

CITY COUNCIL MEETING
St. Ignace, Michigan
Monday, June 7, 2018 – 7:00 p.m.
City Council Chambers

******A G E N D A******

- I. Call to Order
- II. Pledge of allegiance
- III. Invocation
- IV. Roll call
- V. Consideration of minutes of the May 21, 2018 meeting
- VI. Public Comment
- VII. Additions to the Agenda (Council and Staff Only)
- VIII. Business:
 - 1. **WASTE MANAGEMENT AGREEMENT EXTENSION PROPOSAL**
 - 2. **DOCK 3 LEASE EXTENSION**
 - 3. **BUDGET AMMENDMENTS**
- IX. Public Comment
- X. Consideration of Bills

**Council
Proceedings
(Unofficial)**

A Regular Meeting of the St. Ignace City Council was held on Monday, May 21, 2018, in the Council Chambers at City Hall.

The meeting was called to order at 7:00 p.m. by Mayor Litzner, with the Pledge of Allegiance. Councilmember Clapperton gave the invocation.

Present: Councilmembers Clapperton, Fullerton, Mayor Pro-Tem Paquin, Councilmembers Pelter, St. Louis, Tremble and Mayor Litzner.

Absent: None.

Staff Present: Mike Stelmaszek, City Manager; Mark Wilk, Police Chief; Andrea Insley, City Clerk/Treasurer.

Consideration of minutes from May 7, 2018 Council meeting:

It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember Clapperton, to approve the minutes of May 7, 2018. Motion carried unanimously.

Limited Public Comment: None.

Additions to the Agenda:

Mayor Pro-Tem Paquin – Lawson property update.

City Manager Stelmaszek - Bid opening for ambulance loan financing.

Councilmember Pelter – Marina update.

1. CONSIDERATION OF RESOLUTION ON ROAD CLOSING (GRONDIN STREET):

**RESOLUTION OF THE ST. IGNACE CITY COUNCIL TO ABANDON PORTIONS OF
GRONDIN ROAD LOCATED WITHIN THE CITY OF ST. IGNACE**

The following Resolution was offered for adoption by Councilmember Fullerton, supported by Mayor Pro-Tem Paquin:

WHEREAS, Grondin Road is a road established and maintained by the City of St. Ignace and

WHEREAS, a proposal has been made by an owner of property located on Grondin Road, to vacate or abandon a portion of Grondin Road and allow development of the adjoining parcel of land, and

WHEREAS, the proposed portion of the roadway is not necessary for public travel, and

WHEREAS, the City of St. Ignace now wishes to consider a proposal to abandon that portion of Grondin Road, and

NOW THEREFORE BE IT RESOLVED, by the St. Ignace City Council, that the following criteria has been met as follows:

1. It is the intent of the St. Ignace City Council, pursuant to City Charter Sections 7.6a, to consider the request to abandon a portion of Grondin Road, located within the City of St. Ignace.
2. That the request is conditioned upon the following:
 - a. Petitioner would agree to not build any structures on or near public utilities.
 - b. Petitioner would provide proper legal easements to allow for the City to maintain all utilities on the portion of the road to be returned to private use.
 - c. The land owner will construct standard circular turn-around areas, not offset in any way from end of the road, on his property sufficient for a City plow truck to turn around without backing at each location where the road will end from vehicle traffic.
3. That a public hearing will be held regarding this Resolution on May 7th, 2018, at 7:00pm in the City Council Chamber at 396 N. State Street, St. Ignace, MI 49781.
4. That a notice of the above public meeting will be published at least one (1) week prior to the public hearing.
5. That after the public hearing, the City Council will consider the proposed road abandonment, at a regularly scheduled session of the City Council.

FURTHER MAY IT BE RESOLVED, that the St. Ignace City Council does support the partial closure of Grondin Road with the condition that all the above criteria is met by petitioner.

Roll Call Vote:

Yes: Councilmember Fullerton, Mayor Pro-Tem Paquin, Councilmembers Pelter, St. Louis, Tremble, Mayor Litzner and Councilmember Clapperton.

