

2003 Highlights

A Message from the City Manager . .

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2003 has been a year of growth for the City of Manistee, despite the struggling State economy. This continued growth resulted in a sizable gain in our State Equalized Value. This was offset by the continued erosion of State Shared Revenues. Over the past three years, well over \$200,000 in State Shared Revenue reductions have been felt by the City of Manistee. Unsettled State finances will again affect the City in 2004.

To this end, Manistee has had a very successful year with large community construction projects taking the forefront. City Hall is preparing for renovation, with the hopes of being back in the building by this time next year. WWTP expansion is moving forward with the City receiving a 2 million dollar grant and a 8.34 million dollar low interest loan from the USDA Rural Development. Over 900 squares of sidewalk were laid, as well as a new basketball court added to Duffy Park.

Through City Council and Housing Administrator Vanessa Buhs' guidance and vision, a new neighborhood was created on Grove Street. Rather than vacant lots, there are now 6 new homes and children playing.

The entire community should be proud of the accomplishments of 2003. I look forward to what 2004 will bring forward.

Mitchell D. Deisch, City Manager



Before Washington Street Improvements



After Washington Street Improvements

CONSTRUCTION

1. Completed plans for underground utilities on Washington Street in 2002. The project was bid in spring of 2003, agreements were signed with Consumers Energy, Ameritech and other local contractors for completion of underground utilities, crosswalks and sidewalks. Project completed in August. Total cost of project was \$500,000; City portion was \$82,000 which included significant in-kind contributions from the DPW Department.

2003 Paving Program: First Street Beach entrance and north loop, Vine Street from Grand Avenue to Merkey Road, Tamarack Street from Ninth to Twelfth greatly improved ingress and egress to new High School.

Floors completed in the day room and entry way of the Fire Station.

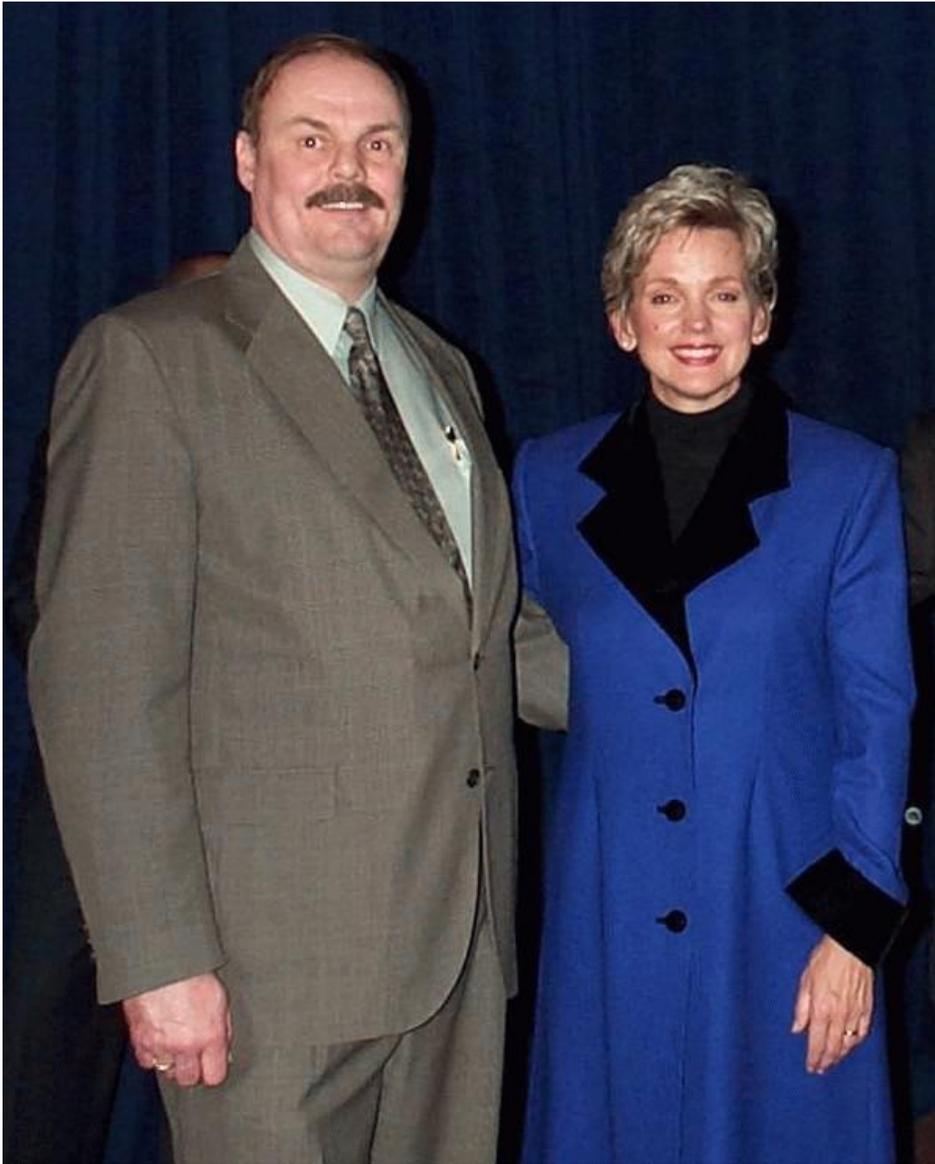
City Hall Remodeling Project: Notice of Intent to issue bonds published. Contracted with Cornerstone Architects for City Hall renovations. Hired Lakewood Inc. as construction manager. Central Interconnect for IT/AV consultant. Staff prepared for and moved to the old Middle School building in December. Hired asbestos removal contractor. Project is moving forward!

