

## PROCEEDINGS OF THE MANISTEE CITY COUNCIL – August 21, 2012

A regular meeting of the Manistee City Council was called to order by her honor, Mayor Colleen Kenny on Tuesday, August 21, 2012 at 7:00 p.m. in the City Hall Council Chambers, 70 Maple Street, followed by the Pledge of Allegiance.

**PRESENT:** Colleen Kenny, Sid Scrimger, Robert Hornkohl, Ilona Haydon, Catherine Zaring, Beth Adams, and Alan Marshall.

**ALSO PRESENT:** City Manager – Mitch Deisch, City Attorney – George Saylor, City Clerk – Michelle Wright, City Assessor – Julie Beardslee, Community Development Director – Jon Rose, DPW Director – Jack Garber, Finance Director – Ed Bradford, and Public Safety Director – Dave Bachman.

### AMEND AGENDA.

MOTION by Hornkohl, second by Zaring to amend the agenda to include under Section IX. Notices, Communications, Announcements – Item e.) Presentation of Marina Second Floor Rental Policy.

With a roll call vote this motion passed unanimously.

**AYES:** Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall

**NAYS:** None

### CITIZEN COMMENTS ON AGENDA RELATED ITEMS.

Rick Schrock – 603 Harvard Lane, commented about several items in the City Manager’s contract, including the severance package.

### CONSENT AGENDA.

- Minutes
  - August 8, 2012 - Regular Meeting
  - August 14, 2012 - Work Session
- Payroll
  - August 6 – 19, 2012 - \$ 123,507.85
- Monthly Bills
  - July 10, 2012 - \$ 67,106.47
  - July 11, 2012 - \$ 431,160.67
  - July 25, 2012 - \$ 1,075,731.88
- Notification Regarding Next Work Session – September 11, 2012
  - A discussion will be conducted on project updates, deer herd management, and such business as may come before the Council.

- Consideration of Manistee County Humane Society Tag Day Fundraiser.  
The Manistee County Humane Society has requested authorization to conduct a tag day on August 24 & 25, 2012 in the City of Manistee. Proceeds from this event goes to support the Homeward Bound Animal Shelter.
- Consideration of Homeward Bound Animal Shelter Strut Your Mutt Fundraising Event.  
The Manistee County Homeward Bound Animal Shelter has requested authorization to conduct their annual Strut Your Mutt fundraising event on Sunday, September 30, 2012 and requests permission to hold this event utilizing the Riverwalk. Set up would be at 1 p.m. in front of the Municipal Marina and the walking route would be west on River to First Street, First Street to the boat launch, back east on the Riverwalk to the House of Flavors and then west along River Street to the Marina. This is a one day opportunity for citizens and visitors in our community to enjoy the Riverwalk with their four-legged family members while raising funds for the Homeward Bound Shelter.

MOTION by Hornkohl, second by Zaring to approve the Consent Agenda as presented. Brief discussion was held on the Homeward Bound event being on the Riverwalk.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: None

**CONSIDERATION OF PARCEL SPLIT AND COMBINATION, HARBOR VILLAGE.**

On April 19, 2011 City Council approved a parcel split that removed the former sales office at Harbor Village creating a new parcel 51-202-335-00. A request was received from Harbor Village at Manistee Beach to split off an additional parcel for combination with the former sales office parcel. At their meeting of August 2, 2012 the Planning Commission reviewed and approved this request.

MOTION by Hornkohl, second by Haydon to split Parcel A as shown on the survey prepared by Abonmarche Job No. 11-0713 from parcel 51-202-300-00 and combine it with parcel 51-202-335-00.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: None

**CONSIDERATION OF OWNERSHIP AND LICENSE TRANSFER FOR FORMER FIRST STREET TAVERN.**

John Hanson and Venture Business Limited, LLC are in the process of transferring the liquor license from Honor State Bank for the former First Street Tavern located at 303-305 First Street. In order to complete the transfer an approval from City Council is needed. The Police Department has reviewed and approved this request.