No: None.

Absent: None.

Resolution declared Adopted.

2. RESOLUTION DOWNTOWN YARD SALE:

Resolution

The following Resolution was offered for adoption by Mayor Pro-Tem Paquin, seconded by Councilmember Tremble:

WHEREAS, the St. Ignace Business Association is requesting to sponsor the Downtown Yard Sale, and

WHEREAS, Ordinance No. 413 of the City of St. Ignace, "The Peddler's Ordinance", requires certain criteria be met in order for the event to be held.

THEREFORE BE IT RESOLVED, that the St. Ignace City Council has determined that the St. Ignace Business Association does meet the criteria established in the various sections of Ordinance No. 413, and

FURTHER BE IT RESOLVED, that the City Council does approve the usage of downtown property for this event on Saturday, June 16, 2018, 8a.m. – 5 p.m.

Roll Call Vote:

Yes: Mayor Pro-Tem Paquin, Councilmembers Pelter, St. Louis, Tremble, Mayor Litzner, Councilmembers Clapperton and Fullerton.

No: None

Absent: None.
Resolution declared Adopted.

3. RESOLUTION RRC CERTIFICATION:

RESOLUTION TO PROCEED WITH THE REDEVELOPMENT READY COMMUNITIES(RRC) PROGRAM OF THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION (MEDC)

The following resolution was offered for adoption by Councilmember Pelter, supported by Mayor Pro-Tem Paquin:

Whereas, the City of St. Ignace has engaged in the MEDC Redevelopment Ready Communities Program, including entering into a Memorandum of Understanding with the MEDC and undergoing an evaluation of the City's redevelopment practices as reported in the Redevelopment Ready Communities Community Assessment Report and Evaluation of Findings dated April 2018; and

Whereas, the MEDC has developed a program for certifying Redevelopment Ready communities and the City of St. Ignace desires to achieve that certification by implementing best practices and recommended strategies for redevelopment; and

Whereas, the city of St. Ignace is currently updating its Master Plan and will utilize recommendations and technical assistance to ensure that development readiness is appropriately addressed in that document; and

Whereas, the program includes evaluating the strong partnerships with city boards and commissions related to development including the City Council, City Planning Commission, City Zoning Board of Appeals, St. Ignace Downtown Development Authority, Mackinac County and Regional Planning Boards and associations; and

Whereas, after review of the Redevelopment Ready Community Assessment Report, the City of St. Ignace is willing to complete the tasks as outlined, which will involve interaction with the aforementioned City commissions and boards; and

Whereas, certain recommendations have and will be made by the MEDC that are required in order for the City to attain Redevelopment Ready Communities Certification;

THEREFORE BE IT RESOLVED, that the City of St. Ignace, through its City Council, authorizes the implementation of recommendations made by MEDC and that are necessary to receive Redevelopment Ready Communities Certification from MEDC.

Roll Call Vote

Ayes: Councilmembers Pelter, St. Louis, Tremble, Mayor Litzner, Councilmembers Clapperton, Fullerton and Mayor Pro-Tem Paquin.

Nays: None.

Absent: None.

Resolution declared Adopted.

4. PERMISSION FOR JUNE TRAININGS:

City Manager Stelmaszek informed Council of training opportunities for City employees in June. It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember Clapperton, to approve the June trainings. Motion carried unanimously.

5. FINANCIALS:

City Manager Stelmaszek reviewed the 2018 April financials with Council.

Additions to the agenda:

Mayor Pro-Tem Paquin – Lawson property update:

City Manager Stelmaszek reported to Council that there is a possible sale pending for the Lawson property with details regarding the structures and blight on site to be determined.

City Manager Stelmaszek – Bid openings for new ambulance loan:

City Manager Stelmaszek announced the bid from First National Bank of St. Ignace to include a three-year term for the loan with 3.25% financing. The second bid submitted from Central Savings Bank also included a three-year term for the loan but with 3.29% financing. After brief discussion, it was moved by Mayor Pro-Tem Paquin, seconded by Councilmember Tremble, to accept the bid from First National Bank of St. Ignace for the financing of the loan and to authorize Mark Wilk to proceed with the purchase process of the new ambulance. Motion carried unanimously.

