

Minutes are posted as soon as they become available. Please note they are not official until they are adopted at the next regularly scheduled meeting.

**CITY OF PORT HURON
2008
Council-Manager Government**

MAYOR

Brian J. Moeller

COUNCIL

Mark A. Byrne
Martin Doorn

James M. Fisher
Alan Lewandowski

Timothy A. McCulloch
Lonnie Stevens

ADMINISTRATIVE OFFICERS

Interim City Manager

Bruce C. Brown

Bureau of Public Information & Complaints

Susan M. Child Director

City Clerk's Office

Susan M. Child City Clerk

Community Development

Kimberly A. Harmer Director

Data Processing

James J. Brennan Manager

Finance Department

John H. Ogden Director

Fire Department

Robert W. Eick Chief

Law Department

John Livesay City Attorney

Marinas

Dan Collins Harbormaster

Parks, Forestry, Cemetery & Parking Div.

Robert W. Eick Supervisor

Personnel Department

John P. Berry Personnel Director

Planning Department

Kimberly A. Harmer Director

Police Department

Donald E. Porrett Chief

Public Works

Robert E. Clegg City Engineer

Recreation

Betty Dunn Director

Special meeting of the City Council of the City of Port Huron, Michigan, held Monday, January 7, 2008, at 6:30 p.m. in Conference Room 408, Municipal Office Center.

The meeting was called to order at 6:30 p.m. by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember Relken offered and moved the following resolution:

BE IT RESOLVED that pursuant to Section 8(c) of the Open Meetings Act City Council enter into a closed session for the purpose of a strategy and negotiation session connected with the negotiation of collective bargaining agreements.

Adopted unanimously.

On motion (9:24 p.m.), Council adjourned from closed session into regular session.

2. Discussion held on the scheduling of work sessions and a special meeting with St. Clair County as to what nights Council is available. The consensus was that Monday or Thursday nights or Saturday mornings were the best times for special meetings but none were set at this time.

On motion (9:30 p.m.), Council adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, January 14, 2008, at 7:30 p.m. in the Public Meeting Room of the Municipal Office Center.

The invocation was given by Pastor Michael Eaton, Bible Missionary Church, followed by the Pledge of Allegiance.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

The minutes of the regular meeting of December 10, 2007, and the special meeting of January 7, 2008, were approved.

PUBLIC HEARINGS

1. The Mayor announced that this was the time to hear comments on the proposed vacation of the 20th Street right-of-way in the block bounded by the Grand Trunk and C & O railroad line to the north, Petit Street to the south, 1905 Beard Street to the east and 24th Street to the west, with reservation of a utility easement over the easterly 66 feet.

A letter of support for this vacation and the one in Public Hearing No. 2 from Doug Alexander, Executive Director, Economic Development Alliance, was read into the record by the City Clerk.

No one appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember McCulloch**:

WHEREAS, the City of Port Huron owns the 20th Street right-of-way in the block bounded by the Grand Trunk and C & O railroad line to the north, Petit Street to the south, 1905 Beard Street to the east, and 24th Street to the west, legally described as follows:

that portion of the 20th Street right-of-way (67.52 feet wide) between the north right-of-way line of Petit Street and the north property line of Outlots K and L, Assessor's Railroad Plat (this portion of 20th Street was originally the east 34.52 feet of Outlot K and the west 33 feet of Outlot L), City of Port Huron; and

WHEREAS, on December 4, 2007, the City Planning Commission held a public hearing to hear comments on the proposed vacation and recommended approval (vote: 8 ayes; 0 nays; 1 absent; 0 abstained); and

WHEREAS, the City Council on January 14, 2008, held a public hearing for the purpose of hearing and considering any objections to the vacation and after due consideration, it is the judgment of the Port Huron City Council that the vacation would be in keeping with the City's Master Plan and in furtherance of the public interest and benefit;

NOW, THEREFORE, BE IT RESOLVED that the above-described 20th Street right-of-way is hereby vacated with the reservation of a utility easement over the easterly 66 feet.

Adopted unanimously.

2. The Mayor announced that this was the time to hear comments on the proposed vacation of an easement located on property in the block bounded by the Grand Trunk and C & O railroad line to the north, Petit Street to the south, 16th Street to the east, and 2005 Petit Street to the west.

No one appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Lewandowski**:

WHEREAS, the City of Port Huron owns the portion of easement located on property in the block bounded by the Grand Trunk and C & O railroad line to the north, Petit Street to the south, 16th Street to the east, and 2005 Petit Street to the west, legally described as follows:

that portion of the public utility easement over the east twenty feet of the west sixty-three feet of Outlot L, Assessor's Railroad Plat between the north right-of-way line of Petit Street, if extended east, and a line parallel to and twelve feet south of the north property line of said Outlot L, City of Port Huron; and

WHEREAS, on December 4, 2007, the City Planning Commission held a public hearing to hear comments on the proposed vacation and recommended approval (vote: 8 ayes; 0 nays; 1 absent; 0 abstained); and

WHEREAS, the City Council on January 14, 2008, held a public hearing for the purpose of hearing and considering any objections to the vacation and after due consideration, it is the judgment of the Port Huron City Council that the vacation would be in keeping with the City's Master Plan and in furtherance of the public interest and benefit;

NOW, THEREFORE, BE IT RESOLVED that the above-described portion of easement is hereby vacated.

Adopted unanimously.

3. The Mayor announced that this was the time to hear comments on the general needs in community development, housing and special services, utilizing CDBG and HOME funds for the fiscal year beginning April 1, 2008.

Julie Allen, Safe Horizons, appeared to request \$17,500 for homeless services at Pathway Shelter and Carolyn's Place.

Angela Kelly, Ben's Fine Furniture, 314 Huron Avenue, appeared requesting that grant funds be allocated to assist downtown businesses with updating their buildings. She also talked about declaring some of the buildings as historical buildings.

The Mayor declared the hearing closed.

PUBLIC AUDIENCES

1. Joann Rumford, 3540 Parkway Drive, #9, addressed the City Council relative to public access to information and internet access.

2. Anthony America, Port Huron, addressed the City Council criticizing Mayor Moeller for stopping him from speaking at the last meeting and stated he should be recalled.

3. Tim Anderson, 2615 North Boulevard, addressed the City Council stating that he lives by Lincoln Park and said that the problems with noise, litter, dogs, fights and late night noise are difficult now and does not want to add alcohol consumption to the park.

4. Karen Nickerson, Director of Community and Government Affairs for an internet company called Leverage, addressed the City Council stating that they are a new online retail company that deals with gift cards, etc., and shared that they would like to open a Port Huron location but need funding. She gave contact information as www.leveragecard.com and (810) 350-5908 or Karen@leveragecard.com.

5-8. The following people addressed the City Council requesting that the DARE program be reinstated: Mark Pollack, teacher at Crull School, 5328 Lakeshore Rd., Fort Gratiot; Kathleen Trongo, 902 Military St., #2, President of PHEA; Hiawatha Blunt, 2303 Grant Place, teacher at Cleveland School; and Alex Crittenden, 1828 Kennelworth, former school administrator.

9. Rock Stevens, Port Huron, addressed the City Council thanking them for their hard work and stated his displeasure with a warning letter he received about not clearing snow in front of his properties during the recent snow storm when it was the City who threw the snow back on his cleared sidewalk when their plowed the street.

10. Dennis McAtamney, 1133 - 10th Avenue, addressed the City Council stating that he purchased a small business and feels the City has done little to draw employers to the area and feels that the City needs to do more to attract more people.

11. Alice O'Neil, Prospect Place, addressed the City Council in favor of Mark Byrne's different ideas and thinks that Port Huron should be more trendy.

12. Russ Kelly, 928 Huron Avenue, River Park neighborhood, addressed the City Council stating that MDOT controls downtown and why not re-route their traffic to 10th Avenue and open up the downtown with one lane north and one lane south and diagonal parking. He also stated that the income tax is a deterrent, McMorrان should be sold or turned into city hall and sell the MOC and that cruise night should be expanded to include more... even a cruise on Black River.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

Jan. 24-27: Silver Stick International Hockey Tournament, McMorrان Arena

Jan. 25-27: IceFest, downtown

COMMUNICATIONS & PETITIONS

C-1. Councilmember Fisher moved to receive and file the following communication:

From Councilmember Relken, requesting that a Special City Council meeting be called for the purpose of Council clearly defining their goals as well as the order and timeline in which to manage those goals and to communicate them to the public.

Adopted unanimously.

NOTE: Mayor Moeller circulated a schedule of dates (Mondays and Thursdays throughout 2008) that could be used to schedule a special meeting.

C-2. Councilmember McCulloch moved to receive and file the following communication:

From Councilmember Relken, transmitting information regarding outdoor burning and the "Health Effects of Wood Smoke" (see City Clerk File #08-02).

Adopted unanimously.

UNFINISHED BUSINESS

1. Item postponed from December 10, 2007:

WHEREAS, the condition of the property located within the City of Port Huron, St. Clair County, Michigan, described as:

South 136.45 feet Lot 12, Block 26, White Plat; also known as: 725 Chestnut Street, City of Port Huron,

has been brought to the attention of the City Council by the Building Official as Code Case #07-005 (see City Clerk File #07-103) claiming such condition constitutes a nuisance; and

WHEREAS, such property has received repeated inspections by appropriate City Inspection Officials; and

WHEREAS, repeated correspondence has been sent notifying the owner or owners of said property violations regarding the Code of Ordinances of the City of Port Huron and requesting abatement of these conditions; and

WHEREAS, to date, there has been no compliance regarding said notices and requests; and

WHEREAS, after a public hearing and investigation conducted by the City Council in accordance with its resolution adopted August 13, 2007, with respect to said property, it is the judgment of the City Council that the condition of said property constitutes a nuisance as defined by Chapter 10, Section 10-211 and Chapter 34, Section 34-3 of the Code of Ordinances of the City of Port Huron;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the above-described property is of such condition as to constitute a nuisance within the meaning and definition of Chapter 10, Section 10-211 and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron and contains the following code violations:

[XX] Building [] Electrical [] Plumbing [] Heating

2. That the City Manager is directed to cause the abatement of such conditions and nuisance by immediate demolition.

3. That any costs incurred in abatement of such conditions and nuisances are to be assessed against the property in accordance with Chapter 40, Sections 40-19 and 40-20 of the City of Port Huron Code of Ordinances.

4. That the City Manager is hereby authorized to solicit and receive bids in order that the City be in position to move promptly to carry out the direction of the City Council as provided herein.

5. That the City Clerk shall send, by certified mail, return receipt requested, a certified copy of this resolution to the last known address of the property owner according to the most recent records maintained by the Office of the City Assessor, and shall have this resolution also posted on the property.

Motion *rejected* unanimously.

2. Item postponed from December 10, 2007.

NOTE: Staff report given by John Livesay, City Attorney (see City Clerk File #08-03).

WHEREAS, the City Council desires to amend and/or repeal certain ordinances that have been enacted; and

WHEREAS, Councilmember Byrne has identified various ordinances that he would like addressed at the next regularly scheduled meeting of the City Council;

NOW, THEREFORE, BE IT RESOLVED, that the City Manager is directed to prepare the appropriate ordinance language to enact changes to Chapter 4, Section 4-2(a) and (b), a copy of which is attached, as listed below:

1. Remove Section 4-2(a), which currently reads as follows:

“No alcoholic liquor shall be consumed on the public streets or in any other public places, including any store or establishment doing business with the public and not licensed to sell alcoholic liquor for consumption on the premises; nor shall anyone who owns, operates or controls any such public establishment or store permit the consumption of alcoholic liquor in such establishment or store.”

2. Amend Section 4-2(b), to replace “...possess or have under his control or custody..” with “...sell or offer for sale...” which currently reads as follows:

“No person shall possess or have under his control or custody in any public place any alcoholic liquor in a container of any kind which is open, uncapped or upon which the seal is broken, unless such possession, control or custody has been lawfully authorized by lawful authority or unless authorized elsewhere in this Code...”

3. Amend Section 4-2(b)(1) to replace “A nonprofit corporation...” with “An entity...” which currently reads as follows:

“A nonprofit corporation has obtained a permit for the use of the property from the special events committee by application therefore.”

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski and Wright.

No: Mayor Moeller; Councilmembers McCulloch and Relken.

Absent: None.

Councilmember Wright, at the end of the meeting, moved to *reconsider*. Motion to reconsider adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch, Relken and Wright.

No: Councilmember Byrne.

Absent: None.

Councilmember McCulloch moved to *divide the question*. Adopted unanimously.

Motion to prepare language to remove Section 4-2(a) *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Fisher, McCulloch, Relken and Wright.

Yes: Councilmembers Byrne and Lewandowski.

Absent: None.

Motion to prepare language to amend Section 4-2(b) *rejected* by the following vote:

No: Mayor Moeller; Councilmembers McCulloch, Relken and Wright.

Yes: Councilmembers Byrne, Fisher and Lewandowski.

Absent: None.

Motion to prepare language to amend Section 4-2(b)(1) adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski and Wright

No: Mayor Moeller; Councilmembers McCulloch and Relken

Absent: None.

3. Item postponed from December 10, 2007.

NOTE: Staff report given by John Livesay, City Attorney, and Robert Eick, Fire Chief (see City Clerk File #08-04).

WHEREAS, the City Council desires to amend and/or repeal certain ordinances that have been enacted; and

WHEREAS, Councilmember Byrne has identified various ordinances that he would like addressed at the next regularly scheduled meeting of the City Council;

NOW, THEREFORE, BE IT RESOLVED, that the City Manager is directed to prepare the appropriate ordinance language to enact changes to Chapter 36, Parks and Recreation of the Code of Ordinances of the City of Port Huron, a copy of which is attached, as listed below:

1. Remove Sections 36-8, 36-9 and 36-10 which currently read as follows:

“Sec. 36-8. Alcoholic liquors. No person shall bring any alcoholic liquor into any city park or consume any such beverage in any city park.

Sec. 36-9. Limitation on certain games and exercises in parks. No person shall engage in baseball, football or softball throwing, or any violent or rough exercises or play in any public park or other public place, except in areas designated therefore by the city manager.

Sec. 36-10. Driving or parking vehicles.

(a) No person, other than city employees in the performance of their duties, shall drive any vehicle of any description upon any part of a park or other public recreational area which is laid out and appropriated for grass or shrubbery unless authorized in writing by the parks director.

(b) No person shall stand or park a vehicle of any description in any park or other public recreational area, except at places which are properly signed permitting parking, unless authorized in writing by the parks director.”

2. Amend the title of Section 36-14, a copy of which is attached, which currently reads “Presence on Huron Lightship at Pine Grove Park” to read “Presence on Huron Lightship at Pine Grove Park After Closing”.

Councilmember Byrne moved to *remove* request to amend Section 36-14 (Huron Lightship). Adopted unanimously.

Councilmember McCulloch moved to *divide the question*. Adopted unanimously.

Councilmember Byrne moved to *amend* language to amend Section 36-8 to add the verbiage “between the hours of 11 p.m. and 12 noon” to the end of “No person shall bring any alcoholic liquor into any city park or consume any such beverage in any city park”

Motion *rejected* by the following vote:

No: Mayor Moeller; Councilmembers McCulloch, Relken and Wright.
Yes: Councilmembers Byrne, Fisher and Lewandowski.
Absent: None.

Motion to prepare language to remove Section 36-8 *rejected* unanimously.

Motion to prepare language to remove Section 36-9 adopted unanimously.

Motion to prepare language to remove Section 36-10 *rejected* unanimously.

NOTE: Administration to prepare ordinance language that would implement a limited reduction in regulation of bringing or consuming alcoholic beverages by allowing it within certain boundaries on City-owned property/parks.

4. Item postponed from November 26, 2007:

WHEREAS, the City of Port Huron is the county seat for the County of St. Clair; and

WHEREAS, the County of St. Clair has constructed a new jail outside the city limits of the City of Port Huron; and

WHEREAS, the St. Clair County Sheriff has moved all offices of the Sheriff’s Department to the new jail and no longer holds his principal office in the City of Port Huron; and

WHEREAS, Article VII, Section 5 of the Michigan Constitution of 1963 provides the sheriff and some other county offices “shall hold their principal office at the county seat”; and

WHEREAS, the City of Port Huron City Council believes it is important that this constitutional provision be enforced;

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby directs City administration to prepare a letter to be sent to Michigan Attorney General Michael Cox requesting the Attorney General’s Office take action to enforce the constitutional provision requiring the Sheriff to hold his principal office at the county seat and authorizes the Mayor to sign said letter on behalf of City Council.

Councilmember Relken moved to *postpone* until regular meeting of January 28, 2008. Adopted unanimously.

NOTE: Mayor Moeller meeting with County Commission Chair Wallace Evans in the interim.

FROM THE CITY MANAGER

CM-1. Councilmember McCulloch offered and moved the adoption of the following City Manager’s recommendation:

On December 3, 2007, the City of Port Huron Utilities Division received a quote from a pre-qualified single-source supplier for two hundred (200) 5/8” x 3/4” water meters:

| | |
|---|-------------|
| SLC Meter Service, Inc. (Davisburg, MI) | \$17,898.00 |
|---|-------------|

It is recommended that the quote of SLC Meter Service, Inc., 10375 Dixie Highway, Davisburg, Michigan 48350 in the amount of Seventeen Thousand Eight Hundred Ninety-Eight and 00/100 Dollars (\$17,898.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-2. Councilmember McCulloch offered and moved the adoption of the following City Manager’s recommendation:

On November 30, 2007, the City of Port Huron received three (3) bids for the Municipal Office Center air conditioner motor and pump replacement:

| | |
|-----------------------------------|-------------|
| Watson Brothers (Port Huron, MI) | \$12,000.00 |
| Jensen Refrigeration (Warren, MI) | \$13,865.00 |
| Johnson Controls (Troy, MI) | \$20,165.00 |

It is recommended that the bid of Watson Brothers, 325 Court Street, Port Huron, Michigan, 48060, in the amount of Twelve Thousand and 00/100 Dollars (\$12,000.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-3. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On December 20, 2007, the City of Port Huron Utilities Division received three (3) bids for the replacement of north grit channel discharge pans and the installation of air headers in the north and south grit channels at the Wastewater Treatment Plant:

| | |
|---|-------------|
| Titus Welding Company, Inc. (Farmington Hills, MI) | \$52,763.00 |
| Trojan Development Company, Inc. (Oxford, MI) | \$65,000.00 |
| Schad Boiler Setting Company (Detroit, MI) | \$76,200.00 |

It is recommended that the bid of Titus Welding Company, Inc., 20750 Sunnysdale Avenue, Farmington Hills, Michigan 48336, in the amount of Fifty-Two Thousand Seven Hundred Sixty-Three and 00/100 Dollars (\$52,763.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

NOTE: Per request of Councilmember Wright, City Manager to send City Council copy of proposed capital improvements for the Wastewater Treatment Plant.

CM-4. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

On December 20, 2007, the City of Port Huron Utilities Division received three (3) bids for the fabrication and installation of cross-over piping for biosolids mixing pumps at the Wastewater Treatment Plant:

| | |
|---|-------------|
| Trojan Development Company, Inc. (Oxford, MI) | \$ 9,375.00 |
| Schad Boiler Setting Company (Detroit, MI) | \$15,400.00 |
| J. F. Cavanaugh Company, Inc. (Farmington Hills, MI) | \$17,821.00 |

It is recommended that the bid of Trojan Development Company, Inc., 2260 Metamora Road, Oxford, Michigan 48371, in the amount of Nine Thousand Three Hundred Seventy-Five and 00/100 Dollars (\$9,375.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #07-01)

Councilmember Relken moved to remove Payment No. 1-22 to the St. Clair County Road Commission from the payments. Adopted unanimously.

Motion to adopt resolution minus Payment No. 1-22 adopted unanimously.

NOTE: Staff to check on problem with standing water at the corner of 24th and Lapeer.

AT THIS POINT (10:30 p.m.), Council recessed until 10:35 p.m.

R-2. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, it is stated in the Charter of the City of Port Huron, Section 66, VII:

"There shall be a Board of Review, consisting of three (3) members, at least one (1) member of this Board shall be a licensed real estate broker, to be appointed by the Council in January of each year, and whose terms shall commence on the first day of March next following and shall continue for one (1) year. The compensation of the Board of Review shall be set by the City Council at the time of appointment."

NOW, THEREFORE, BE IT RESOLVED that the following are hereby appointed as members of the 2008 Board of Review:

- Timothy Kearns, 3176 Gratiot Avenue
- Judith Novar, 1754 McPherson Street
- Gary Westrick, 3329 Walnut Street

BE IT FURTHER RESOLVED that the 2008 Board of Review shall convene on March 10, 2008, and continue in session as follows:

| | |
|----------------|-----------------------|
| March 10, 2008 | 9:00 a.m. - 3:00 p.m. |
| March 12, 2008 | 6:00 p.m. - 9:00 p.m. |
| March 13, 2008 | 9:00 a.m. - Noon |

BE IT FURTHER RESOLVED that compensation shall be paid in the amount of \$600.00 per year, per member.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch, Relken and Wright.
- No: Councilmember Byrne.
- Absent: None.

***R-3.** WHEREAS, it has been proposed to be in the best interest of City government that the regular City Council meetings start earlier in the evening; and

WHEREAS, in order to effectuate these changes it is necessary to amend Rule No. 1 of the Rules of Procedure of the City Council;

WHEREAS, an amendment to the Rules of Procedure for City Council requires that such amendments be by resolution and adopted the meeting following the introduction of such resolution;

NOW, THEREFORE, BE IT RESOLVED that Rule No. 1 of the Rules of Procedure for City Council be amended at the meeting of January 28, 2008, as set forth below, with an effective change date of February 11, 2008:

RULE 1 - REGULAR, SPECIAL AND ADJOURNED MEETINGS OF THE CITY COUNCIL

a) At 7:30 o'clock p.m. on the first Monday following the regular municipal election, the City Council shall meet at the usual place for holding the meetings of the City Council, at which time the members of the new Council shall assume the duties of their office. (City Charter, Sec. 6)

b) The Council shall meet on the second and fourth Mondays of each month. When such Monday is a legal holiday or a holiday designated in the city personnel manual, the City Council shall meet on the first Tuesday following such legal holiday. The City Clerk shall cause a public notice to appear in a newspaper of general circulation in the city notifying the public of the time and place of such Tuesday Council meeting, not less than three (3) days in advance thereof. (City Charter, Sec. 7; City Code, Sec. ~~2-31~~ **2-31**) [*Amended 01-14-80*]

All regular meetings of the City Council shall commence at ~~7:30~~ **7:00** p.m. and all special meetings shall convene at such time as is specified in the notice of the meeting. (City Charter, Sec. 7; City Code Sec. ~~2-1, 2-2 2-31, 2-32~~)

c) **SPECIAL MEETINGS.** Special meetings of the City Council may be called by the City Clerk on the written request of the Mayor or any three members of the City Council on at least 24 hours written notice to each member of the City Council served personally or left at the Councilmembers usual place of residence by the City Clerk or someone designated by the City Clerk; but any special meeting at which all members of the City Council are present or have waived notice in writing, shall be a legal meeting for all purposes, without such notice. (City Charter, Sec. 8)

d) When a quorum is present, the Council may adjourn any regular or special meeting to a later day by the vote of not less than 4 members of the Council, if, in the judgment of the Council, such adjournment is necessary and in the public interest. No such adjournment, however, shall extend to a later time than the next regular meeting.

Adopted.

***R-4.** WHEREAS, the City Manager has issued Temporary Traffic Control Order No. 1201, effective November 20, 2007, pursuant to Chapter 46, Article II, of the 2004 Port Huron City Code:

10TH STREET - There shall be "no parking" on the east side of 10th Street from Military Street to Electric Avenue.

NOW, THEREFORE, BE IT RESOLVED that said Traffic Control Order be and hereby is made permanent until such time as it is modified or repealed;

BE IT FURTHER RESOLVED that said Traffic Control Order be filed and enforced in keeping with the appropriate laws as contained in the Statutes of this State, as well as the Charter, Ordinances, and Resolutions of the City of Port Huron

Adopted.

***R-5.** WHEREAS, it is an Order of the Liquor Control Commission that if a local legislative body wishes to object to the renewal of an on-premise license under the provisions of Section 17 of the Liquor Control Act and the Michigan Supreme Court Decisions of *Bundo v City of Walled Lake* and *Bisco's Inc. v Liquor Control Commission* decided on January 27, 1976, the following shall concur:

1) The City Council shall grant the licensee notice and a hearing defined as:

- a) Timely written notice to the licensee detailing the reasons for the proposed administrative action;
- b) An effective opportunity to the licensee to defend by confronting any adverse witness and by being allowed to present in person witnesses, evidence and arguments;
- c) A written, although relatively informal, statement of findings made by the local legislative body.

2) The City Council shall submit to the Commission before April 1, the following material:

- a) A certified copy of the notice sent to the licensee;
- b) A certified copy of the findings made by the City Council;
- c) A certified copy of the resolution adopted by the City Council opposing renewal.

WHEREAS, the following list of liquor licensees who are delinquent in payment of taxes, utility payments, and or income tax reporting/payments has been prepared and considered:

Bistro 1882, 2333 Gratiot Avenue
 Blue Water Bowl, 2419 Lapeer Avenue
 Casey's Pizza & Sub, 628 Huron Avenue
 Catch 22, LLC, 1229 Seventh Street
 Harrington Inn, 1026 Military Street
 Huron Athletic Club, 321 Huron Avenue
 Legendz, 1631 Garfield Street
 MX Bar, LLC, 1639 Garfield Street
 Martini Joe's, 3954 24th Avenue
 Military Street Music Café, 1102 Military Street
 Palms Krystal Bar, 1535 Pine Grove Avenue

NOW, THEREFORE, BE IT RESOLVED, that the City Clerk is hereby directed to:

1) Notify, in writing, the licensees listed above that a hearing will be held on Monday, February 11, 2008, to afford the licensees an opportunity to "defend by confronting any adverse witness and by being allowed to present in person witnesses, evidence, and arguments." Said notice shall be mailed at least ten (10) days before said hearing and shall detail the reasons for the proposed administrative action.

2) Publish a notice of said hearing once in the Times Herald.

Adopted.

R-6. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron has created a Housing Commission pursuant to the Housing Facilities Act, MCL 125.651 et seq., as amended; and

WHEREAS, all public housing properties, namely Huron Village, Desmond Village, the Reinvestment Center, Peru Village, Gratiot Village, and Dulhut Village, are currently titled in the name of the City of Port Huron; and

WHEREAS, the above referenced properties have been titled to the City by and through the Housing Commission as a United States Department of Housing and Urban Development (HUD) funded urban development project and maintained through its Annual Contribution Contract that encumbers the properties as designated in Declarations of Trust; and

WHEREAS, under the urban development project the properties were titled in the name of the City through the Port Huron Housing Commission when the Commission and the City were a single entity under the above referenced Housing Facilities Act; and

WHEREAS, the City and Port Huron Housing Commission have separated its administrative and employee functions pursuant to amendments to the above referenced Housing Facilities Act and each desire to finalize separation including title to properties; and

WHEREAS, the Housing Facilities Act provides that all deeds for housing facilities may be in either the name of the Housing Commission or in the name of the incorporating unit of government; and

WHEREAS, the public housing properties operated by the Housing Commission have significantly depreciated over the period of time they have been in use; and

WHEREAS, the Housing Commission plans to remodel existing public housing properties operated by them; and

WHEREAS, the Housing Commission must obtain loan financing for the remodeling project and such financing will require the approval of HUD; and

WHEREAS, HUD will require that properties on which loan proceeds are used be subject to effective Declarations of Trust requiring the long term use of the property solely for public housing; and

WHEREAS, having the public housing properties operated by the Housing Commission titled in the name of the Housing Commission would facilitate the obtaining of HUD approval of the loan financing for remodeling of the public housing facilities;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the appropriate City officials to sign documents transferring title to public housing properties, specifically Huron Village, Desmond Village, the Reinvestment Center, Peru Village, Gratiot Village, and Dulhut Village from the City of Port Huron to the Port Huron Housing Commission by quit claim deed.

Adopted unanimously.

***R-7.** WHEREAS, a request has been received from SJP Enterprises, Inc., (Military Street Music Café) for a new entertainment permit to be held in conjunction with their 2007 Class C licensed business with dance permit located at 1102 Military Street, Port Huron;

NOW, THEREFORE, BE IT RESOLVED that it is the consensus of the City Council that the application be recommended for issuance by the Michigan Liquor Control Commission.

Adopted.

8-9. Councilmember Fisher offered and moved the adoption of the following resolutions:

R-8. WHEREAS, Resolution #6 was adopted on December 10, 2007, declaring single-lot assessments for costs incurred by the City of Port Huron for sidewalk replacements; and

WHEREAS, the property owner of 2445 Military Street has brought to our attention that the single-lot assessment for the sidewalk replacement was incorrectly distributed between the properties located at 2445 and 2455 Military Street; and

WHEREAS, the special assessment amounts have been reviewed and it has been determined that the previously approved special assessments for 2445 and 2455 Military Streets need to be rescinded and then declared using revised amounts;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby rescinds the declaration of single-lot special assessments for 2445 Military Street in the amount of \$642.00 and 2455 Military Street in the amount of \$2,757.60.

R-9. WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for sidewalk replacement; and

WHEREAS, the costs of sidewalk replacement shall be assessed to the property owner(s) pursuant to City Ordinance 42-57; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$3,399.60 for sidewalk replacement upon the lots and premises described in the attached special assessment report (see City Clerk File #08-05).

Motion to adopt Resolutions 8 and 9 adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

No: None.

Abstain: Mayor Moeller (property may be owned by brother)

Absent: None.

***R-10.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup in the right-of-way; and

WHEREAS, the cost for trash pickup in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot special assessments in the total amount of \$901.41 for special trash pickup in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-06).

Adopted.

R-11. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the Water Reclamation Facility generates biosolids as an end product of its wastewater treatment process; and

WHEREAS, it has been determined that the most cost effective and environmentally responsible method for proper handling of these biosolids is to land apply the material on agricultural land; and

WHEREAS, the Environmental Protection Agency (EPA) has recognized the City of Port Huron's Biosolids Land Application Program for its excellence; and

WHEREAS, the Michigan Department of Environmental Quality (MDEQ) regulates all biosolids handling operations in the State of Michigan; and

WHEREAS, the MDEQ requires that the City of Port Huron obtain authorization under the auspices of the City's National Pollutant Discharge Elimination System (NPDES) Permit to operate its Biosolids Land Application Program, and the annual biosolids land application fee is based upon the equivalent dry tons applied to agricultural land (2,339 dry tons in 2007);

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the payment of \$17,802.16 to the Michigan Department of Environmental Quality for the annual biosolids land application fee, required by the MDEQ for the administration of the Biosolids Land Application Program.

Adopted unanimously.

R-12. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, it is necessary to perform professional evaluation and design of the variable frequency drives and design of the automation system at the Water Filtration Plant; and

WHEREAS, Tetra Tech MPS is the appropriate engineering firm to provide these technical services based upon an evaluation of competitive proposals submitted; and

WHEREAS, there has been prepared an agreement between the City of Port Huron and Tetra Tech MPS for professional technical services;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Tetra Tech MPS for professional evaluation and design of the variable frequency drives and design of the automation system at the Water Filtration Plant and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-07).

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
No: Mayor Moeller
Absent: None.

R-13. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City Council desires to amend and/or repeal certain ordinances that have been enacted; and

WHEREAS, Councilmember Byrne has identified various ordinances that he would like addressed at the next regularly scheduled meeting of the City Council;

NOW, THEREFORE, BE IT RESOLVED, that the City Manager is directed to prepare the appropriate ordinance language to enact changes to Chapter 46, Traffic and Vehicles by removing Article VII Bicycles from said chapter, a copy of which is attached hereto (see City Clerk File #08-08).

Councilmember Fisher moved to *amend* to replace "prepare the appropriate ordinance language to enact changes..." to "prepare a report on proposed changes."

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
No: Mayor Moeller.
Absent: None.

Motion to adopt resolution, as amended, adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
No: Mayor Moeller.
Absent: None.

R-14. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the City Council desires to amend and/or repeal certain ordinances that have been enacted; and

WHEREAS, Councilmember Byrne has identified various ordinances that he would like addressed at the next regularly scheduled meeting of the City Council;

NOW, THEREFORE, BE IT RESOLVED, that the City Manager is directed to prepare the appropriate ordinance language to enact changes to Chapter 12, Businesses by removing Article XIII Vehicles for Hire from said chapter, a copy of which is attached hereto (see City Clerk File #08-09).

Councilmember McCulloch moved to *amend* to replace "prepare the appropriate ordinance language to enact changes..." to "prepare a report on proposed changes."

Motion adopted by the following vote:

- Yes: Councilmembers Fisher, Lewandowski, McCulloch, Relken and Wright.
- No: Mayor Moeller; Councilmember Byrne.
- Absent: None.

Motion to adopt resolution, as amended, adopted by the following vote:

- Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
- No: Mayor Moeller.
- Absent: None.

***R-15.** WHEREAS, the City of Port Huron requests the vacation of the following described easement in the block bounded by Lapeer Avenue, 10th Street, the Black River, and Seventh Street, legally described as:

the public utility easement in vacated Lapeer Court right-of-way located adjacent to Blocks 1, 2, 3, and 4, Lapeer Court Plat, between the north right-of-way line of Lapeer Avenue and the northeast property line of Lapeer Court Plat, not including any easements located within River Centre Drive right-of-way or the easement described as: beginning at the intersection of the west line of relocated 10th Street and the south line of River Centre Drive; thence S89°58'50"E 191.65 feet to a point on a curve to the right with a radius of 226.00 feet and a long chord which bears S53°23'44"E 269.39 feet; thence southeasterly along the arc of said curve 288.61 feet; thence S16°48'40"E 63.24 feet to a point on a curve to the right with a radius of 476.00 feet and a long chord which bears S03°30'50"E 218.96 feet; thence southeasterly along the arc of said curve 220.94 feet; thence S09°47'00"W 266.63 feet; thence N80°13'00"W 18.73 feet; thence N09°47'00"E 310.08 feet; thence N09°44'23"W 235.64 feet; thence N38°10'07"W 179.92 feet; thence N89°58'50"W 277.51 feet; thence N00°01'10"E 20.00 feet to the point of beginning, City of Port Huron, and

WHEREAS, on January 8, 2008, the City Planning Commission held a public hearing to receive comments on the proposed vacation of said property; and

WHEREAS, the City Planning Commission, after due consideration, recommended approval (votes: 8 ayes; 0 nays; 1 absent; 0 abstain) of the vacation;

WHEREAS, the next step in the vacation process is for the City Council to hold a public hearing on the proposed vacation;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for February 11, 2008, to hear comments on the proposed vacation of the above-described easement.

Adopted.

ORDINANCES

O-1. Councilmember Fisher moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 48, UTILITIES, ARTICLE III, SEWER SERVICE, SECTIONS 48-81 AND 48-94 OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF AMENDING INDUSTRIAL PRETREATMENT REQUIREMENTS TO COMPLY WITH CHANGES IN THE CODE OF FEDERAL REGULATIONS.

Motion adopted unanimously and ordinance given its first and second reading.

O-2. Councilmember McCulloch moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 6, AMUSEMENTS AND ENTERTAINMENTS, ARTICLE I, IN GENERAL, ARTICLE II, POOLROOMS, ARTICLE III, DANCEHALLS, AND ARTICLE IV, GAME DEVICES, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON FOR THE PURPOSE OF ELIMINATING REGULATION OF THESE AMUSEMENTS AND ENTERTAINMENTS BY REPEALING THIS CHAPTER.

Motion adopted unanimously and ordinance given its first and second reading.

O-3. Councilmember Fisher moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 24, FIRE PREVENTION AND PROTECTION, ARTICLE II, FIRE PREVENTION CODE, SECTION 24-34 AMENDMENTS, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON FOR THE PURPOSE OF AMENDING CHAPTER 3, GENERAL PRECAUTIONS AGAINST FIRE, SECTION 307.3.3, OUTDOOR BURNING, TO ALLOW OUTDOOR BURNING OF FIRE WOOD UNDER SPECIFIC GUIDELINES.

Motion adopted by the following vote and ordinance given its first and second reading:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: Councilmember Relken.
- Absent: None.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember McCulloch requested that someone on the prevailing side of the vote on Unfinished Business No. 2 call for reconsideration. Councilmember Wright moved to reconsider and the outcome is noted in the minutes with Unfinished Business No. 2.

2. Councilmember Relken asked about the Mayor signing the contract with Tetra Tech (Resolution No. 12) as he voted against it. He also asked about the NLC Conference in Washington and whether Council needed to vote on delegates.

3. Councilmember Wright suggested that Council consider meeting every week on a temporary basis for the next three months seeing as the meetings twice a month have been lengthy.

4. **Mayor Moeller** announced that there is a fundraiser for Christine Dahlke (wife of principal Craig Dahlke), who has cancer, at Port Huron Northern High School, January 19, 10 a.m. to 2 p.m., where they will be accepting used cell phones and for every phone you get a chance to enter a drawing for a 19" flat screen TV.

On motion (11:40 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, January 28, 2008, at 7:30 p.m. in the Public Meeting Room of the Municipal Office Center.

The invocation was given by Reverend Richard Shelton, Riverside Tabernacle Church of God, followed by the Pledge of Allegiance.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

The minutes of the regular meeting of January 28, 2008, were approved.

PRESENTATIONS

1. Certificate of Recognition was presented to Jacob Duncan Louks for earning his Eagle Scout award.
2. Proclamation recognizing January 30–April 4, 2008, as "A Season for Nonviolence" was presented to Lyn Chabot, Co-Coordinator, Blue Water Season for Nonviolence.

PUBLIC AUDIENCES

1. Tom Seppo, Operation Transformation, addressed the City Council stating his opposition to allowing alcohol consumption in public places citing: other Michigan cities of comparable size have same prohibitions; would not enhance family-friendly atmosphere; would not increase tourism; and Port Huron has more pressing issues than this and Council should look toward solving problems like job creation.
2. Joan Morrison, 810 St. Paul, Marysville, owner of property in Port Huron, addressed the City council in opposition to allowing recreational outdoor burning (Ordinance #3) stating that people have a right to clean air and that smoke affects people's health.
3. Cathy Brophy, MADD, addressed the City Council in opposition to alcohol consumption in the parks and shared that her son and his friend were killed by a drunk driver who had just left Marysville Park after drinking there all day.
4. Alice O'Neil, Prospect Place, addressed the City Council stating that Port Huron needs to be more trendy and not have Victorian thinking and that outdoor fireplaces and alcohol in the parks should be allowed and that City Council should not be Port Huron's conscience. She cited the pub crawl as an event that draws people here.
5. Mike Stocker, addressed the City Council relative to receiving an assessment to his property for a special trash pickup after a tenant moved out and stated he thought he was not given enough time to comply. (Mayor Moeller requested that administration look into this and report back to Council in two weeks.)
6. Mark Pearson, addressed the City Council relative to allowing alcohol consumption stating that the law prohibiting this was put there for a reason and he doesn't think the reason has changed and that any economic benefit from changing this law is not worth one human life.
7. Christine Baker, addressed the City Council in opposition to allowing recreational outdoor burning stating that her neighbor had started having bonfires, before they were informed that it was

illegal, and they could not open their window and their daughter had to use her inhaler in the middle of the night because of the smoke.

