

## PROCEEDINGS OF THE MANISTEE CITY COUNCIL – March 5, 2013

A regular meeting of the Manistee City Council was called to order by her honor, Mayor Colleen Kenny on Tuesday, March 5, 2013 at 7:00 p.m. in the City Hall Council Chambers, 70 Maple Street, followed by the Pledge of Allegiance.

PRESENT: Colleen Kenny, Edward Cote, Robert Hornkohl, Robert Goodspeed, Catherine Zaring, Beth Adams, and Eric Gustad.

ALSO PRESENT: City Manager – Mitch Deisch, City Attorney – George Saylor, City Clerk – Michelle Wright, Community Development Director – Jon Rose, Finance Director – Ed Bradford, Public Safety Director – Dave Bachman, Utility Director – Jeff Mikula, and City Engineer – Corey Kadow/Abonmarche.

### **PUBLIC HEARING ON AN APPLICATION TO THE STATE OF MICHIGAN LAND AND WATER CONSERVATION FUND FOR A GRANT TO ASSIST WITH REBUILDING THE ROTARY PARK PLAYGROUND IN DOUGLAS PARK.**

City Manager Mitch Deisch made a presentation on rebuilding the Rotary Park Playground and the grant application that is being submitted.

No action is anticipated this evening. Council will be asked to approve a Resolution of Support for the grant application at the regular meeting scheduled for March 19, 2013.

Richard Knechtges – 1310 Cornell Street, president of the Manistee Chapter of NAPH, stated he was unable to do a lot of these things when he was younger because of sand; it is an opportune time to enjoy the playground; everyone can use it because of universal accessibility; we want to be one of the first communities on this side of the state to have this type of playground; and being community built will be a lot of fun.

Ed Tegler – 522 Fifth Avenue, stated that the Parks & Beautification Commission has been involved from the beginning; lot of people involved with one common goal being universally accessible; Parks & Beautification Commission fully endorses this and looks forward to the outcome.

No other comments received. Public Hearing closed at 7:17 p.m.

### **PUBLIC HEARING ON MICHIGAN ECONOMIC DEVELOPMENT CORPORATION CDBG SIGNATURE BUILDING GRANT PROGRAM.**

The purpose of this public hearing is to afford an opportunity for all citizens to express opinions, ask questions, and discuss a proposed grant application for \$330,000 from the Michigan Economic Development Corporation (MEDC) CDBG Signature Building Grant Program to assist in the purchase of the building at 312 River Street, Manistee, Michigan.

Travis Alden – 175 Harrison Street, director of Manistee Downtown Development, stated that the DDA is excited and fully supports this; it will be a positive addition to downtown; the building has been empty for more than four years; this is the main gateway to downtown; this will expand Manistee’s restaurant “pie” bringing more people into Manistee; dollars will be used solely to assist in purchasing the building; 19 full-time equivalent jobs, plus many part-time jobs, is part of the two year grant requirement period; to qualify for the grant the building must be 1) historic, 2) significant to the downtown, and 3) rehabilitation needed. He noted several changes to the resolution Council originally received.

Connie Freiberg, executive chef of the Blue Fish Kitchen, stated they plan on using fresh, local ingredients on their Great Lakes influenced menu; the restaurant will be different and a complement to the community; discussed menu ideas; idea of opening in Manistee came about during a Mayor’s Exchange event that Manistee participated in with Big Rapids last year.

Denis terHorst asked if a business plan was available and if the business is sustainable.

Maria DeRee, downtown business owner, stated that not a week goes by that people don’t ask where they can get fresh fish.

Al Frye, Manistee Community Kitchen, pledged his support; they deal with local farms and would be able to deliver fresh products from the farms.

Mitch Deisch, City Manager, received an e-mail with comments from Ms. Linda Bladzik – 826 Maple Street, copies were provided for City Council.

No other comments received. Public Hearing closed at 7:47 p.m. City Council will take action on the request later in the meeting.

**CITIZEN COMMENTS ON AGENDA RELATED ITEMS.**

Ross Spencer – 328 Eighth Street, commented on awarding the contract for the First Street fish cleaning station and beach pavilion; asked that Council not push the project forward until budget issues resolved.

Tom Geoghan – 286 Dunes Drive, commented on a newspaper article on the Lakes to Land Regional Initiative and wanted clarification what they were about.

**CONSENT AGENDA.**

- Minutes - February 19, 2013 - Regular Meeting
- Payroll - Feb. 18 – Mar. 3, 2013 - \$ 112,393.74
- Cash Balances Report - January 2013
- Notification Regarding Next Work Session – March 12, 2013

A discussion will be conducted on the CDO White Paper, Project Updates; and such business as may come before the Council.

MOTION by Hornkohl, second by Zaring to approve the Consent Agenda as presented.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Cote, Hornkohl, Goodspeed, Zaring, Adams, and Gustad

NAYS: None

**CONSIDERATION OF ENTERING INTO A DEVELOPMENT AGREEMENT WITH BLUE COW LLC/BLUE FISH KITCHEN LLC.**

The Michigan Economic Development Corporation's (MEDC) CDBG Signature Building Grant Program provides funding for communities and entities desiring to purchase anchor buildings in a community's downtown, rehabilitate the structures and develop new businesses within them resulting in the creation of new jobs.

Blue Cow LLC/Blue Fish Kitchen LLC is requesting the City submit an application to the MEDC for \$330,000 to assist in the purchase of the building at 312 River Street, Manistee, Michigan (the Winkler Block is the historic name, formerly the Tuscan Grille). The agreement holds Blue Cow LLC/Blue Fish Kitchen LLC solely responsible for the repayment and shall hold harmless the City. The City Attorney has reviewed and approved the development agreement.