Councilmember Pelter – Update on Marina deck:

City Manager Stelmaszek informed Council that there is one day planned next week for the City DPW to assist with the Marina's deck replacement project and another day next week Enbridge has scheduled to provide a crew to assist in the project.

Limited Public Comment:

Councilmember Pelter thanked Council for the opportunity to attend the Michigan Municipal League's Elected Official Academy in Spring Lake, Michigan, May 18-19th.

Consideration of Bills:

It was moved by Mayor Pro-Tem Paquin, seconded by Councilmember Pelter, to approve payment of the bills in the amount of \$ 26,996.52. Motion carried unanimously.

The following bills were presented to Council for payment:

AIRGAS USA LLC	310.60
ANDERSON TACKMAN & COMPANY	14,095.83
CHARLES J. PALMER, P.C.	2,460.00
ENTERPRISE VENDING, INC	74.70
ETNA SUPPLY COMPANY	247.28
FERGUSON WATERWORKS #3386	475.95
GINA HARMAN	500.00
GREAT LAKES COCA-COLA DISTRIBUTION	309.70
IDEXX DISTRIBUTION CORP	309.67
INDUSTRIAL MARKETING	237.84
KSS ENTERPRISES	142.33
LYNN AUTO PARTS	2,483.32

MAMC	976.00
MICHAEL RICHARD LAMB	1,405.00
NYE UNIFORM COMPANY	84.95
PARAGON LABS	436.00
POMASL FIRE EQUIPMENT	150.84
SAFETY-KLEEN SYSTEMS INC	206.89
SAULT PRINTING COMPANY	160.39
SPARTAN STORES	55.74
STRAITS BUILDING CENTER	539.80
SYSCO GRAND RAPIDS	338.84
WESLEY H MAURER JR	994.85

Grand Total: \$ 26, 996.52

There being no further business, the meeting adjourned at 7:47 p.m.

Connie Litzner, Mayor

Andrea Insley, City Clerk/Treasurer

City Council Meeting
Council Chambers
Monday, June 4th, 2018

*****MANAGERS REPORT*****

Waste Management Agreement Extension Proposal

Waste Management has made a proposal to resolve our past billing issue with them. It is in the form of an 5 year extension to our current contract that would forgive \$17,386 they say we owe them. I had our City Attorney review the proposal. He feels it should be bid out and that the outstanding balance issue could be resolved in the process. I agree with him and would like to follow his advice.

Dock Three Lease Extension Proposal

To be fair to the current lessee, this should have been bid out last year. I would like your approval to offer the lessee a one year extension then bid out a new lease agreement to take effect after the expiration of the extension. Doing it this way gives the current lessee time to plan for a transition if they do not remain the users of the property. To me it is the right thing to do. Our City Attorney prepared this extension and advised that it is legal and proper.

Budget Amendments

As presented at the work session.

Other Matters

You will receive copy of the complete city budget at the council meeting with YTD expenditures for the first 5 months (end of May). Please review it. Contact me if you have any questions. I will plan on going over budget items from this budget report at the next work session and the start the budgeting process for next year at each subsequent work sessions. There may be other issues for the agenda, but this year's budget and next year's budgeting process will be a part of each work session as we move forward with the year.

The sewer project resolution and plan certification has been postponed due to another easement issue. I hope to present it at our next meeting.

The DPW worked on the deck at the marina on Tuesday and Wednesday of last week. Enbridge employees were there also on Wednesday. Over 50 feet was completed and the project is over half done. The DPW will work two more days this Tuesday and Wednesday on the project and we are planning for a volunteer effort again with the DPW on the second day. Only DPW employees will be operating the saws. Volunteers will be using hand tools. We have advertised this volunteer effort (for 8am to 3pm on Wednesday) on our city web site and by word of mouth. Spread the word.