8. Matt McPhillips, Senior Pastor, Court Street Baptist Church, 1524 Court Street, addressed the City Council stating the City needs leadership but adding alcohol is a lack of vision and is irresponsible leadership and that it is nice to think all people should have freedom to do as they please but we have civil government to protect people. He further stated that they will get the signatures necessary to have a ballot question should Council enact this ordinance to allow alcohol in the parks.

9. Tim Meyer, 2330 Woodstock Drive, addressed the City Council stating alcohol is a drug and that any vote to lessen this restriction will hurt Port Huron and that how will you know if underage drinking is taking place in the park. He stated he hopes that Council address more pressing issues than this.

10. Terry Floyd, Court Street Baptist Church, addressed the City Council stating he runs a program for people with drug and alcohol problems and to pass an ordinance that allows drinking in the park would be detrimental.

11. Kyle Floyd, Assistant Pastor, Court Street Baptist church, addressed the City Council stating that more people die from drinking than were killed in Vietnam and there isn't a price on a life and that the passage of the ordinance to allow drinking alcohol in the parks would bring shame and mockery to the city he was raised in.

12. Tom and Veronica Donnelly, 918 Merchant Street, addressed the City Council requesting that they not pass Resolution No. 7 which prohibits parking on the street in front of their house stating they are seniors and so are their friends and they need closer parking.

13. Karen Burgett, Port Huron, addressed the City Council stating that in 2005 she had an incident where her neighbors were having a party in front of her home and they were drinking and one hit her in the face causing multiple injuries and she now has chronic pain and that if this happened on her own property what would happen if people were allowed to drink in the park and that it would increase the number of drunk drivers.

14. Jan Rich, addressed the City Council about recreational outdoor burning stating there are some people in the City who already have portable burning pits and she doesn't see anything wrong with this or with responsible drinking. She also stated that the owners of empty downtown buildings need to decide whether it's going to be retail or entertainment because they do not mix.

15. Paul Schultz, 1327 Beard Street, addressed the City Council stating the pub crawl is a good thing, that he did agree with Councilmember Byrne but after tonight wasn't sure, that a barbecue pit is cool and that there should be a float down and that Council is doing a good job.

16. Richard Neimitz, 3407 Riverside Drive, addressed City Council stating he received verbal approval for his June 28 raft-off event to be held off the seawall by Citizens First and he invited Mayor, Council and City Manager and the public to attend and that the money will go to charity. He also stated that he believes that water and boating will with the success of Port Huron and that the Black River Canal does not maintain the proper depth and boats cannot get to the lake and the he hopes this is taken care of by Memorial Day weekend.

17. Rock Stevens, Military Street, addressed the City Council relative to the ordinance that requires you have snow removed from the sidewalk within 12 hours of the cessation of a snow event stating that he received a notice and he had cleared it and the City came by with their plow trucks and filled it in and therefore he should have an additional 12 hours. He also stated that no one is listening to him about the fact that south end businesses never had parking lanes done and that City person he talked to said that wasn't true so he presented a letter from a property owner other than himself.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

Feb. 7 – Daddy/Daughter Valentine Dance at the Thomas Edison Inn, pre-register at Palmer Park Rec Center

Feb. 11 – Thomas Edison's 160th birthday celebration, Thomas Edison Depot Museum

Saturdays in February – Special themed activities at Palmer Park Rec Center, 1 – 3 p.m., pre-registration required.

UNFINISHED BUSINESS

1. **Councilmember Relken** offered and moved that the following resolution be *postponed* until March 10, 2008:

WHEREAS, the City of Port Huron is the county seat for the County of St. Clair; and

WHEREAS, the County of St. Clair has constructed a new jail outside the city limits of the City of Port Huron; and

WHEREAS, the St. Clair County Sheriff has moved all offices of the Sheriff's Department to the new jail and no longer holds his principal office in the City of Port Huron; and

WHEREAS, Article VII, Section 5 of the Michigan Constitution of 1963 provides the sheriff and some other county offices "shall hold their principal office at the county seat"; and

WHEREAS, the City of Port Huron City Council believes it is important that this constitutional provision be enforced;

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby directs City administration to prepare a letter to be sent to Michigan Attorney General Michael Cox requesting the Attorney General's Office take action to enforce the constitutional provision requiring the Sheriff to hold his principal office at the county seat and authorizes the Mayor to sign said letter on behalf of City Council.

Adopted unanimously.

NOTE: Mayor Moeller had stated that he has met with County Chair Wallace Evans and Port Huron Township Supervisor Scott Beedon and that they are working on a solution and that hopefully a joint meeting can be scheduled with the County Board

of Commissioners to discuss this issue prior to March 10, 2008. Councilmember Wright further requested that the Sheriff be present at the joint meeting and the possibility of the County providing police services be discussed.

FROM THE CITY MANAGER

CM-1. Councilmember Byrne offered and moved the City Manager's report be received and filed and that a public hearing be scheduled for February 11, 2008:

INTRODUCTION

The City of Port Huron provides parking for downtown stores and businesses using on-street and off-street parking. There is free one hour on-street parking throughout the retail district, with metered parking on the side streets. Several parking lots adjoin the retail district, with metered parking operated by the City and attended parking operated by the McMorran Authority.

Members of City Council have expressed an interest in changing the policy for the downtown parking system to make parking more convenient for retail shoppers, diners, loft residents and businesses. At its meeting of November 19, 2007, Council directed administration to prepare a report.

In order to continue to provide affordable, available and convenient parking for downtown retailers and businesses and to continue to provide a source of revenue to fund necessary expenses from the area benefitted, the following report will recommend:

1. The current unmetered parking zones that provide one hour of free parking be increased to two hours.
2. Expand the free parking area on Huron Avenue north to Glenwood Avenue.
3. Expand the free parking area to include the first block east and west of Huron Avenue and Military Street between Court Street and McMorran Boulevard.
4. Change the regulated hours of operation of parking meters to 9 a.m. to 5 p.m., Monday through Friday, and free on Saturday, Sunday and holidays.
5. Encourage downtown business owners to expand their usage of annual parking permits through promotional programs designed in conjunction with MainStreet.
6. Continue enforcement through the use of other current full and part time employees (i.e., police cadets, parking meter serviceman, etc.)
7. Prepare an engineering evaluation of the major maintenance needs of the downtown parking system.

BACKGROUND AND HISTORY

On January 28, 1952 an ordinance was adopted relating to vehicular traffic and the installation and use of parking meters, establishing parking meter zones and regulating parking.

On January 12, 1959 an ordinance was adopted establishing an automobile parking system for the City of Port Huron and authorizing the acquisition, construction and improvement of four new municipal parking lots. The ordinance approved issuance of

revenue bonds and other matters relative to bonds, parking facilities and the revenues generated. Along with the initial ordinance was an amendment establishing a schedule of parking fees, rates and charges to be collected. These ordinances were created to deal with the congestion and lack of available parking space on public streets and off-street parking lots.

In the late 1960's, parking enforcement officers were first hired. Enforcement includes more than parking meter violations. Citations are also written for overtime parking in the free short term spaces, handicapped spaces, sidewalks, tow away and loading zones and in front of fire hydrants. In areas near retail stores and restaurants, enforcement also serves to efficiently manage parking so that short term parking is available to customers and diners. Remote long term spaces are allocated for employee and loft resident parking. If employees and residents occupy the spaces close to downtown businesses, it discourages customers.

In subsequent years, attended lots have been changed to metered lots. Meters have been removed and re-installed. Rates have been changed. Meters have been removed and "free" one hour parking zones established. The parking system has evolved over time in an attempt to meet downtown business and customer needs.

Several programs have been instituted at the request of downtown groups to deal with the parking issue. They include: Carefree parking, tokens, courtesy tickets, visitor passes, one-hour free parking zones and, most recently, the bagging of short-term meters for the holiday season.

Municipalities generally provide funding for their parking systems through one of three methods, or a combination of the methods:

1. Funding from user groups—customers, loft residents and business employers – through parking fees.
2. Special assessments—an additional special tax paid by property owners in the downtown area.
3. General Fund expenditures—defraying downtown parking costs through taxes levied across the entire City.

A survey of similar communities around the state is included as part of this report as Attachment No. 1 (see City Clerk File #08-10). Most user-funded parking programs are similar to Port Huron's. Two exceptions are Midland and Holland, which use special assessments and other funding to provide parking. Midland still has enforcement personnel to manage overtime and improper parking. Holland uses a strictly volunteer system and relies on peer pressure between businesses to avoid employee and resident use of short term spaces.

Parking System Description

The parking fund is operated as an enterprise fund, with the revenues from parking activities used to pay the costs of operating the parking lots. Parking enforcement, however, is part of the general fund.

The City has 13 metered parking lots, as shown on the attached map (Attachment No. 2-City Clerk File #08-10).

The downtown parking system consists of 1,703 parking spaces, of which 1,083 are offered in lots and 620 are on the streets. The breakdown is as follows:

79% (1,351 spaces) are time-zone regulated with short term and long term meters (Attachment No. 3 and No. 4-City Clerk File #08-10)
 10% (168 spaces) are dedicated to all day employee permit parking
 8% (136 spaces) free parking
 3% (48 spaces) are signed "handicap only"

Parking meter rates range from an hour for twenty cents to 10 hours for one dollar.

The regulated hours currently listed on the meters are as follows:

Tuesday, Wednesday, Thursday & Saturday: 9:00 a.m. – 6:00 p.m.

Mondays & Fridays: 9:00 a.m. – 9:00 p.m.
 No charge on Sundays & Holidays

In recent years there has not been enforcement past 5:00 p.m. Monday through Friday. We recommend that the regulated hours be changed to:

Monday through Friday: 9:00 a.m. – 5:00 p.m.
 No charge on Saturdays, Sundays or Holidays.

Currently, there are no parking meters on Huron Avenue for two blocks north of Black River and on Military Street south of Black River. Both areas are posted for free one hour parking during the work day.

ANNUAL PERMIT PROGRAM

Many of our downtown lots have both short term and long term meters. The purpose of the annual permit program is to provide an incentive for loft residents, business owners and employees to use long term parking areas that do not conflict with customer parking needs. Permit holders can park in "permit only" areas or at long term (bronze-colored) meters. Annual parking permits are sold for 11 of the 13 city-owned parking lots. The present rate of \$15 month/\$180 year has been in effect since October 2003. Permits are lot-specific and go on sale December 15th for the following year. Permits have been very popular due to their convenience. As an example, Community Mental Health purchases 146 permits for their employees. Currently, a little over a third of parking revenues comes from the sale of parking permits.

A key component in Port Huron's plans to revitalize the downtown is to stimulate residential development of the second and third stories of our historic buildings. This is necessary because it provides an important customer base for businesses in the area and it also establishes an additional revenue source for property owners to support the operating costs of these historical multi-story buildings. This was an important incentive for the recent expansion of 14 units on the west side of Huron Avenue from Grand River to Quay Street. It may also be an important element for the redevelopment of the Sperry building.

TOKEN PROGRAM DESCRIPTION

The sale of parking tokens has been in effect since 1996. Tokens are used in lieu of coins. This program was established as an opportunity for downtown merchants to reward frequent shoppers. MainStreet, Inc., purchases the tokens and provides them to the merchants. The City keeps a supply of tokens on hand

and generates a report of their use. Tokens are sold “two for one” during the holiday season to MainStreet for sale to other merchants and distribution to visitors. The City also sells tokens to Michigan Works (6th Floor MOC) for their clients.

**CAREFREE PARKING DESCRIPTION –
MCMORRAN SOUTH LOT**

Employee attended Carefree parking was a program established during the time when many of the city lots had parking booths. The customer would receive a receipt upon entry into the parking lot. Participating merchants would then stamp the customer’s parking receipt which would allow free parking. This program had been funded by downtown merchants. Since the elimination of attended city-operated parking lots, the Carefree

parking program has been turned over to McMorran to operate. Current usage of Carefree parking is minimal.

MCMORRAN & ANDREW MURPHY PARKING LOTS

The McMorran Authority operates the McMorran and Andrew Murphy parking lots. They set the rates, employ the parking attendants and provide general maintenance. The City (Parks) is responsible for snow plowing the two lots but McMorran reimburses the City for those costs. For the fiscal year ended June 30, 2007, McMorran received parking and other revenues of \$260,000 and had parking lot expenses of \$75,000. A summary of revenues and expenses for the past five years is as follows:

| | June 30, 2003 | June 30, 2004 | June 30, 2005 | June 30, 2006 | June 30, 2007 |
|-------------|---------------|---------------|---------------|---------------|---------------|
| Revenues | \$241,388 | \$262,495 | \$270,916 | \$244,656 | \$259,453 |
| Expenses | 96,746 | 93,865 | 81,552 | 83,462 | 74,772 |
| Net Revenue | \$144,642 | \$168,630 | \$189,364 | \$161,194 | \$184,681 |

McMorran has operated the parking lots for approximately fifteen years. By doing so, the annual McMorran subsidy from the General Fund has been reduced.

PREVIOUS FREE PARKING PROGRAMS

In recent history, the first attempt at free parking took place in the early 1980’s when free parking stickers were placed on the clear domes of the meters. Many parking complaints were received and this program lasted only a few months.

Again in 1990, a similar request of Downtown Port Huron Inc.’s Parking Committee, asked that parking lots and street meters in the central business district be “free”. The committee agreed to a special assessment of parking expenses to be paid by the downtown businesses. The assessment was based on a ground floor square footage formula. This program was discontinued after one year.

Both of these free parking programs ended because business owners complained that short term customer spaces were being utilized by employees during prime retail hours. Property owners also did not feel that vacant buildings should be assessed for parking since they were not utilizing spaces.

In 1996, along with the first streetscape project, parking meters were removed from Huron Avenue. One-hour free parking was instituted.

In 1999, in an agreement with the City, MainStreet began issuing free visitor parking passes to encourage shopping and tourism.

In summary, many programs have been attempted with a variety of downtown groups to enhance and attract activity. History has shown with each program that eventually individuals begin to abuse free parking, negatively impacting the program’s intent.

PARKING FUND REVENUES & EXPENSES

For the past two years, Parking Fund revenues and expenses have been approximately \$190,000 annually. See Attachment 5 (City Clerk File #08-10) for additional detail. Generally, revenues are generated:

- one-third from street meters
- one-third from parking lot meters
- one-third from the sale of annual parking permits

The expenses include one full-time parking meter serviceman that collects the coins and repairs parking meters. The Parking Fund is also charged 9% of a full time cashier’s wages in the Treasurer’s Department for processing of deposits and report generation.

Planned capital improvements for the fiscal year ending June 30, 2008 include resurfacing of the Campbell (Spike Furniture) and Michigan (Fogcutter) lots at a cost of \$68,000. Additionally, funds were budgeted for parking meter repairs, improvements at the boat launches and Lakeside Beach parking lot.

Expenses for the year ended June 30, 2006, were higher than normal because of the \$38,000 parking study costs charged to the Parking Fund. Without those costs, expenses would have been more in line with other years. In the years when revenues exceed expenses, the funds have been accumulated in the Parking Fund to use for needed long term maintenance. The Parking Fund unrestricted balance as of June 30, 2007 was \$231,521. Of this amount, \$134,282 has been designated for use during the fiscal year ending June 30, 2008.

Parking revenues and expenses for the past five years are summarized as follows:

| | June 30, 2003 | June 30, 2004 | June 30, 2005 | June 30, 2006 | June 30, 2007 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|
| Revenues | | | | | |
| Street Meters | \$66,583 | \$67,290 | \$68,463 | \$58,952 | \$55,639 |
| Token Sales | 1,435 | 1,460 | 1,560 | 1,165 | 880 |
| Annual Parking Permits | 56,125 | 68,340 | 72,200 | 63,240 | 69,425 |
| Carefree Parking | 5,762 | 5,110 | 5,390 | | |
| Parking Lot Meters | 65,792 | 64,762 | 68,004 | 64,266 | 62,281 |
| Total Revenues | \$195,697 | \$206,962 | \$215,617 | \$187,623 | \$188,225 |
| Expenses | | | | | |
| Salary & Wages – Full time * | \$46,763 | \$49,579 | \$54,633 | \$46,027 | \$54,468 |
| Salary & Wages – Part time | 6,168 | 4,264 | 4,175 | 3,974 | 4,320 |
| Fringe Benefits | 23,573 | 26,440 | 29,744 | 31,745 | 35,342 |
| Office Supplies | 152 | 6 | 129 | 122 | 32 |
| Postage | 15 | 18 | 11 | 22 | 247 |
| Operating Supplies | 13,260 | 12,557 | 16,814 | 8,018 | 21,559 |
| Clothing Allowance | 484 | 600 | 689 | | |
| Professional Services | 120 | 1,614 | 4,075 | 38,614 | 790 |
| Service Charges & Fees | 699 | 1,026 | 995 | 894 | 787 |
| Contractual Services | 1,443 | 2,987 | 1,396 | 3,763 | 4,089 |
| Telephone | 254 | 235 | 358 | 640 | 599 |
| Insurance & Bonds | 8,936 | 9,776 | 9,600 | 10,048 | 8,904 |
| Public Utilities | 20,997 | 21,634 | 23,051 | 23,331 | 22,682 |
| Repairs & Maintenance | 4,184 | 218 | 8,385 | 1,147 | 394 |
| Vehicle Rent | 12,023 | 9,067 | 13,115 | 12,767 | 11,160 |
| City Administration | 17,067 | 16,689 | 16,901 | 17,475 | 19,831 |
| Depreciation | 8,728 | 7,746 | 7,676 | 4,006 | 337 |
| Total Expenses | \$164,866 | \$164,456 | \$191,747 | \$202,593 | \$185,541 |
| Changes in Net Assets | \$30,831 | \$42,506 | \$23,870 | \$(14,970) | \$2,684 |

* Fiscal year ended June 30, 2006 wages reduced by reimbursement from McMorran for service work at booths.

PARKING ENFORCEMENT

Parking enforcement has been the responsibility of the police department and is accounted for in the General Fund. Parking fine revenue and expense for the past five years are as follows:

| | June 30, 2003 | June 30, 2004 | June 30, 2005 | June 30, 2006 | June 30, 2007 |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Parking Violation Revenue | \$99,136 | \$90,250 | \$96,737 | \$86,140 | \$98,761 |
| Parking Enforcement Expense | | | | | |
| Personnel Costs | \$37,159 | \$39,100 | \$41,806 | \$54,052 | \$56,988 |
| Vehicle Costs | 4,118 | 4,118 | 4,326 | 5,200 | 5,200 |
| Other Costs | 2,226 | 985 | 861 | 3,232 | 1,130 |
| Total Costs | \$43,503 | \$44,203 | \$46,993 | \$62,484 | \$63,318 |
| Net Contribution to the General Fund | \$55,633 | \$46,047 | \$49,744 | \$23,656 | \$35,443 |

The full time parking enforcement position was eliminated in an amendment of the 2008 budget adopted by the City Council at its December 10, 2007 meeting.

CAPITAL IMPROVEMENT NEEDS

Annual operating expenses have not included more than basic maintenance in recent years due to the potential sale and/or development of some of the parking lots. In 2001, the engineering staff prepared an evaluation of the condition of the pavement of each of the 16 downtown parking lots. If we adjust that report for inflation in construction prices, there is at least \$2 million in major repairs that are necessary. There is no current financial plan to fund these costs. We recommend an updated evaluation be prepared.

SUMMARY

The City Council has requested that a report be prepared to review alternatives to make parking in the downtown more convenient to customers. Specifically, it has been suggested that additional parking meters be eliminated.

A review of the policies of other cities that have similar parking facilities and Port Huron's historical experience has indicated that:

1. The elimination of meters without other regulation of time limits causes customer inconvenience because spaces they desire for their short term needs may be occupied by employees and residents in the downtown. Only the City of Holland has a strong enough business organization to prevent this situation through peer pressure instead of city regulation.

2. Parking revenue that results from meters, permits and enforcement is necessary for annual funding of parking operating expenses such as lighting, pavement repair, snow removal, striping, etc. Eliminating these revenues and continuing to provide these services would result in a net loss to the General Fund of approximately \$125,000 annually. Further, elimination of enforcement and/or parking meters may negatively impact McMorran's parking revenues, increasing the General Fund subsidy of McMorran. Other alternatives would include a special assessment of the benefitted businesses and properties.

3. Providing dedicated parking spaces is an important incentive for the redevelopment of vacant or underutilized historic downtown buildings.

RECOMMENDATIONS FOR FUTURE CONSIDERATION

As a result of this study requested by the City Council, we recommend:

1. The current unmetered parking zones that provide one hour of free parking be increased to two hours of free parking.

2. The free parking zone on Huron Avenue be expanded north to Glenwood Avenue.

3. Free parking areas also be expanded to include the first block east and west of Huron Avenue and Military Street between Court Street and McMorran Boulevard.

4. Change the regulated hours of the parking meters to Monday through Friday, 9:00 a.m. to 5:00 p.m.; free on Saturday, Sunday and holidays.

5. Encourage downtown business owners to expand their usage of annual parking permits through promotional programs designed in conjunction with the Downtown Development Authority and MainStreet.

6. Continue enforcement through the use of other current full and part time employees (i.e., police cadets, parking meter serviceman, etc.)

7. Direct the City Manager to prepare an engineering evaluation of the major maintenance needs of the downtown parking system prior to his proposed budget in April.

RECOMMENDATION

It is recommended that a public hearing be scheduled for February 11, 2008 and comments be specifically requested from MainStreet, the Blue Water Chamber and the DDA.

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
No: Mayor Moeller.
Absent: None.

CM-2. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

As requested by the City Council at its January 14, 2008 regular meeting, a report has been compiled relative to bicycle licensing and the suggestion that Chapter 46, Traffic & Vehicles, Article VII, Bicycles, be repealed.

BICYCLE LICENSING SYSTEM

The premise of the current bike licensing system is to safeguard against theft, identify rightful owners and to return a significant number of stolen bikes. Presently, approximately 90% of stolen bicycles are never returned to their owners.

In 2007, fifty-seven bicycle licenses were sold at \$3.00 each.

In 2007, of the bikes confiscated (lost, stolen or abandoned) by the Police Department, a total of one hundred fifty-five (155) bicycles were sold at auction for an average of \$6.78 each.

SUGGESTED RESCISSION OF ORDINANCE

Division I – Generally

The Port Huron Police Department has thoroughly reviewed Division I. Inasmuch as the whole section has been adopted into the Uniform Traffic Code, we do not have any traffic enforcement concerns or reservations about this being rescinded.

Division II – Registration

The Port Huron Police Department has no enforcement concerns or reservations about this Division being rescinded. Staff has surveyed other communities relative to bike registrations and found that many offer a voluntary online registration program. With the elimination of our present ordinance, it is our intention to institute such a program on our website (see attached example – City Clerk File #08-11) for citizens who wish to register their bikes. This will assist in recovery should a bike be stolen.

RECOMMENDATION

It is our recommendation that City staff be directed to prepare ordinance language to repeal Chapter 46, Traffic & Vehicles, Article VII, Bicycles and institute a voluntary registration program.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: Councilmember Relken.
- Absent: None.

CM-3. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

At the regular meeting of the City Council on Monday, January 14, 2008, staff was directed to prepare a report on the feasibility of eliminating Chapter 12, Article XIII, Vehicles for Hire, from the Code of Ordinances for the purpose of de-regulating taxi cabs (see attached ordinance).

Taxicabs, and their drivers, have been licensed in the City for 50+ years. The primary purpose for regulation is that safe and orderly service is provided to the public by properly qualified drivers. Some of the areas of concern we have if this ordinance is repealed are as follows:

Maintenance and Inspection: The ordinance requires that all taxicabs shall be kept in good running condition and clean and fit for public use. The Police Department inspects all taxicabs at least once annually at license renewal time or upon a complaint of a citizen. If this were not mandated, passenger safety could be undermined if the vehicles are not properly maintained; i.e., defective brakes, threadbare tires, etc.

Insurance: The ordinance requires that the taxicabs have appropriate insurance coverage should they be in an accident while transporting passengers. Without this, if there was an accident while transporting a passenger and the company does not have insurance, the passenger themselves would be responsible for any medical expenses incurred.

Taxicab Drivers: The ordinance requires that all drivers be licensed. A thorough background investigation is done on all drivers. This requirement helps protect the unsuspecting public against dangerous criminals and sexual predators.

Taximeters: All cars are required to have taximeters and to display their rates. Each such taximeter is inspected, tested and approved by the Police Department. This requirement protects the public from being exploited.

In 2005, upon the request of the taxicab companies, City Council did eliminate the regulation of fares with the stipulation that they file any proposed rate changes in the City Clerk's office 30 days prior to implementing the increase. This effort was to allow them leniency with the ever-changing gas prices. At that time, staff did survey some other communities around the state. We found that Battle Creek, Grand Rapids, Muskegon and Kalamazoo all regulated taxicabs.

To our knowledge, there are no other legitimate taxicab businesses in St. Clair County other than those in Port Huron and they serve the surrounding townships as well as City residents. At this time, there are three licensed businesses – Acme, Peoples City Cab and Port Huron Cab. Of the 24 available authorized licenses, they have a combined total of 10 cars on the road. If de-regulated, anyone could put a sign on their cab and compete with these long-time established businesses.

It would be recommended that for the public health, safety and welfare of our citizens that the ordinance regulating taxicabs not be repealed.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch, Relken and Wright.
- No: Councilmember Byrne.
- Absent: None.

***CM-4.** Historically, cable television providers have paid municipalities a fee for the use of the rights of way of the municipality for the purpose of burying or stringing their cable from house to house. The City of Port Huron has had a cable franchise agreement of many years. On October 1, 1994 the City of Port Huron entered into the current 15 year franchise agreement with Harron Communications Corporation for cable television services in the city. Through a series of agreements and transactions in 1999 to 2001 involving parent companies, holding companies and subsidiaries the franchise came under the ownership and control of our current cable provider, Comcast Corporation.

The 1994 franchise was set to end June 30, 2009 and provided a franchise fee to the city of 5% of gross revenues. The franchise agreement also required the cable company to provide in the basic tier of service the public, educational and governmental (PEG) channels that were provided in June, 1993.

| CHART OF FRANCHISE FEES 2004 - PRESENT | | | |
|---|-------------------------------------|-------------------------------------|---------------------|
| Year | Franchise Fee on Subscriber Revenue | Nonsubscriber Revenue Franchise Fee | Total Franchise Fee |
| 2007 (Jan.-June) | \$142,975.81 | \$ 4,363.09 | \$147,338.90 |
| 2006 | 264,835.99 | 28,241.56 | 293,077.55 |
| 2005 | 260,530.11 | 29,183.76 | 289,713.87 |
| 2004 | 260,831.58 | 32,730.34 | 293,561.92 |

The franchise fees are general revenues of the City and are recorded in the General Fund. In the past there have been no direct expenses incurred related to cable television.

The cable company was required to provide one outlet without any installation charge or monthly charge in each municipal building or facility located within 250 feet of an existing cable line of the company. The cable provider was also required to provide the same free service to each public, private or parochial K-12 school or college. The municipality and each school could without additional charge extend the service to some or all rooms, classrooms or auditoriums. This service included everything except premium or pay per view channels.

In 2006 the legislature passed the Uniform Video Services Local Franchise Act, (the Uniform Act) effective January 1, 2007. This Act effectively ended all existing franchise agreements including ours. The Act provides for a specific standardized form to be used by each franchising entity in the state. Section 5 of the Act provides that on the effective date of the Act any provision of an existing franchise agreement inconsistent with or in addition to the provisions of the Act is "unreasonable and unenforceable by the franchising authority."

This Act provides for franchise fees for incumbent providers, such as Comcast, in the same amount as the current contract up to a maximum of 5%. Providers must provide the same number of PEG channels as provided under our current franchise agreement.

Incumbent cable franchisees could continue to provide video services to the franchising entity by electing to either:

1) Terminate the existing franchise and enter into a new franchise under a uniform video service local franchise agreement; or

2) continue under the existing franchise agreement amended to include only those provisions required under a uniform video service local franchise.

The alternative apparently selected by Comcast for the Port Huron franchise is number two above.

The Federal Communications Commission (FCC) issued a broad ruling in March of 2007 dealing with the attempts of new providers, i.e., AT & T and other similar companies, getting into the cable market. The ruling dealt with a number of issues, including:

1) how quickly the local franchising authority (LFA) had to come to agreement with the new telecom provider (longer than 90 days is considered an unreasonable delay by the LFA);

2) build-out requirements (build-out involves providing service to all potential customers within the franchise area that may wish to have services)—the FCC Order stated that build out requirements were an unreasonable barrier to competitive entry into the cable field and LFA's could not refuse to grant a franchise because the applicant would not agree to unreasonable build out requirements;

3) four issues under the category of franchise fees:

- i) the gross revenue base upon which the franchise fee should be calculated;
- ii) limitations on charges incidental to awarding or enforcing a cable franchise;
- iii) the proper classification of in-kind payments unrelated to the provision of cable services; and
- iv) whether contributions in support of PEG services and equipment should be considered within the franchise fee calculation.

To the extent that local ordinances conflicted with the Order of the FCC those local ordinances were preempted and therefore not valid.

Appeals of the FCC ruling were filed in multiple federal circuit courts of appeal challenging the authority of the FCC to make the ruling and the justification for the ruling even if they did have the authority. Briefs have been filed by numerous parties on both sides of the issues. Essentially the municipalities argue that the FCC exceed their statutory and constitutional authority in issuing the Order and that even if they had the authority to issue the Order there is neither factual or legal support for the Order that was issued. All appeals of the FCC Order have all been consolidated into one appeal which will be heard in the 6th Circuit Court of Appeals in Cincinnati (the circuit that includes Michigan). Oral argument in these appeals is to be heard in February, 2008.

There have been many questions raised as to whether the FCC ruling applied to incumbent providers such as Comcast. The second Order of the FCC issued in October 2007 applied the first ruling to incumbent providers with respect to franchise fees. However, it did not extend the application of the first FCC Order to build-out requirements or to the time allowed for reaching an agreement.

AT & T and the other similar companies have so far concentrated their efforts at entrance into the cable business looking for the most lucrative markets in more populated areas.

In November 2007 Comcast notified the City of Port Huron and numerous other LFA holders that they were going to be moving the PEG channels from basic tier channels (in the City of Port Huron channels 6 and 12) to channels in the 900 range which would require the ability to receive a digital signal. Comcast has offered, for a period of only one year, to provide a free converter box to allow analog customers to receive the PEG channels delivered in digital format.

A major concern of City Administration has been that many citizens would lose the ability to view live broadcasts of city council meetings. Previously Comcast paid a technician to run the cameras during city council meetings. Comcast no longer provides that service. Currently we contract for the service at the rate of \$15.00 per hour. The cable company also provided the necessary equipment to televise meetings held in the council chambers. This may not be true in the future. City staff worked with Comcast technicians and other experts in the community to assure that live broadcasts of city council meetings continue. While we cannot assure which channel will air the broadcast we have made arrangements to assure we can produce a live telecast of the meeting. In fact the last council meeting was broadcast over cable live through the efforts of city staff.

Two Michigan municipalities (Meridian Township and Dearborn) have challenged the switch of the PEG channels to digital tiers in Federal District Court seeking a Temporary Restraining Order (TRO), Preliminary Injunction and Permanent Injunction against the switch. On Tuesday, January 15, 2008 the U.S. District Judge hearing the case granted the municipalities TRO and Preliminary Injunction. Further court action will determine whether the court will grant a Permanent Injunction. Also, on Monday, January 14, 2008 a Macomb County Circuit Court Judge granted to the City of Warren a TRO against Comcast moving the PEG channel locations in that city. This matter will be back before the Macomb County Judge again on January 22, 2008.

The municipalities have argued that federal law requires the PEG channels to be carried on the lowest tier of services and that this cannot be changed by the new state law in Michigan. Among other things argued by the municipalities is:

- 1) the requirement of additional equipment to receive the PEG channels is unreasonable;
- 2) insufficient notice was provided to the municipalities of the change; and
- 3) the municipalities will suffer irreparable harm because of:
 - i) the inability to communicate with the public through the PEG channels
 - ii) viewership will be severely disrupted.

Although TRO's and Preliminary Injunctions have been issued the final conclusion has not been reached. Further hearings will be held and further and final rulings will be made by the Federal District Court. This will undoubtedly be followed by appeals to higher federal courts.

There are also efforts taking place to address this issue politically in both Lansing and Washington, D.C. A hearing is scheduled on January 29, 2008 in the Subcommittee on Telecommunications and the Internet of the House Committee on Energy and Commerce (Chaired by Rep. John Dingell). Witnesses at this hearing are by invitation only.

In the Michigan Legislature Rep. Tory Rocca and Rep. Steve Bieda from Sterling Heights and Warren, respectively, are working on legislation that would prohibit cable companies from moving public access channels as Comcast intends to do.

One of the things the FCC orders and the Uniform Video Services Local Franchise Act have caused has been a reduction in cable services to government and school facilities. In the fall of 2007 Comcast had notified the city that they would no longer be providing complimentary cable services except one drop at the central police location and one drop at one fire station. When the complimentary or free service was ended by Comcast at various city facilities the Administration terminated service to those locations.

The Port Huron community has a long history of local origination programming that airs on the PEG channels. Several programs have aired for over 20 years. One of the moves by Comcast has been to change the location of origination of programs into the cable system from New Haven to Southfield. This has obviously made it more difficult to deliver programs and can have an impact on such programming. Some of these concerns were addressed to council during public audiences late last year. There is a fiber optic link to Comcast from the city council chambers. The organizations originating the PEG programming from Port Huron have offered to provide all the necessary equipment to originate the programming from the Municipal Office Center through the fiber optic link. This would be a tremendous benefit in providing the service of these locally originated programs to the community. In late December we made a formal written request to Comcast that all these local originated programs be delivered via the fiber optic line from the Municipal Office Center rather than mailing or hand delivering the programs to Southfield. We have not yet heard back from Comcast regarding this offer.

Administration and staff will continue to monitor these issues as they progress and provide updates to Council.

Received and filed.

RESOLUTIONS

***R-1.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup in the right-of-way; and

WHEREAS, the cost for trash pickup in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot special assessments in the total amount of \$563.59 for special trash pickup in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-12).

Adopted.

***R-2.** WHEREAS, it is stated in the City Ordinance Code, Chapter 46, Traffic and Vehicles, Section 46-6, Traffic Study Committee:

“The Chief of police, the (assistant) city attorney, one member of the traffic division of the police department, and two residents of this city, who shall be appointed by the mayor for a term of two years from the date of their appointments or until their successors are appointed or qualified, shall be and constitute the traffic study committee.”

NOW, THEREFORE, BE IT RESOLVED that the Mayor has reappointed Robert Beedon for a term to expire November 11, 2009 and Walter G. Crosby, Jr. for a term to expire January 11, 2010, as members of the Traffic Study Committee.

Adopted.

***R-3.** WHEREAS, Zebra Drome, Inc. (Robert Grygiel), has requested to transfer ownership of 2007 Class C licensed business with dance permit, from Van Claren, Inc., located at 522 Quay Street, Port Huron, Michigan;

NOW, THEREFORE, BE IT RESOLVED that it is the consensus of the City Council that the application be recommended for issuance by the Michigan Liquor Control Commission.

Adopted.

***R-4.** WHEREAS, Celtic Ray Pub, LLC (a Florida Limited Liability Company) (Gary L. Hopkins, Sr.), has requested to transfer ownership of escrowed 2005 Class C licensed business with dance-entertainment permit, from Respect, Inc. (Timothy J. Miller, Trustee), located at 210 Huron Avenue, Port Huron, Michigan; and requesting new outdoor service (1 area) and new official permit (food) for the hours of 9:00 a.m. to noon on Sundays;

NOW, THEREFORE, BE IT RESOLVED that it is the consensus of the City Council that the application be recommended for issuance by the Michigan Liquor Control Commission.

Adopted.

***R-5.** WHEREAS, the Michigan Department of Natural Resources (MDNR) announced that eligible communities interested in applying for grants through the Land and Water Conservation Fund (LWCF) to support outdoor recreation development have until March 1, 2008 to submit their applications; and

WHEREAS, the City of Port Huron's five year Parks and Recreation Plan was approved by the MDNR in October of 2007 making it eligible to apply for state and federal recreation grant programs; and

WHEREAS, the MDNR/LWCF provides matching grants to state and local governments up to \$70,000 for the renovation or redevelopment of existing facilities; and

WHEREAS, the City's match would be funded through the City's portion of the county recreation millage; and

WHEREAS, City administration has determined that the renovation of the baseball bleacher area in Pine Grove Park would fall within the guidelines of the grant application; and

WHEREAS, before submission of the grant application, the MDNR requires that the City hold a public hearing to hear input and comments from citizens on the proposed application;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for February 11, 2008, to hear input and comments from citizens on the draft Michigan Department of Natural Resources Land and Water Conservation Fund 2008 grant application; and

BE IT FURTHER RESOLVED that a copy of the draft application shall be available for review in the City Clerk's office one week prior to the public hearing.

Adopted.

R-6. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the City Manager has issued Temporary Traffic Control Order No. 1199, effective December 3, 2007, pursuant to Chapter 46, Article II, of the 2004 Port Huron City Code:

MICHIGAN STREET - There shall be "no parking" on the east side of Michigan Street between Glenwood Avenue and Lincoln Avenue.

NOW, THEREFORE, BE IT RESOLVED that said Traffic Control Order be and hereby is made permanent until such time as it is modified or repealed;

BE IT FURTHER RESOLVED that said Traffic Control Order be filed and enforced in keeping with the appropriate laws as contained in the Statutes of this State, as well as the Charter, Ordinances, and Resolutions of the City of Port Huron.

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
No: Mayor Moeller.
Absent: None.

R-7. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the City Manager has issued Temporary Traffic Control Order No. 1200, effective December 3, 2007, pursuant to Chapter 46, Article II, of the 2004 Port Huron City Code:

MERCHANT STREET - There shall be "no parking" on the east side of Merchant Street between Stanton Street and Rawlins Street.