Dock repairs and replacement at the Municipal Marina. Some electrical upgrades along the Riverwalk to the east of the Marina.

New chemical feed building in the well field. Implemented surge protection for utility systems. Additional surge protection measures will need to be made.

2003 Sidewalk program - bid awarded to Port City Concrete in the amount of \$45,437.50; added sidewalk along Twelfth Street to the new High School. This amount was supplemented by \$20,000 from the Local Revenue Sharing Board.

Northern Lights Project: Council and Administration has been working with Tondu Corporation for several months on the proposed 425 megawatt coal burning power plant to be located on the old General Chemical site. The Planning Commission is scheduled to act on a Special Use Permit in early 2004.



**Mayor Richard Mack & Governor Jennifer Granholm
Inauguration, January 2003**

GOVERNANCE

9. 2003 - 2004 Fiscal Budget was approved. The budget included a 4.8 million dollar General Fund with a total of 10.2 million dollars in all funds. This is the sixth straight year that millage has been reduced.
2. June 30, 2003 audit was received and presented to the City Council on December 16. The audit highlights an \$36,646 increase to the Fund Balance, bringing the Fund Balance up to \$1,233,804.
3. Compensation Commission authorized an increase in pay for Mayor and Council. Mayor increased from \$3,200 to \$4,500 and Council members from \$2,500 to \$3,500 as of January 2005.
4. Three Council seats were up for election in November. The Consumers Energy substation at Ninth Street blew, creating blackout conditions throughout the City. The election continued with the aid of candles, flashlights and lanterns. Three incumbents, Kathy Fenstermacher in the Second District, Robert Goodspeed in the Fourth District, and Richard Mack in the Sixth District were reelected. Council elected Richard Mack as Mayor for 2004 and Bill Shales as Mayor Pro-Tem.
5. Adopted the updated Michigan Motor Vehicle Code. This code covers all state laws including OUIL and suspended operation, as well as hundreds of minor violations. The previously adopted version was rescinded upon approval.
6. Adopted the updated Uniform Traffic Code. This code is the bridge between state law and local ordinances. It incorporates several issues that are specific to all local units of government like parking, local speed control and a host of local issues. The previously adopted version was rescinded upon approval.
7. Countless hours were spent by both Administration and Council in discussions with Filer Charter Township discussing and negotiating an agreement to provide guaranteed wastewater treatment. This agreement would have been the first of its kind between the City and Filer. Filer Township unfortunately backed out of this agreement.
8. Several Councilmembers and City Manager participated in the annual Michigan Municipal League Legislative Conference in Lansing during March.
9. A Memorandum of Agreement was signed between the Little River Band of Ottawa Indians and the City of Manistee in cooperation on the Brownfield Assessment Pilot grants received by both entities. Agreement allowed the City and Tribe to cooperatively solicit proposals, interview and hire a qualified consultant to administer the grants. While the Tribe selected a different consultant, the document that got us to this point was groundbreaking.
10. Ordinance Amendments: Telecommunications Ordinance