The new speaker system installation was completed on Friday and we will be trying it out at our meeting.

Amendment to the City of St. Ignace, MI Agreement for Residential Waste and Recycling

THIS AMENDMENT is made and entered into this ___ day of April/May 2018 by and between the City of St. Ignace, MI and Waste Management of Wisconsin, Inc.

WHEREAS, the parties desire to amend the current agreement dated May 1, 2015.

THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Forgive past due amount and previous agreed to repayment terms from previous service period that was carried into current Agreement of \$17,386.71.
2. Contract is mutually agreed to continue from May 1, 2020 to April 30, 2024, thus following Scope of Service 4.2 and changing Scope of Service IV, 4.1.
3. Expected Cost of Services (V) for 5.3 Annual Increases will follow current structure:

<u>Year</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Weekly trash	13.33	13.72	14.13	14.56	14.99
Senior rate	6.95	7.16	7.38	7.6	7.83
Monthly Rcy	0.65	0.67	0.69	0.71	0.73

All other terms and conditions of the July 1, 2014, City of St. Ignace Residential Waste and Recycling Agreement apply.

IN WITNESS WHEREOF, the parties have hereunto executed this Contract by their officers on the day and year first above written.

CITY OF ST. IGNACE, MI

WASTE MANAGEMENT OF
WISCONSIN, INC.

By: _____

By: _____

Title: _____

Title: PSSM

Date: _____

Date: _____

Dock 3 Lease History

Dock 3 was originally deeded to the City of St. Ignace in 1966, with certain stipulations. Had to be used for Municipal use only was the main requirement.

Arnold Transit proposed a lease agreement with the City in 1987, the State of Michigan approved in 1988.

The original lease with Arnold Transit was in 1988 and was for 10 years, to 12/31/97. The lease amount was for \$80,000.00 total, \$4,000.00 for the years 1988 thru 1992, \$12,000.00 for 1993 thru 12/31/97.

The second lease was from 1/1/1998 thru 12/31/2007. The lease amount was for \$180,000.00 total, \$18,000.00 yearly for the 10 years of the lease.

The third lease was from 1/1/2008 thru 12/31/2012, 5 years. The rate was set at \$20,000.00/year with an increase equal to the CPI for each year. 2011 rate was \$22,720 and the same for 2012 (\$22,720.00)

Arnold Transit has requested to have the lease extended or at least start negotiations to go in that direction.

EXTENSION OF LEASE AGREEMENT

Lease entered into on January 1, 2014, by and between the City of Saint Ignace, a municipal corporation, at 396 North State Street, St. Ignace, Michigan 49781, hereinafter called the "Lessor" and Arnold Transit Company, a Michigan Corporation, of Mackinac Island, Michigan 49757, hereinafter called "Lessee"; is hereby extended and the Parties make the following provisions:

The parties represent to each other that each has the right to enter into this lease on the terms and conditions set forth herein, it being understood that the City of Saint Ignace is the owner in fee simple of the leased property.

1. Property Leased: The South mooring and land area adjacent to the Center Pier of Dock No. 3, more specifically described as: All the land area lying westerly of the Center Pier, easterly of the Pier Drag Apron and the Transfer Bridge and the North Center Pier Drag Apron, Transfer Bridge and Approach. Also, all of the mooring area and approach known as the South Center Pier Drag Apron and Transfer Bridge.
2. Term of Lease: For the term beginning January 1, 2019, through December 31, 2019.
3. Rent to be Paid: Lessee agrees to pay the City of Saint Ignace the sum of \$28,363.65.
4. General Conditions:
 - a) Lessee agrees that Lessor may prescribe the means and routes of ingress and egress upon the property.
 - b) Lessee shall utilize the area leased for the following specific purposes only:
 - I. Mooring of freight boats;
 - II. Receiving, loading and shipping of freight to Mackinac Island;
 - III. Storage of freight for shipping to Mackinac Island;
 - IV. The leased premises are to be used as a freight terminal, for outgoing and incoming freight to Mackinac Island. Passenger traffic is not within the uses permitted hereunder except where it may be necessary under unusual circumstances. If such unusual circumstances arise, in the opinion of the Lessee, it shall contact Lessor through its City Manager, and the Manager shall be empowered to allow such passenger use, if he likewise determines that unusual circumstances have arisen to allow such passenger use to be made. It is understood that the unusual circumstances allowing passenger use of the leased premises, among others, would be for reasons of emergency moving of passengers or equipment, use dictated by unusual weather, or loss of other passenger docking facility because of natural or man-made disaster, and to provide for the public health, safety, and welfare. The City Council shall have the right to review, at its request, the