NOW, THEREFORE, BE IT RESOLVED that said Traffic Control Order be and hereby is made permanent until such time as it is modified or repealed;

BE IT FURTHER RESOLVED that said Traffic Control Order be filed and enforced in keeping with the appropriate laws as contained in the Statutes of this State, as well as the Charter, Ordinances, and Resolutions of the City of Port Huron.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch, Relken and Wright.
No: Councilmember Byrne.
Absent: None.

R-8. Councilmember Wright offered and moved the adoption of the following resolution:

WHEREAS, it has been proposed to be in the best interest of City government that the regular City Council meetings start earlier in the evening; and

WHEREAS, in order to effectuate these changes it is necessary to amend Rule No. 1 of the Rules of Procedure of the City Council;

WHEREAS, an amendment to the Rules of Procedure for City Council requires that such amendments be by resolution and adopted the meeting following the introduction of such resolution;

NOW, THEREFORE, BE IT RESOLVED that Rule No. 1 of the Rules of Procedure for City Council be amended at the meeting of January 28, 2008, as set forth below, with an effective change date of February 11, 2008:

RULE 1 - REGULAR, SPECIAL AND ADJOURNED MEETINGS OF THE CITY COUNCIL

a) At 7:30 o'clock p.m. on the first Monday following the regular municipal election, the City Council shall meet at the usual place for holding the meetings of the City Council, at which time the members of the new Council shall assume the duties of their office. (City Charter, Sec. 6)

b) The Council shall meet on the second and fourth Mondays of each month. When such Monday is a legal holiday or a holiday designated in the city personnel manual, the City Council shall meet on the first Tuesday following such legal holiday. The City Clerk shall cause a public notice to appear in a newspaper of general circulation in the city notifying the public of the time and place of such Tuesday Council meeting, not less than three (3) days in advance thereof. (City Charter, Sec. 7; City Code, Sec. ~~2-1~~ 2-31) [Amended 01-14-80]

All regular meetings of the City Council shall commence at ~~7:30~~ 7:00 p.m. and all special meetings shall convene at such time as is specified in the notice of the meeting. (City Charter, Sec. 7; City Code Sec. ~~2-1, 2-2~~ 2-31, 2-32)

c) SPECIAL MEETINGS. Special meetings of the City Council may be called by the City Clerk on the written request of the Mayor or any three members of the City Council on at least 24 hours written notice to each member of the City Council served personally or left at the Councilmembers usual place of residence by the City Clerk or someone designated by the City Clerk; but any special meeting at which all members of the City Council are present or have waived notice in writing, shall be a legal meeting for all purposes, without such notice. (City Charter, Sec. 8)

d) When a quorum is present, the Council may adjourn any regular or special meeting to a later day by the vote of not less than 4 members of the Council, if, in the judgment of the Council, such adjournment is necessary and in the public interest. No such adjournment, however, shall extend to a later time than the next regular meeting.

Adopted unanimously.

R-9. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, in October 2004 the City used Federal Emergency Management Agency (FEMA) grant funds to purchase Graphical Information System (GIS) computer software to be used in emergency preparedness and is also used in the engineering, planning and assessing departments; and

WHEREAS, ESRI, Inc., 380 New York Street, Redlands, Ca. 92373-8100, is the single source company that provides the \$6,700.00 per year maintenance which is required to be paid in order to receive periodic updates and enhancements to the software; and

WHEREAS, the annual software maintenance charge was included in the Data Processing Department budgets for FY 2006-07 and FY 2007-08;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes payment in the amount of Thirteen Thousand Four Hundred (\$13,400.00) to ESRI, Inc., for the Graphical Information System (GIS) software maintenance for the two-year period of July 6, 2006, through July 6, 2008.

Adopted unanimously.

***R-10.** WHEREAS, it is stated in the City Ordinance Code, Chapter 16, Community Development, Article III, Downtown Development Authority, Division 1, Generally, Section 16-83, Board:

"(a) The downtown development authority shall be under the supervision and control of a board consisting of the city manager and eight members appointed by the city manager subject to approval by the city council. At least five of the members shall be persons having an interest in property located in the downtown district. At least one of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it...A member shall hold office until the member's successor is appointed. Thereafter, a member shall serve for a term of four years."

NOW, THEREFORE, BE IT RESOLVED that the City Manager's Downtown Development Authority re-appointment of Laurie Charron and Thomas Barrett for terms to expire February 9, 2012, is hereby approved and confirmed.

Adopted.

R-11. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City Council adopted a budget amendment on September 24, 2007 that ended the DARE program as of December, 2007; and

WHEREAS, the City Council has received many comments from citizens advocating that the DARE program be restored, at least so all elementary buildings in Port Huron were provided the program in the 2007-08 school year; and

WHEREAS, Councilmember McCulloch has requested this matter be placed before City Council; and

WHEREAS, in order to provide DARE in the remaining elementary schools in Port Huron from January to June, 2008, the

City Council must make a decision by its regular meeting on January 28, 2008; and

WHEREAS, the City Administration anticipates that projected revenues will exceed expenditures for the year ending June 30, 2008 in an amount adequate to fund the program;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby authorizes the necessary expenditure of funds in order to provide the DARE program in remaining Port Huron elementary schools from January through June 30, 2008.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch, Relken and Wright.

No: Councilmember Byrne.

Absent: None.

ORDINANCES

O-1. Councilmember Fisher moved that an ordinance introduced January 14, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1282

AN ORDINANCE TO AMEND CHAPTER 48, UTILITIES, ARTICLE III, SEWER SERVICE, SECTIONS 48-81 AND 48-94 OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF AMENDING INDUSTRIAL PRETREATMENT REQUIREMENTS TO COMPLY WITH CHANGES IN THE CODE OF FEDERAL REGULATIONS.

THE CITY OF PORT HURON ORDAINS:

That Chapter 48, Utilities, Article III, Sections 48-81 and 48-94 of the Code of Ordinances of the City of Port Huron for the purpose of amending industrial pretreatment requirements to comply with changes in the code of federal regulations, is hereby amended as follows:

Sec. 48-81. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Act and the act mean the Federal Water Pollution Control Act, as amended by the Clean Water Act, and the Water Quality Act of 1987, 33 USC 1251 et seq.

Alternative discharge limit means a limit set by the city in lieu of the promulgated national categorical pretreatment standards for integrated facilities in accordance with the combined waste stream formula, as set by the U.S. Environmental Protection Agency (EPA).

Approval authority means the director of the state department of environmental quality.

Authorized representative means a responsible corporate officer which is either (i) a president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function or any other person who performs similar policy- or decision-making functions for the corporation, or (ii) the manager of one or more manufacturing, production, or operation facilities employing more than 250 persons or having gross annual sales or expenditures exceeding \$25,000,000.00, in second-quarter 1980 dollars, if authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures. In a partnership or sole proprietorship, the term "authorized

representative" means a general partner or proprietor, respectively. A person may be assigned the responsibility of being an authorized representative by a responsible corporate officer, general partner, or proprietor with written authorization submitted to the POTW. This authorization must specify either an individual or a position having responsibility for the overall operation of the facility or having overall responsibility for environmental matters for the company.

BOD means biochemical oxygen demand or the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five days at 20 degrees Celsius, expressed in milligrams per liter.

Building drain means that part of the lowest horizontal piping of a drainage system which receives the discharge from soil, waste and other drainage pipes inside the walls of the building and conveys it to the building sewer, beginning five feet outside the inner face of the building wall.

Building sewer means the pipe extending from the building drain to the public sewer or other place of disposal.

Bypass means the intentional diversion of waste streams from any portion of a non-domestic user's treatment facility.

Categorical standards means national categorical pretreatment standards or pretreatment standards.

Chemical oxygen demand (COD) means a measure of the oxygen-consuming capacity of inorganic and organic matter present in water or wastewater. It is expressed as the amount of oxygen consumed from a chemical oxidant in a specified test. It does not differentiate between stable and unstable organic matter and thus does not necessarily correlate with biochemical oxygen demand.

Collection system means all of the common sewers, lift stations, pumps, and other equipment of the city and of a municipality which has a contract or agreement with the city for discharge to the POTW treatment plant which are primarily installed to receive wastewater and pollutants directly from users for transmission to the POTW treatment plant.

Combined sewer means any sewer receiving both storm water and sewage.

Combined wastestream means the wastestream from industrial facilities where regulated process effluent is mixed with other wastewaters, either regulated or unregulated, prior to treatment at the POTW.

Commercial wastes means the liquid or waterborne wastes from commercial establishments engaged in buying, selling or exchanging goods or services.

Compatible pollutant means a substance amenable to treatment in the wastewater treatment plant. Such compatible pollutants include biochemical oxygen demand, suspended solids, pH and fecal coliform bacteria, plus additional pollutants identified in the NPDES permit if the publicly owned treatment works was designed to treat such pollutants or, in fact, does remove such pollutant to a substantial degree.

Cooling water means the water discharged from any use such as air conditioning, cooling or refrigeration, or water to which the only pollutant added is heat.

Critical materials means the organic and inorganic substances, elements or compounds listed in the most current register compiled by the state water resources commission.

Debt service charge means the charge to users of the POTW for the annual expense of defraying principal and interest costs for capital improvements of the POTW.

Direct discharge means the discharge of treated or untreated wastewater directly to the waters of the state.

Director means the public works director, under the direction of the city manager, or his authorized deputy, agent or representative.

Discharge means the introduction of pollutants into the POTW which is either intentional or unintentional.

Domestic user means residential contributors to a wastewater system.

Effluent means that which flows out from a point source; outflow.

Enforcement response plan means a plan developed by the utilities manager which details the procedures indicating how the POTW will investigate and respond to instances of industrial user noncompliance.

Environmental Protection Agency (EPA) means the U.S. Environmental Protection Agency.

Garbage means the waste from the preparation, cooking and dispensing of food and from the handling, storage and sale of produce and food.

Grab sample means a single sample which is taken from a wastestream and without regard to the rate of flow in the wastestream and without regard to time.

Hazardous waste means a solid waste or combination of solid wastes which, because of its quantity, concentration or physical, chemical or infectious character, may:

(1) Cause or significantly contribute to an increase in mortality or an increase in serious irreversible or incapacitating reversible illness; or

(2) Pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported or disposed of or otherwise managed.

Holding tank waste means any waste from holding tanks found in vessels, chemical toilets, campers, trailers, or from septic tanks and vacuum-pump tank trucks.

Indirect discharge means the discharge or the introduction of pollutants from any source into the POTW, including holding tank waste discharged into the system.

Industrial user. See User classes.

Industrial user permit means a control document issued by the city to a significant industrial user for the purpose of setting forth limits and conditions for the discharge of wastewater to the POTW under its approved industrial pretreatment program.

Industrial waste means a solid, liquid or gaseous waste resulting from any industrial, manufacturing, trade, or business process.

Influent means that which flows in; inflow.

Interference means a discharge which, alone or in conjunction with a discharge or discharges from other sources, both: (i) inhibits or disrupts the POTW, its treatment processes or operations, or its sludge processes, use or disposal; and (ii) therefore, is a cause of a violation of any requirement of the POTW's NPDES permit, including an increase in the magnitude or duration of a violation, or of the prevention of sewage sludge use or disposal in compliance with applicable federal, state and local regulations.'

mg/l means milligrams per liter.

National categorical pretreatment standard means any regulation containing pollutant discharge limits promulgated by the Environmental Protection Agency in accordance with section 307b and c of the act which applies to a specific category of industrial users.

National Pollution Discharge Elimination System permit and NPDES permit mean a permit issued pursuant to section 402 of the act.

National prohibitive discharge standard and prohibitive discharge standard mean any regulation developed under the authority of 307b of the act and 40 CFR 403.5, containing pollutant discharge limits.

Natural outlet means any outlet into a watercourse, pond, ditch, lake or other body of surface water or groundwater.

New source means any building, structure, facility or installation from which there is or may be a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under section 307 (c) of the act which will be applicable to such source if such standards are thereafter promulgated in accordance with that section, provided that:

- (1) The building, structure, facility or installation is constructed at a site at which no other source is located;
- (2) The process or production equipment that causes the discharge of pollutants at an existing source is totally replaced; or
- (3) The production or wastewater generating processes of the building, structure, facility or installation are substantially independent of an existing source at the same site. This definition, found in 40 CFR 403.3(k), is hereby incorporated and made a part of this article.

Nondomestic user means any contributor to a wastewater system which is not a domestic user.

Normal domestic strength sewage means sewage characterized by biochemical oxygen demand (BOD) not exceeding 300 mg/l and suspended solids not exceeding 350 mg/l.

Operation and maintenance cost means the cost of all labor, materials, equipment, utilities, administration and other expenses required to operate and maintain the POTW consistent with adequate treatment of wastewater to produce an effluent and residuals in compliance with the NPDES permit and other state and federal regulations.

Person means any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity or any other legal entity or their legal representatives, agents or assigns.

Passthrough and pass through mean a discharge of pollutants through the POTW into the waters of the United States in quantities or concentrations which, alone or in conjunction with a discharge from other sources, is a cause of a violation of any requirement of the POTW's NPDES permit, including an increase in the magnitude or duration of a violation.

pH means the logarithm of the reciprocal of the weight of hydrogen ions in grams per liter of solution.

Pollutant means any various chemicals, substances or refuse materials, such as solid waste, sewage, garbage, sewage sludge, chemical wastes, biological materials, radioactive materials, heat, and industrial, municipal and agricultural wastes, which impair the quality of water and soil.

Pollution means the manmade or man-induced alteration of the chemical, physical, biological and radiological integrity of water.

ppm means parts per million by weight.

Pretreatment means the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutants or their properties in wastewater to a less harmful state prior to discharging or introducing such pollutants into a POTW. The reduction or alteration can be obtained by physical, chemical or biological processes, or process changes by other means, except as prohibited by 40 CFR 403.6d.

Pretreatment requirements means any substantive or procedural requirement related to pretreatment.

Pretreatment standards means national categorical pretreatment standards; alternative discharge limits; or other federal, state or local standards, including the prohibited deposits contained in section 48-87 of this article, whichever are applicable.

Priority pollutant means a toxic compound identified by Environmental Protection Agency that can reasonably be expected in the discharges from industries.

Prohibited discharges means discharges which may interfere with the treatment plant operations. They include the priority pollutants, hazardous materials, clogging materials and materials

which interfere with the treatment system. They include but are not limited to the following:

- (1) Chemical compounds which interfere with or pass through the treatment processes.
- (2) Materials which create a fire or explosion hazard in the sewers or treatment works or which release poisonous gases.
- (3) Materials which will obstruct the flow in the sewer or treatment system.
- (4) Materials which will change the pH to highly acidic or alkaline.
- (5) Water which will increase the treatment plant influent temperature to above 104 degrees Fahrenheit (40 degrees Celsius).
- (6) Petroleum oil or grease, nonbiodegradable cutting oil, or products of mineral oil origin in amounts that will cause interference or pass through or a blockage in the collection system.
- (7) Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems.
- (8) Any trucked or hauled pollutants, except at discharge points designated by the utilities manager.

Properly shredded garbage means garbage that has been shredded to such a degree that all particles shall be carried freely under the flow conditions normally prevailing in the public sanitary or combined sewer with no particle larger than one-half inch in any dimension.

Proprietary means exclusive rights to ownership or control of patents, formulas, processes, etc., associated with production.

Public sewer means a sewer that is controlled by the city.

Publicly owned treatment works (POTW) means the treatment works, as defined by section 212 of the act, which is owned by the city. This definition includes any devices and systems used in the storage, treatment, recycling and reclamation of municipal sewage or industrial wastes of a liquid nature. It also includes sewers, pipes and other conveyances only if they convey wastewater to the POTW treatment facility. The term also means the city and the agents of the city charged with such administration, and its legal authority to administer its systems and programs.

Replacement cost means the cost of replacement in whole or in part of any equipment or facilities of the POTW to ensure continued treatment of wastewater to produce an effluent and residuals in compliance with the NPDES permit and other state and federal regulations.

Sanitary sewage means the liquid or waterborne waste discharged from the sanitary fixtures of dwellings, apartment houses, hotels, office buildings, factories or institutions.

Sanitary sewer means a sewer intended to receive domestic sewage but to which stormwaters, surface waters and groundwaters are not intentionally admitted.

Severe property damage means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

Sewage means water-carried human wastes or a combination of water-carried wastes from residences, business buildings, institutions and industrial establishments, together with such groundwaters, surface waters, stormwaters or other waters as may be present.

Sewage service charge means the total of the charges for wastewater collection, treatment and disposal including costs of operation, maintenance, replacement, capital improvements, debt service, administration and billing.

Sewer means a pipe or conduit for carrying sewage.

Sewer works means all facilities for collecting, pumping, treating and disposing of sewage. See Publicly owned treatment works.

Significant contributor and significant industrial user mean:

(1) All industrial users subject to categorical pretreatment standards under 40 CFR 403.6 and 40 CFR chapter I, subchapter N (40 CFR 400 et seq.); and

(2) Any other industrial user that discharges an average of 25,000 gallons per day or more of process wastewater to the POTW, excluding sanitary, noncontact cooling water and boiler blowdown wastewater; contributes a process wastestream which makes up five percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant or is designated as such by the POTW on the basis that the industrial user has a reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement.

Significant noncompliance means an industrial user which meets one or more of the following criteria:

(1) Chronic violations of wastewater discharge limits, defined as those in which 66 percent or more of all the measurements taken during a six-month period exceed, by any magnitude, a numeric Pretreatment Standard or Requirement, including instantaneous limits, as defined by 40 CFR 403.3(l).

(2) Technical review criteria (TRC) violations, defined as those in which 33 percent or more of all of the measurements for each pollutant parameter taken during a six-month period equal or exceed the product of the numeric Pretreatment Standard or Requirement including instantaneous limits, as defined by 40 CFR 403.3(l) multiplied by the applicable TRC (TRC=1.4 for BOD, TSS, fats, oil, and grease, and 1.2 for all other pollutants except pH).

(3) Any other violation of a Pretreatment Standard or Requirement as defined by 40 CFR 403.3(l) [daily maximum, long-term average, instantaneous limit, or narrative Standard) that the utilities manager determines has caused, alone or in combination with other discharges, interference or passthrough, including endangering the health of POTW personnel or the general public.

(4) Any discharge of a pollutant that has caused imminent endangerment to human health or welfare or to the environment or has resulted in the POTW's exercise of its emergency authority to halt or prevent such a discharge.

(5) Failure to meet, within 90 days after the schedule date, a compliance schedule milestone contained in an order, permit or other local control mechanism or enforcement order for starting construction, or attaining final compliance.

(6) Failure to provide, within 30 days after the due date, required reports such as baseline monitoring reports, 90-day compliance reports, periodic self-monitoring reports, and reports on compliance with compliance schedules.

(7) Failure to accurately report noncompliance.

(8) Any other violation or group of violations which the utilities manager determines will adversely affect the operation or implementation of the local pretreatment program.

Sludge means any solid, semisolid, or liquid residual generated from a municipal, commercial or industrial wastewater treatment plant, water supply treatment plant or air pollution control facility.

Slug and slug discharge mean any discharge of a nonroutine, episodic nature, including but not limited to an accidental spill or a noncustomary batch discharge, which may or may not interfere or pass through the POTW.

Slug control plan means a plan required of any nondomestic user by the POTW when determined to be necessary by the POTW and will include procedures to prevent adverse impact from accidental spills, including inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants, and/or measures and equipment for emergency

response.

Spill means the sudden loss of a liquid or solid pollutant from a containment vessel or containment area or process or piping system or transportation vehicle.

Standard Industrial Classification (SIC) means a classification pursuant to the Standard Industrial Classification Manual issued by the Executive Office of the President, Office of Management and Budget 1972, or latest edition.

Storm drain and *storm sewer* mean any drain or sewer, either natural or artificial, which is intended expressly for the conveyance of stormwater and uncontaminated industrial wastes.

Stormwater means that part of the rainfall which reaches the sewers as runoff from natural land surface, building roofs or pavements or as groundwater infiltration.

Suspended solids means solids that either float on the surface of or are in suspension in water, sewage or other liquids and which are removable by laboratory filtering in accordance with standard laboratory procedure.

Total suspended solids (TSS) means those solids which are retained by a glass fiber filter and dried to a constant weight at 103--105 degrees Celsius.

Toxic pollutant means any pollutant or combination of pollutants identified as toxic pursuant to section 307(a) of the Federal Water Pollution Control Act or other federal statutes or in regulations promulgated by the state department of environmental quality.

Uncontaminated industrial wastes means water which has not come into contact with any substance used in or incidental to industrial processing operations and to which no chemical or other substance had been added.

Upset means an exceptional incident in which there is unintentional and temporary noncompliance with pretreatment standards because of factors beyond the reasonable control of the industrial user. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.

User means any person who contributes, causes or permits the contribution of wastewater into the POTW.

User charge system means a system of charges levied on the users of the POTW for the user's proportionate share of the cost of operation, maintenance and replacement expenses.

User classes means the classification of the types of users of the POTW, including residential, multiple-dwelling, commercial, industrial, institutional and governmental users, as further defined as follows:

(1) *Commercial user* means a user of the POTW whose premises is an establishment as listed in the Standard Industrial Classification (SIC) Manual involved in a commercial enterprise, business or service which, based on a determination by the utilities manager, discharges sewage characterized as primarily domestic waste or wastes from sanitary conveniences. Other discharges will be considered industrial user discharges.

(2) *Governmental user* means any federal, state, or local government user of the POTW. Other discharges will be considered industrial user discharges.

(3) *Industrial user* means any user of the POTW that discharges industrial waste to the POTW. Industrial users shall be as identified in the Standard Industrial Classification (SIC) Manual issued by the Office of Management and Budget, as amended and supplemented under the following divisions:

| | |
|------------|--|
| Division A | Agriculture, Forestry and Fishing |
| Division B | Mining |
| Division D | Manufacturing |
| Division E | Transportation, Communication, Electric, Gas and Sanitary Services |
| Division I | Services |

A user in the divisions listed in this subsection may be excluded from the industrial user class if it is determined by the utilities manager that the user discharges primarily domestic waste or wastes from sanitary conveniences.

(4) *Institutional user* means an establishment involved in a social, charitable, religious, or educational function which, based on a determination by the utilities manager, discharges primarily domestic waste or wastes from sanitary conveniences. Other discharges will be considered industrial user discharges.

(5) *Multiple-dwelling user* means a user of the POTW whose premises are a permanent multifamily residential dwelling including buildings having two or more dwelling units, such as but not limited to duplexes, quadraplexes, apartments, mobile homes and condominiums. Transient lodging shall not be included in this class (see subsection (1) of this definition, Commercial user). Other discharges will be considered industrial user discharges.

(6) *Residential user* means a user of the POTW whose premises or building is used primarily as a single-family residence by one or more persons. Other discharges will be considered industrial user discharges.

Wastewater means any liquid or waterborne waste generated by residences, business activities, institutions, laboratories and industrial establishments, together with stormwater and groundwater as may be present. Wastewater includes sewage.

Wastewater treatment plant means any arrangement of devices and structures or facilities used for treating sewage and operated under a current NPDES permit.

Watercourse means an open, natural channel in which a flow of water occurs, either continuously or intermittently.

48-82 through 48-93.

No changes.

Sec. 48-94. Special requirements for discharge of process flow.

(a) This section details special requirements for persons discharging process wastes to the POTW.

(b) Except where expressly authorized to do so by an applicable pretreatment standard or requirement, no industrial user shall ever increase the use of process water or, in any other way, attempt to dilute a discharge as a partial or complete substitute for adequate treatment to achieve compliance with a pretreatment standard or requirement.

(c) Any nondomestic user or other enterprise discharging process flow to a sanitary sewer, storm sewer or receiving stream and any person who applies for or receives sewer service or through the nature of his enterprise creates a potential environmental problem or significantly alters the character or quantity of an existing discharge to the POTW may be required to comply with the following:

(1) File with the utilities manager a written statement setting forth the nature of the enterprise; the source and amount of water used; the amount of water to be discharged, with its present or expected bacterial, physical, chemical, radioactive or other pertinent characteristics of the wastes.

(2) File with the utilities manager a plan map of the building, works or complex, with each outfall to the surface waters, sanitary sewer, storm sewer, natural watercourse or groundwaters noted and described and the wastestream identified.

(3) Sample, test and file reports with the city and the appropriate state agencies on appropriate characteristics of wastes on a schedule, at locations and according to methods approved by the utilities manager.

(4) Place waste treatment facilities, process facilities, wastestreams, or other potential waste problems under the specific supervision and control of persons who have been certified by an appropriate state agency as properly qualified to supervise such facilities.

(5) Provide a report on raw materials entering the process or support system, intermediate materials, final products and waste byproducts, as those factors may affect waste control.

(6) Maintain records and file reports on the final disposal of specific liquids, solids, sludges, oils, radioactive materials, solvents or other wastes.

(7) Submit nondomestic user control survey forms or other forms and self-monitoring reports.

(8) Submit industrial user permit applications.

(9) Install a control manhole or building sewer.

(d) Any nondomestic user which does not normally discharge to the sanitary sewer, storm sewer or receiving stream, but has the potential to do so from accidental spills or similar circumstances, shall, when requested by the utilities manager, comply with subsection (c) of this section.

(e) All industrial users shall promptly notify the POTW in advance of any substantial change in the volume or character of pollutants in their discharge, including the listed or characteristic hazardous wastes for which the industrial user has submitted initial notification under 40 CFR 403.12(p).

(f) All categorical and noncategorical industrial users shall notify the POTW immediately of all discharges that could cause problems to the POTW, including any slug loading and loadings in excess of the limits described in sections 48-87 and 48-88.

(g) New sources shall install and have in operating condition, and shall start up all pollution control equipment required to meet applicable pretreatment standards before beginning to discharge. Within the shortest feasible time (not to exceed 90 days), new sources must meet all applicable pretreatment standards.

(h) All significant industrial users shall be controlled by an industrial user permit. This control document shall be issued by the city for a stated duration of time not to exceed five years.

A significant industrial user discharging under an industrial user permit shall make application for a new industrial user permit not later than 180 days before the expiration date of its current permit. The significant industrial user shall be required to complete the application form in its entirety as it is supplied by the city.

All new sources which are significant industrial users shall submit an industrial user permit application not later than 90 days prior to discharge. For significant industrial users which are also subject to categorical pretreatment standards, this application shall also include all the information as required in 40 CFR 403.12(b)(e) and (h), including a description of operation, flow measurement, and measurement of pollutants. This is referred to as a "baseline monitoring report" in the federal regulations.

All permits issued under this article are nontransferable without prior written approval of the city.

(i) Within 90 days following the date for final compliance with applicable categorical pretreatment standards or for a new source following commencement of the introduction of wastewater into the POTW, any industrial user subject to pretreatment standards and requirements shall submit to the POTW a report containing all the information described in 40 CFR 403.12 known as the 90-day compliance report. For industrial users subject to equivalent mass or concentration limits established by the city, this report shall contain a reasonable measure of the user's longterm production rate. For all other industrial users subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production or other measure of operation, this report shall include the user's actual production during the appropriate sampling period.

(j) All significant industrial users shall submit to the POTW during the months of June and December a report indicating the nature and concentration of pollutants in the effluent which are limited by applicable pretreatment standards, known as the six-month compliance report. All requirements for this report shall be stated in the significant industrial user's industrial user permit. This report must comply with all requirements of 40 CFR 403.12.

(k) If sampling performed by an industrial user indicates a violation of any applicable pretreatment standard, the user shall notify the POTW within 24 hours of becoming aware of the violation. The user shall also repeat the sampling and analysis and submit the results of the repeat analysis to the POTW within 30 days after becoming aware of the violation.

(l) All reports required of industrial users in this article shall be based upon data obtained through appropriate sampling and analysis performed during the period covered by the report, which data is representative of conditions occurring during the reporting period.

(m) If an industrial user subject to the reporting requirements in this article monitors any pollutant more frequently than required, using the procedures prescribed in section 48-95, the results of this monitoring shall be included in the next applicable report to the POTW.

Sections 48-95 through 48-150.

No changes.

Pauline M. Repp, MMC
City Clerk

ADOPTED: 01/28/08
PUBLISHED: 02/02/08
EFFECTIVE: 02/02/08

Adopted unanimously.

O-2. Councilmember Fisher moved that an ordinance introduced January 14, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1283

AN ORDINANCE TO AMEND CHAPTER 6, AMUSEMENTS AND ENTERTAINMENTS, ARTICLE I, IN GENERAL, ARTICLE II, POOLROOMS, ARTICLE III, DANCEHALLS, AND ARTICLE IV, GAME DEVICES, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON FOR THE PURPOSE OF ELIMINATING REGULATION OF THESE AMUSEMENTS AND ENTERTAINMENTS BY REPEALING THIS CHAPTER.

THE CITY OF PORT HURON ORDAINS:

That Chapter 6, Amusements and Entertainments, Article I, In General, Article II, Poolrooms, Article III, Dancehalls, and Article IV, Game Devices of the Code of Ordinances of the City of Port Huron for the purpose of eliminating regulation of these amusements and entertainments by repealing this chapter.

Pauline M. Repp, MMC
City Clerk

ADOPTED: 01/28/08
PUBLISHED: 02/02/08
EFFECTIVE: 02/02/08

Adopted unanimously.

O-3. Councilmember Byrne moved that an ordinance introduced January 14, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1284

AN ORDINANCE TO AMEND CHAPTER 24, FIRE PREVENTION AND PROTECTION, ARTICLE II, FIRE PREVENTION CODE, SECTION 24-34 AMENDMENTS, OF

THE CODE OF ORDINANCES OF THE CITY OF PORT HURON FOR THE PURPOSE OF AMENDING CHAPTER 3, GENERAL PRECAUTIONS AGAINST FIRE, SECTION 307.3.3, OUTDOOR BURNING, TO ALLOW OUTDOOR BURNING OF FIREWOOD UNDER SPECIFIC GUIDELINES.

THE CITY OF PORT HURON ORDAINS:

That Chapter 24, Fire Prevention and Protection, Article II, Fire Prevention Code, Section 24-34 Amendments of the Code of Ordinances of the City of Port Huron be amended to allow outdoor burning of firewood under specific guidelines, as follows:

**CHAPTER 24. FIRE PREVENTION AND PROTECTION
ARTICLE II. FIRE PREVENTION CODE
Chapter 3, General Precautions Against Fire**

Sec. 24-31 through Sec. 24-33.

No changes

Sec. 24-34. Amendments.

The International Fire Code adopted by this article is amended and changed as follows:

Chapter 1, Administration

Section 108.1, Appeals, is to be deleted.

Section 109.3, Violation Penalties, shall be amended to read as follows:

Persons who shall violated a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the code official, or of a permit or certificate used under provisions of this code, shall be guilty of a municipal civil infraction, punishable by a fine of not more than \$500.00. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

Section 111.4, Failure to Comply, shall be amended to read as follows:

Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a fine of not more than \$500.00

Chapter 3, General Precautions Against Fire

Section 307.3.3, Outdoor Burning, shall be amended to read as follows:

a. Definitions. As used in this section, the following terms shall have the following meanings:

(1) Open burning means a fire from which the products of combustion are emitted directly into the open air without passing through a stack or chimney.

(2) Incinerator means a device specifically designed for the destruction, by burning, of garbage or other combustible refuse or waste material.

(3) Recreational fire means a small outdoor fire intended for recreation or cooking, but not for disposal of waste wood or refuse.

(4) Clean wood means natural wood that has not been painted, varnished or coated with a similar material; has not been pressure treated with preservatives; and does not contain resins or glues as in plywood or other composite wood products.

(5) Construction or demolition waste means building waste materials including but not limited to waste shingles, insulation, lumber, treated wood, painted wood, wiring, plastics, packaging and rubble that results from construction, remodeling, repair, and demolition operations on a house, commercial or industrial building or other structures.

(6) Refuse means household and yard waste material, including brush, stumps, leaves, grass clippings and other vegetative matter.

(7) Open burning means kindling or maintaining a fire where the products of combustion are emitted directly into ambient air without passing through a stack or chimney.

(8) A recreational wood burning unit means a chimenea, patio warmer, or other portable wood burning device used for outdoor recreational burning, cooking and/or heating.

(9) Recreational fire burn ring means a metal, stone or concrete ring on the ground (fire pit) not to exceed 3' in diameter for the purpose of outdoor recreational burning, cooking and or heating.

b. Open burning and outdoor burning are prohibited in the City of Port Huron unless the burning is specifically permitted by this ordinance.

(1) No person shall cause or permit, except as herein stipulated, any open burning of garbage or other combustible refuse or waste material, including by way of description, but not by way of limitation, paper, leaves, tree trimmings and grass. This provision shall not be construed to prohibit fires of charcoal or natural gas and propane fuels when used, on private property or in public recreation areas, for the exclusive preparation of food for human consumption, nor to prohibit fuels from being used not less than 15 feet from combustible materials when burned in metal containers for the heating of building materials and the warmth of workers.

(2) The disposal site for diseased elm trees and other trees and brush removed from city right-of-way will continue to operate under rules and regulations approved by the city council.

(3) This section shall not apply to open burning by an organized professional, social, political, religious, charitable, or similar organization at special events sponsored by such organization, provided approval therefor has been obtained as part of the special events permit and approved by the special events committee. Any organization sponsoring an event at which open burning is permitted pursuant to this section must also obtain the approval of the fire chief or his or her designee prior to the event.

c. Recreational fires shall be permitted in the City of Port Huron on private property under the following restrictions:

(1) A recreational wood burning unit or recreational fire burn ring, not to exceed 3' in diameter, may be used or installed in the City of Port Huron only in accordance with the following provisions:

a) The recreational wood burning unit and recreational fire burn ring shall not be used to burn refuse.

b) The recreational wood burning unit and recreational fire burn ring shall burn only clean wood.

c) The recreational wood burning unit shall be located at least 25' from any and all structures. Conditions which could cause a fire to spread within 25' of a structure shall be eliminated prior to ignition.

d) The recreational fire burn ring shall be located at least 50' from any and all structures. Conditions which could cause a fire to spread within 50' of a structure shall be eliminated prior to ignition.

e) A recreational wood burning unit or recreational fire burn ring shall not cause a nuisance to neighbors. If a nuisance is determined, the Fire Chief or designee will require the immediate extinguishment.

d. Prohibited open burning. Open burning, bonfires or recreational fires that will be offensive or objectionable because of smoke or odor emissions when atmospheric conditions or local circumstances make such fires hazardous shall be prohibited. The Fire Chief or designee is authorized to order the extinguishment by the attendee or the fire department of open burning which creates or adds to a hazardous or objectionable situation.

e. Attendance. Open burning, bonfires or recreational fires shall be constantly attended until the fire is extinguished. A minimum of one portable fire extinguisher complying with Section 906 with a minimum 4-A rating or other approved on-site fire-extinguishing equipment, such as dirt, sand, water, barrel, garden hose or water truck, shall be available for immediate utilization.

f. Outdoor incinerators. Incinerators may be used in the city only in compliance with the following conditions:

(1) Outdoor incinerators shall be permitted only on premises occupied by commercial, governmental or industrial buildings.

(2) No person shall install and/or operate or cause to be used any incinerator without a permit to install first having been issued by the state air pollution control commission. All applications for such permits shall be obtained at and filed with the city building inspection division.

Chapter 5, Fire Service Features

Section 503.1.4, Fire Apparatus Access Roads, shall be added to read as follows:

Parking of motor vehicles or otherwise obstructing fire lanes shall be prohibited at all times. Members of the police department are hereby authorized to remove motor vehicles and/or vehicles in the designated fire lanes.

Chapter 9, Fire Protection Systems

Section 901.5.2, Approval and Testing, shall be added to read as follows:

All fire alarm systems that connect to the city communication center must be installed by a certified installer and be approved in writing by the fire chief or the fire inspector.

Chapter 33, Explosives and Fireworks

Section 3301.1.6, State Fireworks Law, shall be added to read as follows:

The city hereby adopts the state fireworks law, Public Act No. 328 of 1931 (MCL 750.243a et seq.), for the purpose of providing rules for the prevention of fire and protection of persons and property in the transportation, storage, handling, offering for sale, sale and use of fireworks. Copies of such regulations are on file in the office of the city clerk, available for public use and inspection at all times. Where any section or part of section 3301 of the International Fire Code is in conflict with the state fireworks law, it is intended that the state fireworks law will prevail.

Chapter 34, Flammable and Combustible Liquids

Section 3401.1.1, State Flammable Liquid Laws, shall be amended to read as follows:

Pursuant to the provisions of section 3(k) of Public Act No. 279 of 1909 (MCL 117.3(k)), the state fire safety board, Rules for Storage and Transportation of Flammable and Combustible Liquids 1992, as amended, as prescribed and authorized in Public Act No. 207 of 1941 (MCL 29.1 et seq.), are hereby adopted by reference by the city for the purpose of providing rules for the prevention of fire and protection of persons and property in the transportation, storage handling, offering for sale, sale and use of flammable liquids. Copies of such regulations are on file in the office of the city clerk, available for public use and inspection at all times. Where any section or part of chapter 34 of the International Fire Code is in conflict with the state fire safety board, Rules for Storage and Transportation of Flammable and Combustible Liquids 1992, it is intended that the state fire safety board, Rules for Storage and Transportation of Flammable and Combustible Liquids 1992, shall prevail.

Sec. 24-35. Appeals.

No changes.

Pauline M. Repp, MMC
City Clerk

ADOPTED: 01/28/08
PUBLISHED: 02/02/08
EFFECTIVE: 02/02/08

Councilmember Byrne moved to amend by changing the feet in Section 307.3.3c.(1)c) from 25' to 15' from any and all structures.

Motion to amend *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Fisher, McCulloch, Relken and Wright.
Yes: Councilmembers Byrne and Lewandowski.
Absent: None.

Motion to give ordinance its third and final reading and enactment adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: Councilmember Relken.
Absent: None.

O-4. Councilmember Lewandowski moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 4, ALCOHOLIC LIQUORS, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF ALLOWING A STATE LICENSED LIQUOR ESTABLISHMENT THE OPPORTUNITY TO APPLY TO THE SPECIAL EVENTS COMMITTEE FOR A PERMIT FOR THE USE OF CITY PROPERTY THAT WOULD FALL WITHIN AN EXCEPTION TO THE PROHIBITION AGAINST USING OR POSSESSION.

Motion *rejected* by the following vote:

No: Mayor Moeller; Councilmembers McCulloch, Relken and Wright.
Yes: Councilmembers Byrne, Fisher and Lewandowski.
Absent: None.

