meeting

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of the Downtown Development Authority Board, the DDA voted to award the downtown snow-clearing bid to Matheny Lawn Services.

Matheny Lawn Services bid was lower this year than last year (\$26,000 maximum annually), at a maximum of \$22,000 annually for the 2016-17 season, which includes sand and salt, and the West Portage Avenue tourist district. The bid also includes snow plowing for the top deck of the parking garage and snow clearing of sidewalks for City Hall. These are charged to separate accounts and are charged on a per-plow basis as noted in the attached spreadsheet.

The \$22,000 maximum for downtown sidewalk snow clearing is split between property owners, the DDA and the City. The City and the DDA cover the costs of all sidewalks bordering public property (i.e. the Fire Hall and various public parking lots) as well as kiosk areas and intersections. The property owners pay by the linear foot in front of their businesses.

DDA Director Knepper presented on this matter.

Moved by Commissioner Twardy, supported by Commissioner Bauer

That the City Commission award the bid to Matheny Lawn Services in an amount not to exceed \$22,000 annually for downtown sidewalks; \$45 per plowing of the City Hall sidewalks; and \$195 per plowing and removal of the parking garage.

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

AUTHORIZATION TO APPLY FOR A CZM GRANT TO PERFORM A FEASIBILITY STUDY TO ERECT THE HISTORIC FORT STREET BRIDGE:

The Coastal Zone Management (CZM) Program provides grant funds to assist in the development of vibrant and resilient coastal communities through, among other activities, the development of coastal recreation and tourism opportunities. Grant funds are made available by the National Oceanic and Atmospheric Administration (NOAA).

City Administration has recently been in contact with CZM program staff while they were conducting a follow-up to the City's Waterfront Redevelopment Study CZM grant and they indicated that a feasibility study for the Historic Fort Street Bridge would be eligible for CZM grant funds.

Recently discussions have taken place with Cloverland Electric Cooperative about reconstructing the bridge as a pedestrian/multi-use bridge over the Power Canal upstream of the headworks.

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A feasibility study should be pursued to determine what would be needed to execute the reconstruction of the bridge and update the cost estimate. Please refer to the CIP sheet included with this report on the discussion of the bridge and intent.

The estimated cost for a feasibility study of this type is \$35,000 with, if awarded, 50% of costs being funded by the CZM grant.

City Engineer Basista presented on this matter. Commission discussion ensued.

Moved by Commissioner Gerrie, supported by Commissioner Osterhout

That the City Commission approve the submission of an application for a Coastal Zone Management grant in the amount of \$17,500 for presented purposes.

Carried: Yeas: Commissioner Osterhout, Mayor Bosbous, Commissioner Gage, and Gerrie
Nays: Commissioner Bauer, Lynn, and Twardy

AUTHORIZATION TO EXECUTE A SERVICE PROVIDER AGREEMENT WITH SAULT EVENTS:

City Administration has been engaged in discussions with Sault Events and the Sault Area Convention & Visitors Bureau recently regarding a service provider agreement through which Sault Events would provide certain services to the City of Sault Ste. Marie.

More specifically, Sault Events has completed substantial work during the 2016 calendar year in support of planning efforts associated with the 350th anniversary of the French settlement of Sault Ste. Marie. Mary Jo Duvall with Sault Events has taken a lead role in these efforts, and a tentative summary of events associated with this celebration has been included for review by the Commission.

As detailed, the summary represents an ambitious recognition of the community during the 2018 calendar year. Undoubtedly, this recognition will result in significant regional and national interest from a tourism, promotional, and placemaking standpoint in the community.

The included service provider agreement would provide for Sault Events to continue its efforts in supporting the necessary planning for this milestone event and would also provide for additional services beyond the detailed planning, coordination, and execution of activities associated with the 350th anniversary of the French settlement of the City of Sault Ste. Marie, including:

- Planning, coordination, and execution of activities associated with the Great Race, expected to occur during the 2017 calendar year;

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- The provision of promotional and marketing assistance for events supported by the City of Sault Ste. Marie;

- Integrating recognition of the U.S. Coast Guard into all events coordinated by Sault Events, in line with the City Commission established goal of further integrating the U.S. Coast Guard community into the Sault Ste. Marie community;

- Planning, coordination, and execution of as well as promoting and marketing of the annual Citywide clean-up;

- And planning, coordination, and execution of activities associated with other special events, as agreed upon by both parties.

The service provider agreement could provide an excellent opportunity to tie together these efforts with the marketing and planning capacities of Sault Events and the Sault Area Convention & Visitors Bureau and would enhance the impact of these activities. Concurrently, the Sault Ste. Marie Downtown Development Authority (DDA) would continue to facilitate its own events separate from this agreement, however, the City, the DDA, and Sault Events would continue to research ways to maximize collaboration.