discretion used by the City Manager in granting such passenger use.

Any other use shall be prohibited without prior written approval from Lessor. The loading and unloading of passengers and the parking of vehicles, other than employees of Lessee, is explicitly prohibited except as set forth above.

- c) Lessee will present Lessor with a written plan of operation of the premises.
- d) Lessee agrees that all matters pertaining to operation of the premises must be approved by Lessor.
- e) Lessee may make improvements to the property, subject to prior approval of Lessor. Buildings or other removable trade fixtures and improvements made or applied by Lessee to the premises, now existing thereon or hereafter there made, may be removed by Lessor at lease termination or within thirty (30) days thereafter.
- f) Lessee will provide Lessor, with a certificate of insurance naming Lessor as insured on the liability policy. General Liability Insurance, naming the City of Saint Ignace and its several departments, City Council, officers and employees, as additional insureds and protecting against all claims, demands, suits, addition or causes of action and judgments, settlements or recoveries, for bodily injury or property damage arising out of a condition of the premises, or arising in connection with or as a direct or indirect result of the Lessee's use and occupancy of the said premises or its exercise of the rights and privileges hereby granted. The provisions of this paragraph shall apply to each and every such injury, loss and damage, however caused, whether due or claimed to be due to the City of Saint Ignace, its several departments, City Council, officers and employees. Lessee agrees to maintain minimum policy limits in the amount of Ten Million Dollars single limit liability for property damage and bodily injury. Further, the coverage and conditions set forth in Exhibit B attached, shall be complied with by Lessee.
- g) Lessee is to provide all labor and equipment and supplies for maintenance of entire premises, mowing, sweeping, cleaning, etc.
- h) No new structures, including signs, shall be installed without prior approval of Lessor.
- i) Lessee is to hold Lessor harmless from any fines, penalties, suits or other actions resulting from Lessee's operation on the property.
- j) Lessor may inspect the premises, as desired.
- k) Lessee may not assign or sublet the property without Lessor's written permission.
- l) Lessee shall pay all utilities and taxes, if any, on the dock property pertaining to this lease.
- m) No dissemination of advertising on the premises will be allowed without the consent of the Lessor.
- n) Lessee shall be responsible for all reasonable maintenance and repairs to the leased area.
- o) Lessee shall guarantee freedom of public access and use of the Center Pier via the

north pedestrian bridge ramp.

- p) Lessee agrees to control all freight hauling and other vehicles and insure that the parking, loading and unloading of vehicles does not encroach upon the picnic, playground, park and recreation areas of the remainder of Dock No. 3 site.
- q) Lessee agrees to store all freight, materials and other accessories pertinent to the operation of their business in a neat, orderly fashion, either within an enclosed structure or within the confines of the leased area.