O-5. Councilmember Fisher moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 36, PARKS AND RECREATION, SECTION 36-8, ALCOHOLIC LIQUORS, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF AMENDING SECTION 36-8 TO ALLOW ALCOHOLIC LIQUOR TO BE CONSUMED OR POSSESSED IN SOME CITY PARKS AND OTHER DESIGNATED CITY-OWNED PROPERTY.

Councilmember Fisher moved to amend Section 36-8a. by removing the words "between the hours of 9:00 a.m. and 9:00 p.m. or extended time periods."

Motion to amend *rejected* by the following vote:

No: Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
Yes: Mayor Moeller; Councilmember Wright.
Absent: None.

Motion to give ordinance its first and second reading adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski and Wright.
No: Mayor Moeller; Councilmembers McCulloch and Relken.
Absent: None.

O-6. Councilmember McCulloch moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 36, PARKS AND RECREATION, SECTION 36-9, LIMITATION ON CERTAIN GAMES AND EXERCISES IN PARKS, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REMOVING SAID SECTION.

Motion adopted unanimously and ordinance given its first and second reading.

MOTIONS & MISCELLANEOUS BUSINESS

1. Mayor Pro-tem Fisher announced that the Welkin Base Ball Club is in the process of scheduling this summer's games and you can visit their web site at www.welkinbbc.com

2. Mayor Moeller stated that Mayor Pro-tem Fisher would be attending Rotary Club at noon on February 7 in his place and asked if someone could attend the Housing Commission dinner on February 20 at 6:30 p.m. in his place. Councilmember Lewandowski offered to attend the Housing Commission dinner.

3. Mayor Moeller asked which Councilmembers were interested in an orientation. Councilmembers Byrne and Wright stated they are interested and City Manager Karl Tomion will make arrangements as there is no need for a special meeting as there will not be a quorum.

4. Mayor Moeller scheduled a special meeting for Monday, February 18, 7:00 p.m., Conference Room 408, to discuss goals and objectives for the next three months. Councilmember Relken stated he thinks goals should be for the next 12 months and they should be prioritized. Further, the Mayor stated that he would like to see the 2008-09 proposed budget in March or earlier so that they can start going through it for reductions. Karl Tomion, City Manager, to get back with Council on date that 2008-09 proposed budget would be available. Mayor Moeller asked that if anyone wants to discuss anything on the current budget that they ask for it to be on the agenda for February 18.

5. Councilmember Byrne asked about process for the application they received for the Beautification Commission. He also asked how recreation programs were being attended with the increase in fees. John Berry, Personnel Director, stated that they had to cancel a couple of programs but that they have good numbers.

On motion (10:35 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, February 11, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The invocation was given by Reverend Richard Shelton, Riverside Tabernacle Church, followed by the Pledge of Allegiance.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

The minutes of the regular meeting of January 28, 2008, were approved.

PRESENTATIONS

1. Proclamation recognizing the week of February 16–23, 2008, as National Patriotism Week was read.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on the proposed vacation of a public utility easement in the block bound by Lapeer Avenue, 10th Street, the Black River and Seventh Street.

No one appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Byrne**:

WHEREAS, a request has been received to vacate the following described easement located in the block bounded by Lapeer Avenue, 10th Street, the Black River, and Seventh Street, legally described as:

the public utility easement in vacated Lapeer Court right-of-way located adjacent to Blocks 1, 2, 3, and 4, Lapeer Court Plat, between the north right-of-way line of Lapeer Avenue and the northeast property line of Lapeer Court Plat, not including any easements located within River Centre Drive right-of-way or the easement described as: beginning at the intersection of the west line of relocated 10th Street and the south line of River Centre Drive; thence S89°58'50"E 191.65 feet to a point on a curve to the right with a radius of 226.00 feet and a long chord which bears S53°23'44"E 269.39 feet; thence southeasterly along the arc of said curve 288.61 feet; thence S16°48'40"E 63.24 feet to a point on a curve to the right with a radius of 476.00 feet and a long chord which bears S03°30'50"E 218.96 feet; thence southeasterly along the arc of said curve 220.94 feet; thence S09°47'00"W 266.63 feet; thence N80°13'00"W 18.73 feet; thence N09°47'00"E 310.08 feet; thence N09°44'23"W 235.64 feet; thence N38°10'07"W 179.92 feet; thence N89°58'50"W 277.51 feet; thence N00°01'10"E 20.00 feet to the point of beginning, City of Port Huron, and

WHEREAS, on January 8, 2008, the City Planning Commission held a public hearing to receive comments on the proposed vacation and recommended approval (vote: 8 ayes; 0 nays; 1 absent; 0 abstained) of the vacation; and

WHEREAS, the City Council on February 11, 2008, held a public hearing for the purpose of hearing and considering any objections to the vacation and, after due consideration, it is the judgment of the Port Huron City Council that the vacation would be in keeping with the City's Master Plan and in furtherance of the public interest and benefit;

NOW, THEREFORE, BE IT RESOLVED that the above-described easement is hereby vacated.

Adopted.

2. **The Mayor** announced that this was the time to hear comments from citizens on the draft Michigan Department of Natural Resources Land and Water Conservation Fund 2008 grant application to renovate the baseball bleacher area in Pine Grove Park.

Letters from Terry Ruff, Director, Port Huron Competitive Sports Association; Angela Hoff, Executive Director, The Blue Water Center for Independent Living; and Dale R. Vos, Director of Athletics and Campus Activities, SCCCC, supporting the grant application were read into the record.

No one appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Lewandowski**:

WHEREAS, the Land Water Conservation Fund (LWCF) administered by the Michigan Department of Natural Resources (MDNR), provides grants for development of recreation sites to local units of government; and

WHEREAS, elements of the 2007-2011 City of Port Huron Parks and Recreation Plan include the renovation/replacement of the 55 year old, non-ADA compliant ball diamond bleachers in Pine Grove Park located on the southwest corner of Michigan Street and Prospect Street; and

WHEREAS, the LWCF program provides state funding up to a maximum of 50% of project costs not to exceed \$75,000; and

WHEREAS, the City's match would be funded through the City's portion of the county recreation millage; and

WHEREAS, before submission of the grant application, the MDNR requires that the City hold a public hearing to hear input and comments from citizens on the proposed application;

WHEREAS, a public hearing was held February 11, 2008, to hear input and comments from citizens on the draft 2008 grant application;

NOW, THEREFORE BE IT RESOLVED that the Port Huron City Council hereby authorizes the submission of a grant application in the amount of \$143,000 to the Michigan Department of Natural Resources Land and Water Conservation Fund to renovate the baseball bleacher area in Pine Grove Park, with possible grant funding of up to \$71,500 and the remaining local amount being funded through the City's portion of the County recreation millage, if the grant is awarded (See City Clerk File #08-13 for a copy of the grant narrative).

Adopted.

3. The Mayor announced that this was the time to hear comments on the proposed staff recommendations regarding downtown parking. (Staff gave brief overview on recommendations – see City Clerk File #08-14 for copy of PowerPoint presentation.)

No one appeared to be heard.

Council asked questions. The following items were requested by Council:

Mayor Moeller requested that they be provided the ticket counts from miscellaneous parking violations issued by officers in addition to the parking enforcement officer.

Councilmember Wright asked about feasibility of transferring downtown meters to beaches, parks, Edison Shores parkway and boat ramps and make them free to City residents with a sticker and charge (with enforcement) to non-residents.

Councilmember Lewandowski requested a copy of parking survey done by MainStreet.

The Mayor declared the hearing closed.

4. The Mayor announced that this was the time to hear comments concerning liquor licensees delinquent in payment of taxes, utility payments and/or income tax reporting/payments.

Ken Harris, 1521 Wells Street, appeared stating that he believes that there is a need to enforce the distribution and sale of alcohol by these establishments.

Eunice Boudreau, 3214 Krafft Road, Fort Gratiot, appeared inquiring as to the year these licensees were delinquent in payment of taxes.

The Mayor declared the hearing closed.

5. The Mayor announced that this was the time to hear comments on the proposed 2008 Annual Action Plan for the Community Development Department.

The following letters of request were received and noted:

Letter from Safe Horizons requesting \$17,500 in funding to provide homeless services at Pathway Homeless Shelter and Carolyn's Place.

Letter from Mother Hill's House of Hope requesting \$156,000 in funding to renovate windows, utilities, flooring and doors at their homeless shelter.

Letter from Helping Hands Ministries requesting \$60,000 in funding to assist in establishing a suitable facility for them to offer shelter and services to assist homeless individuals and low income families.

Kim Harmer, Planning/Community Development Director, gave an overview of the program.

Rev. Arnold Koontz, Helping Hands Ministries, 3245 N. Range Rd., Port Huron, appeared and read a statement requesting funds.

Cecily Combs, Dee Lanard and Ms. Pfeiffer, representing Mother Hill's House of Hope, appeared and gave information about their operation and that fact that they have 56 beds that are always full. They stated that they originally requested \$156,000 but are revising that request to be \$30,000 to cover yearly utility costs.

Lester Houge, former resident of Mother Hill's, appeared supporting their request and their programs.

The Mayor declared the hearing closed.

COMMUNICATIONS & PETITIONS

AT THIS POINT, with Council's consent, the following item was taken out of order and Dr. Dennis Zembala, President, Port Huron Museum, appeared with the news that the Museum is reimbursing the City \$5,825 for certain unusual construction expenses as outlined in the following notification:

C-1. Councilmember McCulloch moved to receive and file the following:

Notification from the Port Huron Museum that they will be reimbursing the City in the amount of \$5,825 for certain unusual construction expenses during the Thomas Edison Depot Museum roof replacement which were required by the U. S. Secretary of the Interior in order to comply with the standards for historic preservation.

Adopted unanimously.

PUBLIC AUDIENCES

1. Ken Harris, 1521 Wells Street, addressed the City Council stating that since they have taken office the only thing they have done is rescind water-sewer rate increases for June 30 and that they should get back to business and he questioned spending funds (From the City Manager #4) on more engineering services.

2. Casey Chaudry, 1802 Martin Street, addressed the City Council stating that discrimination of his first amendment rights should be avoided by allowing prayer at City Council meetings and not allowing him to do the same and that all others should be put on hold while a policy for invocations is being drafted and that Council has no right to deny him or favor one view over another. (Mayor Moeller explained his position on this and that the invocation time was not the time to protest.)

3. The following persons addressed the City Council in opposition to allowing alcohol consumption in City parks and marina area (see Ordinance #1) citing reasons of increased drunk driving, more litter, more disturbances, inability to monitor age of drinkers, that it does not mix well with family activities:

Eunice Boudreau, 3214 Krafft Rd., Fort Gratiot

Greg Thomas, 1113 Harker, #1

Joseph & Stephanie Smith, 1229 14th St.

Tim Floyd, 2826 Mason Ave. (read letter from Matt McPhillips, pastor of Court Street Baptist Church)

Kyle Floyd, assistant pastor, Court Street Baptist Church
James Vance, 946 Court St.

Robert Corby, Richmond, pastor, Port Huron Assembly of God Church

Zach Diatchun, 2509 North Blvd.

*Kristin Jurs, 408 Stanton St.
 *Sharon Bender, North Blvd.
 Greg Ross, pastor First Baptist Church, Memphis
 Eldon Lee, 2342 Woodstock Dr., pastor of First Free Methodist Church
 Nancy Anderson, 2615 North Blvd.
 Katie Anderson, 2615 North Blvd.
 Christine Andrus, 2417 North Blvd.
 Debra Schilling, East China, pastor of prayer for Riverside Tabernacle Church
 Tim Meyer, 2330 Woodstock Dr., Salvation Army
 Mark Seppo, 137 15th St., Blue Water House of Prayer
 Jessie Bartmanski, 909 Rawlins St.
 Gerald Palmateer, 2310 Woodstock Dr.
 Dave Paeth
 Connie Burton, 802 Jenkinson St.
 Tim Anderson, 2615 North Blvd.
 *David Ellingwood, Peru Village
 David Reichel, 1523 Court St.

*Additional comments:

Kristin Jurs, encouraged Council to move forward on grant funds to complete the Bridge to Bay trail through the River Park neighborhood.

Sharon Bender, encouraged use of DDA funds to remove snow instead of hiring a DDA director, stated that City employees should not have to enforce parking and that the mandate is for us to stop polluting the rivers and not sewer separation.

David Ellingwood, need to eliminate snow piles as he is handicapped and it is hard to get around.

CONSENT AGENDA

Councilmember Lewandowski offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- Feb. 18 – Special City Council meeting, 7 p.m., to discuss goals and objectives for the next three month.
- Saturdays in February – Special themed activities at Palmer Park Rec Center, 1–3 p.m., pre-registration required.

FROM THE CITY MANAGER

CM-1. Councilmember McCulloch offered and moved to receive and file the City Manager's report:

In accordance with Section 55 of the City Charter, there is submitted herewith a Quarterly Financial Report of the City of Port Huron for the six month period ending December 31, 2007. (See City Clerk File # 08-15).

Adopted unanimously.

CM-2. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

On January 24, 2008, the City of Port Huron received two (2) bids for 40,000 lbs of sodium silicofluoride for the Water Treatment Plant. The material bid was required to meet American Water Works Association (AWWA) specifications and National Sanitation Foundation (NSF) standards.

| | |
|-----------------------------------|-------------|
| KC Industries, LLC (Mulberry, FL) | \$14,860.00 |
| Univar U. S. A. (Taylor, MI) | \$15,600.00 |

It is recommended that the bid of KC Industries, LLC, P. O. Box 646, Mulberry, Florida 33860, in the amount of Fourteen Thousand Eight Hundred Sixty and 00/100 Dollars (\$14,860.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, McCulloch, Relken and Wright.
- No: Councilmember Lewandowski.
- Absent: None.

CM-3. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

On January 29, 2008, the City of Port Huron received two (2) bids for removal of a spoils pile located at 1808 Bancroft Street.

| | |
|---|-------------|
| S. A. Torello Trucking (Port Huron, MI) | \$ 7,600.00 |
| Hammar's Contracting LLC (Kimball, MI) | \$15,900.00 |

It is recommended that the bid of Torello Trucking, 3500 Dove Road, Port Huron, Michigan, 48060 in the amount of Seven Thousand Six Hundred and 00/100 Dollars (\$7,600.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-4. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

On January 10, 2008, the City of Port Huron received four (4) unit price bids for soil, concrete, asphalt, and other material testing services for construction projects over the next three construction seasons, based on estimated annual quantities:

| | |
|---|--------------|
| PSI (Auburn Hills, MI) | \$299,183.75 |
| TEC (Troy, MI) | \$299,860.50 |
| BMJ Engineers & Surveyors, Inc. (Port Huron, MI) | \$318,287.50 |
| CTI & Associates (Brighton, MI) | \$334,690.00 |

It is recommended that the bid of PSI, 1000 North Opdyke Road, Suite C, Auburn Hills, Michigan 48236 in the estimated amount of Two Hundred Ninety-Nine Thousand One Hundred Eighty-Three and 75/100 Dollars (\$299,183.75) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-5. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

The City of Port Huron received four (4) proposals for the purchase of a pressure seal/ folding machine to be used by the Data Processing Department for the preparation of tax bills and assessment notices. The proposals were for a mid-range machine with a processing capacity of 5,000 to 10,000 sheets per hour and a sufficient feeder tray capacity to allow for 14,000 tax and assessment notices. The following is a breakdown of the machines proposed:

| Company | Model | Items Per Hour | Tray Capacity | Monthly Capacity | Price |
|---------------------------|-----------------|----------------|---------------|------------------|------------|
| TBF Graphics | Welltec 3M Plus | 7,200 | 800 | 125,000 | \$5,900.00 |
| Printer Source, Inc. | Infoseal PS 100 | 5,000 | 150 | 50,000 | \$5,800.00 |
| Matrix Printing Solutions | Infoseal PS 100 | 5,000 | 150 | 50,000 | \$5,900.00 |
| Standard Office Supply | Fomax FD2030 | 9,000 | 250 | 750,000 | \$7,285.00 |

Based on the machine's item speed, tray capacity, durability and price, it is the Data Processing Department's recommendation that the proposal for a Welltec 3M Plus from TBF Graphics, 942 Military Street, Port Huron, Michigan, in the amount of Five Thousand Nine Hundred Dollars (\$5,900.00) be accepted and that the appropriate City officials are hereby authorized to execute the necessary documents.

Adopted unanimously.

CM-6. The City Council has asked for a report regarding the special assessment for trash collection charged to 1433 Jones Place. The following is a chronology of the events:

August 31, 2007 - A complaint was received around 3 p.m. from a neighbor regarding a pile of trash on the boulevard. The date of the complaint was the Friday of Labor Day weekend. The inspector visits the property and confirms the large trash pile on the boulevard. The inspector attempts to contact the property owner, Michael Stocker, at the phone number listed on the "For Rent" sign posted on the front lawn and the number listed on the City's rental property records. Messages were left at both phone numbers.

Since the inspector was unable to make contact with the owner, a special pickup was arranged because the trash would be setting out for three to four days during a holiday weekend. Also, piles typically left at the curb like this tend to be picked through by others driving by and trash piles end up scattered all over the yard and throughout the neighborhood. Photos taken of the cleanup before and after are attached.

Section 38-14 of the Code of Ordinances allows for immediate trash pickup with the expense for said pickup paid by the property owner. A copy of this ordinance is attached.

Sept. 10, 2007 - Invoice sent to property owner for \$143.25 for the special trash pickup with payment required on or before Sept. 24, 2007.

Early October - Mr. Stocker contacts the DPW Streets Superintendent, regarding invoice. An explanation of the events that occurred, the attempts that were made to contact him and why the expenses were passed on to the property owner was explained. Mr. Stocker stated he was going to take care of the matter.

Oct. 8, 2007 - Since the invoice for the special trash pickup was unpaid, the City Council adopted a resolution declaring a special assessment in the amount of \$143.25, which is authorized by Section 40-19 of the Code of Ordinances and is attached for your information.

Oct. 10, 2007 - Single lot special assessment invoice is sent to Mr. Stocker again requesting payment on or before October 25, 2007.

Nov. 22, 2007 - The 45-day option to dispute the single lot assessment expires.

Dec. 2007 - Single lot special assessment is added to the property tax.

Dec. 18, 2007 - Property tax bill with special assessment is paid.

Dec. 26, 2007 - Mr. Stocker contacts City Manager and on behalf of the City Manager, the DPW Streets Superintendent returns the call. Mr. Stocker asks about the appeal process. An explanation is given and he is informed that the option to dispute has expired. A copy of the itemized summary of expenses, photographs of the trash pile before and after collection, copies of the ordinances that apply to the immediate trash pickup and special assessment, along with a copy of the resolution declaring the assessment were sent to Mr. Stocker.

Jan. 28, 2008 - Mr. Stocker addresses the City Council relative to receiving an assessment to his property for the special trash pickup after a tenant moved out and stated he felt he was not given enough time to comply. Mayor Moeller requests administration to look into the matter and report back to Council in two weeks.

Jan. 31, 2008 - Robert Clegg, City Engineer/Director of Public Works contacts Mr. Stocker. The circumstances and the City's position, along with Mr. Stocker's concerns, are discussed.

Typically, it is the City's desire to contact property owners and allow them the opportunity to take care of the trash. As shown in the pictures taken before cleanup, the trash pile was quite large and could have left the neighborhood, on a holiday weekend, with a very unsightly mess.

Because we were unable to reach Mr. Stocker and we were not aware that he knew the tenants were moving out, the inspector had to make a decision. In fairness to the neighborhood, to the resident that called in the complaint, and the fact that it was a holiday weekend with an extra day before regular trash pickup, we believe the immediate cleanup was appropriate and the expense of the special pickup should be the property owner's responsibility.

Received and filed.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Adopted unanimously.

R-2. Councilmember Relken offered and moved the adoption of the following resolution:

WHEREAS, the Blue Water Area Transportation Commission is composed of two (2) local units of government, to wit: City of Port Huron and Charter Township of Fort Gratiot, and said Commission has been operating on a transit system within the Blue Water Area since 1976; and

WHEREAS, the said two (2) local units of government have agreed by the Restated Inter-local Agreement to place the issue of continuance of the said public transportation system for four (4) additional years of operation on the ballot for a vote of the people in the form of a four (4) year millage; and

WHEREAS, the Blue Water Area Transportation Commission by resolution adopted January 28, 2008 has requested that each of said two (2) local units of government call a special millage election for May 6, 2008 to place on the ballot for voters approval up to 0.6214 mills for each of four (4) taxable years to expire in 2012 to obtain the local share of operating revenues to support the continued operation of the transportation system from July 1, 2008 through June 30, 2012.

NOW, THEREFORE, BE IT RESOLVED that:

1. At a special election which is hereby called to be held at the regularly designed voting places in the City of Port Huron on May 6, 2008 between the hours of 7:00 a.m. and 8:00 p.m., Prevailing Local time, the following millage proposition shall be submitted to the electors:

RENEWAL OF BLUE WATER AREA TRANSPORTATION MILLAGE

Shall the limitation on the total amount of all taxes which may be assessed against all real and personal taxable property in the City of Port Huron, St. Clair County, Michigan, be increased to up to 0.6214 mills of the taxable valuation (62.14 cents per \$1,000 of state taxable value) as finally equalized for each of the next four (4) years, to expire in 2012, for the purpose of providing funds estimated to be \$454,000 for the first year of levy, for the City of Port Huron's share of the operation of the Blue Water Area Transportation Commission for the period of July 1, 2008 through June 30, 2012?

This is a renewal of a 2004 millage passed for the same purpose.

2. That the City Clerk for the City of Port Huron timely comply with the notices, postings and publications for voter registration for this election as well as timely publication of the ELECTION NOTICE as required by Michigan Election Law Statutes MCL 168.498 and MCL 168.653a, respectively.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same are hereby rescinded.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch, Relken and Wright.
- No: Councilmember Byrne.
- Absent: None.

***R-3.** WHEREAS, HP Pelzer Automotive Systems, Inc., 2415 Dove Street, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (land and building improvements and machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, Act No. 198 states that the City Assessor and Legislative Body of each unit which levies taxes shall be notified of the public hearing;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for February 25, 2008, in order to hear comments on the application of HP Pelzer Automotive Systems, Inc., 2415 Dove Street, for an Industrial Facilities Exemption Certificate; and

BE IT FURTHER RESOLVED that the City Clerk shall send notices of said public hearing to the following Legislative Bodies:

- City Assessor - Port Huron
- County Board of Commissioners - St. Clair County
- Port Huron Area School Board
- St. Clair County Community College
- St. Clair County Regional Educational Service Agency
- Downtown Development Authority

Adopted.

***R-4.** WHEREAS, HP Pelzer Automotive Systems, Inc., 2630 Dove Street, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (land and building improvements and machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, Act No. 198 states that the City Assessor and Legislative Body of each unit which levies taxes shall be notified of the public hearing;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for February 25, 2008, in order to hear comments on the application of HP Pelzer Automotive Systems, Inc., 2630 Dove Street, for an Industrial Facilities Exemption Certificate; and

BE IT FURTHER RESOLVED that the City Clerk shall send notices of said public hearing to the following Legislative Bodies:

- City Assessor - Port Huron
- County Board of Commissioners - St. Clair County
- Port Huron Area School Board
- St. Clair County Community College
- St. Clair County Regional Educational Service Agency
- Downtown Development Authority

Adopted.

***R-5.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special blight cleanup; and

WHEREAS, the cost for blight cleanup shall be assessed to the property owner(s) pursuant to the City of Port Huron Code of Ordinances Sections 22-53 and 40-19; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$606.20 for blight cleanup upon the lot and premises described in the attached special assessment report (see City Clerk File #08-16).

Adopted.

R-6. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, Resolution #8 was adopted on January 14, 2008, declaring single-lot assessments for costs incurred by the City of Port Huron for sidewalk replacements; and

WHEREAS, the property owner of 2455 Military Street has brought to our attention that the single-lot assessment for the sidewalk replacement was inadvertently miscalculated; and

WHEREAS, the special assessment amount has been reviewed and it has been determined that the previously approved special assessment for 2455 Military Street needs to be rescinded and then declared using revised amount;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby rescinds the declaration of single-lot special assessment for 2455 Military Street in the amount of \$3,223.60.

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
No: Mayor Moeller.
Absent: None.

R-7. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for sidewalk replacement; and

WHEREAS, the costs of sidewalk replacement shall be assessed to the property owner(s) pursuant to City Ordinance 42-57; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$2,981.28 for sidewalk replacement upon the lots and premises described in the attached special assessment report (see City Clerk File #08-17).

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
No: Mayor Moeller.
Absent: None.

***R-8.** WHEREAS, the City Planning Commission has received a request from Marathon Petroleum Company for Speedway SuperAmerica to rezone 1705, 1715 - 23rd Street and vacant lot to the north, from an R-1 (Single- and Two-Family Residential) zoning district to a C-1 (General Business zoning district, legally described as:

Lots 1, 2, and 3, Block 5, Tunnel Depot Subdivision; also known as 1705, 1715 - 23rd Streets and vacant lot to the north, City of Port Huron; and

WHEREAS, on February 5, 2008, the City Planning Commission held a public hearing to receive comments on the proposed rezoning; and

WHEREAS, the City Planning Commission, after due consideration, recommended approval (vote: 8 ayes; 0 nays; 1 absent; 0 abstained) of the rezoning;

WHEREAS, the next step in the rezoning process is for the City Council to hold a public hearing on the proposed rezoning;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for March 10, 2008, to receive comments on the request from the Marathon Petroleum Company for Speedway SuperAmerica for the rezoning of the above described property.

Adopted.

R-9. Councilmember Byrne offered and moved the adoption of a resolution to consider amending Chapter 42, Streets, Sidewalks and other Public Places, Section 41-17, Removal of Snow and Ice from Sidewalks, paragraph (a) to change requirement as to when snow shall be cleared from sidewalks.

No second was made.

R-10. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, Mayor Moeller has requested the following budget amendment to benefit the sewer separation project:

- Remove \$1,000 from 101-101-818-00 (City Council) for the Mayor's Exchange
- Remove \$5,200 from 101-101-873-00 (City Council) for the NLC Conference in Washington, D.C. scheduled for March
- Remove \$1,200 from 101-215-873-00 (City Clerk) for the IIMC Conference in Atlanta, Georgia for June
- Remove \$9,975 from 585-546-982-00 (Parking) to replace the parking booth at Lakeside Park
- Transfer \$17,375 to the Sewer Fund

NOW, THEREFORE, BE IT RESOLVED, that the City Manager is hereby directed to prepare a budget amendment to effectuate the above changes.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: Councilmember Relken.
Absent: None.

AT THIS POINT (10:10 p.m.), Council recessed until 10:17 p.m.

ORDINANCES

O-1. Councilmember Fisher moved that an ordinance introduced January 28, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1285

AN ORDINANCE TO AMEND CHAPTER 36, PARKS AND RECREATION, SECTION 36-8, ALCOHOLIC LIQUORS, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF AMENDING SECTION 36-8 TO ALLOW ALCOHOLIC LIQUOR TO BE CONSUMED OR POSSESSED IN SOME CITY PARKS AND OTHER DESIGNATED CITY OWNED PROPERTY.

THE CITY OF PORT HURON ORDAINS:

That Chapter 36, Parks and Recreation, Section 36-8, Alcoholic Liquors, of the Code of Ordinances of the City of Port Huron, be amended for the purpose of amending section 36-8 to allow alcoholic liquor to be consumed or possessed in some city parks and other designated city owned property.

Sec. 36-8. Alcoholic liquors.

No person shall bring any alcoholic liquor into any city park *or marina area* or consume any such beverage in any city park *or marina area except as follows:*

a. Alcoholic liquor may be possessed or consumed in Pine Grove Park and Lincoln Park between the hours of 9:00 a.m. and 9:00 p.m. and extended time periods during special events authorized by a special events permit.

b. Alcoholic liquor may be possessed or consumed on city owned property on the north side of the Black River between the St. Clair River and the 7th Street bridge from the water's edge of the river to the south right of way line of Quay Street, except on sidewalk areas behind privately owned buildings and adjacent to the Black River and except in the paved area of the west Quay Street parking lot.

c. Alcoholic liquor may be possessed or consumed on city owned property on the north side of the Black River between the 7th Street bridge and the 10th Street bridge from the water's edge of the river to the south right of way line of River Street.

Pauline M. Repp, MMC
City Clerk

ADOPTED: February 11, 2008
PUBLISHED: February 16, 2008
EFFECTIVE: February 16, 2008

Councilmember Wright moved to amend paragraph "a" by striking "between the hours of 9:00 a.m. and 9:00 p.m. and extended time periods" so it reads: Alcoholic liquor may be possessed or consumed in Pine Grove Park and Lincoln Park during special events authorized by a special events permit.

Motion to amend paragraph "a" adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch and Wright.
- No: Councilmembers Byrne and Relken.
- Absent: None.

Councilmember Wright moved to amend paragraph "b" and "c" by adding "between the hours of noon and 11:00 p.m." so that they read:

b. Alcoholic liquor may be possessed or consumed between the hours of noon and 11:00 p.m. on city owned property on the north side of the Black River between the St. Clair River and the 7th Street bridge from the water's edge of the river to the south right of way line of Quay Street, except on sidewalk areas behind privately owned buildings and adjacent to the Black River and except in the paved area of the west Quay Street parking lot.

c. Alcoholic liquor may be possessed or consumed between the hours of noon and 11:00 p.m. on city owned property on the north side of the Black River between the 7th Street bridge and the 10th Street bridge from the water's edge of the river to the south right of way line of River Street.

Motion to amend paragraph "b" and "c" adopted by the following vote:

- Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: Mayor Moeller; Councilmember Relken.
- Absent: None.

Councilmember Wright moved to divide the question to vote on paragraph "a" and then paragraphs "b" and "c" together.

Motion to divide the question adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch and Wright.
- No: Councilmembers Byrne and Relken.
- Absent: None.

Motion to give ordinance its third & final reading and enactment adopted by the following votes:

Paragraph "a," as amended:

- Yes: Councilmembers Byrne, Fisher, Lewandowski and Wright.
- No: Mayor Moeller; Councilmembers McCulloch and Relken.
- Absent: None.

Paragraphs "b" and "c," as amended:

- Yes: Councilmembers Byrne, Fisher, Lewandowski and Wright.
- No: Mayor Moeller; Councilmembers McCulloch and Relken.
- Absent: None.

O-2. Councilmember McCulloch moved that an ordinance introduced January 28, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1286

AN ORDINANCE TO AMEND CHAPTER 36, PARKS AND RECREATION, SECTION 36-9, LIMITATION ON CERTAIN GAMES AND EXERCISES IN PARKS, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REPEALING SECTION 36-9.

THE CITY OF PORT HURON ORDAINS:

That Chapter 36, Parks and Recreation, Section 36-9, Limitation on Certain Games and Exercises in Parks, of the Code of Ordinances of the City of Port Huron, is hereby repealed.

Pauline M. Repp, MMC
City Clerk

ADOPTED: February 11, 2008
PUBLISHED: February 16, 2008
EFFECTIVE: February 16, 2008

Adopted unanimously.

O-3. Councilmember Byrne moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 46, TRAFFIC AND VEHICLES, ARTICLE VII, BICYCLES, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REPEALING ARTICLE VII OF THE CHAPTER.

Motion adopted unanimously and ordinance given its first and second reading.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember Lewandowski moved that the City Manager and his staff prepare two items for this Council:

1. A resolution be prepared for the February 25th meeting authorizing city administration to draft language for a Letter of Intent declaring the City of Port Huron's desire to seek proposals for the private management, lease or ownership of McMorran complex and its assets. If passed, this resolution should require the following:

A. That a meeting be scheduled at the earliest opportunity, but no later than April 3, 2008, inviting all parties that may be interested, to submit a REQUEST FOR QUALIFICATIONS package. The main purpose of the meeting would be to allow interested parties the opportunity to submit their qualifications, gather needed information and tour the McMorran Complex. The parties would then be asked to develop a proposal for the management, lease or purchase of the complex that would be in the best interest of the City.

B. That based on the April 2008 meeting the city would accept proposals from qualified interested parties as soon as possible thereafter, but no later than May 21, 2008.

C. That a report and recommendation on the RFQ's and proposals received be presented to the city council, during our scheduled meeting of June 12, 2008.

2. Provide a detailed financial report for McMorran. This report should be completed prior to the meeting of April 3, 2008. It should include, but not be limited to the following: salaries of employees, utility expenses, insurance expenses, day-to-day operational expenses, authority board expenses, anticipated future expenses to the city, income, and assets.

Motion adopted unanimously.

2. Councilmember Byrne reminded the public that it was time to submit their income tax returns and stated they could donate any additional funds to city projects if so desired.

3. Mayor Moeller thanked City Manager for putting line item budget on website and relayed to City Council that the Manager will be presenting a timeline to work on the 2008-09 budget at the special meeting of February 18, 2008.

On motion (11:00 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Special meeting of the City Council of the City of Port Huron, Michigan, held Monday, February 18, 2008, at 7:00 p.m. in Conference Room 408, Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

MOTIONS & MISCELLANEOUS BUSINESS

1. BUDGET: Karl Tomion, City Manager, went over the city budget process from December through May as it has been historically followed (see City Clerk File #08-18 for copy of timeline). He explained how department heads are asked to include all items they believe are necessary so that they can be prioritized and decided upon whether to include in upcoming budget based upon projected revenues.

Discussion was held on the budget. Mayor Moeller stated that he had no problem with process and that Council could do budget meetings at night and Saturday instead of all day session. John Ogden, Director of Finance, stated that the budget needs to be adopted 30 days prior to the beginning of the fiscal year.

Councilmember Byrne questioned whether a water-sewer rate increase was projected. Karl Tomion explained that there should be approximately a \$500,000 carryover at the end of this fiscal year that can be transferred and then he and John Ogden will be looking at consumption and any projected gaps between revenues and expenditures.

Councilmember Lewandowski questioned whether they still need to make up \$1.2 million in the budget with no water-sewer increase. Karl Tomion stated that it would probably be about \$500,000 less than that assuming all remains the same.

Karl Tomion informed Council that if they wanted to get detailed budget binders farther in advance, they could be prepared and available by the second meeting in March but they would not be as accurate because all the data would not be available but Council could start going through the details and have budget meetings. Or, if Council wants to talk about major programs, the existing budgets could be used as it is anticipated that budgets for next fiscal year will be flat anyway.

Mayor Moeller stated that he believes that one month with reliable information is the way to go. Councilmember McCulloch agreed but also stated that they could delve into the larger pieces of the budget in advance.

Karl Tomion talked about how he could do a memo in advance with major changes, if any. He further explained that there has been major reductions in the past year and that they are working on others.

Councilmember Relken asked for an explanation of how employees are involved in budget decisions and whether they have an opportunity for input with departments. Is it a formal or informal process?

Karl Tomion stated that he encourages department heads to let employees be involved in the process before they submit. When he has meetings on individual departments it's not necessarily just with the department head, especially if it involves equipment. He stated

that the process is decentralized and each department head determines their own process.

John Ogden mentioned the employee suggestion committee and John Berry, Personnel Director, stated that the recreation department is a good example of the employees being active in the decision making for the department.

As to a question about the process during budget work sessions, John Ogden replied that it varies with Council's wishes and some Councils want a broad overview and others want to review page by page.

Councilmember McCulloch questioned whether any contracts will be settled before the next budget is finalized and John Berry stated that he hoped that would be the case in the next couple of months.

Mayor Moeller thanked the City Manager for providing the outline and stated again that he had no problem with following the same timeline as has been in the past and as presented at this meeting.

2. PRAYER POLICY FOR COUNCIL: Mayor Moeller gave the background on the reason why a policy needs to be set on giving the invocation at City Council meetings. Casey Chaudry has appeared before Council several times stating his objection to the invocation and that by refusing him the same opportunity, even though he has declared himself an atheist and only wishes to use the time as a protest, the Council is violating his first amendment rights. The Mayor shared his research on the subject matter and a sample resolution as suggested by the Alliance Defense Fund was distributed to City Council for their review. It was stated that the Alliance Defense Fund would represent the City of Port Huron pro bono if they are challenged on the policy for prayer as suggested by their organization. Discussion followed and it was agreed that the resolution will appear on the Council agenda for Monday, February 25, 2008.

3. GOALS AND OBJECTIVES: Mayor Moeller asked each Councilmember to outline their goals.

Mayor Pro-tem Fisher stated he would like to see a proposal from the Terra Land group, Water Street Marina sale and a decision about the future of McMorrان. Councilmember Wright mentioned that he had talked to Terra Land last week and that they are planning on calling the City Manager and that they have an interest in student housing. Karl Tomion stated there are ongoing negotiations with Acheson for the Water Street Marina and that he hoped to have a proposal for management of the River Street marina on Monday's meeting and that Desmond Marine was the only proposal received. At this point, Karl Tomion stated that he had met with McMorrان staff and they have come up with a timetable (see City Clerk File #08-19) to receive proposals for private management, lease or sale of the McMorrان complex and that a resolution will be prepared for Monday's meeting to adopt this timetable.

Councilmember Wright distributed a list of goals (see City Clerk File #08-20 for complete list). Some of the things discussed were having monthly workshops (Councilmember Fisher prefers the third Monday of each month rather than the first); privatization of McMorrان rather than sale; and regional fire and police departments. Karl Tomion suggested that perhaps Councilmembers meet with

other boards first to gauge their interest in regionalization and the Mayor thought they should start with fire department first and not police and that Port Huron Township and Marysville might be willing to go to an authority. It was mentioned that equipment such as aerial towers are expensive and with a cooperative agreement it could save money. Councilmember Wright stated that he was not thinking of a police authority but rather exploring the possibility of contracting with the Sheriff's Department for services, similar to Marine City, to save money without reducing service. Mayor Moeller suggested inviting the Sheriff to come and give a presentation and that perhaps Councilmember Wright and a couple of other members of Council meet with the Sheriff to see whether they were interested in submitting a proposal. Additional items discussed were sale of city property (Councilmember Wright requested a listing of what vacant land the City owns as well as properties that we lease to others), downtown development, advertising local events and businesses on an electronic billboard, need for open communication, need for a central location that people can go to find out what activities are available and how to go about organizing activities.

The Mayor stated that as far as scheduling workshops he believes they should start them June 16, the third Monday in June, at 7 p.m. as any special meetings in the interim should focus on the budget.

Councilmember Lewandowski stated that most of his goals have already been covered – Water Street Marina, Terra Land and McMorran. In answer to his question about the hiring of a DDA director, Karl Tomion stated that interviews are being scheduled for four candidates selected out of the 22 applications received.