Vehicular Parking, Access & Lighting
Definitions & Tattoo Parlors
Business License Registration
Zoning Ordinance on Freestanding Signs

Councilmember Neil Assante represented the City of Manistee during
the MML Annual Convention Parade of Flags



COMMUNITY DEVELOPMENT

1. The Downtown Development Authority acquired the property at 62 Clay Street. The Council accepted ownership of this property in January. The house was advertised for bids and removed in June. The Fire Department used the home for training prior to its demolition. The property is to be incorporated into the surrounding parking lot. Bids for the project came in too high and will be rebid in the spring of 2004.
2. Man-Made Lake property transactions with Sand Products Corporation, property exchange. The result being that Manistee residents will have permanent public access along Lake Michigan and increased public property on Man-Made Lake.
3. Agreement with Grubb & Ellis for marketing of Renaissance Park. Working with Amor Sign Studios on a new sign for Renaissance Park.
4. Coast Guard Station Manistee: property transfer from DSLT to City along entrance channel. Council approved an Option to Purchase. Sidewalk easement extinguished. Groundbreaking held July 7.
5. Sold an unplatted lot in the Industrial Park to Bison Construction.
6. Traffic signal mast arms installed at River and Maple, US-31 and River.
7. Nine original Streetscape brick paver crosswalks were replaced this summer. Each of these crosswalks were in different stages of failure. The crosswalks were replaced with colored concrete, stamped with a brick pattern. The cost of each crosswalk was \$4,500. Numerous other crosswalks will need to be replaced next year.
8. Distribution easement to MichCon across City property in Manistee Township.
9. MSHDA Projects: Addressed potential conflicts of interest on Grove Street home applicants. Sold three homes on Grove Street. Signed an agreement with MSHDA on a Housing Needs Assessment in cooperation with Manistee County, DDA, IDC, and Little River Band of Ottawa Indians.
10. Approved Brownfield Plan for the former Manistee Iron Works property owned by Sengs.
11. WWTP Expansion Project. Applied for USDA Rural Development loan/grant. Project will be phased over several years. Public hearing, Channel 2 taping, Notice of Intent to issue bonds, engineering agreement with Fishbeck, Thompson, Carr & Huber for final design and inspection services, Council authorized acceptance of the USDA RD loan / grant. The grant received was for \$2,000,000 with an accompanying loan of \$8,340,000. Project could start in the fall of 2004.
12. Splits & Combinations: Ken Nowak / St. Joseph Church

13. Special Use Permit approved for S. S. City of Milwaukee for new location at 111 Arthur Street.
14. Continued working on the Abandoned Well Management Grant from DEQ. This past year we have completed the location of all wells in the Wellhead Protection Areas. The next phase of the grant will be to identify any abandoned wells and arrange for closure.
15. Hired NTH Consulting to administer the EPA Brownfield Assessment Grant. This grant will conduct environmental assessment on six parcels in the City.
16. US-31 Corridor Study. Hired Progressive and LSL to complete a cooperative study for the group. Community Development Officer Jon Rose serves as the City representative.
17. Infiltration and Inflow Study with Wade-Trim.
18. Ten year renewals for two commercial and four residential riverfront leases.
19. Took a position of no objection to a vacation of a portion of Tenth Street for Simonis car wash.
20. CSX / MDOT clean up / beautify area along US-31. The Beautification Committee is taking the lead on this issue.
21. Gate valve easement with MichCon in Sands Park.
22. Completed City Master Plan.