It should be noted that the included service provider agreement would provide for the payment in an amount of \$5,000 for this work to Sault Events, which would also be responsible for supplying all necessary materials in the production of this work. Additionally, the term of the agreement has been structured for a duration of six months (from January 1, 2017 through June 30, 2017) so that the structure of a longer term agreement may be discussed during the upcoming budget workshops to be held by the City Commission in the spring for the future.

It should be noted that the City Attorney and the City's liability insurance carrier have both favorably reviewed the included agreement.

Mary Jo Duvall addressed the Commission with some upcoming community events.

Moved by Commissioner Bauer, supported by Commissioner Lynn

That the City Commission authorize the City Manager to execute a service provider agreement for the detailed purposes.

Carried: Yeas: Commissioner Osterhout, Twardy, Mayor Bosbous,
Commissioner Bauer, Gage, and Lynn
Nays: None
Abstain: Commissioner Gerrie

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Moved by Commissioner Bauer, supported by Commissioner Twardy

That the City Commission approve an associated budget revision for this service provider agreement in the amount of \$5,000, with funding coming from General Fund Contingency which would retain a balance of \$38,800 for the balance of the current fiscal year.

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

APPROVAL TO EXECUTE ANIMAL CONTROL CONTRACT WITH CHIPPEWA COUNTY:

The City has contracted the services of the Chippewa County Animal Control Office for supplemental services for many years. Each agreement has been established on a two year basis. The current agreement terminates on 12/31/2016. The Police Department has been working with the County to streamline the language of the current agreement to clarify the terms and simplify the charging of fees.

A draft agreement has been reached and signed by the County representative.

The current agreement calls for payment by the City to the County for \$15.50 per hour (plus fringe benefits), mileage, uniform reimbursement up to \$500, \$25 per animal for skunk removal, and time and a half for emergency call-outs at a minimum of 2 hours.

Changes included within the new agreement include:

A flat monthly rate of \$1,300 to replace the hourly rate plus fringes;
No mileage fees;
No additional fees for uniforms;
No additional fees for skunk removal;
Adjustments to the work schedule while still maintaining the same number of hours;
And keeping the 2 hour overtime call-out rate

To cover all contingencies of the current agreement the police department is budgeted \$24,000 for F/Y 2016-2017 which is subject to any amount up to that point. The new agreement has a fixed annual rate of \$15,600, aside from emergency call-outs which are rare, Using a fixed rate gives some stability to the City's budgeting for the service as well as to the County for billing purposes.

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The County has signed the new agreement.

City Administration would like to thank Chippewa County for its work with the City in this process and establishing the new agreement.

Captain John Larsen presented on this matter.

Moved by Commissioner Twardy, supported by Commissioner Bauer

That the City Commission approve the proposed 2017-2018 Animal Control supplemental services with Chippewa County.

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

Status Report:

2017-2018 Fiscal Year Budget Preparation Schedule:

City Manager Turner presented the proposed schedule for the preparation of the budget for the fiscal year that will begin July 1, 2017.

Construction Season 2016 Recap Presentation:

City Engineer Basista provided a verbal update on the 2016 construction projects.

Light up the Soo:

The Light up the Soo Committee is encouraging residents to decorate their yards and homes with lights. Homeowners that participate will have a chance to win cash prizes, merely by submitting the included form. Prize winners will be drawn at random at the end of the "Light Up", January 6, 2017.

Furthermore, visit the Tower of History this holiday season and experience the lights of Sault Ste. Marie from 210 feet in the air. The Tower of History will be open from 5:00 p.m. to 9:00 p.m. Friday, December 16th thru Saturday, December 31st with the exception of Christmas Eve and Christmas Day.

Tower of History Admission Cost:
Adult \$4
Children \$2 (6-18 years old)
5 and Under Free
Family \$10

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Small children must be accompanied by adult
*Tower will be closed on Christmas Eve, Christmas Day

New City Web Site:

IT Director Raffaele presented the new Mobile Friendly City Website.

MATTERS PRESENTED BY THE PUBLIC:

DDA Director Justin Knepper announced some upcoming community events.

MATTERS PRESENTED BY THE CITY COMMISSION:

Commissioner Gerrie commented the CVB Annual Meeting and the take a ways from that meeting and the annual Madrigal Dinner held this past weekend.

Commissioner Twardy presented the 'City Commission Library' with a copy of "The Employee Experience".

Commissioner Gage provided an update on the Soo Locks project.

Moved by Commissioner Lynn, supported by Commissioner Osterhout

That the meeting adjourn at 8:53 p.m.

Motion carried unanimously.

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

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