Councilmember Relken stated that this was a good meeting tonight. His concern was what was being done to increase the tax base, other than the industrial tax base, and he questioned whether anyone was tracking commercial tax base and sited the vacant buildings just along Pine Grove Avenue and the importance of finding out why the businesses have left. Karl Tomion stated that EDA has a program that monitors industrial with one person devoted to retention and one to attraction, but not for commercial. John Ogden mentioned that some tracking is done in the downtown area. Karl Tomion stated that in some other communities the Chamber of Commerce performs this function and further mentioned about the Commercial Corridor Authorities that are now allowed. Councilmember Relken additionally encouraged a partnership with Baker and SCCCC to have students work as interns as volunteers within City government and assign them research projects, etc., that they could work on to assist us without incurring the cost of an employee.

Councilmember McCulloch stated that in addition to what has been mentioned the Council needs to communicate their goals with the public. He talked about previous goal setting sessions held with a facilitator and Council and department heads and that he would like to see this done again and results reported to the public.

Councilmember Byrne mentioned the need to measure business, population and retail loss and turn it around. His biggest goal is budget and next thing is to stop decline in population and businesses. He feels exit interviews should be done when a business leaves the City. He stated that they City needs to continue objections

to the Blue Water Bridge plaza project, mentioned that it is good news about the casino and we need to push along, that there could be a savings in capital equipment if there was a fire authority, agrees that the police department is at its lowest possible numbers and it should not be reduced further but likes the concept of asking the Sheriff to submit a proposal, likes the idea of selling existing City properties including McMorran.

Councilmember Relken stated that he respects Councilmember Wright's suggestion that the Sheriff's department provide police services in the City but that he would like the record to note that he is opposed to even having the discussion.

Mayor Moeller stated that his biggest goal is the budget. He stated that the Chamber of Commerce is interested in renting the fifth floor of the Municipal Office Center (Karl Tomion will pursue this). Additionally, he asked if anyone was familiar with River Hill or a Julieanne from Ruby who is interested in putting on a concert pre-race night in the parking lot next to the old Art Van store. He stated that he has charter amendments that he would like to present to Council for a future ballot but that he will wait to bring these up until after the budget process is complete. He stated that he has been contacted by three private companies and the county about McMorran and that one of the companies has invited Council to go to a Red Wings game and that there is availability on March 11 if anyone is interested. He further stated that MDOT would like to meet with Councilmembers to update them on the Blue Water Bridge plaza project and that he is scheduling two meetings (no quorum) for March 11-13 if there is an interest and Council to let him know. Further, he stated that Karl Tomion and he met with Shaun Groden, County Administrator, and Scott Beedon, Port Huron Township Supervisor, to resolve the issue about the location of the Sheriff's office and that he will have something by March 10, either scheduling of a joint meeting or a report.

Councilmember Wright questioned Councilmember Relken as to why he objected to following through with soliciting a proposal with County to provide police services and Councilmember Relken answered that he feels the residents of Port Huron would be adamantly opposed to this and that the community respects the Port Huron Police Department and they wouldn't want to see a change and he stated during his campaign that he did not support any changes to the fire and police departments.

Mayor Moeller asked that everyone put on their calendars June 16, 2008, 7 p.m. for a workshop. Also, it was decided that everyone should put on their calendars the weeknight evenings starting May 14 through May 22, 7:00 p.m., and Saturday, May 17, 9:00 a.m., as budget workshops to be used as necessary to complete the process.

On motion (10:08 p.m.), Council adjourned.

Pauline M. Repp, MMC
City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, February 25, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The invocation was given by Reverend Bill Terry, St. John's United Church of Christ, followed by the Pledge of Allegiance.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

The minutes of the regular meeting of February 11, 2008, and the special meeting of February 18, 2008, were approved.

PUBLIC HEARINGS

1. The Mayor announced that this was the time to hear comments on the applications of HP Pelzer Automotive Systems, Inc., 2415 Dove Street and 2630 Dove Street, for Industrial Facilities Exemption Certificates.

Doug Alexander, Executive Director, EDA, appeared in support of the applications and introduced Tony Brenz, CFO, and Carl Latchaw, Plant Controller.

Anthony America, Port Huron, appeared to be heard objecting to these tax breaks.

The Mayor declared the hearing closed and the following resolutions were offered and moved by **Councilmember McCulloch**:

PH-1. WHEREAS, HP Pelzer Automotive Systems, Inc., 2415 Dove Street, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (land and building improvements and machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, the Port Huron City Council held a public hearing on February 25, 2008, to hear comments on the application; and

WHEREAS, the City Assessor and Legislative Body of each unit which levies taxes was notified of the public hearing prior to said meeting;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council approves the HP Pelzer Automotive Systems, Inc., 2415 Dove Street, application for an Industrial Facilities Exemption Certificate for twelve (12) years on real property and six (6) years on personal property and hereby authorizes the appropriate City officials to execute the necessary agreements and the City Clerk to forward the application to the State Tax Commission; and

BE IT FURTHER RESOLVED that the above certificate will be issued for the following dates:

All real property: 12/31/08 to 12/31/20 (12 years)
All personal property: 12/31/08 to 12/31/14 (6 years)

BE IT FURTHER RESOLVED that the City of Port Huron does find that the granting of the Industrial Facilities Exemption Certificate (considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and currently in force) shall not have the effect of substantially impeding the operation of the City of Port Huron or impairing the financial soundness of any taxing unit levying an ad valorem property tax on the property upon which the facility known as HP Pelzer Automotive Systems, Inc., is located.

PH-2. WHEREAS, HP Pelzer Automotive Systems, Inc., 2630 Dove Street, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (land and building improvements and machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, the Port Huron City Council held a public hearing on February 25, 2008, to hear comments on the application; and

WHEREAS, the City Assessor and Legislative Body of each unit which levies taxes was notified of the public hearing prior to said meeting;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council approves the HP Pelzer Automotive Systems, Inc., 2630 Dove Street, application for an Industrial Facilities Exemption Certificate for twelve (12) years on real property and six (6) years on personal property and hereby authorizes the appropriate City officials to execute the necessary agreements and the City Clerk to forward the application to the State Tax Commission; and

BE IT FURTHER RESOLVED that the above certificate will be issued for the following dates:

All real property: 12/31/08 to 12/31/20 (12 years)
All personal property: 12/31/08 to 12/31/14 (6 years)

BE IT FURTHER RESOLVED that the City of Port Huron does find that the granting of the Industrial Facilities Exemption Certificate (considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and currently in force) shall not have the effect of substantially impeding the operation of the City of Port Huron or impairing the financial soundness of any taxing unit levying an ad valorem property tax on the property upon which the facility known as HP Pelzer Automotive Systems, Inc., is located.

Public Hearing Resolutions #1 and #2 were adopted unanimously.

PUBLIC AUDIENCES

1. Casey Chaudry, 1802 Martin Street, addressed the City Council stating that the policy for invocation before the Council at this meeting (Resolution No. 8) will prevent some from doing the invocation and that it is a violation of the first amendment. He stated that originally he had hoped to stop the invocation altogether and commends Council for removing from agenda but that they are denying people who do not fall within their guidelines, such as those not believing in an extreme being, to use this opportunity to guide Council.

2. Anthony America, Port Huron, addressed the City Council objecting to any and all prayers of any kind in Council chambers and promoted the annexation of Fort Gratiot and Port Huron Townships.

3. Kathy Berry, 2621 Military Street, addressed the City Council stating that the proposed invocation policy is clumsy and beyond the scope of what City Council should define.

4. Rich Engle addressed the City Council representing Desmond Marine (along with Rodney Forbes and Dave Brown) outlining the proposed arrangement (see Resolution No. 6) to manage the City marina and expressed that he believes that this public-private partnership can lead the marina back to what is used to be.

5. Rich Niemietz, addressed the City Council with a CD highlighting Aquapalooza, a water event sponsored by Sea Ray.

6. Margaret Enright, 1319 Sherman Street, addressed the City Council stating that the City has three diamonds for baseball and that a City employee is paid overtime to rake the diamonds and that many times players have offered to do so for free and the City should take advantage of this.

7. Alice O'Neil, Prospect Place, addressed the City Council stating her letter in this date's newspaper was slashed and changed, that she was disappointed in the Council's decision on DARE, that she received a ticket for not having the snow removed from her sidewalk and others haven't done it either and the City needs to follow through better and that lots of people are unable to shovel the snow and the ordinance should be removed, that Council should not drag its feet on a decision about McMorrان, and that the one-way streets downtown should be removed.

8. Janice Littlefield, 923 Michigan Street, addressed the City Council representing Earth Voyageur and 2008 Campaign for Restoration of Great Lakes and showed a PowerPoint presentation about the Healthy Lakes, Healthy Lives tour and requested that a representative from the Council and administration attend their first meeting on March 12.

9. Sharon Bender, South Boulevard, addressed the City Council and encouraged all members of Council to visit the Michigan Room at the Library and read about the history of McMorrان and that it should not be sold but rather Council should look at hotel-motel taxes, contact legislators and align with other entities to help.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as

well as relevant items adopted under the consent agenda:

Upcoming events:

- March 7: Mother/Son Hoe Down, Palmer Park Rec Center, 6:30 p.m.
- March 1-17: CelticFest celebration.
- March 15: St. Patrick's Parade, 12 noon, starting in Pine Grove Park and continuing through downtown.
- March 22: Recreation's Easter Egg Hunt, Seaway Terminal, 11 a.m.

COMMUNICATIONS & PETITIONS

***C-1.** Letter from Janice Dubay, Program Manager, MainStreet Port Huron, requesting that permit fees and transient merchant fees be waived for various events sponsored by their organization.

Received and filed and request granted.

C-2. Councilmember Fisher offered and moved to receive and file the following communication and to schedule a public hearing for March 10, 2008, with a directive to send letters to the MainStreet, Chamber of Commerce, Downtown Development Authority, Edison Shores Condominium Association, Cross Pointe Condominium Association, Dockside Condominium Association and individual restaurants in downtown Port Huron from Court Street to Church Street informing them of the public hearing and the requested changes.

Letter from Steven L. Simasko, attorney representing the hot dog vendor John Moldowan, asking Council to consider revisions to the ordinance which covers peddlers, specifically by removing Section 12-409(a) and modifying Section 12-410.

Adopted unanimously.

FROM THE CITY MANAGER

CM-1. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

Both the Michigan Uniform Accounting and Budget Act and the City Charter provides that the City Council may make supplemental appropriations and may transfer an unencumbered balance, or portion thereof, from one activity center, department or fund to another.

It is recommended that the budget for the 2007-2008 fiscal year be amended by adjusting the means of financing and adjusting the estimated requirements for the General Fund in order to benefit the sewer separation project:

(chart begins on next page)

| | <u>As currently Adopted</u> | <u>Per Proposed Amendment</u> | <u>Increase (Decrease)</u> |
|--|---------------------------------|-----------------------------------|--------------------------------|
| GENERAL FUND: | | | |
| Means of financing: | | | |
| Property taxes | \$ 8,560,000 | \$ 8,560,000 | \$ |
| Income tax | 6,325,000 | 6,325,000 | |
| Business licenses and permits | 306,645 | 306,645 | |
| Nonbusiness licenses and permits | 435,000 | 435,000 | |
| Grants | | | |
| State shared revenues | 3,838,000 | 3,838,000 | |
| Charges for services | 640,000 | 640,000 | |
| Fines and forfeits | 200,000 | 200,000 | |
| Investment income | 525,000 | 525,000 | |
| Rents | 240,000 | 240,000 | |
| Other revenue | | | |
| Sale of assets | 3,000 | 3,000 | |
| Charges to other funds | 1,888,621 | 1,888,621 | |
| Transfers from other funds | <u>275,000</u> | <u>275,000</u> | |
| | <u>\$ 23,236,266</u> | <u>\$ 23,236,266</u> | <u>\$ 0</u> |
| Estimated requirements: | | | |
| General government | \$ 3,967,630 | \$ 3,960,230 | \$ (7,400) |
| Public safety | 13,042,324 | 13,042,324 | |
| Public works | 1,779,569 | 1,779,569 | |
| Senior citizens | 21,688 | 21,688 | |
| Recreation, parks and culture | 2,789,730 | 2,789,730 | |
| Other functions | 645,479 | 645,479 | |
| Public improvements | 257,000 | 257,000 | |
| Transfer to other funds | <u>732,846</u> | <u>740,246</u> | <u>7,400</u> |
| | <u>\$ 23,236,266</u> | <u>\$ 23,236,266</u> | <u>\$ 0</u> |
| PARKING FUND: | | | |
| Means of financing: | | | |
| Estimate designated fund balance | \$ 134,282 | \$ 134,282 | \$ |
| Street meters | 55,100 | 55,100 | |
| Parking lots | 59,800 | 59,800 | |
| Annual permits | 63,100 | 63,100 | |
| Charges for services | <u>800</u> | <u>800</u> | |
| | <u>\$ 313,082</u> | <u>\$ 313,082</u> | <u>\$ 0</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 217,007 | \$ 217,007 | \$ |
| Transfer to Wastewater Fund | 9,975 | 9,975 | |
| Capital outlay | <u>96,075</u> | <u>86,100</u> | <u>(9,975)</u> |
| | <u>\$ 313,082</u> | <u>\$ 313,082</u> | <u>\$ 0</u> |
| WASTEWATER FUND: | | | |
| Means of financing: | | | |
| Estimate designated fund balance | \$ 1,200,000 | \$ 1,182,625 | \$ (17,375) |
| Charges for services | 7,564,342 | 7,564,342 | |
| Other income | 60,000 | 60,000 | |
| Investment income | 180,000 | 180,000 | |
| Grants | 1,050,000 | 1,050,000 | |
| Reimbursements from township | 1,991,000 | 1,991,000 | |
| Proceeds from issuance of long-term revenue bonds | 8,190,000 | 8,190,000 | |
| Transfer from other funds | <u>3,860,000</u> | <u>3,877,375</u> | <u>17,375</u> |
| | <u>\$ 24,095,342</u> | <u>\$ 24,095,342</u> | <u>\$ 0</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 7,839,709 | \$ 7,839,709 | \$ |
| Debt service requirements | 6,306,000 | 6,306,000 | |
| Capital outlay | <u>9,949,633</u> | <u>9,949,633</u> | |
| | <u>\$ 24,095,342</u> | <u>\$ 24,095,342</u> | <u>\$ 0</u> |

Adopted unanimously.

CM-2. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

The City of Port Huron provides parking for downtown stores and businesses using on-street and off-street parking. There is free one hour on-street parking throughout the retail district, with metered parking on the side streets. Several parking lots adjoin the retail district, with metered parking operated by the City and attended parking operated by the McMorran Authority.

Members of City Council expressed an interest in changing the policy for the downtown parking system to make parking more convenient for retail shoppers, diners, loft residents and businesses. At its meeting of November 19, 2007, Council directed administration to prepare a report which was subsequently presented to City Council at its meeting of January 28, 2008.

A public hearing was held at the February 11, 2008, City Council meeting. There were no comments received from the public; however, there was input from City Council. As attachments to this report (see City Clerk File #08-21), we have attempted to address those concerns and suggestions.

SUMMARY

1. Municipalities fund parking systems through a combination of:

a. Funding from user groups – customers, loft residents and business employers through parking fees which is the current Port Huron system.

b. Special assessments – an additional special tax paid by property owners in the downtown area. This has been used in prior years and resulted in property owner complaints.

c. General Fund expenditures – defraying downtown parking costs through taxes levied across the entire City which would reduce funds available for sewer separation.

2. The elimination of meters without other regulation of time limits causes customer inconvenience because spaces they desire for their short term needs may be occupied by employees and residents in the downtown.

3. Parking revenue that results from meters, permits and enforcement is necessary for annual funding of parking operating expenses such as lighting, pavement repair, snow removal, striping, etc. Eliminating these revenues and continuing to provide these services would result in a net loss to the General Fund of approximately \$70,000 to \$90,000 annually (restated from original report). Further, elimination of enforcement and/or parking meters may negatively impact McMorran's parking revenues, increasing the General Fund subsidy of McMorran.

4. Providing dedicated parking spaces is an important incentive for the redevelopment of vacant or underutilized historic downtown buildings.

RECOMMENDATIONS

IT IS, THEREFORE, RECOMMENDED that the following be implemented:

1. The current unmetered parking zones that provide one hour of free parking be increased to two hours.

2. Expand the free parking area on Huron Avenue north to Glenwood Avenue.

3. Expand the free parking area to include the first block east and west of Huron Avenue and Military Street between Court Street and McMorran Boulevard.

4. Change the regulated hours of operation of parking meters to 9 a.m. to 5 p.m., Monday through Friday, and free on Saturday, Sunday and holidays.

5. Encourage downtown business owners to expand their usage of annual parking permits through promotional programs designed in conjunction with MainStreet.

6. Continue enforcement through the use of other current full- and part-time employees (i.e., police cadets, parking meter serviceman, etc.)

7. Prepare an engineering evaluation of the major maintenance needs of the downtown parking system.

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

No: Mayor Moeller.

Absent: None.

RESOLUTIONS

***R-1.** BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Adopted.

***R-2.** WHEREAS, the Brass Rail Bar of Port Huron, LLC, has requested to transfer all interest in 2007 Class C licensed business, located 410 Huron Avenue, Port Huron, Michigan, through transfer of 100% interest from the Helen J. David estate; Douglas S. Touma, Personal Representative, to new member Maroun Abou-Ghanem;

NOW, THEREFORE, BE IT RESOLVED that it is the consensus of the City Council that the application be recommended for issuance by the Michigan Liquor Control Commission.

Adopted.

***R-3.** WHEREAS, the Community Development Division of the City of Port Huron requests a re-allocation of Community Development Block Grant (CDBG) funds to the Vanness Street and 21st Street area sewer separation, water main replacement, and street paving project in the amount of **\$469,907**, as follows:

| <u>2005 Fund Program Balances (\$301,390):</u> | |
|--|-----------|
| Alley Restoration | \$ 28,351 |
| Sidewalk Replacement | 90,420 |
| Lead Based Paint | 15,478 |
| Demolition and Clearance | 40,170 |
| Walkabout | 26,971 |
| Code Enforcement | 100,000 |

2006 Fund Program Balances (\$93,517):

| | | |
|------------------------------|----|--------|
| Oak Crest Infrastructure | \$ | 25,184 |
| Property Improvement Program | | 19,594 |
| Neighborhood Preservation | | 34,000 |
| Adopt-a-Block | | 14,739 |

2007 Fund Program Balances (\$75,000):

| | | |
|---------------------------------------|----|--------|
| Housing Rehabilitation (façade grant) | \$ | 75,000 |
|---------------------------------------|----|--------|

WHEREAS, the Citizen Participation Plan requires that a public hearing be held if a re-allocation exceeds more than 10% of the City's Annual Allocation of CDBG and HOME funding;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Port Huron hereby schedules a public hearing for March 10, 2008, regarding the re-allocation of Community Development Block Grant (CDBG) funds to the Vanness Street and 21st Street area sewer separation, water main replacement, and street paving project in the amount of \$469,907.

Adopted.

***R-4.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup in the right-of-way; and

WHEREAS, the cost for trash pickup in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot special assessments in the total amount of \$2,340.13 for special trash pickup in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-22).

Adopted.

R-5. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron has been informed that their application to the U.S. Department of Homeland Security Emergency Preparedness and Response Directorate (DHS-EP&R/FEMA) for the FY2007 Assistance to Firefighter Grant Program (AFGP) in the area of Operations and Safety Program has been approved; and

WHEREAS, the principal objectives of this grant agreement for the Port Huron Fire Department are to update and replace the fire department's vehicle exhaust extraction system at the three fire station locations, purchase firefighter turnout equipment and hazmat equipment; and

WHEREAS, 90% of the total project cost has been approved as the Federal share with the City of Port Huron being responsible for 10% as the local match; and

WHEREAS, One Hundred Nine Thousand Two Hundred Sixty and 00/100 Dollars (\$109,260.00) is being awarded at this time;

NOW, THEREFORE, BE IT RESOLVED that the City Council approves the terms of this FY2007 Assistance to Firefighter Grant Program Agreement (AFGP) through the DHS-EP&R/FEMA and that the City of Port Huron does hereby specifically agree, but not by way of limitation, to the following:

1. To maintain satisfactory financial accounts, documents and records in order to file reports with the U.S. Department of Homeland Security/AFGP;

2. To comply with any and all terms of said agreement including all terms not specifically set forth in the foregoing portion of this resolution; and

BE IT FURTHER RESOLVED that the appropriate City officials are hereby authorized to execute this grant agreement, as well as any further amendments necessary to fund the project, on behalf of the City (see City Clerk File #08-23); and

BE IT FURTHER RESOLVED that Robert W. Eick, Fire Chief/Emergency Management Coordinator be appointed as project coordinator and authorized representative for all aspects of the grant agreement.

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

No: Mayor Moeller.

Absent: None.

R-6. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron currently owns and operates the River Street Marina consisting of 131 boat slips at locations on the Black River between the St. Clair River and the 10th Street Bridge; and

WHEREAS, the City solicited proposals to undertake the contractual management of the Marina; and

WHEREAS, on January 28, 2008, the City received bids based on a Request for Proposal; and

WHEREAS, the only bidder was Desmond Marine, L.L.C.; and

WHEREAS, City Administration has negotiated the attached three (3) year contract pursuant to the proposal submitted by Desmond Marine, L.L.C.;

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby approves the attached Operating Agreement between the City of Port Huron and Desmond Marine, L.L.C., and authorizes the appropriate City Officials to execute said agreement (See City Clerk File #08-24).

NOTE: During Council discussion, Dave Brown, Sarnia, addressed questions relative to the plans that Desmond Marine has for the operation of the marina.

Adopted unanimously.

R-7. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, it is necessary to prepare permits, plans, bid documents and perform soundings of the River Street Marina; and

WHEREAS, if it is determined that dredging is necessary at this City-owned marina, professional services will be necessary to prepare bid documents; and

WHEREAS, Tetra Tech was determined in a competitive selection process to be the appropriate engineering firm to provide these services; and

WHEREAS, there has been prepared an agreement between the City of Port Huron and Tetra Tech for the Marina Dredging Project No. P08-0090 for years 2008, 2009, and 2010;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Tetra Tech for professional engineering services during all phases of the River Street Marina Dredging Project and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-25).

Adopted unanimously.

R-8. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the Port Huron City Council (“the Council”) is an elected legislative and deliberative public body, serving the citizens of Port Huron, Michigan; and

WHEREAS, the Council has long maintained a tradition of solemnizing its proceedings by allowing for an opening prayer before each meeting, for the benefit and blessing of the Council; and

WHEREAS, the Council wishes to maintain a tradition of solemnizing its proceedings by allowing for an opening prayer before each meeting, for the benefit and blessing of the Council; and

WHEREAS, the Council now desires to adopt this formal, written policy to clarify and codify its invocation practices; and

WHEREAS, our country’s Founders recognized that we possess certain rights that cannot be awarded, surrendered, nor corrupted by human power, and the Founders explicitly attributed the origin of these, our inalienable rights, to a Creator and these rights ultimately ensure the self-government manifest in our Legislature, upon which we desire to invoke divine guidance and blessing; and

WHEREAS, such prayer before deliberative public bodies has been consistently upheld as constitutional by American courts, including the United States Supreme Court; and

WHEREAS, in *Marsh v. Chambers*, 463 U.S. 783 (1983), the United States Supreme Court rejected a challenge to the Nebraska Legislature’s practice of opening each day of its sessions with a prayer by a chaplain paid with taxpayer dollars, and specifically concluded, “The opening of sessions of legislative and other deliberative public bodies with prayer is deeply embedded in the history and tradition of this country. From colonial times through the founding of the Republic and ever since, the practice of legislative prayer has coexisted with the principles of disestablishment and religious freedom.” *Id.*, at 786; and

WHEREAS, the Council desires to avail itself of the Supreme Court’s recognition that it is constitutionally permissible for a public body to “invoke divine guidance” on its work. *Id.*, at 792. Such invocation “is not, in these circumstances, an ‘establishment’ of religion or a step toward establishment; it is simply a tolerable acknowledgment of beliefs widely held among the people of this country.” *Id.*; and

WHEREAS, the Supreme Court affirmed in *Lynch v. Donnelly*, 465 U.S. 668 (1984), “Our history is replete with official references to the value and invocation of Divine guidance in deliberations and pronouncements of the Founding Fathers and contemporary leaders.” *Id.*, at 675; and

WHEREAS, the Supreme Court further stated, that “government acknowledgments of religion serve, in the only ways reasonably possible in our culture, the legitimate secular purposes of solemnizing public occasions, expressing confidence in the future, and encouraging the recognition of what is worthy of appreciation in society. For that reason, and because of their history and ubiquity, those practices are not understood as conveying government approval of particular religious beliefs.” *Id.*, at 693 (O’Connor, J., concurring); and

WHEREAS, the Supreme Court also famously observed in *Zorach v. Clauson*, 343 U.S. 306, (1952), “We are a religious people whose institutions presuppose a Supreme Being.” *Id.*, at 313-14; and

WHEREAS, the Supreme Court acknowledged in *Holy Trinity Church v. United States*, 143 U.S. 457 (1892), that the American people have long followed a “custom of opening sessions of all deliberative bodies and most conventions with prayer...,” *Id.*, at 471; and

WHEREAS, the Supreme Court has determined, “The content of [such] prayer is not of concern to judges where . . . there is no indication that the prayer opportunity has been exploited to proselytize or advance any one, or to disparage any other, faith or belief.” *Marsh*, 463 U.S. at 794-795; and

WHEREAS, the Supreme Court also proclaimed that it should not be the job of the courts or deliberative public bodies “to embark on a sensitive evaluation or to parse the content of a particular prayer” offered before a deliberative public body. *Id.*; and

WHEREAS, the Supreme Court has counseled against the efforts of government officials to affirmatively screen, censor, prescribe and/or proscribe the specific content of public prayers offered by private speakers, as such government efforts would violate the First Amendment rights of those speakers. See, e.g., *Lee v. Weisman*, 505 U.S. 577, 588-589 (1992); and

WHEREAS, in *Simpson v. Chesterfield County Bd. of Supervisors*, 404 F.3d 276 (4th Cir. 2004), cert. denied, the United States Court of Appeals for the Fourth Circuit recently reviewed and specifically approved as constitutional the prayer policy of a county board, and made a number of key findings about said policy; and

WHEREAS, the Council is not bound by decisions of the Fourth Circuit, but hereby acknowledges the general guidance provided by the most important of that court’s findings in *Simpson*, including the facts that the policy there:

(1) Allowed for invocations for the benefit of the legislative body itself "rather than for the individual leading the invocation or for those who might also be present," *Id.*, at 284; and

(2) Established a practice of compiling a list of local monotheistic congregations, "with addresses taken primarily from the phone book," whereto the county clerk would send an invitation each December addressed to the "religious leader" of each congregation, *Id.*, at 279; and

(3) Required the county clerk to schedule respondents to the invitation "to give the invocation on a first-come, first-serve basis," *Id.*; and

(4) Thus, "made plain that [the county board] was not affiliated with any one specific faith by opening its doors to a wide pool of clergy." *Id.*, at 286; and

WHEREAS, the Fourth Circuit showed little concern that the prayers before board meetings in Simpson were "traditionally made to a divinity that is consistent with the Judeo-Christian tradition," *Id.*, at 280, because Marsh also considered, and found constitutionally acceptable, the fact that the prayers in question fit broadly within "the Judeo-Christian tradition." *Id.*, at 283 (quoting Marsh, 463 U.S. at 793); and

WHEREAS, the Council intends, and has intended in past practice, to adopt a policy that does not proselytize or advance any faith, or show any purposeful preference of one religious view to the exclusion of others; and

WHEREAS, the Council recognizes its constitutional duty to interpret, construe, and amend its policies and ordinances to comply with constitutional requirements as they are announced; and

WHEREAS, the Council accepts as binding the applicability of general principles of law and all the rights and obligations afforded under the United States and Michigan Constitutions and statutes;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Port Huron, Michigan, that the Council hereby adopts the following written policy regarding opening invocations before meetings of the Council, to wit:

1. In order to solemnize proceedings of the Port Huron City Council, it is the policy of the Council to allow for an invocation or prayer to be offered before its meetings for the benefit of the Council.

2. The prayer shall not be listed or recognized as an agenda item for the meeting or as part of the public business.

3. No member or employee of the Council or any other person in attendance at the meeting shall be required to participate in any prayer that is offered.

4. The prayer shall be voluntarily delivered by an eligible member of the clergy in the city of Port Huron. To ensure that such person (the "invocation speaker") is selected from among a wide pool of Port Huron's clergy, on a rotating basis, the invocation speaker shall be selected according to the following procedure:

a. The Clerk to the Port Huron City Council (the "Clerk") shall compile and maintain a database (the "Congregations List") of the religious congregations with an established presence in the local community of Port Huron.

b. The Congregations List shall be compiled by referencing the listing for "churches," "congregations," or other religious assemblies in the annual Yellow Pages phone book(s) published for Port Huron, research from the Internet, and consultation with local chambers of commerce. All religious congregations with an established presence in the local community of Port Huron are eligible to be included in the Congregations List, and any such congregation can confirm its inclusion by specific written request to the Clerk.

c. The Congregations List shall also include the name and contact information of any chaplain who may serve one or more of the fire departments, law enforcement agencies or hospitals of Port Huron.

d. The Congregations List shall be updated, by reasonable efforts of the Clerk, in November of each calendar year.

e. Within thirty (30) days of the effective date of this policy, and on or about December 1 of each calendar year thereafter, the Clerk shall mail an invitation addressed to the "religious leader" of each congregation listed on the Congregations List, as well as to the individual chaplains included on the Congregations List.

f. The invitation shall be dated at the top of the page, signed by the Clerk at the bottom of the page, and read as follows:
Dear religious leader,

The Port Huron City Council makes it a policy to invite members of the clergy in Port Huron to voluntarily offer a prayer before the beginning of its meetings, for the benefit and blessing of the Council. As the leader of one of the religious congregations with an established presence in the local community, or in your capacity as a chaplain for one of the local fire departments or law enforcement agencies, you are eligible to offer this important service at an upcoming meeting of the Council.

If you are willing to assist the Council in this regard, please send a written reply at your earliest convenience to the Clerk to the Council at the address included on this letterhead. Clergy are scheduled on a first-come, first-serve basis. The dates of the Council's scheduled meetings for the upcoming year are listed on the following attached page. If you have a preference among the dates, please state that request in your written reply. This opportunity is voluntary, and you are free to offer the invocation according to the dictates of your own conscience. To maintain a spirit of respect and ecumenism, the Council requests only that the prayer opportunity not be exploited as an effort to convert others to the particular faith of the invocation speaker, nor to disparage any faith or belief different than that of the invocation speaker. On behalf of the Port Huron City Council, I thank you in advance for considering this invitation.

Sincerely,
Clerk to the Council

g. As the invitation letter indicates, the respondents to the invitation shall be scheduled on a first-come, first-serve basis to deliver the prayers.

5. No invocation speaker shall receive compensation for his or her service.

6. The Clerk shall make every reasonable effort to ensure that a variety of eligible invocation speakers are scheduled for the Council meetings. In any event, no invocation speaker shall be scheduled to offer a prayer at consecutive meetings of the Council, or at more than three (3) Council meetings in any calendar year.

7. Neither the Council nor the Clerk shall engage in any prior inquiry, review of, or involvement in, the content of any prayer to be offered by an invocation speaker.

8. Shortly before the opening gavel that officially begins the meeting and the agenda/business of the public, the Chairperson of the Council shall introduce the invocation speaker and the person selected to recite the Pledge of Allegiance following the invocation, and invite only those who wish to do so to stand for those observances of and for the Council.

9. This policy is not intended, and shall not be implemented or construed in any way, to affiliate the Council with, nor express the Council's preference for or against, any faith or religious denomination. Rather, this policy is intended to acknowledge and express the Council's respect for the diversity of religious denominations and faiths represented and practiced among the citizens of Port Huron.

10. To clarify the Council's intentions, as stated herein above, the following disclaimer shall be included in at least 10 point font at the bottom of any printed Council meeting agenda: "Any invocation that may be offered before the official start of the Council meeting shall be the voluntary offering of a private citizen, to and for the benefit of the Council. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker."

BE IT FURTHER RESOLVED that this policy shall become effective immediately upon adoption by the Council and the revision of its Rules of Procedure.

Councilmember McCulloch moved to amend Paragraph 4 of the invocation policy to add "and the surrounding communities of Marysville, Fort Gratiot Township and Port Huron Township" after the words "Port Huron" in order to include them in the Congregations List.

Motion to amend adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, McCulloch, Relken and Wright.
No: Councilmember Lewandowski.
Absent: None.

Motion to adopt the resolution, as amended, adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, McCulloch, Relken and Wright.
No: Councilmember Lewandowski.
Absent: None.

R-9. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the City Council, at its meeting on February 11, 2008, directed the City Manager to prepare a resolution concerning the City of Port Huron's desire to seek proposals for the private management, lease or purchase of the McMorran Complex; and

WHEREAS, McMorran Authority and City staff have developed a proposed process to obtain such proposals as follows:

March 10, 2008: Submit to City Council for approval:
a. Request for Qualifications (RFQ); and
b. A list of potential bidders.

April 25, 2008: Deadline for RFQ from interested bidders;

May 12, 2008: Submit to City Council for approval:
a. A list of recommended qualified bidders;
b. A detailed Request for Proposal (RFP)

June 13, 2008: Deadline for bidder submittal of RFP's to McMorran Authority and City staff.

June 14-July 25, 2008: Financial analysis of management, lease or sale proposals;

July 28, 2008: Recommendation concerning proposal award submitted to City Council.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby approves the timeline for Requests For Qualifications (RFQ's) and Requests For Proposals (RFP's) for McMorran and directs the City Manager to proceed.

Councilmember McCulloch moved to amend by adding "a list of all bidders received" to the items to be submitted to City Council for approval on May 12, 2008.

Motion to amend adopted unanimously.

Motion to adopt resolution, as amended, adopted unanimously.

***R-10.** WHEREAS, on January 14, 2008, the City Council of the City of Port Huron adopted a resolution setting a public hearing to give liquor licensees who were delinquent in payment of taxes and/or utility bills or in violation of the City Code an opportunity to "defend by confronting any adverse witness and by being allowed to present in person witnesses, evidence and arguments;" and

WHEREAS, notice of said hearing was published in The Times Herald and notice was mailed by certified mail to the liquor licensees who were delinquent in payment of taxes and/or utility bills or in violation of the City Code; and

WHEREAS, corrections of violations and payment of delinquent utility bills and/or taxes was received by all licensees notified except:

Blue Water Bowl, 2419 Lapeer Avenue, Class C (Stock int-Robt, S/V Sosnoski); Personal property taxes, \$2,007.66, plus additional penalty, if any; plus City income tax reporting and/or monies due; and

Martini Joe's, 3954 24th Avenue, Class C/SDM (Michelle M. Anter); Personal property taxes, \$302.36, plus additional penalty, if any; plus utility charges of \$112.47; and

WHEREAS, on February 11, 2008, the public hearing was held concerning the above licenses;

NOW, THEREFORE, BE IT RESOLVED, the City of Port Huron wishes to object to renewal of the on-premise licensees named above and hereby directs the City Clerk to forward the following items to the Michigan Liquor Control Commission:

- 1) Certified copy of resolutions adopted January 14, 2008, and February 25, 2008, concerning aforementioned license;
- 2) Certified copy of notice to licensee;
- 3) Certified copy of notice published in The Times Herald.

Adopted.

ORDINANCES

O-1. Councilmember Fisher moved that an ordinance introduced February 11, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1287

AN ORDINANCE TO AMEND CHAPTER 46, TRAFFIC AND VEHICLES, ARTICLE VII, BICYCLES, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REPEALING ARTICLE VII OF THE CHAPTER.

THE CITY OF PORT HURON ORDAINS:

That Chapter 46, Traffic and Vehicles, Article VII, Bicycles, of the Code of Ordinances of the City of Port Huron, is hereby repealed.

Pauline M. Repp, MMC
City Clerk

ADOPTED: February 25, 2008
PUBLISHED: March 1, 2008
EFFECTIVE: March 1, 2008

Adopted unanimously.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember McCulloch encouraged participation in the EOC Walk for Warmth being held in March.

2. Councilmember Byrne stated that the snowmobile race on the Black River this past weekend was a nice event.

3. Councilmember Wright congratulated Tim Ainsworth on the successful snowmobile race event and also stated that he attended a parrot head party this past weekend and that it was unbelievable how many out-of-town people were there.

4. Mayor Moeller asked about the DDA director's position. Karl Tomion, City Manager, said there are three candidates to be interviewed and the final interviews will be next month.

On motion (8:55 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, March 10, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The invocation was given by Reverend David Smith, North Street Baptist Church, followed by the Pledge of Allegiance.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.

Absent: Councilmember Relken.

The minutes of the regular meeting of February 25, 2008, were approved.

PRESENTATIONS

1. Certificate of Recognition was presented to Brian E. Maxwell for attaining the rank of Eagle Scout.
2. Proclamation designating the week of March 9 – 15, 2008, as Girl Scout Week was presented to four Girl Scouts.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on the reallocation of \$469,907 of Community Development Block Grant (CDBG) funds to the Vanness Street and 21st Street area sewer separation, water main replacement and street paving project.

Ken Harris, 1521 Wells Street, appeared and stated that although he was glad that this money could be used for sewer separation he wondered if Council was aware of this before and why was it not shared with focus groups and did federal government know.

Angela Kelly, Ben's Furniture, 314 Huron Avenue, appeared stating she thinks funds should go to downtown for façade improvements and rehabilitations and hopes that in 2008 that public is made more aware of these funds and some are used for job creation.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Byrne**:

WHEREAS, City Administration has requested that Community Development Block Grant (CDBG) funds be re-allocated to eligible infrastructure projects related to the Combined Sewer Overflow (CSO) project; and

WHEREAS, the U.S. Housing and Urban Development's (HUD)Citizen Participation Plan requires a public hearing be held if a re-allocation exceeds more than 10% of the City's Annual Allocation of CDBG and HOME funding; and

WHEREAS, the Port Huron City Council has held a public hearing to receive comments on the re-allocation of CDBG funds to the Vanness Street and Phase I of the 21st Street area sewer separation, water main replacement and street paving project in the amount of \$469,907 as follows:

2005 Fund Program Balances (\$301,390)

| | |
|--------------------------|-----------|
| Alley restoration | \$ 28,351 |
| Sidewalk replacement | 90,420 |
| Lead based paint | 5,478 |
| Demolition and clearance | 40,170 |
| Walkabout | 26,971 |
| Code enforcement | 100,000 |

2006 Fund Program Balances (\$93,517)

| | |
|------------------------------|-----------|
| Oak Crest Infrastructure | \$ 25,184 |
| Property Improvement Program | 19,594 |
| Neighborhood Preservation | 34,000 |
| Adopt a Block | 14,739 |

2007 Fund Program Balance (\$75,000)

Housing Rehabilitation (façade grant) \$ 75,000;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Port Huron hereby approves the re-allocation of funds in the amount of \$469,907 to the Vanness Street area and Phase I of the 21st Street sewer separation, water main replacement and street paving project.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
 No: None.
 Absent: Councilmember Relken.