23. Contracted with Williams & works to rewrite the Zoning Ordinance. The funds were received from the Local Revenue Sharing Board in the amount of \$25,000.
24. Citizen Planner training for staff, ZBA, Planning Commission.
25. Ethics training was also conducted as part of the Citizen Planner courses.



Crosswalk Damage at River and Poplar



Replaced Crosswalk at Oak and River Street, Finishing Edge

OPERATIONS

1. In April of 2002 the City opposed the relocation of the PCA wastewater effluent pipeline from being relocated from Lake Michigan to the Manistee River Channel. The permit to relocate was approved by the MDEQ. The City hired Warner, Norcross & Judd to file a Contested Case Hearing and a possible MEPA lawsuit to prevent the relocation. A stay of permit was granted to PCA to allow them the necessary time to complete studies. Filer Township opposed the permit stay. PCA is now working with the DEQ to relocate the discharge two miles into Lake Michigan, add a better diffuser, and improve the brown stock washing. The result will be the discharge will be cleaner than ever before and will likely never be relocated into the City. **This is a great result for the City.**
2. Mayor Richard Mack participated in the January 1, 2003 inauguration services for Governor Jennifer Granholm.
3. The City of Manistee was the recipient of the 2002 Charles E. Schoedel Award from the Manistee Recreation Association for its many contributions to recreation and quality of life in Manistee.
4. A year of negotiations resulted in reduced assessed and taxable value for General Chemical Industrial Products for the 2001, 2002, and 2003 tax years. The plant closure in December of 2002 made it impossible to defend the City's assessed and taxable values.
5. Completed an employee compensation and classification study on all non-union employees.
6. Power-washed the entire downtown sidewalk area. This is an ongoing project and will be budgeted for each year.
7. The Local Revenue Sharing Board awarded \$89,333 in grants to the City of Manistee in 2003 (10 applications in Cycle I - 3 applications in Cycle II). over the past two years the City has received \$202,608 from this Board.
8. PEG Commission / Manistee High School joint venture to improve Channel 2. New facility located in the new Manistee High School. Provides new educational opportunities for area students.
9. USA entered into war with Iraq, City increased homeland security measures. Wade-Trim provided a vulnerability assessment for City utilities.
10. Parks Commission requests to develop M-55 property. Council approved \$8,350 for Fleis Vandenbrink to do a feasibility study. Study received November 2003.

Retirement Board discussed COLA request by retirees.

Addressed potential over expenditures in 2002-03 budget due to unexpected attorney fees (PCA / General Chemical) and other unexpected expenditures. Approved consolidating some unnecessary funds.

Retirement Board / Council / Unions worked cooperatively on defined benefit plan consolidation with MERS.

Completed two year bridge inspection, electrical inspection and underwater inspection of the Maple Street Bridge. Applied for Critical Bridge grant funds.

Health insurance review - committee formed, met with unions, new insurance coverages started July 1, 2003.

Grant Applications:

Ramsdell Theatre MCACA 2004 grant for stage lighting, catering kitchen and banquet hall lighting; \$47,500 awarded.

MDOT Critical Bridge Funds for electrical rehabilitation of Maple Street Bridge. The application was submitted in June, a decision will be received in early 2004.

MDNR Waterways Commission for First Street Beach Launch and Manistee Marina improvements and repairs were submitted in August 2003, both were approved for construction.

Liquor License Transfers: Road House on the River, 312 River Street

Proclamations / Resolutions: National Patriotism Week

Michael Greene, Eagle Scout

Population Awareness Week

Contract negotiations with IAFF completed, contract ratified by Council July 1, 2003.

Contract negotiations with USWA are ongoing. It is anticipated that this contract will be resolved in late 2003 or early 2004.

Police Department purchased new 800 megahertz radio system with a Local Revenue Sharing Board grant.

Commercial roof drain inspection / removal program. Approximately 153 roof drains were removed from the system, resulting in the removal of approximately 100,000 gallons of storm flow. Residential roof drains were addressed in 2002.

Renewed Bridge Tending contract with J & F Limited Partnership for 2003 season.

Highlighted in PBS series, "Great Lakes Ports of Call."