MOTION by Haydon, second by Zaring to approve the request for transfer of ownership and liquor license from the Honor State Bank to John Hanson of Venture Business Limited, LLC for the former First Street Tavern located at 303-305 First Street.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: None

**CONSIDERATION OF A CONTRACT WITH IT RIGHT FOR NETWORK AND INFORMATION TECHNOLOGY CONSULTING AND SUPPORT SERVICES.**

The City uses a contractor of record to provide IT consulting and support services. The agreement with the previous contractor, Terrapin Networks, expired on June 30, 2012. Rather than extending this contract the City issued a Request for Proposals for these services. Eleven responses were received and the review committee recommends that the contract be awarded to the responsible low bidder, IT Right. The City Attorney prepared a five-year agreement that has been reviewed and executed by IT Right.

MOTION by Hornkohl, second by Marshall to approve a five-year agreement with IT Right for Network and Information Technology Consulting and Support Services; and further authorize the Mayor to execute the document. Discussion followed.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: None

**CONSIDERATION OF ANTENNA SPACE LEASE ON THE INDUSTRIAL PARK WATER TOWER WITH AGRIVALLEY BROADBAND, INC.**

Agri-Valley Broadband, Inc. has expressed interest in providing 4G broadband service to Manistee. They would like to construct antenna facilities on the City's Industrial Park water tower. The proposed lease anticipates total monthly rent of \$515 in cash and additional broadband service to be negotiated; with a 3% annual escalator. The City Attorney has drafted a lease that provides appropriate protection to the City's infrastructure.

MOTION by Haydon, second by Hornkohl to approve a lease with Agri-Valley Broadband, Inc. and authorize the Mayor and Clerk to execute the agreement.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: None

**CONSIDERATION OF AN AGREEMENT WITH PLUMMER’S ENVIRONMENTAL SERVICES, INC. FOR INTERCEPTOR CLEANING / TELEVISIONING.**

As a result of the Sanitary Sewer Evaluation Study (SSES) it was identified that the main sewer interceptor east of River Street was significantly blocked with debris and that before the SSES could continue this section of the interceptor needed to be cleaned.

Bids were sought from qualified firms to clean approximately 1.2 miles of the City’s interceptor sewer and 26 manhole structures from Jones Street to Eighth and Vine. Four bids were received with the low bid from Advanced Underground Inspection being rejected for not complying with the bid request and a clerical error on the base bid.

Staff is recommending the lowest responsible bid from Plummer’s Environmental Service, Inc. of \$79,397.50. The City Department of Public Works crew will be responsible for hauling the material to the landfill. The cleaning should take approximately one month to complete. City Attorney George Saylor has reviewed and approved the agreement.

MOTION by Hornkohl, second by Adams to accept the alternate bid in the amount of \$79,397.50 from Plummer’s Environmental Service, Inc. and authorize the Mayor and City Clerk to execute the contract. Discussion followed regarding timeline, financing, and the possibility of using SSES grant funds for the televising portion of this project.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: None

**CONSIDERATION OF CITY MANAGER EMPLOYMENT AGREEMENT.**

Following the completion of the City Manager’s annual evaluation, City Council could consider a revised employment agreement with City Manager Mitchell D. Deisch. The attached employment agreement is amended to increase the salary by 3% to \$92,824 and increase the severance pay from six months to twelve months. No other changes except dates and mayoral signature line were made to the agreement.

MOTION by Hornkohl, second by Zaring to approve an amended employment agreement with City Manager Mitchell D. Deisch and authorize the Mayor and City Clerk to execute the agreement. Mayor Kenny addressed the contract concerns raised earlier in the meeting regarding the severance package. Comment was received that the severance package protects the City Manager, but there is nothing to protect the City if he should leave. It was then noted that if the City Manager left employment, at his request, there would be no severance available to him, which would protect the City.

With a roll call vote this motion passed, 6-1.

AYES: Kenny, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: Scrimger

**CONSIDERATION OF APPLICATIONS TO BOARDS AND COMMISSIONS.**

The City Clerk has taken action to advertise vacancies on the Board of Review and the Brownfield Redevelopment Authority. The following applications have been received:

**BROWNFIELD REDEVELOPMENT AUTHORITY** – One vacancy, three-year term ending 6/30/15, Mayoral appointment.

Michael Wayne Mackin, 237 Sixth Avenue

**BOARD OF REVIEW** – one regular member, unexpired term ending 12/31/12; and possibly one alternate member term ending 12/31/14. Applicants shall be taxpaying electors of the City of Manistee who are owners of property assessed for taxes in the City and, at the time of their appointment, are neither elected nor appointed officials of the City. Appointments to the Board of Review are made by City Council.