2. **The Mayor** announced that this was the time to hear comments on the request from the Marathon Petroleum Company for Speedway SuperAmerica to rezone 1705 and 1715 – 23rd Street and the vacant lot to the north from an R-1 (Single- and Two-Family Residential) District to a C-1 (General Business) District.

Chad Tisdale, representing Marathon Petroleum Company, encouraged Council to approve their request to facilitate their rehabilitation.

The Mayor declared the hearing closed and the following ordinance was offered and moved for its first and second reading by **Councilmember McCulloch**:

AN ORDINANCE TO AMEND CHAPTER 52, ZONING, ARTICLE III, DISTRICT REGULATIONS, DIVISION 1, GENERALLY, SECTION 52-162, MAP, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REZONING VARIOUS PROPERTIES LOCATED ON THE SOUTHWEST CORNER OF 23RD AND OAK STREET FROM AN R-1 (SINGLE- AND TWO-FAMILY RESIDENTIAL) ZONING DISTRICT TO A C-1 (GENERAL BUSINESS) ZONING DISTRICT

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
 No: None.
 Absent: Councilmember Relken.

3. **The Mayor** announced that this was the time to hear comments on the request by Steven Simasko, attorney for hot dog vendor John Moldowan, to consider revisions to the ordinance which covers peddlers to allow stationary sales on public property.

Pauline Repp, City Clerk, and Sue Child, Deputy City Clerk, gave a presentation on ordinances pertaining to peddlers/transient merchants. (See City Clerk File #08-26 for copy of report and presentation.)

John Moldowan, Johnny Dog, appeared and stated his case and showed a photograph of his set up and talked about his operation and how he keeps the parkway clean and is professional.

Steve Simasko, Attorney, appeared on behalf of Mr. Moldowan, stating that a citation was issued last summer for his staying in one location (against peddler ordinance) which was a misdemeanor and it was later dismissed as it should have been a civil infraction. He stated they then asked for the opportunity to appear before City Council and ask that the ordinance be changed and that Section 12-409(a) be removed so that peddlers are not mandated to move between sales. He distributed a letter of support from the Thomas Edison Inn and 23 pages of signatures of persons who would like to see Johnny Dog on the boardwalk.

Alice O'Neill, Prospect Place, appeared stating that she likes Johnny Dog and that he is an important part of the riverfront.

Unidentified woman appeared stating her support for Johnny Dog.

City Clerk Pauline Repp read a letter into the record from Clark Anter, Old Fashion Redhots, who urged the Council to "deny any request to alter the existing mobile peddler ordinance."

The Mayor declared the hearing closed.

Councilmember Fisher moved to direct the City administration to come up with some kind of ordinance change to ease up on the restrictions for peddlers.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

NOTE: Some of the things discussed were should peddlers be free to go anywhere, should there be a limit or quota on the number of peddlers in a given area, should this change affect all or just food sales, or should they just have the ability to move. Karl Tomion, City Manager, asked that staff be given time to prepare this and bring it back to Council in April.

PUBLIC AUDIENCES

1. Ken Harris, 1521 Wells Street, addressed the City Council asking why DEQ Project No. 722101, Woodstock water main replacement, a \$1,000,000 non-mandated projected was being done; commented on McMorran Authority seeming to want to delay process and questioned whether City is collecting income tax from firms doing business in the city.

2. Kathy Berry, 2125 Military Street, and Frank Nowak, 3000 block of Armour Street, addressed the City Council requesting that the fees be waived for the Green Gathering.

3. Katrina Pfeiffer and Cecily Combs, 900 Stone Street, addressed the City Council relative to their request for a CDBG allocation to Mother Hills.

4. Bob Diehl, Executive Director, Huron House, addressed the City Council asking for support of their request for a special use permit for their new location on 24th Street (Resolution #9).

5. Mary Herr, 2436 10th Street, addressed the City Council asking that they keep the PHPD dispatch center and not go to the County's central dispatch as she believes it will be a big mistake and what about the 10 employees (herself being one of them) that may lose their jobs. (NOTE: Karl Tomion, City Manager, stated that they are working with the Union to see that jobs are transferred to the County.)

6. Barbara Parker, 1800 block of Court Street, addressed the City Council stating that she thinks a solution to people parking illegally in handicapped spaces would be a \$500 fine and that it should be posted on a sign at each space.

7. Casey Chaudry, 1802 Martin Street, addressed the City Council stating that freedom is a luxury and tradition should not supersede law and that the issue of prayer is not tradition in most cities and that his first amendment rights are being violated by not allowing him the same opportunity during the invocation that others have. He also presented a video clip with comments made by former President John Kennedy relative to the issue of prayer.

8. Alice O'Neill, Prospect Place, addressed the City Council stating that prayer should not be allowed in Council meetings and that Council supported a Christian southern Baptist right wing organization to craft an ordinance instead of listening to objections of Mr. Chaudry.

9. Rev. Arnold Koontz, Christian Fellowship of Port Huron, addressed the City Council stating that the enemy is political correctness and that he is not ashamed to be a Christian and serve his country and that 80% of the population would say unanimously that we are one nation under God unless we surrender our right to political correctness and he applauded Council's leadership and dedication.

10. Trina Avedisian, 15th Street, addressed the City Council stating that she hoped Mr. Chaudry would give up and that there is nothing wrong with a little prayer before the meeting and if it's wrong why does the U. S. Senate do it.

CONSENT AGENDA

Councilmember McCulloch offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

- Through March 17: CelticFest celebration.
- March 15: St. Patrick's Parade, 12 noon, starting in Pine Grove Park and continuing through downtown.
- March 22: Recreation's Easter Egg Hunt, Seaway Terminal, 11 a.m.

COMMUNICATIONS & PETITIONS

C-1. Councilmember Lewandowski moved to approve the following request:

Letter from Kathy Berry requesting all permit fees associated with organizing the Green Gathering event at Pine Grove Park on August 16, 2008, be waived.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: None.
- Absent: Councilmember Relken.

UNFINISHED BUSINESS

1. Councilmember Byrne offered and moved to postpone action on the following resolution until the regular meeting of March 24, 2008:

WHEREAS, the City of Port Huron is the county seat for the County of St. Clair; and

WHEREAS, the County of St. Clair has constructed a new jail outside the city limits of the City of Port Huron; and

WHEREAS, the St. Clair County Sheriff has moved all offices of the Sheriff's Department to the new jail and no longer holds his principal office in the City of Port Huron; and

WHEREAS, Article VII, Section 5 of the Michigan Constitution of 1963 provides the sheriff and some other county offices "shall hold their principal office at the county seat"; and

WHEREAS, the City of Port Huron City Council believes it is important that this constitutional provision be enforced;

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby directs City administration to prepare a letter to be sent to Michigan Attorney General Michael Cox requesting the Attorney General's Office take action to enforce the constitutional provision requiring the Sheriff to hold his principal office at the county seat and authorizes the Mayor to sign said letter on behalf of City Council.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: None.
- Absent: Councilmember Relken.

NOTE: Mayor Moeller stated that he is trying to set up a meeting with St. Clair County in the next two weeks – either March 13, 15, 20, 22 or 27. If the meeting is not scheduled prior to March 24, then he will ask for action or another postponement.

FROM THE CITY MANAGER

CM-1. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

On February 21, 2008, the City of Port Huron received three (3) unit price bids for City street striping. Based on estimated annual quantities, the following is a comparative summary of the bids received:

| | |
|--|-------------|
| R. S. Contracting (Casco, MI) | \$ 8,684.70 |
| Michigan Pavement Markings (Wyoming, MI) | \$ 8,697.40 |
| P. K. Contracting (Lake City, MI) | \$10,544.26 |

It is recommended that the unit price bid of R. S. Contracting, 9276 Marine City Highway, Casco, Michigan 48064, in the estimated amount of Eight Thousand Six Hundred Eighty-Four and 70/100 Dollars (\$8,684.70) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: None.
- Absent: Councilmember Relken.

CM-2. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

On February 26, 2008, the City of Port Huron received two (2) bids for a crack sealer (125 gallon melter applicator with compressor) for the Streets Division:

| | |
|--|-------------|
| National Highway Maintenance (Akron, OH) | \$43,815.00 |
| Sherwin Industries (Milwaukee, WI) | \$48,880.00 |

It is recommended that the bid of National Highway Maintenance, P. O. Box 5315, Akron, Ohio 44334, in the amount of Forty-Three Thousand Eight Hundred Fifteen and 00/100 Dollars (\$43,815.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: None.
- Absent: Councilmember Relken.

CM-3. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

On February 15, 2008, the City of Port Huron Utilities Division received a quote for the replacement of a service water pump for the Wastewater Treatment Plant:

| | |
|--------------------------------|-------------|
| Kerr Pump and Supply (new) | \$ 7,030.00 |
| Kerr Pump and Supply (rebuild) | \$ 8,147.00 |

It is recommended that the quote of Kerr Pump and Supply, 12880 Cloverdale, Oak Park, Michigan 48237, in the amount of Seven Thousand Thirty and 00/100 Dollars (\$7,030.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: None.
- Absent: Councilmember Relken.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.

No: None.

Absent: Councilmember Relken.

***R-2.** WHEREAS, Rae Manufacturing Co., 1327-1331 Cedar Street, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, Act No. 198 states that the City Assessor and Legislative Body of each unit which levies taxes shall be notified of the public hearing;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for March 24, 2008, in order to hear comments on the application of Rae Manufacturing Co. for an Industrial Facilities Exemption Certificate; and

BE IT FURTHER RESOLVED that the City Clerk shall send notices of said public hearing to the following Legislative Bodies:

City Assessor - Port Huron
County Board of Commissioners - St. Clair County
Port Huron Area School Board
St. Clair County Community College
St. Clair County Regional Educational Service Agency
Downtown Development Authority

Adopted.

R-3. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron has prepared the "Annual Action Plan" for use of Community Development Block Grant (CDBG) and HOME funds in accordance with the five-year Consolidated Plan (2005-2010) as mandated by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, in accordance with federal regulations, the City has held two public hearings regarding the housing and community development needs of the City and reviewed all comments of the proposed 2008 Annual Action Plan; and

WHEREAS, a 30 day public comment and review period was established; and

WHEREAS, the City has taken these comments into consideration prior to revising the Annual Action Plan;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Port Huron authorizes and approves the submission of the City's Annual Action Plan (see City Clerk File #08-27) for the program year 2008 to the U.S. Department of Housing and Urban Development for their review and approval;

BE IT FURTHER RESOLVED that the City Council also authorizes and approves the Community Development Director and/or Supervisor to sign all necessary sub-recipient and rehabilitation program agreements.

Motion adopted by the following vote:

Yes: Councilmembers Fisher, Lewandowski, McCulloch and Wright.

No: Mayor Moeller; Councilmember Byrne

Absent: Councilmember Relken.

***R-4.** WHEREAS, from time to time the role of a member of City Council and their particular job (profession) and/or community involvement can be construed to be in conflict; and

WHEREAS, it is important that any potential conflict be reviewed and reported publicly and any necessary further action be taken; and

WHEREAS, the City Council adopted a policy on November 27, 2000, that:

1) Required all seven (7) members of City Council elected at the November Odd-Year General Election to fill out a conflict of interest statement within thirty (30) days following the election; and

2) Required that the conflict of interest statements be reviewed and presented to City Council at the first regular meeting in the month of March following the November election; and

WHEREAS, Section 3 of Public Act 317 of 1968, as amended, provides that a contract in an amount of \$250.00 or more between a public servant and public entity otherwise prohibited under Section 1 may be approved by a vote at a public meeting held at least seven days after the initial disclosure of the potential conflict so long as the following information appears in the official minutes of the public body:

"(i) the name of each party involved in the contract;

(ii) the terms of the contract, including duration, financial consideration between the parties, facilities or service of the public entity included in the contract, and the nature and degree of assignment of employees of the public entity for fulfillment of the contract;

(iii) the nature of any pecuniary interest."; and

WHEREAS, Section 8 of Act 317 was amended March 2, 1998, stating that "this act shall constitute the sole law in this state and shall supersede all other acts in respect to conflicts of interest relative to public contracts involving public servants other than members of the legislature and state officers.....;" therefore, the City Charter provision (Section 5a) does not apply in this case but rather Public Act 317 requiring a 2/3 affirmative vote rather than a unanimous vote by the remaining members of City Council;

WHEREAS, the following City Councilmembers have provided information regarding business ownership, employment, ownership of property or other activities which may be, or may be perceived to be, in conflict:

Brian J. Moeller – Mayor Moeller is employed by the State of Michigan, Department of Labor and Economic Growth, Unemployment Insurance Agency as the Manager of the Integrity Initiative Unit. He is also employed by the St. Clair County Community College (SCCCC) as an adjunct instructor. His wife is an Assistant Vice President at Citizens First Bank. His daughter is associate corporation counsel for Citizens First Bank. His nephew is a partner in the law firm Fletcher, Fealko, Shoudy and Moeller. Two brothers own local construction companies. The City of Port Huron is subject to Michigan unemployment law and contracts with SCCC for employee training. Further, the City of Port Huron receives banking services from Citizens First Bank and receives legal services from Fletcher, Fealko, Shoudy and Moeller. Each was selected through a competitive bidding process prior to Mr. Moeller serving on City Council. The City of Port Huron has done business with each brothers' construction companies in the past, selected through a competitive bidding process.

Mark Byrne - Councilmember Byrne is employed by Intertape Polymer Group as a Quality Manager and serves as the alternate City representative on the Board of Directors for the Blue Water Area Transit Commission (BWATC). The City approves tax levies and provides services to the BWATC.

James M. Fisher – Councilmember Fisher is employed by Home Depot as a lead kitchen designer and serves as the City representative on the Board of Directors for the Blue Water Area Transit Commission (BWATC). The City of Port Huron purchases products, primarily repair and maintenance items, from Home Depot in the ordinary course of business. The City also approves tax levies and provides services to the BWATC.

Alan Lewandowski – Councilmember Lewandowski is employed by the St. Clair County Intervention Academy as a teacher and serves as the City representative on the board of directors of the Economic Development Alliance of St. Clair County (EDA). The City and the EDA jointly participate in a variety of economic development activities and the City provides financial support to the EDA.

Timothy McCulloch – Councilmember McCulloch is employed by the St. Clair County Health Department as an accountant/financial systems analyst and is the sole proprietor of McCulloch Accounting and Tax Services. He also serves as the City representative on the Board of Directors for the Economic Opportunity Committee of St. Clair County (EOC). The City of Port Huron receives permits and oversight from the St. Clair County Health Department for a variety of projects and activities. He prepares City income tax returns as a part of his accounting and tax services. Further, the City of Port Huron, the EOC and other community organizations jointly participate in various housing initiatives.

James A. Relken – Councilmember Relken is president and owner of Common Cents Consulting, L.L.C., America's Common Cents Man, L.L.C. and Common Cents Philanthropists, L.L.C. He is also a part owner of UNeedus, L.L.C. and Birthdays In Half, L.L.C. None of these companies have provided services to the City of Port Huron.

Al Wright – Councilmember Wright is employed by Century 21 All American as a realtor. He lists and sells real estate within the City of Port Huron and the surrounding area.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby declares that it is in the best interest of the City of Port Huron to engage the services of, participate in initiatives with and, if appropriate, continue and expand similar such activities for an indefinite period with various other organizations and activities noted by Councilmembers in their conflict of interest statements, recognizing the potential appearance of a conflict.

Adopted.

***R-5.** WHEREAS, on February 25, 2008, the City Council, after due notice and proper hearing, adopted a resolution objecting to renewal of the following on-premise Class C license:

Blue Water Bowl, 2419 Lapeer Avenue, Port Huron (Stock int-Robt, S/V Sosnoski)

for non-payment of personal property taxes and income tax payments and/or reporting; and

WHEREAS, all payments have been made by Blue Water Bowl;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby recommends approval of the above-named Class C license for the 2008-09 licensing year; and

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to forward a certified copy of this resolution to the Licensing and Enforcement Division of the Michigan Liquor Control Commission.

Adopted.

***R-6.** WHEREAS, at their February 25, 2008 regular meeting, City Council adopted a policy for invocations at Council meetings that dictates it not be listed or recognized as an agenda item; and

WHEREAS, in order to effectuate this change it is necessary to amend Rule No. 4 of the Rules of Procedure of the City Council;

WHEREAS, an amendment to the Rules of Procedure for City Council requires that such amendments be by resolution and adopted the meeting following the introduction of such resolution;

NOW, THEREFORE, BE IT RESOLVED that Rule No. 4 of the Rules of Procedure for City Council be presented at this meeting and amended at the meeting of March 24, 2008, as set forth below, with an effective change date of April 14, 2008:

RULE 4.

The Order of Business at any regular meeting of the Council shall be as follows:

~~1. Invocation.~~

~~2.~~ 1. Pledge of Allegiance. [Added 01-09-84]

~~3.~~ 2. Roll Call of members present.

4-3. Reading of minutes of last preceding meeting, and question of approval, provided that, on motion of any member that the minutes be considered read, the presiding officer may declare the minutes read, and, unless an objection be made, the chair may declare the minutes approved. Otherwise, the Clerk shall proceed to read the minutes, and the question of approval shall be put, and the vote recorded thereon. Any corrections made to the minutes shall be approved by a majority of the Council.

5-4. Presentations. Presentations shall be limited to 20 minutes unless prior approval is given by the City Council. The time limit does not apply if the subject matter pertains to something that needs City Council approval. *[Added 12-10-07]*

6-5. Public Hearings. Resolutions applicable to a public hearing shall be considered immediately following its public hearing. *[Amended 12-10-07]*

7-6. Audiences.

8-7. Consent agenda. Agenda items considered routine will be marked with an asterisk (*) and will be considered under "motion to adopt consent agenda items, as indicated." Examples include communications, setting public hearings, board appointments, third and final reading of ordinances that have been previously approved in principle, traffic control orders, etc. If any Councilmember requests an item to be removed from the consent agenda, the item will be removed and considered in its normal sequence on the agenda. *[Added 04-09-01]*

9-8. Petitions and communications.

~~10-9.~~ Reports from City Manager, and other City officers, committees, boards or commissions.

~~11-10.~~ Resolutions.

~~12-11.~~ Ordinances.

~~13-12.~~ Miscellaneous business.

The City Manager shall prepare an agenda for each regular meeting of the Council, and furnish the same to the Mayor, and the Councilmembers, not later than the Saturday before such meeting. Additional matters may be acted upon at any regular meeting by consent of a majority of the Council. The Agenda for any special meeting shall be included in the Call for such meeting, but other matters may be acted upon by unanimous consent of all members of the Council.

The Agenda for any adjourned meeting shall consist of unfinished business of the regular meeting, including also matters set for special consideration, and such new matter as may be presented thereat by consent of a majority of the Council.

Adopted.

R-7. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the 7th Street Bridge is currently under reconstruction which has caused a disruption to the traffic flow in the area and requires westbound Grand River Avenue drivers to double back to Huron Avenue via Quay Street; and

WHEREAS, in order to improve the traffic flow in this area, the City has requested that the Michigan Department of Transportation (MDOT) remove the east and westbound no left turn restriction from the Grand River Avenue/Huron Avenue intersection; and

WHEREAS, MDOT has agreed to remove the left turn restriction on Grand River Avenue only after adoption of a resolution whereby the City agrees that should the City desire in the future to reinstate the Grand River Avenue left turn restriction, the reinstatement costs of the required signage would be at the City's expense; and

WHEREAS, Traffic Control Order #1020(b) currently prohibits left turns in **all** directions at the Huron Avenue/Grand River Avenue intersection and this order would need to be rescinded and a new traffic control order prepared to continue the no left turn restriction for north and southbound Huron Avenue only;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby rescinds Traffic Control Order #1020(b) which prohibits left turns in all directions at the Huron Avenue/Grand River Avenue intersection and directs the City Manager to prepare a new traffic control order to prohibit left turns from north and southbound Huron Avenue onto Grand River Avenue; and

BE IT FURTHER RESOLVED that if the City decides the no left turn signs on Grand River Avenue need to be reinstalled in the future at the Grand River Avenue/Huron Avenue intersection, it would be done at the City's expense.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.

No: None.

Absent: Councilmember Relken.

***R-8.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special blight cleanup; and

WHEREAS, the cost for blight cleanup shall be assessed to the property owner(s) pursuant to the City of Port Huron Code of Ordinances Sections 22-53 and 40-19; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$1,346.00 for blight cleanup upon the lot and premises described in the attached special assessment report (see City Clerk File #08-28).

Adopted.

R-9. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, a request has been received for a special use permit to operate a probation facility at 3529 - 24th Street; and

WHEREAS, on March 4, 2008, the City of Port Huron Planning Commission held a public hearing to receive comments on the proposal; and

WHEREAS, the Planning Commission, after due consideration, recommended approval of the request (vote: 7 ayes; 0 nays; 2 absent; 0 abstained); and

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the Zoning Administrator to issue a special approval use permit for a probation facility at 3529 - 24th Street.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.

No: None.

Absent: Councilmember Relken.

R-10. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, this year *the Healthy Lakes, Healthy Lives* campaign is launching a high profit sailboat tour around the Great Lakes to elevate the importance of the Lakes and the urgent need to restore them; and

WHEREAS, the tour will be lead by the fastest sailing vessel on the Great Lakes, the *Earth Voyager*, a Formula 60 trimaran; and

WHEREAS, it is the goal of the *Healthy Lakes, Healthy Lives* Tour to build on the incredible unity in the region, among citizens, mayors, governors and Congressional champions, to restore and protect our Great Lakes, our economy, our public health, our drinking water, and our way of life because every day we wait, the problems get worse and the solutions more costly;

WHEREAS, a planning meeting will be held from 1:30 to 3:30 p.m. on March 12, 2008, at the International Association of Great Lakes Researchers, 405 Water Street, and it is desirable that a City Councilmember and City staff member attend this meeting;

NOW, THEREFORE, BE IT RESOLVED that Councilmember Byrne will attend the planning meeting of the 2008 Campaign for Restoration of the Great Lakes to be held on March 12, 2008, from 1:30 to 3:30 p.m. at the International Association of Great Lakes Researchers, 405 Water Street, and the City Manager will also choose a staff member to attend the meeting as well.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.

No: None.

Absent: Councilmember Relken.

R-11. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, at its meeting of February 25, 2008, the City Council adopted a process and schedule to obtain proposals for the private management, lease or purchase of the McMorran Complex; and

WHEREAS, the schedule called for the City Council to approve the Request for Qualifications (RFQ) and a list of potential bidders at the March 10, 2008, meeting;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached Request for Qualifications and potential bidders list and directs the City Manager to forward the RFQ to the firms listed on the potential bidders list. (See City Clerk File #08-29)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.

No: None.

Absent: Councilmember Relken.

NOTE: Mayor Moeller submitted the name of Hunter Brucks, Meridian Entertainment, and Councilmember Byrne submitted Olympia Entertainment, Palace Sports and Entertainment, Magna Entertainment and Compuware Arena to include on the potential bidders list. Karl Tomion, City Manager, stated that if any other Councilmembers have names to just call them in to his office. Additionally, Councilmember Wright asked the City Manager to find out whether the County was interested in helping subsidize the McMorran operation.

R-12. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Warren has purchased a Sergeant 4 x 4 General Purpose Vehicle (GPV) through a grant from the Department of Homeland Security; and

WHEREAS, the GPV is a critical incident response vehicle designed to assist first responders, including law enforcement, fire authorities, emergency management, and search and rescue teams, in protecting and supporting citizens with significant situations involving natural disasters, NBC (nuclear, biological and chemical) explosives, hazardous material situations, law enforcement intervention, fire suppression and support of homeland security; and

WHEREAS, pursuant to the Urban Cooperation Act of 1967, MCL 124.501, et seq. and the Emergency Management Act, MCL 30.401 et seq., the City of Warren agrees to share its GPV with participant counties in the Southeast Michigan Urban Area, participating political subdivisions within those counties and participating federal agencies within those counties; and

WHEREAS, an Intergovernmental Agreement Regarding General Purpose Vehicle has been prepared which would allow the City of Port Huron to use the City of Warren's GPV to respond to incidents, subject to availability and resources;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached agreement with the City of Warren for use of their General Purpose Vehicle, if needed, during incidents involving natural disasters, threats or acts of terrorism, NBC (nuclear, biological and chemical) explosives and/or violent confrontations which require support of first responders. (See City Clerk File #08-30)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski, McCulloch and Wright.

No: Councilmember Byrne.

Absent: Councilmember Relken.

R-13. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, in 1974 the State of Michigan began requiring the City to add fluoride to our drinking water; and

WHEREAS, on February 11, 2008, the City Council approved the purchase of 40,000 lbs of sodium silicofluoride (commonly known as fluoride) to add to our water distribution system; and

WHEREAS, it has been brought to the City's attention that State law (MCL 333.12721) no longer requires communities to add fluoride to their water systems; and

WHEREAS, the City Council desires to further research the advantages and disadvantages of adding the fluoride to the water distribution system;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby directs the City Manager to delay the previously approved purchase of 40,000 lbs. of sodium silicofluoride for the Water Treatment Plant until April 28, 2008.

Councilmember McCulloch moved to amend the resolution by adding "and to schedule a public hearing for April 14, 2008, to receive comments on the issue of having fluoride in our drinking water and invite experts on the subject matter to make a presentation."

Motion to amend adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

Motion to adopt resolution, as amended, adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

R-14. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, City Council has requested the City administration prepare a report explaining how property values were assessed on average 2.54% higher than last year despite continuous reports of falling property values; and

WHEREAS, citizens are certain to be surprised by any property assessment increases and the City Council desires to be able to explain why on average properties are seeing increases despite all the news reports of falling property values and foreclosures; and

WHEREAS, City Council would like to understand what home sales are counted and which are not counted in determining this year's 2.54% increases. Specifically, what criteria are used to justify not counting a home sale and where authorization to not count homes outside any such criteria comes from; and

WHEREAS, the review of property assessments is under way and any objections need to be made before the end of March that this report is needed by the end of business on March 21, 2008.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Port Huron hereby approves the request for a report explaining assessed value increases.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

MOTIONS & MISCELLANEOUS BUSINESS

- Councilmember Wright** requested that a special meeting be held on Monday, March 31, 2008, at 7:00 p.m. to prioritize goals discussed at previous special meeting. (To be scheduled.)
- Councilmember Byrne** reminded everyone of the Pub Crawl on Sat., March 15, 2008.
- Mayor Moeller** stated that Jim Bloch's article in The Voice on prayer was very fair. Additionally, he asked if there was one more Councilmember that wanted to join he and Councilmember Lewandowski at a meeting at MDOT on Wednesday, March 12, 6:30 p.m., to be updated on the Blue Water Bridge Plaza expansion project. Councilmember Wright said he would attend with them.

On motion (10:10 p.m.), Council adjourned.

PAULINE M. REPP, MMC
City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, March 24, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The invocation was given by Pastor Tom Seppo, Operation Transformation, followed by the Pledge of Allegiance.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

The minutes of the regular meeting of March 10, 2008, were approved.

PUBLIC HEARINGS

1. The Mayor announced that this was the time to hear comments on the application of Rae Manufacturing Co., 1327-1331 Cedar Street, for an Industrial Facilities Exemption Certificate.

Doug Alexander, Executive Director, Economic Development Alliance, appeared in support of the application.

Anthony America, Port Huron, appeared in opposition to this application and any other tax breaks for businesses.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember McCulloch**:

WHEREAS, Rae Manufacturing Co., 1327-1331 Cedar Street, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, the Port Huron City Council held a public hearing on March 24, 2008, to hear comments on the application; and

WHEREAS, the City Assessor and Legislative Body of each unit which levies taxes was notified of the public hearing prior to said meeting;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council approves the Rae Manufacturing Co. application for an Industrial Facilities Exemption Certificate for six (6) years on personal property and hereby authorizes the appropriate City officials to execute the necessary agreements and the City Clerk to forward the application to the State Tax Commission; and

BE IT FURTHER RESOLVED that the above certificate will be issued for the following dates:

All personal property: 12/31/08 to 12/31/14 (6 years)

BE IT FURTHER RESOLVED that the City of Port Huron does find that the granting of the Industrial Facilities Exemption Certificate (considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and

currently in force) shall not have the effect of substantially impeding the operation of the City of Port Huron or impairing the financial soundness of any taxing unit levying an ad valorem property tax on the property upon which the facility known as Rae Manufacturing Co. is located.

Adopted unanimously.

PUBLIC AUDIENCES

1. Anthony America, Port Huron, addressed the City Council stating that the dismantling of the City Attorney's office is sour grapes and will cost the City twice as much, discussed the war in Iraq and how the economy is in shambles, the need for annexation and expressed that McMorran and the marinas need to remain as City property and not sell to Acheson.

2. Sharon Bender, South Boulevard, addressed the City Council and expressed thanks for the patching of South Boulevard that was done this day and told the City Manager that his predecessor tried to keep the budget in line and maintain people and that the people are the most important thing and, if needed, sell the building rather than lose staff.

3. Mike Bodeis, Fort Gratiot, addressed the City Council in support of cutting the City budget so as to not have to increase water-sewer rates, stated that he talked to Chief Eick about fire regionalism and Council needs to direct that this be looked into, stated that inspection department has all good people but that currently the building and electrical inspector are doing rental inspections and they could eliminate the blight inspector by doing those inspections also, asked why the program that allowed red tagging and towing vehicles from rental properties has stopped, expressed his belief that City programs should pay for themselves and stated that he believes that Council is doing a great job and they need to stay focused.

4. Pat McPharlin, 517 Rawlins Street, addressed the City Council asking if there will be a completion of last year's leaf removal as there are still piles in the streets. (NOTE: Karl Tomion, City Manager, stated they are looking at doing this in areas that were not completed.)

5. Margaret Enright, Sherman Street, addressed the City Council stating that there is a rental house at the corner of 13th Street and Sherman that has a 2-1/2 car driveway but that they park in the street all the time and other residents cannot get out as street is not proper width (stated she has called 17 times in the last month and no one has been ticketed and the license plate reads "Swiggy;") asked that potholes be taken care of; and encouraged support of Ice Hawks by attending their banquet on April 8.

6. Alice O'Neill, Prospect Place, addressed the City Council on McMorran stating that she doesn't believe that anyone gives a gift and expects it to be a tax burden and because it lacks too much it cannot compete for high dollar venues and rather than burdening County taxpayers as well it should be placed in the hands of private ownership.

7. Kristin Jurs, 408 Stanton Street, addressed the City Council on Resolution No. 7 and extended appreciation to City staff on the project and that the bids were under estimate.

8. Casey Chaudry, 1802 Martin Street, addressed the City Council stating that maintaining a database for clergy is an unnecessary taxpayer expense and that the new prayer policy

makes the invocation secular and that he is not asking to cease prayer but just open it up and keep within boundaries of the law. He also stated that if there is even a chance that fluoride is harmful we should not continue its use.

9. Anna Chaudry, 1802 Martin Street, addressed the City Council stating that she is happy that the fluoride issue is being evaluated and she cited EPA statistics and other statistics and thinks there needs to be more testing and urged the Council to not add fluoride to the water.

10. Dick Cummings, Avoca, addressed the City Council stating he is against the privatization of the McMorran facility and that they do the best they can with what they have to work with and hopes that a deal can be worked out with the County.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

- March 31: Yard waste, brush and branch pickup programs begin and continue through November 28.

UNFINISHED BUSINESS

1. **Councilmember Fisher** offered and moved the postponement of the following resolution until the regular meeting of April 14, 2008:

WHEREAS, the City of Port Huron is the county seat for the County of St. Clair; and

WHEREAS, the County of St. Clair has constructed a new jail outside the city limits of the City of Port Huron; and

WHEREAS, the St. Clair County Sheriff has moved all offices of the Sheriff's Department to the new jail and no longer holds his principal office in the City of Port Huron; and

WHEREAS, Article VII, Section 5 of the Michigan Constitution of 1963 provides the sheriff and some other county offices "shall hold their principal office at the county seat"; and

WHEREAS, the City of Port Huron City Council believes it is important that this constitutional provision be enforced;

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby directs City administration to prepare a letter to be sent to Michigan Attorney General Michael Cox requesting the Attorney General's Office take action to enforce the constitutional provision requiring the Sheriff to hold his principal office at the county seat and authorizes the Mayor to sign said letter on behalf of City Council.

Adopted unanimously.

*2. WHEREAS, at their February 25, 2008 regular meeting, City Council adopted a policy for invocations at Council meetings that dictates it not be listed or recognized as an agenda item; and

WHEREAS, in order to effectuate this change it is necessary to amend Rule No. 4 of the Rules of Procedure of the City Council;

WHEREAS, an amendment to the Rules of Procedure for City Council requires that such amendments be by resolution and adopted the meeting following the introduction of such resolution;

NOW, THEREFORE, BE IT RESOLVED that Rule No. 4 of the Rules of Procedure for City Council be presented at this meeting and amended at the meeting of March 24, 2008, as set forth below, with an effective change date of April 14, 2008:

RULE 4.

The Order of Business at any regular meeting of the Council shall be as follows:

~~1.~~ Invocation.

~~2.~~ 1. Pledge of Allegiance. [Added 01-09-84]

~~3.~~ 2. Roll Call of members present.

~~4.~~ 3. Reading of minutes of last preceding meeting, and question of approval, provided that, on motion of any member that the minutes be considered read, the presiding officer may declare the minutes read, and, unless an objection be made, the chair may declare the minutes approved. Otherwise, the Clerk shall proceed to read the minutes, and the question of approval shall be put, and the vote recorded thereon. Any corrections made to the minutes shall be approved by a majority of the Council.

~~5.~~ 4. Presentations. Presentations shall be limited to 20 minutes unless prior approval is given by the City Council. The time limit does not apply if the subject matter pertains to something that needs City Council approval. [Added 12-10-07]

~~6.~~ 5. Public Hearings. Resolutions applicable to a public hearing shall be considered immediately following its public hearing. [Amended 12-10-07]

~~7.~~ 6. Audiences.

~~8.~~ 7. Consent agenda. Agenda items considered routine will be marked with an asterisk (*) and will be considered under "motion to adopt consent agenda items, as indicated." Examples include communications, setting public hearings, board appointments, third and final reading of ordinances that have been previously approved in principle, traffic control orders, etc. If any Councilmember requests an item to be removed from the consent agenda, the item will be removed and considered in its normal sequence on the agenda. [Added 04-09-01]

~~9.~~ 8. Petitions and communications.

~~10.~~ 9. Reports from City Manager, and other City officers, committees, boards or commissions.

~~11.~~ 10. Resolutions.

~~12.~~ 11. Ordinances.

~~13.~~ 12. Miscellaneous business.

The City Manager shall prepare an agenda for each regular meeting of the Council, and furnish the same to the Mayor, and the Councilmembers, not later than the Saturday before such meeting.

Additional matters may be acted upon at any regular meeting by consent of a majority of the Council. The Agenda for any special meeting shall be included in the Call for such meeting, but other matters may be acted upon by unanimous consent of all members of the Council.

The Agenda for any adjourned meeting shall consist of unfinished business of the regular meeting, including also matters set for special consideration, and such new matter as may be presented thereat by consent of a majority of the Council.

Adopted.

FROM THE CITY MANAGER

CM-1. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

On March 12, 2008, the City of Port Huron received one (1) unit price bid for dredging of the River Street Marina (estimated 2,300 cubic yards). Based on estimated quantities, the following is a summary of bid received:

| | |
|---------------------|--------------|
| Malcolm Marine, Inc | \$ 77,675.00 |
|---------------------|--------------|

It is recommended that the unit price bid of Malcolm Marine, Inc. 1159 Fred Moore Highway, P.O. Box 177, St. Clair, Michigan, 48079-0177, in the estimated amount of Seventy Seven Thousand Six Hundred and Seventy Five and 00/100 Dollars (\$77,675.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.
 No: Mayor Moeller.
 Absent: None.

CM-2. Councilmember Byrne offered and moved the adoption of the following City Manager's recommendation:

On March 13, 2008, the City of Port Huron received three (3) unit price bids for 490 dry tons of aluminum sulfate for the Water Filtration Plant and the Wastewater Treatment Plant:

| | |
|---|------------------|
| General Chemical (Parsippany, NJ) | \$297.40 per ton |
| USALCO (Baltimore, MD) | \$347.73 per ton |
| Alexander Chemical Corp. (Downers Grove, IL) | \$439.50 per ton |

It is recommended that the unit price bid of General Chemical, Inc., 90 East Halsey Road, Parsippany, New Jersey 07054, in the amount of \$297.40 per ton be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-3. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On March 13, 2008, the City of Port Huron received one (1) bid for the Municipal Office Center window replacement project:

| | |
|------------------------|-------------|
| Blue Water Glass, Inc. | \$38,600.00 |
|------------------------|-------------|

It is recommended that the bid of Blue Water Glass, Inc., 3500 Lapeer Road, Port Huron, Michigan, 48060, in the amount of Thirty Eight Thousand Six Hundred and 00/100 Dollars (\$38,600.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Byrne, Fisher and Wright.
 Yes: Councilmembers Lewandowski, McCulloch and Relken.
 Absent: None.

CM-4. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

On March 4, 2008, the City of Port Huron received one (1) unit price bid for the 2008 Annual Sidewalk Contract. Based on estimated annual quantities, the following is a comparative summary of the bid received:

| | |
|-----------------------|-------------|
| Hinojosa Construction | \$63,041.25 |
|-----------------------|-------------|

It is recommended that the bid of Hinojosa Construction, 209 Melvin, Croswell, Michigan 48422, in the amount of Sixty-Three Thousand Forty-One and 25/100 Dollars (\$63,041.25) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

RESOLUTIONS

R-1. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, a request has been received for a special approval use permit to operate a gas station and convenience store at 2318 Oak Street, City of Port Huron; and

WHEREAS, on February 11, 2008, the City of Port Huron Planning Commission held a public hearing to receive comments on the proposal; and

WHEREAS, the Planning Commission, after due consideration, recommended approval of the request (vote: 8 ayes; 0 nays; 1 absent; 0 abstained);

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the Zoning Administrator to issue a special approval use permit, subject to approval of the zoning designation to a C-1 zoning district, for a gas station and convenience store at 2318 Oak Street.

