

## PROCEEDINGS OF THE MANISTEE CITY COUNCIL – April 20, 2010

A regular meeting of the Manistee City Council was called to order by her honor, Mayor Ilona Haydon on Tuesday, April 20, 2010 at 7:00 p.m. in the City Hall Council Chambers, 70 Maple Street, followed by the Pledge of Allegiance.

PRESENT: Colleen Kenny, Ilona Haydon, Hank Yonkman, Richard Mack, and Alan Marshall.

ABSENT: Robert Hornkohl, 1-Vacancy

ALSO PRESENT: City Attorney – Bruce Gockerman, City Clerk – Michelle Wright, City Assessor – Julie Beardslee, Community Development Director – Jon Rose, DPW Director – Jack Garber, Finance Director – Ed Bradford, Fire Chief – Sid Scrimger, and City Engineer – Jeff Mikula/Abonmarche.

### **#10-39 PUBLIC HEARING ON 2010-2011 BUDGET.**

The City fiscal year runs from July 1 through June 30. Under Section 7-4 of the Charter, a public hearing is required on the budget which must be adopted not later than May 15 of each year.

Work sessions on the budget were held on March 23, March 30, April 6 and April 12, 2010; with an additional session scheduled for April 27 and an optional session scheduled for the first meeting in May. The Budget calendar anticipates adoption of the budget at a special meeting on May 11, 2010.

Based upon previous Council work session discussions, the recommended property tax levy is 17.2957 mills for General Fund operating purposes and the recommendation for the Refuse Fund is 1.15 mills. A 4% increase in water and sewer rates will also be discussed as part of this year's budget process.

Mayor Haydon opened the floor to receive public comments on the 2010-2011 budget. No action is anticipated at the conclusion of the public hearing.

Kathy Fenstermacher, 302 Fourth Avenue, said these are tough decisions the Council has to make. You are trying to balance the budget, not by raising the millage rates, but by raising the administration fee on taxes; according to the Charter - no collection fees should be charged on taxes; raising the water and sewer rates; elimination of the fire chief; having animal control; basic life support system - West Shore Medical has to go out when a 911 call comes in, this could cause double deductible charges to City residents; the Capital Improvement account should pay for City Hall renovations; regarding the Assessor's office - any research on the services provided; your doing all this because administration says so, when are you going to give a break to the citizens?

Shirley Baker, representing Citizens for Responsible Government, had three words for Council – honor, courage, and commitment. Honor – City Council should be honored to represent the citizens of Manistee; Courage – they should have the courage to make tough decisions; Commitment – Council should reduce City expenses, get expenses in line with decreasing revenues. Remember these words when making a decision.

Ed Kriskywicz, 387 River Street, has lived and operated a business in the downtown area for many years. He expressed his support for the DDA stating they should not be a target of budget cuts. They have been helpful with the riverwalk, the building facades, committed \$150,000 towards the marina building construction, additional parking lots, flower baskets, etc. He gave the mayor a petition containing 60 signatures in support of the DDA, signatures collected in the last 24 hours.

Susan Jones, 215 First Avenue, spoke in regards to the elimination of the Fire Chief. This is all due to revenues not being high enough, services still need to be maintained to the citizens, just have to do it with less resources. By balancing the budget by eliminating the Fire Chief and support staff would save \$106,000 but why put it on the backs of those that carry our backs from disasters? Why can't \$106,000 be found throughout all city departments and projects? The state doesn't take their shortfall out of one department, but all – by short cuts or employee reductions. Apply that plan to each City department and have them come forth with a savings plan. This is personal.

Bob Turner, 27 Clay Street, said this is putting the City in a situation by placing the Police Chief in charge of the fire department; training doesn't add experience; this is not protecting the citizens of Manistee; back off on the marina – there are other ways to get money; you will be putting people in danger and firemen in danger; Chief Bachman is a good man, but you are putting more on him than he deserves; if you make that decision, you are wrong.

Nick Baker, Manistee, lived in New York City area for 30 years and they had a volunteer fire department – we made it; how many other areas have volunteer fire departments? He is not anti-fire department, but over kill is over kill; don't have ambulances racing each other to get to a scene. The millage is out of hand.

Melissa Reed, Manistee Area Chamber of Commerce, said she doesn't feel sorry for you – this is what you were elected for. She is a writer and would hate to have an editor lop off the end paragraph to cut a story; she is suggesting that you edit, don't cut the DDA; downtowns are fragile creatures; downtown is what we see – don't cut it; don't disinvest our central business district – it looks like it is not important to us; this is not what you want or want to see.

