
PROCEEDINGS OF THE MANISTEE CITY COUNCIL -JULY 2, 2019

A regular meeting of the Manistee City Council was called to order by his honor, Mayor Roger Zielinski on Tuesday, July 2, 2019 at 7:00 p.m. in the City Hall Council Chambers, 70 Maple Street, followed by the Pledge of Allegiance.

PRESENT: Dale Cooper, Lynda Beaton, Roger Zielinski, Robert Goodspeed, Michael Szymanski, James Grabowski, and Erin Pontiac.

ALSO PRESENT: City Manager – Thad Taylor, City Attorney – George Saylor, City Clerk – Heather Pefley, DPW Director – Jeff Mikula, Finance Director – Ed Bradford, Public Safety Director – Tim Kozal, and City Engineer – Shawn Middleton

RESOLUTION OF THANKS AND APPRECIATION, FRED LAPOINT.

Mayor Zielinski read a Resolution of Thanks and Appreciation for Fred LaPoint, retired July 1, 2019.

PUBLIC HEARING TO CONSIDER AN APPLICATION FOR INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE, FAB-LITE, INC.

The purpose of the hearing is to afford an opportunity for all residents, taxpayers, and taxing jurisdictions to appear and be heard on the Application for Industrial Facilities Tax Exemption Certificate for Fab-Lite, Inc.

Fab-Lite, Inc. has made an application for an Industrial Facilities Tax Exemption Certificate, pursuant to Public Act 198 of 1974. The abatement is for improvements to the real property (new facility) of Three Million Dollars (\$3,000,000). Fab-Lite is looking to add on to its current plant size with a 40,000 square foot plant expansion.

The application indicates the expansion will create 10-15 jobs within two years of completion.

If the application is approved it will effectively exempt half (50%) of the millage rate on the taxable value from property taxes, an estimated total of \$90,000 annually or \$1,080,000 over the twelve-year life of the exemption. An estimated \$28,400 of the estimated total \$90,000 annual exemption is revenue attributed to the City of Manistee.

All affected taxing jurisdictions have been notified of this public hearing. Citizens have been advised through publication.

Stacie Bytwork, 297 Lakeshore Drive, Manistee Area Chamber of Commerce – spoke in favor of the Fab-Lite Industrial Facilities Tax Exemption; Fab-Lite is a well established business that is great for our community; excited to have this growth.

No other comments were received. Public Hearing closed at 7:07 p.m.

CITIZEN COMMENTS ON AGENDA RELATED ITEMS.

None received.

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CONSENT AGENDA.

- Minutes - June 18, 2019 - Regular Meeting

- Financial Reports
 - Cash Balances May 2019
 - Revenue & Expenses May 2019

- Notification Regarding Next Work Session – July 9, 2019
A discussion will be conducted on golf carts in the City, potential Hollander development, the Downtown Development Authority Board; and such business as may come before Council.

MOTION by Szymanski, second by Goodspeed to approve the Consent Agenda as presented.

With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Szymanski, Grabowski, and Pontiac

NAYS: None

CONSIDERATION OF AUTHORIZING A RESOLUTION TO APPROVE THE APPLICATION OF FAB-LITE, INC. FOR A NEW FACILITY INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE.

Earlier this evening a public hearing was held on the Fab-Lite, Inc. application for a New Facility Industrial Facilities Tax Exemption Certificate. The exemption request was for twelve (12) years.

Staff recommends a term of twelve years for this Fab-Lite abatement because the value of the exemption does not impede the operation of the City or impair the financial soundness of a taxing unit which levies ad valorem property taxes in the City. The aggregate State Equalized Value of real property exempt with Industrial Facility Exemption from ad valorem taxation within the City, if this application is granted, will not exceed 5% of the total Taxable Value of the City.

MOTION by Szymanski, second by Cooper to adopt a Resolution to Approve the Application of Fab-Lite, Inc. for an Industrial Facilities Exemption Certificate for a New Facility, for real property for a period of twelve years after completion. The Industrial Facilities Exemption Certificate resolution is subject to the terms and conditions of the Property Tax Abatement Agreement, which requires the signatures of Steve Paine, President, Fab-Lite, Inc., Mayor Roger Zielinski, and City Clerk Heather Pefley. City Council finds through the adoption of this resolution that this abatement will not have the effect of substantially impeding the operation of the City or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City.

With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Szymanski, Grabowski, and Pontiac

NAYS: None

CONSIDERATION OF BUDGET AMENDMENT 2019-4 FOR FISCAL YEAR END JUNE 30, 2019.

The City of Manistee is required by State law to ensure that actual expenditures do not exceed budgeted

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amounts. Over the course of the current fiscal year, unanticipated and unbudgeted events and/or Council approved expenditures have occurred. The proposed budget amendment addresses expenditures associated with these events to ensure compliance with State statute regarding appropriations.

MOTION by Goodspeed, second by Beaton to adopt budget amendment 2019-4 for fiscal year ending June 30, 2019. Discussion included a review of the amendments needed for the General Fund/Clerk and Refuse Fund.

With a roll call vote this motion passed unanimously.

AYES: Cooper, Beaton, Zielinski, Goodspeed, Szymanski, Grabowski, and Pontiac

NAYS: None

REVIEW OF COAM / POAM ACT 312 ARBITRATION AWARD.

Labor Attorney John Gretzinger and City Manager Thad Taylor reviewed the Act 312 Arbitration Award for the Police Officers Association of Michigan and the Command Officers Association of Michigan.

Items reviewed included wages, retroactive pay, pension, health care, and 84 hour pay schedule.

Discussion focused on the increased costs and difficulties with the awarded 84 hour pay schedule. The increased cost to implement the schedule will be approximately \$100,000 this fiscal year and will grow each subsequent year. Vacations and training will be difficult to schedule and there is potential for continued grievances. City Manager Thad Taylor requested Council support to file an unfair labor practice with MERC.

A REPORT FROM SPICER GROUP, ENGINEER OF RECORD.

Mr. Shawn Middleton reported on the activities of the Engineer of Record and responded to any questions the Council had regarding their activities.

CITIZEN COMMENT.

Jeff Dontz, 405 E. Kott Road, Manistee County Commissioner – introduced the new Manistee County Treasurer, Rachel Nelson and congratulated Fab-Lite, Inc. on their expansion.

OFFICIALS AND STAFF.

None received.

COUNCILMEMBERS.

Cooper addressed issues with a puddle on 5th Avenue, a washout on Sophia Street, and a tree on the Riverwalk before the Maple Street Bridge. Mikula responded that the puddle on 5th Avenue is from a slow catch basin and will be addressed when the street is updated; he will look into the issue on Sophia Street; the tree in question is on private property.

Beaton thanked Police, Fire, and DPW employees working to make this Forest Festival great.

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Goodspeed wished everyone a safe 4th of July.

Szymanski inquired on the new cannon in Veterans Park on Memorial Drive. Taylor stated the agreement will be on the next Council meeting agenda.

Grabowski commented on all of the cardboard filling the dumpsters at the recycling center; thanked the Fire Department for their work on the recent house fire; handed out employee anniversary cards.

Pontiac asked for an update on the Riverwalk erosion; thanked City employees for work on Forest Festival and wished everyone a Happy 4th of July.

Zielinski thanked everyone for coming to the meeting and wished everyone a Happy 4th of July.

ADJOURN.

MOTION to adjourn was made by Goodspeed. Meeting adjourned at 8:24 p.m.

Heather Pefley CMC, CMMC / MiCPT
City Clerk