Adopted unanimously.

R-2. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the Federal Community Development Block Grant (CDBG) Program has operated since 1974 to provide local governments, such as the City of Port Huron, with the necessary resources required to help meet the needs of persons of low- and moderate-incomes; and

WHEREAS, since 1984 CDBG funds have been used to assist a variety of projects within the City such as homeownership and housing rehabilitation programs, street re-paving programs, site improvements for new housing developments (Oak Crest Homes, Renaissance South and Ramblewood), aid to the elderly, creation of housing for the homeless, improved public services (24th Street Fire Station and Fire Truck), neighborhood preservation programs; and

WHEREAS, the CDBG program and similar community development programs funded through the state and federal government have increased private financial leveraging in community service projects such as the Community Renaissance area and the Olde Town Neighborhood, and has acted as a catalyst for increased awareness of community services and needs; and

WHEREAS, most recently CDBG funds have provided monies to the City's CSO projects in low to moderate income neighborhoods to reconstruct streets, replace municipal utilities, and reduce utility rates; and

WHEREAS, future programs depend upon community awareness and federal commitment to community development goals of improving living conditions for low- and moderate-income families; and;

WHEREAS, a week recognizing community development efforts on a national level has been established to reaffirm the significance and diversity of federal, state and local efforts toward meeting the needs of persons of low- or moderate-income;

NOW, THEREFORE, BE IT RESOLVED, the City of Port Huron joins other states, municipalities and agencies around the United States in calling attention to the importance of the services offered to low- or moderate-income residents and to reaffirm the need to continue with those efforts by designating the week of March 24 through March 30, 2008, for observation and celebration of "National Community Development Week."

Motion adopted by the following vote:

Yes: Councilmembers Fisher, Lewandowski, McCulloch and Relken.
No: Mayor Moeller; Councilmembers Byrne and Wright.
Absent: None.

***R-3.** WHEREAS, it is stated in the Code of Ordinances of the City of Port Huron, Chapter 52, Zoning, Article III, District Regulations, Division 14. Historic District, Section 52-580(b):

"Membership; compensation; removal. The historic district commission shall consist of nine members whose residence is located in the city. They shall be appointed by the city council for terms of office of three years on a staggered term basis. At least two members of the commission shall be appointed from a list of citizens submitted by a duly organized and existing preservation society or societies. The commission shall include, if available, a graduate of an accredited school of architecture who has two years of architectural experience or who is an architect registered in this state. A majority of the members of the commission shall have a clearly demonstrated interest in and knowledge of historic preservation.....";

NOW, THEREFORE, BE IT RESOLVED that the following people are reappointed to the Historic District Commission:

Larry Krabach - term to expire 03-10-11
Ed Peterson - term to expire 03-10-11
Lynne Secory - term to expire 03-10-11

Adopted.

R-4. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, recreational boating is a vital economic component of tourism to the City of Port Huron; and

WHEREAS, the Michigan Department of Natural Resources Parks and Recreation Bureau provides a Central Reservation System whereby boaters can reserve and pay for boat slip rentals up to six months in advance via telephone or the Internet; and

WHEREAS, the Central Reservation System is designed to provide the boating community with a fast and reliable method of reserving boat slips throughout Michigan and it is anticipated that continued participation in this reservation system will increase the visitors to Port Huron via the waterways of the State; and

WHEREAS, a contract addendum agreement has been prepared by the Michigan Department of Natural Resources Parks and Recreation Bureau to provide continued centralized reservations and collection of boating fees for the transient boaters utilizing the City's marina slips;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with the Michigan Department of Natural Resources Parks and Recreation Division to provide centralized reservations and for payments for transient boat slip revenue collected by a Centralized Reservation System at the Port Huron Marina, a/k/a River Street Marina, through October 31, 2011 (see City Clerk File #08-31).

Adopted unanimously.

R-5. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, on November 8, 2005, an election was held to seek voter authorization for the sale or lease of the Water Street Marina to the James C. Acheson Foundation; and

WHEREAS, this proposal was approved by 87% of the voters participating in that election; and

WHEREAS, the City subsequently approached the Michigan Waterways Commission with the request to release its obligation under various grant agreements for the acquisition and construction of the existing marina in order to sell or lease the property to Acheson; and

WHEREAS, after a lengthy process, the City finally received approval to release these obligations in exchange for a payment of \$292,321 to the Michigan State Department of Natural Resources pursuant to an agreement approved by the City Council which was executed on September 17, 2007; and

WHEREAS, Acheson has submitted the attached letter outlining its plans to relocate existing boat storage at its site in downtown Port Huron on the Black River where it meets the St. Clair River (Desmond Marine); and

WHEREAS, the City Council supports the goal of redeveloping this site which is currently used for outdoor boat storage;

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized and directed to prepare a Purchase Agreement consistent with the terms outlined in the attached letter (See City Clerk File #08-32);

BE IT FURTHER RESOLVED that the appropriate officials of the City be authorized and directed to execute this agreement.

Councilmember Byrne moved to postpone action until the regular meeting of April 14, 2008.

Motion to *postpone* adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and Wright.
- No: Councilmembers McCulloch and Relken.
- Absent: None.

***R-6.** WHEREAS, the Board of Review has completed the review, correction and certification of the 2008 assessment roll; and

WHEREAS, the Assessment Roll has been delivered to the City Clerk;

NOW, THEREFORE, BE IT RESOLVED that in compliance with Section 69 of the City Charter of the City of Port Huron, the 2008 Assessment Roll is fully and finally confirmed by the City Council of the City of Port Huron (see City Clerk File #08-33).

Adopted.

R-7. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, there has been a contract (#07-5328) prepared between the City of Port Huron and the Michigan Department of Transportation (MDOT) for the construction work for a non-motorized pathway work along the south side of Glenwood Avenue from Merchant Street to Fort Street, along the east side of Fort Street from Glenwood Avenue to Merchant Street, and along the west side of Merchant Street from Fort Street to Huron Avenue; and all together with necessary related work; and

WHEREAS, the City of Port Huron has been awarded a Federal grant under the Transportation Enhancement Activities Surface Transportation Program; and

WHEREAS, the Federal participation for eligible cost items is \$130,418 or 80% of the construction contract, whichever is less; and

WHEREAS, the City received St. Clair County Parks Grant of \$15,000; and

WHEREAS, the total estimated eligible cost of \$168,600 is to be shared as follows:

| | |
|------------------|------------------|
| Federal Aid | \$130,418 |
| St. Clair County | \$ 15,000 |
| City | <u>\$ 23,182</u> |
| | \$168,600 |

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the contract with the Michigan Department of Transportation for the non-motorized pathway work along the south side of Glenwood Avenue from Merchant Street to Fort Street, along the east side of Fort Street from Glenwood Avenue to Merchant Street, and along the west side of Merchant Street from Fort Street to Huron Avenue and authorizes the appropriate City officials to execute the agreement. (See City Clerk File #08-34)

Adopted unanimously.

R-8. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, Contract #08-5055 has been prepared between the City of Port Huron and the Michigan Department of Transportation (MDOT) for the water main and reconstruction work at the intersection of Dove Street and 24th Street; and all together with necessary related work located within the corporate limits of the City; and

WHEREAS, the City of Port Huron has been awarded a Federal grant under the Surface Transportation Program to do the necessary reconstruction work at the intersection; and

WHEREAS, the City must also make necessary water main improvements under this roadway; and

WHEREAS, the Federal participation ratio for eligible cost items is 80% of eligible costs; and

WHEREAS, the City of Port Huron has secured a \$32,300 State of Michigan Jobs Today Grant to fund 20% of the project up to an amount not to exceed \$35,000 with the remaining ineligible water main replacement costs being \$17,300; and

WHEREAS, the total estimated cost of \$178,000 is to be shared as follows:

| | |
|-------------|------------------|
| Federal Aid | \$129,200 |
| Jobs Today | \$ 32,300 |
| City | <u>\$ 17,300</u> |
| | \$178,800 |

WHEREAS, the conditions of the contract are satisfactory to the City;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the contract with the Michigan Department of Transportation for water main work and reconstruction work at the intersection of Dove Street and 24th Street and all necessary improvements under this roadway and authorizes the appropriate City officials to execute said agreement. (See City Clerk File #08-35)

Adopted unanimously.

R-9. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, it is necessary to perform professional engineering services for the water main work and reconstruction of the intersection of Dove Street and 24th Street and the non-motorized pathway work along Merchant Street.

WHEREAS, Rowe, Inc., is the appropriate engineering firm to provide these services based upon an evaluation of competitive proposals submitted; and

WHEREAS, there has been prepared an agreement between the City of Port Huron and Rowe, Inc. for professional engineering services;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Rowe, Inc., for professional engineering services for the following projects and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-36):

1. Non-motorized pathway work along the south side of Glenwood Avenue from Merchant Street and along the west side of Merchant Street from Fort Street to Huron Avenue.

2. Water main work and reconstruction of the intersection of Dove Street and 24th Street.

Adopted unanimously.

R-10. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the City requires legal representation to prosecute City ordinance cases, prepare and review contracts, review current ordinances, provide legal opinions and other legal assistance; and

WHEREAS, currently the City has an in-house attorney as well as an agreement for outside legal services; and

WHEREAS, there has been a request by Mayor Moeller to prepare a Request for Proposal (RFP) to solicit lawyers and/or law firms to provide all inclusive legal services for the City so that legal representation is performed by one person or firm for all legal work; and

WHEREAS, the request by Mayor Moeller is to include in the RFP that bids should be in the form of a flat fee for the whole fiscal year and that bids must be for at least one year but may be up to five years;

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby directed to prepare a Request for Proposal (RFP) for all legal services performed on behalf of the City of Port Huron on a flat fee basis for at least one fiscal year with consideration given for up to five years.

Councilmember McCulloch moved to postpone action until the regular meeting of April 14, 2008.

Motion to postpone *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and Wright.
Yes: Councilmembers McCulloch and Relken.
Absent: None.

Councilmember Fisher moved to amend the resolution by changing the wording in the last three paragraphs to read as follows:

WHEREAS, there has been a request by Mayor Moeller to prepare Requests for Proposal (RFP) to solicit lawyers and/or law

firms to provide all legal services for the City so that legal representation is performed for all legal work; and

WHEREAS, the request by Mayor Moeller is to include in the RFP that bids should be for at least one year but may be up to five years;

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby directed to prepare Requests for Proposal (RFP) for all legal services performed on behalf of the City of Port Huron for at least one fiscal year with consideration given for up to five years."

Motion to amend adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: Councilmember Relken.
Absent: None.

Motion to adopt resolution, as amended, adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and Wright.
No: Councilmembers McCulloch and Relken.
Absent: None.

R-11. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron has operated its own 911 Emergency Dispatch Center since 1978; and

WHEREAS, St. Clair County operates a Central Dispatch that provides emergency communication to every municipality except the City of Port Huron and Clay Township; and

WHEREAS, a study of comparable communities in the state concluded that Port Huron was unique in providing its own emergency dispatch service; and

WHEREAS, the City Council desires to participate in St. Clair County's Central Dispatch to improve intergovernmental cooperation and to reduce its General Fund budget by approximately \$325,000 per year; and

WHEREAS, the attached agreement has been negotiated between the County and City staffs to provide an orderly transition of service; and

WHEREAS, this agreement contains specific provisions permitting the employment of Port Huron's existing employees by St. Clair County,

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby approves the attached agreement with St. Clair County for the city's participation in Central Dispatch and authorizes the appropriate City officials to execute the agreement (see City Clerk File # 08-37).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: Councilmember Relken.
Absent: None.

R-12. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the purpose of City employees taking City vehicles home is to improve response time for emergencies and the further employees live from Port Huron the less effective this policy becomes; and

WHEREAS, the extra miles on city vehicles reduces the length of time until city vehicles require replacement thus increasing City costs;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Port Huron hereby approves the following to be effective July 1, 2008:

All City employees taking City vehicles home will be required to reimburse the City monthly, no later than the end of the following month as follows:

If employee resides within Port Huron City Limits: No reimbursement required.

If employee resides outside Port Huron City Limit: Reimbursement will be required at the rate set by the IRS for mileage. Mileage will be calculated using MapQuest to determine the distance from the employee's home to the Port Huron City Limits.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and Wright.
- No: Councilmembers McCulloch and Relken.
- Absent: None.

R-13. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, City Council has been informed that the Chief of Police will be retiring and that the city will be seeking to find a replacement prior to the FY 2009 budget sessions; and

WHEREAS, the City Council wishes to pass a budget with NO increases in water and sewer rates for FY 2009; and therefore it would be timely to express the council's view on the police budget before a new Police Chief is found; and

WHEREAS, research on salaries at the MML for similar size communities in Michigan shows Port Huron is currently paying above average salaries and desires to pay average salaries at most.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Port Huron hereby approves the following maximum budgeted amounts effective July 1, 2008:

Captain: No more than 7% Greater than highest grade Lieutenant.

Police Chief: No more than 7% greater than Captain.

The resulting annual budget savings over current of \$18,933 for Chief and \$5,397 for Captain multiplied by 1.6 to include benefits for a total of \$38,928 to be used to off set the costs of sewer separation.

Councilmember Wright moved to *postpone* action until the regular meeting of April 14, 2008.

Motion adopted unanimously.

ORDINANCES

O-1. Councilmember Fisher moved that an ordinance introduced March 10, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1288

AN ORDINANCE TO AMEND CHAPTER 52, ZONING, ARTICLE III, DISTRICT REGULATIONS, DIVISION 1, GENERALLY, SECTION 52-162, MAP, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REZONING VARIOUS PROPERTIES LOCATED ON THE SOUTHWEST CORNER OF 23RD AND OAK STREET FROM AN R-1 (SINGLE- AND TWO-FAMILY RESIDENTIAL) ZONING DISTRICT TO A C-1 (GENERAL BUSINESS) ZONING DISTRICT.

THE CITY OF PORT HURON ORDAINS:

That Chapter 52, Zoning, Article III, District Regulations, Division 1, Generally, Section 52-162, Map, of the Code of Ordinances of the City of Port Huron is hereby amended by changing the following area from R-1 (Single- and Two-Family Residential) zoning district to a C-1 (General Business) zoning district:

Lots 1, 2, and 3, Block 5, Tunnel Depot Subdivision, also known as 1705, 1715 - 23rd Street and vacant lot to the north, City of Port Huron.

Pauline M. Repp, MMC
City Clerk

ADOPTED: 03/24/08
PUBLISHED: 03/29/08
EFFECTIVE: 03/20/08

Adopted unanimously.

O-2. Councilmember Fisher moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 36, PARKS AND RECREATION, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, ADDING SECTION 36-16, 12TH STREET AND RIVERSIDE DRIVE BOAT RAMPS, FOR THE PURPOSE OF INSTITUTING A BOAT LAUNCHING FEE.

Councilmember Wright moved to postpone action until the regular meeting of April 14, 2008.

Motion *rejected* unanimously.

Motion to give ordinance its first and second reading adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
- No: Councilmember Relken.
- Absent: None.

MOTIONS & MISCELLANEOUS BUSINESS

1. **Mayor Moeller** announced that the City Manager had talked with Terra Land Group this date and they are looking at bringing a proposal to City Council in May. Originally, Council had asked that a proposal be brought forth by March 24, 2008 and the Mayor stated that he wanted the public to know that it was still being pursued.

On motion (10:20 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Special meeting of the City Council of the City of Port Huron, Michigan, held jointly with the St. Clair County Board of Commissioners on Thursday, March 27, 2008, at 7:00 p.m. in the Donald Dodge Auditorium, St. Clair County Administration Building, 200 Grand River Avenue.

The meeting was called to order by County Chairperson Wallace Evans and Port Huron Mayor Moeller followed by roll call and pledge of allegiance.

Port Huron City Council Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

St. Clair County Board of Commissioners Present: Chairman Evans; Commissioners Bohm, Kearns, Simasko and Wall.

(St. Clair County official business – Commissioner Wall moved to add “Citizens wishing to address the Commission” to the agenda. Adopted unanimously. Commissioner Wall moved to accept the agenda as amended. Adopted unanimously).

PUBLIC AUDIENCE

1. Ken Harris, 1521 Wells Street, addressed both boards stating that he was in support of a surcharge being instituted for each vehicle crossing the Blue Water Bridge to be returned to the County and the City. Additionally, he stated that if McMorran is taken over by someone else and they increase revenues that it not be at the expense of Glacier Point.
2. Juanita Gittings, vice-chair of McMorran and longtime citizen of Port Huron and St. Clair County, addressed both boards stating that the McMorran Authority is delighted that you are getting together because there are creative ways to help and that McMorran Authority and its members will help and are open to ideas.
3. Sharon Bender, South Boulevard, Port Huron, addressed both boards in support of them meeting together and was hopeful some resolution can be made for McMorran.
4. David Gillis, St. Clair Chamber of Commerce Executive Director, addressed both boards stating that McMorran was a fantastic gift to the City and they support exploring avenues to make McMorran what it should be. (Letter he submitted to County Board of Commissioners to be made available to City Council.)

MISCELLANEOUS BUSINESS

1. **Blue Water Bridge Plaza** – Shaun Groden extended thanks to staff for work on the Draft Environmental Impact Statement (DEIS) and felt that the extension has been granted due to concerns raised and the group effort between different jurisdictions and groups. It was stated that this plaza expansion could be devastating to city and county and that we need to stay united. There are continued meetings on the staff level and more federal representatives have attended. The City, especially Bob Clegg and Karl Tomion, were congratulated for being the lead agency in the consortium.

Shaun Groden stated that the consortium would be seeking a financial compensation because we are first responders and that the biggest issue is the size of the footprint and border patrol has been less than forthcoming on why. Feels there is a design issue and there is a need to work on common issues.

Mayor Moeller stated that MDOT does have a meeting first and third Friday, 10 a.m. to 2 p.m. and anyone can attend and diagrams of the project are available. He suggested that we try to get 25 cents a car – right now we get \$200,000 and this does not cover costs.

Councilmember Relken stated he hoped as discussions continue that consideration be given to making the design green related (environmentally safe). **Commissioner Kearns** asked about any additional crossings due to the volume of traffic. Shaun Groden stated that migration of travel is a major point and new crossings have been discussed – either Range Road or by the Ford dealership on Pine Grove Avenue by the canal (M-25). Commissioner Kearns then asked about Fairway Drive as a possibility.

Further discussion amongst the group was held on why the site for the expansion at the Peace Bridge between New York and Ontario was only 39 acres; whether there is still a need for the proposed expansion; whether the crossing of vehicles with chemicals are allowed at the Peace Bridge; whether any underground utilities would need to be moved by the city; whether there has been any decisions on a welcome center in the center median of I-94/I-69. Additionally, Shaun Groden stated that the discussions are ongoing since the draft submittal but that, if at the end the consortium does not have sufficient answers, there is always initiating litigation.

2. **McMorran Complex** – It was explained that the City has issued a RFQ to have someone either buy or privately run McMorran, which loses approximately \$325,000 per year, so that it can be a better facility that is either privately run or publicly run. **Mayor Moeller** stated that Council would like to see a cooperative effort between the County and City to run McMorran but that he thinks the County or townships should be the driving force. If jointly run by the County and City, then County could appoint some members to the McMorran authority.

Commissioner Evans stated that he and Shaun Groden talked about McMorran being a terrific asset and still has a lot of potential. He suggested maybe a partnership with others – Citizens First Foundation, Acheson Foundation and Community Foundation – and maybe have a bond issue to bring facility up to speed by renovating and getting an operator in to see it become self-sustaining. He said he sees it as a public-private partnership.

Councilmember Wright stated that if McMorran no longer exists it will be a major loss to the city but even more to the county, as a majority of users are non-city residents. **Councilmember McCulloch** suggested that the County Commissioners take a tour of McMorran.

Further discussion included comments that the residents in the southern part of the County go to the Macomb Center. Also, **Commissioner Wall** raised concerns about the County being involved in the running of McMorran because she feels that her constituency believes that everything goes to Port Huron and they have things in her area that would welcome county support also. Shaun Groden stated that the current recreation millage, 1/2 mill on a four year cycle, is split 75-25 with the 25 split between the various communities but that maybe McMorran would meet the requirement. for the disbursements. **Councilmember Wright** asked about McMorran being considered a county park seeing as the majority come from outside the city. Further discussion ensued on the merits of using the recreation millage for McMorran. **Councilmember Fisher** stated he thinks part of the question the Council needs to decide is what they want McMorran to be – entertainment complex, civic center or park, etc., and is hoping the RFQ process will help them decide and hopes that the County will submit a plan.

Commissioner Simasko stated that he does think McMorran is a regional asset and that the County administration should be fully cooperative but City needs to decide what it wants McMorran to be and then reach out to others, both private and public.

Discussion concluded with Shaun Groden stating that he agrees that the first decision is what is McMorran going to be -- one is fix it up as is or the larger one consisting of expanding the facility to pick up national acts and with that would be funding it. He reminded everyone that the recreation millage is finite. He thinks perhaps there should be another study group and stated he would welcome sitting down with the administration and determining how to do it.

AT THIS POINT (8:50 p.m.), a recess was held until 9:05 p.m.

3. 9-1-1 Dispatch Operations Merger – Shaun Groden stated that he has received the signed agreements from the City for the merger and that the item will be addressed at their committee meeting on April 2 and then before the full board on April 16 – he stated the target date for the merger of operations is June 1. **Mayor Moeller** suggested that central records be looked at also and Sherry Bertram stated that they are already looking into this using homeland security monies. **Councilmember Relken** stated that for the record he voted “no” on central dispatch as he feels that in the area of public safety by taking away a piece of the puzzle the quality of service will suffer and he thinks there should be records kept and looked at in a year and if he is wrong he will say so but that he has committed that he will vote “no” on any difference in current police or fire services. **Commissioner Bohm** asked about the final numbers for Port Huron and Shaun Groden stated he will have those numbers for discussion about budget impacts at the committee meeting but that the entire staff from Port Huron would be coming over and that the County budget will be going up because of the merger. **Commissioner Bohm** said he thinks this merger is a good thing and they will need to look to the townships that don’t currently pay for services. **Commissioner Simasko** asked if the figures will be consistent with the funding mechanism. Shaun Groden stated the formula will be the same but that existing communities will have a slight increase.

4. Status of the Sheriff’s Office - **Mayor Moeller** stated that in 2000 the County Board of Commissioners decided to move the jail outside the city limits and according to the Michigan Constitution the sheriff’s principal office should be in the county seat. He further stated that in 1975 then Attorney General Frank Kelley gave an opinion that the main functions of the Office of the Sheriff should be in the county seat as well and their records should be available the same hours as the courts. He stated his fear is that the courts along with lawyer offices and title companies might move outside the county seat even though Shaun Groden told him it wouldn’t happen and this would cause an even worse financial situation for the City in loss of revenue. He said he knows the jail can be anywhere but not the Sheriff’s office and its functions. He suggested that Public Act 425 should be used to add the property to the City where the jail (intervention center) is located in Port Huron Township (showed a map). He stated that at first he thought about annexation but that Port Huron Township Supervisor Scott Beedon didn’t think the township residents would go for that and Supervisor Beedon said that the 425 would be easier to sell to the township residents than annexation. He also said that Scott Beedon believes this is a problem between the County and the City and they are not involved. **Mayor Moeller** stated he believes the other option to solve this problem is to send a letter to the Attorney General asking for compliance with the Constitution. He also stated that he would ask other cities such as Detroit, Grand Rapids, Saginaw, Flint, Pontiac, Jackson, Muskegon, Lapeer, Big Rapids, Ionia and Grayling to join him in this effort as

they could have similar situations. He further stated that although the City would be able to collect income tax from employees at the intervention center and that would help the City, it is a Constitutional issue that needs solving.

Commissioner Simasko stated he had read the Attorney General opinion given by Frank Kelley and he cited the chronological events that lead up to the intervention center (sheriff’s office) being located in Port Huron Township and that he was satisfied that there was full knowledge by the City when this occurred. He further stated that **Mayor Moeller’s** interpretation is not really contrary but what is principal office? What is principal and what is secondary – the sheriff has an office both at the intervention center and the county building? He believes the issue is with the Sheriff and not with the County Board of Commissioners.

Mayor Moeller stated he has talked to the candidates for sheriff and they all have said they will move the office back into the city and that if we cannot solve like this, then we need a legal opinion from Attorney General. He further stated that he would like to resolve this as peacefully as possible and would like the support of at least three other Councilmembers and apologized to the County Board of Commissioners for not coming to them earlier rather than Council and press.

Councilmember Relken stated that he had not received any background information and would like the same information about the chronology and past issues. **Mayor Moeller** said that the legal opinion had been provided to City Council. Discussion was held about the fact that the acreage required for the intervention center was more than the city could offer. **Mayor Moeller** stated that the lost income taxes would be about \$42,000 per year and that the issue is the Constitution no matter who erred and the only way is to ask for another Attorney General’s opinion and, if necessary, go to the Supreme Court and he felt they would vote in the City’s favor. **Commissioner Chair Evans** stated that the court buildings were important to be in Port Huron and he can’t image moving them out of the city. **Mayor Moeller** reiterated that Port Huron Township Supervisor Beedon feels problem is between the County and City but they want to be asked and he’s sure they want money to give it up but that his number one thing is the Constitution.

Commissioner Chair Evans concluded by saying that he was optimistic that it will be worked out.

5. Subsequent meetings - **Commissioner Chair Evans** stated that he feels that Shaun Groden and Karl Tomion should set up another meeting down the road. **Councilmember Relken** added he thinks it is important that as a group they look at industrial and economic development as issues to talk about in future meetings as it has to do with tax base growth and he proposed that it be in the next couple of months. **Councilmember Wright** added that he thought that meetings like this were valuable and he would like to see them occur quarterly.

Councilmember Relken moved to have the County Commission and the City Council meet quarterly. Adopted unanimously by both boards. (NOTE: Shaun Groden stated that they adopt their calendar yearly and days and evenings seem to be a problem but that if Thursday nights like this work best so be it.)

On motion (10:05 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Special meeting of the City Council of the City of Port Huron, Michigan, held on Monday, March 31, 2008, at 7:00 p.m. in Conference Room 408, Municipal Office Center, 100 McMorrin Blvd.

The meeting was called to order by Mayor Moeller

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

PUBLIC AUDIENCES

1. Ken Harris, 1521 Wells Street, addressed the City Council stating he thinks media has been lenient about what is going on in City Council and thinks they should move in a more positive direction. He stated that in a Goldman Sachs session their prediction was that it will be one and 1/2 years for Michigan to recover.

MOTIONS AND MISCELLANEOUS BUSINESS

Mayor Moeller stated that the Council was meeting to discuss goals and granted **Councilmember Wright's** request to direct the goal's session this evening. He distributed a list of what Councilmembers presented at previous meetings as goals (see City Clerk File #08-38). Discussion was held on the method to use to prioritize the goals. It was decided to accept **Councilmember Byrne's** idea to use a grid and group the items by "effort to do" and "reward realized."

City Council then went through the list and came up with fifty (50) items to look at and pared the list down to 42 items when they were placed in the grid. Council was given the opportunity to apply five (5) votes each in the category of Easy to Do/Big Reward so as to prioritize what could be accomplished easily. The top five action items in order were: budget considerations, sale of Water Street Marina, joint meeting with Acheson Ventures, boat ramp fees/maintenance and the request for the Attorney General's opinion regarding the location of the Sheriff's office (see City Clerk File #08-39 for copy of entire grid).

Discussion held on schedule of budget workshops and the dates decided were May 14 and 15, 7 p.m. to 10 p.m.; May 17, starting at 9 a.m.; and May 19-22, 7 p.m. to 10 p.m., as needed.

On motion (10:20 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, April 14, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.

Absent: Councilmember Relken.

The minutes of the regular meeting of March 24, 2008, and the special meetings of March 27 and 31, 2008, were approved.

PUBLIC HEARINGS

1. The Mayor announced that this was the time to hear comments on fluoridation of the City's drinking water.

Paula Weidig, VP, Michigan Dental Hygienists Association, strongly urged keeping fluoride in water stating that one in ten third grade students lack of dental insurance and would be unable to receive treatments and that statistics show that rate of dental problems is higher when a community does not have fluoride in water.

Ralph Gillhooley, 3323 Conger Street, dentist since 1966, stated that when Port Huron fluoridated in 1974 he could take a random sample and look in kid's mouths and tell who lived in Port Huron and who lived in Marysville and that if you take fluoride out of the water there will be more cavities. He further stated that this shouldn't be one of Council's budget decisions – don't take the fluoride out of the water and condemn kids to a lifetime of decay.

Mark Setter, 2940 Woodstock Circle, lifelong resident and dentist, stated that dentistry is about to take a quantum leap forward with Community Foundation offering a dental clinic to underprivileged families and this will help children who do not have access to dental care and Council would be taking a step backwards by taking fluoride out of water.

Alice O'Neill, Prospect Place, stated times have changed in 2008 and amount of fluoride in water is not the same and now we have toothpaste with it and many drink bottled water which does not have it..

Dr. John Tomiuk, dentist, President, of Thumb District Dental Society, stated that fluoride occurs naturally in all bodies of water and fluoride reduces dental decay and everyone benefits by drinking water with fluoride. He further stated that over 4,000 studies have confirmed its safety over the past years and there is less money spent on dental care and less loss of school time and do not take a step back.

Tom Kochheiser, Director of Marketing and PIN for Michigan Dental Association in Lansing, stated that dental community is very concerned about removal of fluoride in water and that it is a simple, effective way to add fluoride. He further stated that tooth decay is most common childhood disease and both children and adults benefit from it. He cited a city in Wisconsin who fluoridated in 1949 and stopped in 1960 and in 5-1/2 years they reinstated because they found 2nd grade students had over 200% increase in decay. Stated it is cost effective and that children drink bottled water, pop, etc., and do not get their fluoride other ways. He encouraged keeping fluoride in water for citizens. In answer to a question about what is optimal use, he stated between .7 and 1 part per million.

Dr. Sheila Semler, State Dental Director, stated she is a resource person from Lansing and that she has a lot of information on Michigan. She further stated that they look at all research and that she works with the DEQ and has taken water fluoridation course and to not provide water fluoridation to those not insured is a poor choice in resources. She gave her contact information of 517-335-8388 or www.michigan.gov/oralhealth

Casey Chaudry, Martin Street, stated he thinks dentists would be happy to make more money and that education would be best choice and dentists could instruct patients about proper teeth brushing and that if there is a remote chance that fluoride would harm someone it should not be added to the water.

Dr. Annette Mercatante, Provisional Medical Director, St. Clair County, stated that her training taught her to provide adequate fluoridation to children particularly. She stated that although you could find a long list of the dangers, her research did not find adequate information to support the allegations and that she went to sources that she believed credible and almost every piece of evidence points to this being good.

Letter from Helen Dickinson, Stanton Street, opposing the fluoride in the City's drinking water was read into the record by the City Clerk.

The Mayor declared the hearing closed.

PUBLIC AUDIENCES

1. Linda Amato, Chaplain, Mercy Hospital, gave a prayer (she thought the meeting started at 7:30 p.m.).
2. Rich Engle, Acheson Foundation, addressed the City Council stating he and Dave Brown were here answer any questions Council might have about the proposed sale of the Water Street Marina.
3. Paul Lipowski, Lenox Township, Starbrite Entertainment, addressed the City Council about portable indoor and outdoor movies, asking City to participate in the venture of an outdoor drive-in (he distributed brochure to Council).
4. Sharon Bender, South Boulevard, addressed the City Council relative to community issue about new bus stop on 28th Street between North and South Boulevards (previously on Moak Street and 28th Street) and that some neighbors are not happy about change and would like a cutout on east side of 28th street so that people can get through because of students being picked up. She further stated that she was aware we are not scheduled yet for sewer separation but maybe this could be done in conjunction. She also stated that she asked before the election whether the Water Street Marina would be at fair market value and was told "yes."
5. Trina Avedesian, addressed the City Council with concerns about sale of the Water Street Marina – specifically, need for a proper appraisal, who is buying land, will it be taxed or exempt, need to reflect the value of the property. Also stated that Dave and Georgina Witt have done a good job with the lofts downtown.
6. Ken Harris, 1521 Wells St., addressed the City Council asking whether the use of credit cards for payments would be a cost to taxpayers (Resolution No. 8), whether dispatch employees when transferred to the County are protected or will they be at-will employees (Resolution No. 10) and that the recent \$1.2 million received by the City should be invested to pay the interest on the sewer separation bonds.

7. Pat Pryor addressed the City Council relative to the sale of Water Street Marina stating that property tax appraisal should have been asked for two years ago and she wished all questions were asked one year ago but that this should be a no-brainer.

8. Alice O'Neill, Prospect Place, addressed the City Council stated that Port Huron has the lowest property values in country and only progress has been Acheson waterfront and that at last Council meeting she was awaiting the transfer of Water Street Marina and instead heard Mayor quote Anthony America and that new Council may not be what she thought and that the Sheriff's Department is in the township and get over it. As far as McMorrان, she believes there is a need to bring it to Council to discuss instead of back peddling. She additionally commented about city income tax and that she could not think of one person who would move here and pay income tax and that she was surprised to learn that she has to pay city income tax on a building she sold in California in 2007.

9. Fred Kemp, Port Huron, addressed the City Council stating citizens in and out of city use boat launch ramps and he has been trailer boating since 1975 and lives here because of water and lakes. He urged Council to keep in mind when they consider charging for ramps the need to accompany level of service. that there is an expectation when charging and the fixing of the parking spaces at 12th Street ramp was long over due and complimented city for fixing. He stated that the docks need to be fixed so that bumpers are the proper height and that should not have a short time limit for leaving vehicle and trailer when launching boats and some go for a weekend.

10. Audrey Walsak, Canal Drive, addressed the City Council stating she keeps hearing amount of \$100,000 to operate marina and doesn't understand where it comes from because of volunteers running place and people pay to dock and no improvements. She also inquired as to whether launch fees for boats includes snowmobiles in winter.

11. Casey Chaudry, Martin Street, addressed the City Council with an issue about blight department stating that they have restored several homes in Port Huron and during remodeling contained notices and tickets and that the intentions of blight enforcement has turned into infringement of our rights. He stated that grass and paint are issues most targeted and voters would like to see Mayor and Council cleaning up areas themselves. He further stated that he believes that Court Street Baptist Church has not right to enter into the field of politics, by circulating petitions, as they get a tax exemption. He also stated he has no issue with having prayer at beginning of public audience time.

12. Doug Otis, Shenandoah Avenue, addressed the City Council and mentioned that on election for marina that it was not made clear about Acheson but when he voted it was clear it would remain a marina and he supports Acheson and marina.

AT THIS POINT, Mayor Moeller recognized Boy Scout Troup 146, who were in the audience.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Curbside pickup of yard waste in containers and compost bags has begun. Large brush, branch and tree trimming program can also be picked up by appointment by calling Forestry at 987-6000.

Bulk leaf collection will continue in zones that were not completed last fall because of snow, as follows: Week of April 14 - Zone 3, area north of Black River and east of 10th Ave. and Pine Grove Ave. south of Garfield St.; Week of April 21 - Zone 9, area north of Garfield St. east of Stone St. to Holland Ave. and Gratiot Ave. and any street east of it from Holland Ave. to Keewahdin Rd.

UNFINISHED BUSINESS

1. Item postponed from March 24, 2008 meeting:

WHEREAS, the City of Port Huron is the county seat for the County of St. Clair; and

WHEREAS, the County of St. Clair has constructed a new jail outside the city limits of the City of Port Huron; and

WHEREAS, the St. Clair County Sheriff has moved all offices of the Sheriff's Department to the new jail and no longer holds his principal office in the City of Port Huron; and

WHEREAS, Article VII, Section 5 of the Michigan Constitution of 1963 provides the sheriff and some other county offices "shall hold their principal office at the county seat"; and

WHEREAS, the City of Port Huron City Council believes it is important that this constitutional provision be enforced;

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby directs City administration to prepare a letter to be sent to Michigan Attorney General Michael Cox requesting the Attorney General's Office take action to enforce the constitutional provision requiring the Sheriff to hold his principal office at the county seat and authorizes the Mayor to sign said letter on behalf of City Council.

Councilmember Fisher moved to amend the final paragraph following the words "Attorney General's Office....." by striking the rest of the sentence and adding the verbiage "issue an opinion about requiring the Sheriff to hold his principal office at the county seat and authorizes the Mayor to sign said letter stating the City's position on this matter on behalf of the City Council."

Motion to amend adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

Councilmember McCulloch moved to amend by adding to the final paragraph "and to send letters to Senator Gilbert and Representative Espinoza asking that they send a request to the Attorney General asking him to give his opinion."

Motion to amend adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

Motion to adopt resolution, as amended, adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

2. Item postponed from March 24, 2008 meeting:

WHEREAS, on November 8, 2005, an election was held to seek voter authorization for the sale or lease of the Water Street Marina to the James C. Acheson Foundation; and

WHEREAS, this proposal was approved by 87% of the voters participating in that election; and

WHEREAS, the City subsequently approached the Michigan Waterways Commission with the request to release its obligation under various grant agreements for the acquisition and construction of the existing marina in order to sell or lease the property to Acheson; and

WHEREAS, after a lengthy process, the City finally received approval to release these obligations in exchange for a payment of \$292,321 to the Michigan State Department of Natural Resources pursuant to an agreement approved by the City Council which was executed on September 17, 2007; and

WHEREAS, Acheson has submitted the attached letter outlining its plans to relocate existing boat storage at its site in downtown Port Huron on the Black River where it meets the St. Clair River (Desmond Marine); and

WHEREAS, the City Council supports the goal of redeveloping this site which is currently used for outdoor boat storage.

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized and directed to prepare a Purchase Agreement consistent with the terms outlined in the attached letter (See City Clerk File #08-32);

BE IT FURTHER RESOLVED that the appropriate officials of the City be authorized and directed to execute this agreement.

NOTE: Report on proposed sale of Water Street Marina (see City Clerk File #08-40 for copy of report) was presented by Karl Tomion, City Manager, and questions were answered by him and Rich Engle and Dave Brown from Acheson Foundation. Discussion held on purchase agreement terms, amount property will be assessed at, dredging and whether to open this season.

Councilmember McCulloch moved to amend by removing the final paragraph starting with "BE IT FURTHER RESOLVED."