Ed Cote, 312 St. Mary's Parkway, supports the fire department. While campaigning, he has talked to over 85 residents on the northside – the 2<sup>nd</sup> district overwhelmingly supports Sid Scrimger as fire chief.

Tim Guenthardt, fire chief in Stronach, said there is not one volunteer fire department in the County – all are partly paid, receiving a monthly salary or run money; regarding the BLS/ambulance comment – West Shore Medical will send an ALS unit, there is a set fee for BLS, it will not be getting billed twice, it is a separate call depending on the severity.

Jeff Morse, fire chief from Inland Township, Benzie County, commented on what Sid Scrimger means to them: they pay \$75,000 for fire coverage and average 10 runs per year; he and the township board looked to see if they could do this any cheaper; only a handful of them were trained; he met with the Manistee County Firefighters Association last year, which included Sid – they had a wealth of knowledge; Sid gave up his time and helped trained 10 guys from their department - you have a jewel; Sid will land on his feet and make another town better, you don't want to be known for that; you have one of the strongest departments around and dedication – take that into consideration; if he leaves, he is not coming back.

Haydon stated that the Council appreciates everyone's comments and that they do listen.

No other comments were received. Public hearing closed at 7:36 p.m.

**CITIZEN COMMENTS ON AGENDA RELATED ITEMS.**

*None*

**#10-40 CONSENT AGENDA.**

Consent agenda items include:

- Minutes - April 6, 2010 - Regular Meeting  
- April 6, 2010 - Work Session  
- April 12, 2010 - Work Session
- Payroll - April 5 – 11, 2010 - \$ 52,923.18
- Cash Balances Report - March 2010
- Notification Regarding Next Work Session – April 27, 2010  
There is no work session scheduled for May. A special meeting has been scheduled to adopt the 2010-2011 Budget on May 11, 2010 at 7:00 p.m. The next Council work session has been scheduled for Tuesday, June 8, 2010 at 7:00 p.m. A discussion will be conducted on such business as may come before the Council.
- Consideration of a Proclamation Declaring April 2010 as Parliamentary Law Month.  
The National Association of Parliamentarians (NAP) is a society dedicated to educating leaders throughout the world in effective meeting management through the use of parliamentary procedure. The correct use of parliamentary procedure protects the rights of all, while fostering an orderly deliberation at meetings. The NAP has requested that the City of Manistee designate April as Parliamentary Law Month.
- Consideration of the Annual Memorial Day Parade.  
Authorization is being sought by the United Veterans Council for the Annual Memorial Day Parade to be held on Monday, May 31, 2010 at 10:00 a.m. The parade will begin on Division Street; continue West on River Street, North on Washington Street, then East on Memorial Drive to the Veterans Memorial Park. Also at this time the United Veterans Council is requesting to hold their Poppy/Violet distribution at all ceremonies as well as the parade.

MOTION by Marshall, second by Kenny to approve the Consent Agenda as stated.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Haydon, Yonkman, Mack, Marshall  
NAYS: None

**#10-41 CONSIDERATION OF BIDS RECEIVED FOR THE MARINA BUILDING PROJECT.**

The City has made upgrading of the Municipal Marina a priority through the Council strategic planning process. Of the total project, including construction and engineering/design, the City has secured approximately 60% in State grants and DDA assistance. The City will be committing to approximately \$345,854, which will be paid from the Marina Enterprise Fund and the Capital Improvement Fund. Bids have been solicited and opened for the Marina Building Project. The low responsible bid has been received from R. T. Cole of Cadillac in the amount of \$713,154.

This item was tabled from the April 6, 2010 meeting. Capital Improvement Fund items were discussed at the April 12, 2010 budget work session. In addition, at their meeting of April 13, 2010, the Manistee Harbor Commission took action to recommend that Council move forward with both Phase I and Phase II construction.

MOTION by Mack, second by Kenny to accept the low responsible bid from R. T. Cole of Cadillac, allow the Finance Director to arrange necessary financing, and authorize the Mayor and City Clerk to execute the appropriate documents following the review and approval of the City Attorney. Brief discussion followed.

With a roll call vote this motion passed, 4-1.

AYES: Kenny, Haydon, Mack, Marshall  
NAYS: Yonkman

**#10-42 CONSIDERATION OF RESCHEDULING NEXT REGULAR MEETING.**

The next regular meeting would normally be on Tuesday, May 4, 2010. Due to the election scheduled on that date, the meeting could be rescheduled to Wednesday, May 5, 2010.