Lynda Beaton, 256 Hughes Street (currently an alternate member applying for regular member)

Mary Murton, 349 Fifth Avenue (applying for either alternate or regular member)

Mayor Kenny appointed Michael Wayne Mackin – 237 Sixth Avenue to the Brownfield Redevelopment Authority for the three year term ending 6/30/15. MOTION by Hornkohl, second by Haydon to support the Mayor’s appointment.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: None

MOTION by Hornkohl, second by Marshall to appoint Lynda Beaton – 256 Hughes Street as a regular member to the Board of Review, term ending 12/31/12; and appoint Mary Murton – 349 Fifth Avenue as an alternate member, term ending 12/31/14.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall  
NAYS: None

**A REPORT FROM THE PARKS & BEAUTIFICATION COMMISSION AND THE PARKS DEPARTMENT.**

Mr. Ed Tegler reported on the activities of the Parks & Beautification Commission and responded to questions the Council had regarding their activities.

Mr. Gary Niesen reported on the activities of the Parks Department and responded to questions the Council had regarding their activities.

## **PRESENTATION OF MARINA SECOND FLOOR RENTAL POLICY.**

At their work session of May 8, 2012 City Council came to a consensus that the Marina second floor bonus space should be used for daily and community rentals, rather than long term rentals and directed staff to prepare a policy on how this will be implemented. In addition to the creation of a policy; staff would need authorization to use capital funds to furnish the space.

City Manager Mitch Deisch made a presentation of the draft policy. Comments regarding the policy include: modeled after the Ramsdell Theatre rental agreement; need to add the requirement of renter responsible for trash cleanup – cleaning deposit; should there be differential rates for residents / non-residents; \$50 security deposit too low; refundable deposit – if they cancel, it should be non-refundable; should address electrical appliances – check building and fire codes; rental proceeds should be earmarked for the bond debt until paid off.

Deisch will do revisions on the policy. Goal is to have it available for usage as soon as possible.

## **CITIZEN COMMENT.**

Jeff Reau - 487 Fourth Street, re-introduced himself as the chair of the DDA; welcomed future discussions with the Council as discussed at the last Council meeting.

Ed Tegler – 522 Fifth Avenue, commented on the issue of residency, why non-residents should pay more even if they own property and pay taxes in the City, not fair to have to pay more when they are already paying more in taxes; asked Council to add verbiage to clarify residency as owning property in Manistee.

## **OFFICIALS AND STAFF.**

Deisch gave condolences to the John Willett family for his recent passing. John was a former Police Chief for the City of Manistee.

Rose reminded Council of the lighthouse restoration fundraiser being held this Thursday.

Bradford stated that the Ramsdell Theatre has received a generous donation from an anonymous benefactor. They will soon be broadcasting the Metropolitan Opera at the Ramsdell.

## **COUNCILMEMBERS.**

Adams made further comments on the description of residency, stating that it should be a taxpayer of Manistee. City Attorney stated that we can define what we want, specify if you want to include property ownership. Bradford asked about renters – they don't pay taxes either; asked that it be kept simple or it could be an administrative nightmare.

## **CONSIDERATION OF ADJOURNING INTO AN EXECUTIVE SESSION.**

City Manager Mitchell D. Deisch has requested an Executive Session this evening as permitted by the

Open Meetings Act, Section 8 (c) to discuss contract negotiations with the International Association of Firefighters.

MOTION by Hornkohl, second by Zaring to adjourn to Executive Session. Time: 8:23 p.m.

MOTION by Haydon, second by Hornkohl to return to Regular Session. Time: 8:36 p.m.

**CONSIDERATION OF A COLLECTIVE BARGAINING AGREEMENT WITH THE IAFF.**

MOTION by Hornkohl, second by Zaring to approve a collective bargaining agreement with the International Association of Firefighters.

With a roll call vote this motion passed unanimously.

AYES: Kenny, Scrimger, Hornkohl, Haydon, Zaring, Adams, and Marshall

NAYS: None

**ADJOURN.**

MOTION to adjourn was made by Hornkohl, second by Haydon. Meeting adjourned at 8:37 p.m.

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