MOTION by Hornkohl, second by Gustad to authorize the Mayor and City Clerk to execute the development agreement with Blue Cow LLC/Blue Fish Kitchen LLC. It was stated that this will be an anchor to the downtown, along with the Vogue Theater.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Cote, Hornkohl, Goodspeed, Zaring, Adams, and Gustad

NAYS: None

**CONSIDERATION OF MICHIGAN ECONOMIC CORPORATION CDBG SIGNATURE BUILDING GRANT PROGRAM – BLUE COW LLC/BLUE FISH LLC.**

Blue Cow LLC/Blue Fish LLC has made an offer to purchase the building at 312 River Street, Manistee, Michigan. With the assistance of the Main Street Downtown Development Authority an application to the Michigan Economic Development Corporation (MEDC) CDBG Signature Building Grant Program has been prepared. The application requires a public hearing, which was held earlier this evening, to allow for public comment on the request; and a resolution from City Council supporting the request.

MOTION by Hornkohl, second by Goodspeed to authorize the Mayor and City Clerk to execute a resolution supporting a grant application to the Michigan Economic Development Corporation CDBG Signature Building Grant Program for Blue Cow LLC/Blue Fish LLC.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Cote, Hornkohl, Goodspeed, Zaring, Adams, and Gustad  
NAYS: None

**CONSIDERATION OF LAKES TO LAND REGIONAL INITIATIVE.**

The City Planning Commission has begun work on updating the Master Plan. A component of the update will need public input. While the majority of work on the plan will be done in house, assistance is available from the Lakes to Land Regional Initiative. The Lakes to Land Initiative will assist with the public involvement and facilitate public input as well as assist in the plan development.

The City Attorney has reviewed and approved the Agreement to Partner Collaborative Master Plan and Implementation Strategy.

MOTION by Hornkohl, second by Zaring to authorize the Mayor and City Clerk to execute the Resolution and Agreement to Partner Collaborative Master Plan and Implementation Strategy with the Lakes to Land Regional Initiative. Discussion followed.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Cote, Hornkohl, Goodspeed, Zaring, Adams, and Gustad  
NAYS: None

**CONSIDERATION OF HARBOR COMMISSION BYLAW AMENDMENTS.**

The Manistee Harbor Commission took action at their February 19, 2013 meeting to review and approve changes to their bylaws. A copy of the bylaws showing proposed amendments has been attached. These amendments provide additional clarification and update the bylaws to coincide with recently revised Chapter 266 of the Code of Ordinances.

MOTION by Hornkohl, second by Goodspeed to approve amendments to the bylaws of the Manistee Harbor Commission and authorize the Mayor to execute the document.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Cote, Hornkohl, Goodspeed, Zaring, Adams, and Gustad  
NAYS: None

**CONSIDERATION OF FISH CLEANING STATION AND BEACH PAVILION CONTRACT.**

On February 6, 2013 bids were due for the Fish Cleaning Station and Beach Pavilion construction that is to take place this spring. Twelve bids were received in response to the project.

Adams Construction	\$747,150
BCI Construction	\$639,600

Cole, Inc.	\$572,575
Hallmark Construction	\$583,750
Joseph Helminski	\$629,892
Omega Construction	\$618,543
Orshall	\$625,238
Plaggmars Construction	\$605,900
Rivertown Contractors	\$587,788
Sugar Construction	\$607,200
Tridonn Construction	\$569,863 *Low Bidder
Vell Construction	\$583,500

Tridonn Construction was the low bid at \$569,863. Value engineering has reduced that cost to \$545,020. A contract has been prepared in the reduced amount with Tridonn Construction for the construction of the Fish Cleaning Station and the Beach Pavilion. The contract has been reviewed by the City Attorney.

MOTION by Hornkohl, second by Zaring to enter into a contract with Tridonn Construction in the amount of \$545,020 for the construction of the Fish Cleaning Station and Beach Pavilion at First Street Beach. Discussion followed including cost of metal roof vs. shingles; how long until we lose grant money – when does project need to be completed; no contingency money; and a comment that we won't have a beach house if this is postponed.

With a roll call vote this motion passed, 5-2.

AYES: Kenny, Cote, Hornkohl, Zaring, and Gustad  
 NAYS: Goodspeed and Adams

**A REPORT FROM THE MANISTEE RECREATION ASSOCIATION.**

Ms. Vicki Sheffield reported on the activities of the Manistee Recreation Association and responded to questions the Council had regarding their activities.

**PRESENTATION OF COMMUNITY DEVELOPMENT OFFICE WHITE PAPER.**

Deisch and Rose presented a synopsis of the Community Development Office white paper. The report will be posted on the web site and on Facebook for public viewing. Further discussion will be held next week at the work session.

**CITIZEN COMMENT.**

Richard Knechtges – 1310 Cornell Street, stated that the safety of a metal roof vs. wood roof should be considered if there were a fire emergency.

Jean Laskey – 326 Eighth Street, asked about the parking location for the new Rotary Park.

Travis Alden spoke on behalf of the DDA and thanked Council for their approvals; it shows that Council

is behind positive development.

**OFFICIALS AND STAFF.**

*None received.*

**COUNCILMEMBERS.**

Goodspeed asked if the old rocket ship slide could be taken to Morton Park; also received a call from Denis Raz regarding the condition of the sidewalks on Lake Street.

**ADJOURN.**

MOTION to adjourn was made by Goodspeed, second by Zaring. Meeting adjourned at 9:23 p.m.

Michelle Wright MMC / CPFA, MiCPT  
City Clerk/Deputy Treasurer