MOTION by Kenny, second by Yonkman to reschedule the next regular meeting from Tuesday, to Wednesday, May 5, 2010 at the regular time and place.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Haydon, Yonkman, Mack, Marshall  
NAYS: None

**#10-43 CONSIDERATION OF THE PURCHASE OF 40' AERIAL BUCKET TRUCK WITH DUMP BOX AND CHASSIS.**

The DPW aerial truck is used for tree trimming/cutting, Christmas decorations, and street lights. Our current aerial truck is a 1995 vehicle and is very unreliable. If approved, the Finance Director will proceed with a four year lease purchase agreement. This purchase has been reviewed and approved by the Motor Pool and is a budgeted item.

MOTION by Mack, second by Marshall to authorize the purchase of a 40' aerial bucket truck with dump box and chassis for a not to exceed cost of \$91,000; obtain a trade-in for the used equipment; and further authorize the Finance Director to seek the most fiscally responsible four year lease purchase agreement. Discussion followed.

With a roll call vote this motion passed, 4-1.

AYES: Kenny, Haydon, Mack, Marshall  
NAYS: Yonkman

**#10-44 CONSIDERATION OF A CONTRACT, VETERANS OAK GROVE DRIVE / GLOCHESKI DRIVE RESURFACING.**

The City of Manistee received three bids for the milling and resurfacing of Veterans Oak Grove Drive and Glocheski Drive. The project is being funded through an MDOT Economic Development Grant. The bids are as follows:

Elmer's	\$424,111.98*
Reith-Riley	\$463,187.95
Hallack Contracting	\$474,487.90

\*Recommended Bid

MDOT has awarded a grant in an amount of \$378,000. About two-thirds of the match will be provided by the Local MDOT repair of Monroe Street at a value of \$51,000 and \$50,000 pledged specifically for this project in the Development Agreement with Amptech. The remaining 10.5% match will be paid out of City street funds. The City Attorney's Office has reviewed and approved the contract.

MOTION by Kenny, second by Mack to authorize the Mayor and City Clerk to sign an agreement with Elmer's for the milling and resurfacing of Veterans Oak Grove Drive and Glocheski Drive. Brief discussion followed.

With a roll call vote this motion passed, 4-1.

AYES: Kenny, Haydon, Mack, Marshall  
NAYS: Yonkman

**#10-45 A REPORT FROM THE MANISTEE RECREATION ASSOCIATION AND THE ENGINEER OF RECORD.**

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

Mr. Jeff Mikula reported on the activities of the Engineer of Record, Abonmarche, and responded to questions the Council had regarding their activities.

## **CITIZEN COMMENT.**

Travis Alden, Denis terHorst, and Steve Brower spoke on behalf of the Downtown Development Authority, stating how the DDA has partnered with the City, gave a brief history on how Manistee was before the DDA, and how over \$2.5 million dollars has been spent on various projects in the downtown area which they have helped with.

Carol Pasco, 610 Spruce Street, supported the DDA and the downtown – hopes they will continue.

Mark Sandstedt, 503 Seventh Street, is the chair of the DDA marketing/promotion committee – he said the many downtown volunteers will go away if the DDA goes away.

Nancy Goodwin, 357 First Street, owner of Goody's Juice & Java, said that even in this economy the DDA has made visible changes; people are still saying that Manistee is beautiful even with all of the empty storefronts; it is a net positive gain.

Kathy Fenstermacher also supports the DDA and the Main Street DDA director; stated the community development program should be streamlined, look at local contractors, keep up with zoning without being obstructionists; and thanked Vicki Sheffield of the MRA.

Craig McDougall, electrical contractor, commented on the City wanting to cut 3.5 jobs in this community; should look more closely into the suggestions from the City Manager; commented on the generator bids for the Fire Department and the City's Electrical Contractor of Record proposals and the costs associated with both; should look at cutting cost in a better direction – keep Sid.

Gini Pelton, First Avenue, supports Sid and also supports the MSDDA program, they have a great director; please don't take anything away – keep up the forward momentum going.

Ed Cote, 312 St. Mary's Parkway, commented on the water department and the progress in the water business.

## **OFFICIALS AND STAFF.**

Scrimger thanked all who came in support of him.

## **COUNCILMEMBERS.**

Mack clarified that this Council has had no discussion about eliminating the DDA, it was just commented on that there were other options to balancing the budget; looks for a continuing relationship with the DDA. Marshall agreed.

Haydon apologized to Denis terHorst for cutting him short; she is the current chair of the DDA, thinks Travis is excellent, supports the DDA, and thinks they are an important part of the community. She also told the audience that their input was appreciated.

**ADJOURN.**

MOTION to adjourn was made by Mack, second by Kenny. Meeting adjourned at 8:55 p.m.

Michelle Wright CMC/CPFA  
City Clerk/Deputy Treasurer