5. Special Provisions:

- a) Lessor may utilize the display cases in the leased area for its own purposes.
- b) Lessor may utilize dock area for storage of snow.
- c) Lessor may change, alter or add to existing signs, as necessary.
- d) No concessionaires on leased area is allowed.
- e) Should a request for use of the lease area be made for a special event and should the Lessor determine it is in the public good, Lessor may grant the usage to the party making the request, free of charge, upon thirty (30) days prior notice to Lessee.
- f) The space for mooring is leased as is, with Lessor making no representations as to the condition or usability of the pier, or leased area, this being the sole responsibility of Lessee.
- g) The Lessor will, before Lessee takes possession of the mooring and leased site, inspect the pier, and take pictures of its present condition for the purpose of determining at the end of the term, if there is any damage done during the lease period. Lessee agrees to make all repairs to the dock leased, if it causes any damage to the same, including the replacement of timber (logging), if any are broken, and at the end of the term return the pier in as good condition as when taken, reasonable wear and tear expected.
- h) Lessee will provide for their own sanitary sewage disposal connection to the City system and comply with all applicable laws in so doing on disposing of its sewage and water waste, if necessary.
- i) Lessee will be responsible for its own electrical power and security.
- j) All repairs to be made to the dock must be first approved by Lessor, in writing, and all such improvements shall remain when the lease terminates, unless otherwise agreed to between the parties, in writing.
- k) The parties understand that the U.S. Coast Guard, from time to time, places buoys on the South pier's surface, and that Lessee will not interfere with this placement or other similar use, or the deployment operation by the Coast Guard undertaken from time to time from this location.
- l) Lessor agrees to provide right-of-way from the city street to the foot of the pier over present access roadway. Said access understood to be non-exclusive, and this lease includes ingress and egress rights to the ship mooring site and Lessee is to maintain the same.
- m) Lessor will assure Lessee the right to peacefully possess the mooring site and

ingress and egress thereof, so long as the terms of this lease are confirmed to by Lessor.

If any breach in the terms of the lease is committed, the Lessor shall have the right to forthwith oust and put out Lessee from the pier and leased area, and terminate the lease.

- 6. Provided, that in case any rent shall be due and unpaid, or if default shall be made in any of the covenants herein contained, then it shall be lawful for the Lessor, its certain attorney, heirs, representatives and assigns, to re-enter into and re-posses the said premises, and the Lessee and each and every other occupant is to be removed and put out.
- 7. Lessor covenants that Lessee, on paying the aforesaid installments and performing all the covenants aforesaid, shall and may, peacefully and quietly have, hold and enjoy the said leased premises for the term aforesaid.
- 8. At the expiration of this lease, and on condition that Lessee has complied with all the conditions hereof, Lessee shall have the rights of first refusal for any new lease of the premises covered hereby.
- 9. The covenants, conditions and agreements made and entered into, by the several parties hereto, are declared binding on their representatives and assigns. This lease is subject to the conditions of a deed wherein the Lessor, City of Saint Ignace, acquired the leased premises. Said deed is recorded in Liber 179; page 166, Mackinac County Register of Deeds' office.

NOTICE: Michigan law establishes rights and obligations for parties to rental agreements. This agreement is required to comply with the Truth in Renting Act. If you have a question about the interpretation or legality of a provision of this agreement, you may want to seek assistance from a lawyer or other qualified person.

The name and address at which notice is required under the Truth in Renting Act may be given to the said Lessor at:

NAME: City of Saint Ignace
 ADDRESS: 396 North State Street
 St. Ignace, MI 49781

CITY OF SAINT IGNACE (Lessor)

_____ By: _____
 Witness Connie Litzner, Mayor

_____ Date: _____
 Witness

ARNOLD TRANSIT CO. (Lessee)

Witness

By: _____
Veronica Dobrowolski

Witness

Date: _____

MAY 2018

Budget Amendments

Act 51 Special Revenue Distribution (\$22,965.76)

Major Streets (202-000-545.000) \$11,482.88 (YTD Balance)
to 2018 Amended Budget (same account)

Local Streets (203-000-545.000) \$11,482.88 (YTD Balance)
To 2018 Amended Budget (same account)

Total = \$22,965.76

Retiree OPEB Expenses

Vac/Sick Revenue Fund (729-000-002.000) **\$59,880.82** to

Vac/Sick Expenditure Fund (729-201-706.000) \$57,984.15 (Wages)

Vac/Sick Expenditure Fund (729-201-715.000) \$ 1,556.03 (Social Sec.)

Total = \$59,880.82