Conducted annual spring trash haul. Approximately 1,279 yards of debris and 640 yards of white metal goods were removed from Manistee households.

Engaged Varnum, Riddering, Schmidt & Howlett to renegotiate franchise agreement with Charter Communications. Joined consortium of communities for negotiations.

Farmers Market - volunteer program, no cost to the City. Saturday mornings in Memorial parking lot. The Farmers Market received great community support.

Deer Herd management - City Council and Administration thoroughly researched the possibility of reducing the number of deer in the City. After reviewing all of the pros and cons, City Council chose to not move forward with reducing the number of deer in the City.

Motor Pool purchases: fire pumper truck, police cars, water service van, pickups, loader and snowplow truck.

Purchased new trash pump for the WWTP.

Renewed contract with Mac's Cleaning for City Hall and downtown restrooms.

Annual Council bus tour on July 8, 2003.

Council / staff participated in annual MML Convention in Detroit in September. Silent Auction package submitted jointly by Ludington and Manistee (a \$1,000 donated value).

Addressed problem with new mast arm traffic signals at River and Maple. Was modified to allow arms to swing out of the way for Sleighbell Parade.

Beach Sampling program was completed each month of the summer. The location for sampling included Man-Made Lake, First Street Beach and Fifth Avenue Beach.

Police Department implemented new post card system for outstanding warrants.

Continued control problems for City wells. Extensive research and investigation resulted in finally identifying issues and working toward resolving them.

Joined a consortium on NPI water tower lease renewal with Scottville, Ludington, Hart and Whitehall. Council approved the lease in October.

Police Department contracted local credit bureau to assist the Department in the collection of unpaid tickets. Originally there were 158 cases, 34 paid immediately, 36 were dismissed and 88 were turned over to the collection agency.

City, Tribe, EPA, DEQ and County held several meetings to discuss Manistee Lake environmental concerns.

Assessor's Office completed conversion from SAMI to Equalizer for all residential properties. Commercial and Industrial will be converted the following year.

Finance Department implemented several new procedures to gain efficiencies in water billing, tax collection.

Local Revenue Sharing Board PILT Discussion - City Council representative Bill Shales has gone through an exhaustive discussion regarding the PILT distribution to the Manistee Area Public Schools. The County position is that the MAPS PILT should be spread to other schools/municipalities. Research has shown this position will be challenged and most likely defeated in MAPS favor in the court system.

MML Training: Open Meetings Act for Council, Administration, Boards and Commissions; Records Retention for support staff.

Customer Service training was attended by all employees. The training was coordinated through the MML with guest speaker, Nancy Ohle.

The Fire Department has implemented several training improvements, a 93% increase in training over previous years.

Wild Things and Manistee News Advocate sponsored the first annual Pet Parade on Saturday, October 25. The event was well attended and will continue next year.

Assisted with the Port City Festival in September. The United Way Chili Cook-Off was held at the Fire Station.

Another commercial filmed in Manistee using the Ramsdell Theatre and Hall complex.

United Way Campaign in the City of Manistee contributed over \$6,500 toward the 2003 Manistee County Campaign.

Purchased Traffic Radar Trailer with Highway Safety Planning grant funds.

Four new employees joined the Manistee team. Firefighter Jeff Gee, Fire Clerk Melanie Weigold, Firefighter Mark Cameron, WWTP Operator Jeff Szpriet. Welcome aboard!

The City of Manistee team lost one valuable employees through retirement. The employee was Jo Arnold with 26 years of service.

Tom Bruce was promoted to Sergeant in the Police Department.

DPW Director Jack Garber has successfully completed his third and final year of the Michigan Public Service Institute at Central Michigan University.

City Manager Mitch Deisch became an ICMA Credentialed Manager.

DIRECTORY OF OFFICIALS - 2004

Mayor Richard Mack
Mayor Pro-Tem William Shales
Councilman Neil Assante
Councilwoman Kathy Fenstermacher
Councilman Robert Hornkohl
Councilman Robert Goodspeed
Councilman Alan W. Marshall

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City Manager Mitchell D. Deisch

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