Motion to amend adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

Motion to adopt resolution, as amended, adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

3. Item postponed from March 24, 2008:

WHEREAS, City Council has been informed that the Chief of Police will be retiring and that the city will be seeking to find a replacement prior to the FY 2009 budget sessions; and

WHEREAS, the City Council wishes to pass a budget with NO increases in water and sewer rates for FY 2009; and therefore it would be timely to express the council's view on the police budget before a new Police Chief is found; and

WHEREAS, research on salaries at the MML for similar size communities in Michigan shows Port Huron is currently paying above average salaries and desires to pay average salaries at most.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Port Huron hereby approves the following maximum budgeted amounts effective July 1st 2008:

Captain: No more than 7% Greater than highest grade Lieutenant.
Police Chief: No more than 7% greater than Captain.

The resulting annual budget savings over current of \$18,933 for Chief and \$5,397 for Captain multiplied by 1.6 to include benefits for a total of \$38,928 to be used to off set the costs of sewer separation.

NOTE: Report on Police Chief/Captain compensation (see City Clerk File #08-41 for copy of report) presented by Karl Tomion, City Manager. Data presented by Councilmember Byrne (see City Clerk File #08-42) and Mayor Moeller (see City Clerk File #08-43).

Councilmember Fisher moved to postpone action until the meeting of April 28, 2008.

Motion to postpone *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Byrne and Lewandowski.
Yes: Councilmembers Fisher, McCulloch and Wright.
Absent: Councilmember Relken.

Motion to adopt resolution adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and Wright.
No: Councilmember McCulloch.
Absent: Councilmember Relken.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Motion to adopt resolution adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
 No: None.
 Absent: Councilmember Relken.

***R-2.** WHEREAS, costs totaling One Thousand Six Hundred Twenty and 15/100 Dollars (\$1,620.15) have been incurred by the City of Port Huron for demolition proceedings on the following described property N 16 FT LOT 12 & S 33 1/2 FT LOT 13 BLK 32 WHITE PLAT, further described as 1704 - 8th Street, (Garage Only) property no. 74-06-743-0428-000;

WHEREAS, said costs have been reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the amount of One Thousand Six Hundred Twenty and 15/100 Dollars (\$1,620.15) for demolition proceedings of the garage structure at 1704 - 8th Street is hereby confirmed and declared a single lot special assessment (see City Clerk File #08-44).

Adopted.

***R-3.** WHEREAS, the Port Huron Housing Commission has made application and received notification of acceptance for the following grants:

- U. S. Department of Housing and Urban Development (HUD) for a Resident Opportunity and Self-Sufficiency (ROSS) 2007 Family and Homeownership Program grant in the amount of \$249,000 over a three year period to create programs that will help Housing Commission residents achieve economic self-sufficiency so that these residents may eventually become homeowners; and
- Community Foundation of St. Clair County Youth Advisory Council Project REACH grant in the amount of \$3,300 over a one year period to provide a summer enrichment program for children living in public housing for low income families; and

WHEREAS, a resolution was adopted by the City Council which requires their approval before the Housing Commission may accept or enter into agreements relating to one or more types of grants;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the Port Huron Housing Commission's acceptance of the Resident Opportunity and Self-Sufficiency (ROSS) 2007 Family and Homeownership Program grant in the amount of \$249,000 offered to them by the U. S. Department of Housing and Urban Development (HUD) and the Project REACH grant in the amount of \$3,300 offered to them by the Community Foundation of St. Clair County Youth Advisory Council.

Adopted.

R-4. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, Chapter 36, Parks and Recreation, of the Code of Ordinances of the City of Port Huron, Section 36-16, as before City Council for adoption on April 14, 2008, states that persons

who launch boats and other watercraft at the 12th Street and Riverside boat ramps shall be required to pay a launch fee; and

WHEREAS, this launch fee must be in accordance with the Michigan Department of Natural Resources (MDNR) Waterways Commission and approved by resolution of City Council;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby adopts a fee of \$6.00 per daily launch or \$24.00 per season, effective May 1, 2008, for the 12th Street and Riverside boat ramps.

Motion to adopt resolution adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
 No: None.
 Absent: Councilmember Relken.

***R-5.** WHEREAS, a 21-member Beautification Commission was established at the City Council meeting of December 9, 1985;

NOW, THEREFORE, BE IT RESOLVED that Diane Horn and Jane Hempton are hereby appointed to fill vacancies and David Bennis, Betty Eastin, Mary Jo Edson, Carolyn McNeill and Evelyn Rogers are hereby reappointed to the Beautification Commission for three year terms to expire on January 30, 2011; and

BE IT FURTHER RESOLVED that Kathy Holth and Jean Webb are appointed as life members (10+ years of service) of the Beautification Commission.

Adopted.

***R-6.** WHEREAS, from time to time ordinances are amended, added or deleted from the Code of Ordinances; and

WHEREAS, the compilation and reprinting of supplements to the Code of Ordinance book is done by Municipal Code Corporation on a semi-annual basis;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the payment of Six Thousand Five Hundred Thirty-Nine and 06/100 Dollars (\$6,539.06) to Municipal Code Corporation, P. O. Box 2235, Tallahassee, FL 32316 for Supplement No. 7 to the Code of Ordinances.

Adopted.

***R-7.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup and/or removal of ice and snow in the right-of-way; and

WHEREAS, the cost for trash pickup and/or removal of ice and snow in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot

special assessment in the total amount of \$1,039.75 for special trash pickup and/or removal of ice and snow in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-45).

Motion to adopt resolution adopted by the following vote:

Yes: Councilmembers Fisher, Lewandowski, McCulloch and Wright.
No: Mayor Moeller; Councilmember Byrne.
Absent: Councilmember Relken.

R-8. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, Public Act 280 of 1995 provides for the acceptance by a local unit of payment for a tax, assessment, or fee by credit card; and

WHEREAS, the City of Port Huron has received many requests for this service to be provided to its residents, property owners and users; and

WHEREAS, this service is available through Official Payments Corporation by the use of the internet or an interactive telephone voice response system, with all fees paid by the consumer to Official Payments Corporation at no cost to the City; and

WHEREAS, Official Payments Corporation has prepared an Electronic Transaction Processing Agreement for use in establishing this service;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached agreement with Official Payments Corporation and authorizes and directs the proper City Officials to execute said agreement. (See City Clerk File #08-46);

BE IT FURTHER RESOLVED that the City of Port Huron will begin accepting property tax payments, water and sewer bill payments and other fees and payments through Official Payments Corporation in accordance with our agreement with said firm and hereby designates the City Treasurer and Director of Finance as jointly responsible for determining the financial transaction devices (credit or debit cards) which may be accepted. At present, acceptable cards will be limited to Master Card, Visa, American Express and Discover.

Motion to adopt resolution adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

R-9. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron uses BS&A Software – Equalizer Software Systems for the accumulation of real and personal property information, including assessments, and for the preparation of property tax billings and the recording of the subsequent payments; and

WHEREAS, BS&A Software has developed an application to assist in the dissemination of public data by allowing a convenient

way to display the Equalizer databases for assessments, property taxes and payments on the internet, allowing access to the data both during and after business hours;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached agreement with BS&A Software and authorizes and directs the proper City Officials to execute said agreement (see City Clerk File #08-47).

Motion to adopt resolution *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Byrne, McCulloch and Wright.
Yes: Councilmembers Fisher and Lewandowski.
Absent: Councilmember Relken.

R-10. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron has operated its own 911 Emergency Dispatch Center since 1978; and

WHEREAS, St. Clair County operates a Central Dispatch that provides emergency communication to every municipality except the City of Port Huron and Clay Township; and

WHEREAS, a study of comparable communities in the state concluded that Port Huron was unique in providing its own emergency dispatch service; and

WHEREAS, the City Council desires to participate in St. Clair County's Central Dispatch to improve intergovernmental cooperation and to reduce its General Fund budget by approximately \$325,000 per year; and

WHEREAS, the City Council approved a proposed agreement negotiated between the County and City staffs at its meeting of March 24, 2008; and

WHEREAS, the County and City staffs now desire to amend Paragraph 5, City Dispatch Center, of this agreement to provide how the County will be compensated for improvements it makes to the Dispatch Center should the City decide to terminate this agreement,

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby rescinds Resolution No. 11, March 24, 2008, and approves the attached revised agreement with St. Clair County for the City's participation in Central Dispatch and authorizes the appropriate City officials to execute the agreement (see City Clerk File # 08-48).

Motion to adopt resolution adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

ORDINANCES

O-1. Councilmember Fisher moved that an ordinance introduced March 24, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1289

AN ORDINANCE TO AMEND CHAPTER 36, PARKS AND RECREATION, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, ADDING SECTION 36-16, 12TH STREET AND RIVERSIDE DRIVE BOAT RAMPS, FOR THE PURPOSE OF INSTITUTING A BOAT LAUNCHING FEE.

THE CITY OF PORT HURON ORDAINS:

That Chapter 36, Parks and Recreation, of the Code of Ordinances of the City of Port Huron, be amended by adding Section 36-16, 12th Street and Riverside Drive Boat Ramps, for the purpose of instituting a boat launching fee.

Chapter 36. PARKS AND RECREATION**Sec. 36-1. through Sec. 36.15.**

No changes.

Sec. 36-16. 12th Street and Riverside Drive Boat Ramps.

Persons who launch boats and other watercraft at the 12th Street and Riverside boat ramps shall be required to pay a launch fee. This launch fee must be in accordance with the MDNR Waterways Commission. All fees will be approved by resolution of City Council. Boat launching activity must be in accordance with the rules and regulations established by the City Manager or his/her designee.

Pauline M. Repp, MMC
City Clerk

ADOPTED: 04/14/08
PUBLISHED: 04/19/08
EFFECTIVE: 04/19/08

Motion to give ordinance its third and final reading and enactment adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

O-2. Councilmember Byrne moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 12, ARTICLE X, PEDDLERS, SOLICITORS, TRANSIENT MERCHANTS AND SPECIAL EVENTS VENDORS, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON FOR THE PURPOSE OF DELETING THE ENTIRE ARTICLE AND REPLACING IT WITH AN UPDATED ARTICLE TO MORE CLEARLY DEFINE THE VARIOUS LICENSES AND THEIR PARTICULAR REGULATIONS.

Motion to give ordinance its first and second reading adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

O-2. Councilmember Fisher moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 42, STREETS, SIDEWALKS AND OTHER PUBLIC PLACES, ARTICLE I, IN GENERAL, TO AMEND THE CODE OF ORDINANCES OF THE CITY OF PORT HURON TO ALLOW LICENSED PEDDLERS/SOLICITORS TO PLACE A REMOVABLE STAND IN THE PUBLIC RIGHT OF WAY UNDER SPECIFIC CONDITIONS.

Motion to give ordinance its first and second reading adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.
No: Councilmember Wright.
Absent: Councilmember Relken.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember Lewandowski moved to approve expending the funds to dredge the Water Street Marina and seek reimbursement as part of the purchase agreement with the Acheson Foundation.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Wright.
No: None.
Absent: Councilmember Relken.

2. Councilmember Byrne moved to authorize the opening of the Water Street Marina for this boating season.

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Fisher, Lewandowski and McCulloch.
No: Mayor Moeller; Councilmember Wright.
Absent: Councilmember Relken.

3. Councilmember Lewandowski asked for clarification of the dates for the special Council budget workshops. City Clerk to correct notice and re-send.

4. Councilmember Fisher announced that it is National Library Week and highlighted some of their planned events.

5. Councilmember Byrne asked about a couple of Boards and Commissions applications that were received and whether they were possible appointments.

6. Councilmember Wright asked for an update on the "free parking" downtown and stated that there is a lot of confusion as to what areas are covered by free parking and what, if any, is being enforced. **Councilmember Byrne** asked to also have an update on when the parking meters would be removed.

On motion (11:15 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, April 28, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch, Relken and Wright.

The minutes of the regular meeting of April 14, 2008, were approved.

PRESENTATIONS

1. Proclamation declaring the week of May 11-17, 2008, as Police Week and May 11 as Peace Officers Memorial Day was presented to William J. Corbett, Police Chief.
2. Proclamation declaring May 10, 2008, as National Association of Letter Carriers Food Drive Day was presented to Christine Brown, Branch 529 of the National Association of Letter Carriers. Rick Garcia, United Way, spoke about National Volunteer Week and how the letter carriers volunteer each year to do this drive; Bill Hynen, Food Depot, thanked the community; and Ken Harris, President of St. Clair County Labor Council and past letter carrier also thanked letter carriers and community.
3. Presentation on the proposed 2008-09 budget was given by John Ogden, Director of Finance (see City Clerk File #08-61 for copy of presentation).
4. Presentation on the proposed 2008-09 through 2012-13 Capital Improvement Program was given by Robert Clegg, City Engineer (see City Clerk File #08-62 for copy of presentation).

PUBLIC AUDIENCES

1. Kathleen Trongo, 902 Military St., #2, addressed the City Council relative to the DARE program and expressed gratitude that it had been retained in the proposed budget. She also submitted a petition signed by 99% of the fifth grade teachers in PHASD who support the program (see City clerk File #08-49 for copy of petition).
2. Dr. Vaitiekaitis, 805 Superior St., oral surgeon, addressed the City Council requesting they keep fluoridation in the drinking water as it's the biggest bang for the buck and very important to upcoming generation and their dental care.
3. Paula McVety, 3126 10th Avenue, addressed the City Council stating she had students who went through the DARE program and feels it is important.
4. Jon Parsons, 4229 State Rd., Fort Gratiot, addressed the City Council stating there is good scientific evidence that supports the use of fluoride in drinking water and it is overwhelmingly supported.
5. Sherry Nicholas, Lexington, teacher in PHASD with two children who attended Port Huron schools, addressed the City Council asking that the DARE program be continued.
6. Dana Pemberton-Sergent, 410 Taylor St., addressed the City Council as parent of 5th grade student at McKinley stating children need positive role models and she was glad that the DARE program was in the proposed budget.

7. Sara Schebil, 2938 Canal Drive, addressed the City Council representing students from Crull-McKinley and expressing support of the DARE program.

8. Stacy Hooper, 732 Tunnel Street, addressed the City Council stating she had a Woodrow Wilson student who went through the DARE program and it teaches respect of police officers.

9. Dawn Carwile, 1519 Carleton Street, President of Harrison Elementary PTA, addressed the City Council stating that DARE is a positive program and that her child has retained the information.

10. Joe Grant, 517 LaSalle Blvd., Port Huron Northern senior class president, addressed the City Council stating that he went through the DARE program and has been able to make right decisions and avoid peer pressure because of it.

11. Elizabeth Parr, student at Port Huron Northern, addressed the City Council stating she went through the DARE program and thinks it should continue to be offered.

12. Tim Anderson, 2615 North Blvd., addressed the City Council about illegal alcohol consumption in Lincoln Park, especially in playground area, and requested that appropriate signage be posted stating that alcohol can only be consumed by permit and only from the gazebo to the river not within 200 feet of basketball court and playground. He also requested that Lincoln Park have closing hours like Lakeside Park and that it be posted. (NOTE: Karl Tomion, City Manager, to look into signage.)

13. Dr. John Tomuik, 1010 Holland Avenue, addressed the City Council and distributed information about fluoride and how communities that stopped fluoridation ended up continuing it again at a later date and that there is not a danger with the quantity used in Port Huron's drinking water and encouraged its continuation.

14. John Mowoldan (Johnny Dog) addressed the City Council requesting porta johns along the Thomas Edison Parkway stating he would be willing to partially raise the money to place them there.

15. Chris Beck, 1903 10th Avenue, oral surgeon, addressed the City Council in support of fluoride in the water and that his clinical experience has been that kids that did not have fluoride have more problems.

16. Tom Kochheiser, Michigan Dental Association, Lansing, addressed the City Council stating that water fluoridation has substantial advantages in public health. He also read a letter of support for fluoridation from Marsha Smeltzer, 1101 Water Street, dentist.

17. Mark Setter, Port Huron, dentist, addressed the City Council imploring the Council to stay with fluoridation of the City's drinking water and help the children in our community.

18. Jean Webb, 2526 Military Street, addressed the City Council stating that the City should not put fluoride in the water if it is not required by state or federal agencies, that the people voted to sell the marina and not to give it away and that it should be sold at fair market price and that she was being charged a 10% late fee because her rental certification fees were one day late and was told that only the City Council could do something about it. (NOTE: Karl Tomion, City Manager, to follow up on late fee issue.)

19. Howard Heidemann, County Commissioner, addressed the City Council stating that St. Clair County has invested, along with Community Foundation, in building a dental clinic and hired dentist to assist in Medicare/Medicaid patients who need help and he asked the Council to support fluoridation.

20. George Duffy, representing Southside Coalition and Blue Water Citizens Against Crime, addressed the City Council stating there is a need to continue educating about the dangers and pitfalls of using drugs and recommended that the DARE program be continued.

21. Anna Chaudry addressed the City Council and read a letter from Casey Chaudry relative to fluoride and his opinion that Council should not spend tax money on something that is not required and cited pitfalls to its use.

22. Sharon Walby, Program Director for Dental Hygienists, Baker College, addressed the City Council stating that fluoride is a benefit and urged support for continuation of it in the City's drinking water.

23. James Cotter, 1125 Thomas Edison Drive, dentist, addressed the City Council relative to the fluoride issue and stated that he does not see dental decay in this community because of it and that the overall issue is health.

24. Ralph Gillhooley, Port Huron, dentist, addressed the City Council stated that he couldn't imagine saying that saving \$15,000 by not buying fluoride was worth the additional \$1,000,000 in dental care that will be needed and it's effective for kids and adults and it is safe and cost effective. He further stated that when the EDA brings prospective employers to the community they look at the health care and education systems.

25. Councilmember Relken stated that he had received letters from Holland Woods Middle School students relative to the fluoride issue - 12 in support and 4 opposed.

26. Mayor Pro-tem Fisher stated that he had received a letter from someone opposed because of health issues.

CONSENT AGENDA

Councilmember Relken offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

- City residents can register for summer recreation programs on May 13. Call Recreation at 984-9760 for details. Non-residents can register on May 20.
- Curbside pickup of yard waste in containers and compost bags has begun. Large brush, branch and tree trimmings can also be picked up by appointment by calling Forestry at 987-6000.

COMMUNICATIONS & PETITIONS

***C-1.** From Dennis Zembala, Port Huron Museum President, requesting that the vendor permit fees be waived for the Feast of

the Ste. Claire to be held May 24 and 25, 2008, in Pine Grove Park.

Received and filed and request granted.

C-2. Councilmember Fisher moved to receive and file the following communication and have it read into the record:

From Jon B. Parsons, M.P.H., Director, Health Officer, St. Clair County Health Department, transmitting a resolution adopted by the St. Clair County Advisory Board of Health urging Council to support the continuation of fluoridation of the City's public water supply system and requesting that this resolution be read into the record (see City Clerk File #08-50).

Adopted unanimously.

FROM THE CITY MANAGER

CM-1. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

On April 8, 2008, the City of Port Huron received nine (9) bids for the Woodstock Area Phase IV & V utility and pavement reconstruction project:

| | |
|--|------------------|
| Tyger Excavating (New Haven, MI) | \$1,235,891.85 |
| Pamar Enterprises (New Haven, MI) | \$1,240,010.92 |
| Boddy Construction (Port Huron Twp, MI) | \$1,285,231.30 |
| Dan's Excavating, Inc. (Shelby Twp, MI) | \$1,297,427.33 |
| Raymond Excavating Co. (Marysville, MI) | \$1,320,354.11 |
| Teltow Contracting, Inc. (Casco, MI) | \$1,383,309.70 * |
| T. R. Pieprzak Co., Inc. (China, MI) | \$1,415,542.01 |
| L. J. Construction, Inc. (Clifford, MI) | \$1,452,892.00 |
| L & J Construction, Inc. (Burtchville, MI) | \$1,660,017.55 |

* as corrected

It is recommended that the bid of Tyger Excavating, Inc., 57250 Rosell Road, New Haven, Michigan, 48048, in the amount of One Million Two Hundred Thirty-Five Thousand Eight Hundred Ninety-One and 85/100 Dollars (\$1,235,891.85) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-2. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On March 25, 2008, the City of Port Huron Utilities Division received two (2) quotes from pre-qualified specialty suppliers for a new motor operated actuator and appurtenances for an existing 48-inch butterfly valve at the Wastewater Treatment Plant:

| | |
|--|-------------|
| Systems Specialties (Bloomfield Hills, MI) | \$15,923.00 |
| Jett Pump & Valve (Waterford, MI) | * |
| * Did not meet specifications | |

It is recommended that the quote of Systems Specialties, 390 Enterprise Court, Suite 200, Bloomfield Hills, Michigan 48302, in the amount of Fifteen Thousand Nine Hundred Twenty-Three and 00/100 Dollars (\$15,923.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-3. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On March 25, 2008, the City of Port Huron Utilities Division received (3) three bids for the purchase of a chemical feed pump for the Wastewater Treatment Plant:

| | |
|---|-------------|
| Dubric Industries (Comstock Park, MI) | \$11,607.00 |
| Waterworks Systems & Equipment, Inc. (Lakeland, MI) | \$14,862.00 |
| HESCO (Warren, MI) | \$18,660.00 |

It is recommended that the bid of Dubric Industries, 3737 Laramie Drive N. W., Comstock Park, Michigan 49321, in the amount of Eleven Thousand Six Hundred and 00/100 Dollars (\$11,607.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-4. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

On April 8, 2008, the City of Port Huron Utilities Division received a single-source quote for the repair of a 1,000 horsepower aeration blower motor at the Wastewater Treatment Plant:

| | |
|---------------------------------|-------------|
| Port Huron Electric Motor Works | \$24,885.00 |
|---------------------------------|-------------|

It is recommended that the quote of Port Huron Electric Motor Works, 321 Court Street, Port Huron, Michigan 48060, in the amount of Twenty Four Thousand Eight Hundred Eighty Five and 00/100 Dollars (\$24,885.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

RESOLUTIONS

***R-1.** WHEREAS, Act 197 of 1975, the Downtown Development Authority Act, authorizes the City of Port Huron Downtown Development Authority to levy up to a 1.9874 mill ad valorem tax on the taxable value of all real and personal property within the district boundaries; and

WHEREAS, the City of Port Huron Development Authority will receive a tentative budget for the 2008-2009 fiscal year in the amount of \$1,889,100 based upon anticipated revenues of a 1.9874 mill levy on the taxable value of real and personal property within the Downtown Development District and captured taxes from Tax Increment Financing within the Downtown Development District; and

WHEREAS, both the 1.9874 mill ad valorem tax levy and the budget for the 2008-2009 fiscal year are subject to approval by the City Council of the City of Port Huron.

NOW, THEREFORE, BE IT RESOLVED that the tentative budget of the City of Port Huron Downtown Development Authority (City Clerk's File #08-51) be received for further review by the City Council and that a public hearing thereon be held May 12, 2008.

Adopted.

***R-2.** WHEREAS, the tentative budget for 2008-2009 (City Clerk File #08-52) has been prepared;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for Monday, May 12, 2008, at 7:00 p.m. in the Public Meeting Room, Municipal Office Center, to hear comments from interested citizens about the proposed budget; and

BE IT FURTHER RESOLVED that the City Clerk is hereby instructed to have copies of this proposed budget available for review by the public and to publish notice of said hearing at least one week in advance of May 12, 2008.

Adopted.

***R-3.** WHEREAS, the Capital Improvement Program for 2008-2009 through 2012-2013 (City Clerk File #08-53) has been prepared;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for Monday, May 12, 2008, at 7:00 p.m., in the Public Meeting Room, Municipal Office Center, to hear comments from interested citizens about the proposed Capital Improvement Program; and

BE IT FURTHER RESOLVED that the City Clerk is hereby instructed to have copies of this proposed Capital Improvement Program available for review by the public and to publish notice of said hearing at least one week in advance of May 12, 2008.

Adopted.

***R-4.** WHEREAS, Domtar Industries, Inc., 1700 Washington Avenue, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, Act No. 198 states that the City Assessor and Legislative Body of each unit which levies taxes shall be notified of the public hearing;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for May 12, 2008, in order to hear comments on the application of Domtar Industries, Inc., for an Industrial Facilities Exemption Certificate; and

BE IT FURTHER RESOLVED that the City Clerk shall send notices of said public hearing to the following Legislative Bodies:

- City Assessor - Port Huron
- County Board of Commissioners - St. Clair County
- Port Huron Area School Board
- St. Clair County Community College
- St. Clair County Regional Educational Service Agency
- Downtown Development Authority

Adopted.

R-5. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, specialized computer programming is necessary to assure that the process control system software will properly operate the City's Wastewater Treatment Plant and receive data from over 20 remote sites including 16 pump stations throughout the City; and

WHEREAS, it is necessary to replace the City's aging process control system software; and

WHEREAS, on February 28, 2005 City Council authorized an agreement with Tetra Tech to perform professional computer programming services including evaluation of alternative software packages at the Wastewater Treatment Plant; and

WHEREAS, on August 13, 2007, City Council authorized an agreement with Invensys Systems, Inc. for the purchase of Wonderware Intouch 9.5 as recommended in the evaluation of the computer programming services agreement; and

WHEREAS, on August 13, 2007 City Council authorized an agreement with Tetra Tech to conduct phase one of the two phase process to update the City's outdated control software; and

WHEREAS, the consultant will program and test the new system to assure it will integrate seamlessly with plant operations; and

WHEREAS, the consultant will train City staff on the operation and use of the new process control system;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Tetra Tech for professional computer programming and staff training at the Wastewater Treatment Plant and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-54).

Adopted unanimously.

AT THIS POINT (8:50 p.m.), Council recessed until 9:00 p.m.

R-6. Councilmember Relken offered and moved the adoption of the following resolution:

WHEREAS, on February 11, 2008 the City Council approved the annual purchase of fluoride for the Water Treatment Plant; and

WHEREAS, on March 7, 2008 the City Manager reported to City Council that the City was not required to add fluoride to its water; and

WHEREAS, on March 10, 2008 the City Council passed a resolution directing the City Manager to delay the purchase of fluoride until they had an opportunity to conduct a public hearing on the issue of whether to continue adding fluoride to the City's water system; and

WHEREAS, when the City Council delayed this purchase they were notified that April 28, 2008 was the last City Council meeting at which they could acquire fluoride to continue the existing program; and

WHEREAS, on April 14, 2008 the City Council conducted a public hearing and nine individuals gave comments on fluoridation of the City's drinking water, as follows:

In Support

Paula Weidig, Vice President, Michigan Dental Hygienists Association

Dr. Ralph Gillhooley, Dentist

Dr. Mark Setter, Dentist

Dr. John Tomiuk, Dentist and President of Thumb District Dental Society

Tom Kochkeiser, Director of Marketing and Public Information for Michigan Dental Association, Lansing

Dr. Sheila Semler, State Dental Director

Dr. Annette Mercatante, Provisional Medical Director, St. Clair County Health Dept.

In Opposition

Alice O'Neill, Prospect Place

Casey Chaudry, Martin Street

Helen Dickinson, Stanton Street (not in attendance but letter was read into the record); and

WHEREAS, the following professional organizations recommend that fluoride be included in the public water system in controlled concentrations for the benefit of public health:

Michigan Dept. of Environmental Quality (MDEQ)

U. S. Environmental Protection Agency (EPA)

The American Water Works Association (AWWA)

The World Health Organization (WHO)

American Medical Association (AMA)

Canadian Medical Association (CMA)

Centers for Disease Control (CDC)

American Dental Association (ADA)

Canadian Dental Association (CDA)

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the purchase of fluoride as previously approved on February 11, 2008 (From the Manager #2).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Lewandowski, McCulloch, Relken and Wright.

No: Councilmembers Byrne and Fisher.

Absent: None.

***R-7.** WHEREAS, a 21-member Beautification Commission was established at the City Council meeting of December 9, 1985; and

WHEREAS, there are several vacancies that exist;

NOW, THEREFORE, BE IT RESOLVED that Jeremy Everts and Gregory Goins are hereby appointed to the Beautification Commission to fill the unexpired terms set to expire on January 30, 2010.

Adopted.

R-8. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the City has a need to have the beach area and beach house including restrooms at Lakeside Park maintained and kept clean for park users; and

WHEREAS, Touchstone Services, Incorporation, a Michigan nonprofit corporation, operates a service known as the Blue Water Clubhouse and they desire to place a portable food concession

structure in Lakeside Park and offer in exchange for use of the property they will clean the beach area and restrooms; and

WHEREAS, the City previously had lifeguards perform the cleaning of the beach area and beach house (restrooms) at Lakeside Park and due to budget restraints there is no plan to hire any lifeguards at this location this year and yet a need still exists to perform this cleaning function; and

WHEREAS, a two-year agreement has been prepared between the parties;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached agreement with Touchstone Services, Incorporated (Blue Water Clubhouse) for a period May 1, 2008, through September 30, 2010, to operate a food concession at Lakeside Park in exchange for cleaning of the beach area and beach house including restrooms. (see City Clerk File #08-55).

Adopted unanimously.

R-9. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, amendments to Chapter 12, Businesses, Article X, is before the City Council for its third and final reading and enactment at this same meeting; and

WHEREAS, Section 12-383(e) states that processing and licensing fees for peddlers/solicitors and transient merchants shall be set by resolution of the City Council;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby adopts the following fees for peddlers/solicitors and transient merchants effective May 3, 2008, subject to the adoption of the amendments to Chapter 12, Businesses, Article X:

Peddler/solicitor license:

| | |
|--|----------|
| First month, includes \$25 non-refundable processing fee..... | \$ 65.00 |
| Subsequent months for up to one year..... | 30.00 |
| Four-day license (one per calendar year), includes \$25 non-refundable processing fee..... | 40.00 |
| Six-month license, includes \$25 non-refundable processing fee..... | 150.00 |
| Yearly permit, includes \$25 non-refundable processing fee..... | 250.00 |

Transient merchant license:

| | |
|---|----------|
| First month, includes \$25 non-refundable processing fee..... | \$ 75.00 |
| Subsequent months..... | 50.00 |
| Additional sites (same applicant, same sale period) ... | 35.00 |

Adopted unanimously.

***R-10.** WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, the Forestry Department of the City of Port Huron in cooperation with the Port Huron Area School District celebrated this year's Arbor Day on April 25, 2008 by planting trees at the following locations: Harrison Elementary at 10:00 a.m. and Garfield Elementary at 1:15 p.m.; and

WHEREAS, Port Huron has been recognized as a Tree City USA by the National Arbor Day Foundation, has participated in Arbor Day plantings for over twenty years and desires to continue its tree-planting practices;

NOW, THEREFORE, BE IT RESOLVED that the City of Port Huron joins other states, municipalities and agencies around the United States in calling attention to the importance of planting trees by the observation and celebration of Arbor Day on Friday, April 25, 2008.

Adopted.

R-11. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron has been informed that their application to the U.S. Department of Homeland Security Emergency Preparedness and Response Directorate (DHS-EP&R/FEMA) for the FY2007 Assistance to Firefighter Grant Program (AFGP) – Fire Prevention and Safety (FPS) in the area of general fire prevention/awareness safety programs has been approved; and

WHEREAS, the principal objectives of this grant agreement for the Port Huron Fire Department are to support and continue our fire prevention efforts through the purchase of public education materials as they relate to children under the age of fourteen (14); and

WHEREAS, the project cost in the amount of Ten Thousand Eighty-Three Dollars (\$10,083.00), of which 90% or Nine Thousand Seventy-Nine Dollars (\$9,074.00) is the federal share and 10% or One Thousand Nine dollars (\$1,009.00) is the local share, has been awarded to the City of Port Huron;

NOW, THEREFORE, BE IT RESOLVED that the City Council approves the terms of this FY2007 Assistance to Firefighter Grant Program – Fire Prevention and Safety Agreement (AFGP-FPS) through the DHS-EP&R/FEMA and that the City of Port Huron does hereby specifically agree, but not by way of limitation, to the following:

1. To maintain satisfactory financial accounts, documents and records in order to file reports with the U.S. Department of Homeland Security/AFGP-FPS;
2. To comply with any and all terms of said agreement including all terms not specifically set forth in the foregoing portion of this resolution; and

BE IT FURTHER RESOLVED that the appropriate City officials are hereby authorized to execute this grant agreement, as well as any further amendments necessary to fund the project, on behalf of the City (see City Clerk File #08-56); and

BE IT FURTHER RESOLVED that Robert W. Eick, Fire Chief/Emergency Management Coordinator be appointed as project coordinator and authorized representative for all aspects of the grant agreement.

Adopted unanimously.

R-12. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron has entered into an agreement with the County of St. Clair to provide dispatch services from the County Primary Public Service Answering Point ("PSAP"); and

WHEREAS, the County of St. Clair uses VisionAIR Public Safety Systems software for its computer assisted dispatch, records management and mobile communication systems; and

WHEREAS, in order to integrate with the County Dispatch, it is necessary for the City of Port Huron to obtain the client software licenses for a records management and mobile communication system, including the required installation, implementation, data conversion services and the initial annual maintenance;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached agreement with VisionAIR Public Safety Systems for client software licenses for records management and mobile communication systems including the required installation, implementation, data conversion services and the initial annual maintenance; and authorizes the appropriate City officials to execute said agreement. (See City Clerk File #08-57).

Adopted unanimously.

R-13. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, at their regular meeting of March 24, 2008, the City Council directed the City administration to prepare a Request for Proposal (RFP) for legal professional services; and

WHEREAS, the City administration sought and received similar RFP's prepared by seven other Michigan cities; and

WHEREAS, the attached RFP concerning the City of Port Huron's legal needs has been prepared based on these proposals that have been successfully utilized by these municipalities; and

WHEREAS, the City administration recommends that this RFP be sent to all of the law firms listed in the Michigan State Bar Directory for St. Clair County; and

WHEREAS, the proposed RFP schedule is as follows:

| | |
|-----------------------------------|------------------------------------|
| RFP'S mailed and advertised | April 29, 2008 |
| Mandatory pre-proposal conference | May 9, 2008 – Room 408, 10 a.m. |
| RFP's due | May 23, 2008 – 3:00 p.m. E.D.T. |
| Review by City Manager and staff | May 27 through June 4, 2008 |
| Recommendation to City Council | June 9, 2008 |
| Contract begins (if awarded) | July 1, 2008 |

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached Request for Proposal (RFP) for legal professional services and its proposed schedule and directs the City Manager to send it to all law firms listed in the

Michigan State Bar Directory for St. Clair County (see City Clerk File #08-58).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.

No: Councilmembers Relken and Wright.

Absent: None.

R-14. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, at their April 14, 2008 regular meeting the City Council directed the City Manager to prepare a purchase agreement for the sale of the Water Street Marina to Acheson Foundation consistent with the terms outlined in Acheson's letter received by City Council at their March 24 and April 14, 2008, regular meetings; and

WHEREAS, said agreement has been prepared and is attached hereto;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the purchase agreement for the sale of the Water Street Marina to Acheson Foundation and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-59).

Councilmember Wright moved to postpone action until an appraisal of the marina is done by a professional marina appraiser and further authorizes the City Manager to obtain said appraisal.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher and Wright.

No: Councilmembers Lewandowski, McCulloch and Relken.

Absent: None.

ORDINANCES

O-1. Councilmember Fisher moved that an ordinance introduced April 14, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1290

AN ORDINANCE TO AMEND CHAPTER 12, ARTICLE X, PEDDLERS, SOLICITORS, TRANSIENT MERCHANTS AND SPECIAL EVENTS VENDORS, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON FOR THE PURPOSE OF DELETING THE ENTIRE ARTICLE AND REPLACING IT WITH AN UPDATED ARTICLE TO MORE CLEARLY DEFINE THE VARIOUS LICENSES AND THEIR PARTICULAR REGULATIONS.

THE CITY OF PORT HURON ORDAINS:

That Chapter 12, Article X, Peddlers, Solicitors, Transient Merchants and Special Events Vendors, of the Code of Ordinances of the City of Port Huron be amended for the purpose of deleting the entire article and replacing it with an updated article to more clearly define the various licenses and their particular regulations.

CHAPTER 12. BUSINESSES

ARTICLE X.

PEDDLERS/SOLICITORS OR TRANSIENT MERCHANTS

DIVISION I. GENERALLY

Sec. 12-381. Purpose.

The purpose of this article is to license and regulate the movement, location, business practices and hours of operation of peddlers/solicitors and transient merchants in the city; to promote the safe use of the streets, sidewalks and public areas of the city; and to protect the health, safety and welfare of the people of the city.

Sec. 12-382. Definitions.

The following words, terms and phrases when used in this article shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Authorized officer includes any Port Huron City Police Officer and all City of Port Huron Administrative Officers and their designees.

Established competing business is a business engaged in sales of substantially similar products/services at a permanent location, whether they own or lease the property or otherwise have a written agreement with the city to be in this location.

Exempt organizations shall mean any recognized St. Clair County nonprofit organizations or societies making sales for charitable, educational, religious, fraternal, labor, political groups or for public purpose. If requested, persons or groups in this category shall provide proof of such exemption or status.

Licensee shall mean a person or business authorized under this article to sell in the city as a peddler/solicitor or transient merchant.

Peddler shall mean any person who travels about by foot, wagon, automotive vehicle or any other type of conveyance, from place to place, from house to house, or from street to street, selling his/her product/service. The word "peddler" shall include the words "hawker" and "huckster."

Person shall mean any person, firm, association, corporation, limited liability company, partnership, corporation or other business entity, regardless of whether a resident of the city or not.

Product and/or service shall mean goods, wares, merchandise, flowers, food items, meats, fish, vegetables, fruits, garden truck, farm products, etc., or work done for others as an occupation or business.

Removable stand means a non-motorized cart, kiosk, or other unit capable of being pushed by one person, with at least two functional wheels, and must be self-contained and capable of mobility at all times.

Solicitor shall include any person traveling about by foot, wagon, automotive vehicle or any other type of conveyance, from place to place, from house to house or from street to street, engaged in the business of taking orders, making contracts for the purchase of products/services for future delivery or any person who shall employ a representative, agent, or crew to engage in such activity. The word solicitor shall also include the word "canvasser."

Transient merchant means any person, whether as owner, employee, agent or consignee, who engages in a temporary business from a stationary location on commercially-zoned private property to sell and deliver a product/service, display examples and take orders or make contracts for the purchase of a product/service for future delivery, and who, in furtherance of such purpose, hires, leases, uses or occupies any building, structure, motor vehicle, tent, railroad boxcar, or boat, public rooms in hotels, motels, lodging houses, apartments, shops, etc., for the exhibition and sale of such product/service, either privately or at public auction. The person

so engaged shall not be relieved from complying with the provisions of this section merely by reason of associating temporarily with any local dealer, trader, merchant or auctioneer, or by conducting such transient business in connection with, as a part of, or in the name of any local dealer, trader, merchant or auctioneer.

Veteran shall mean any veteran qualifying for a state peddler's license issued by the county clerk pursuant to Public Act No. 359 of 1921 as amended (MCL 35.441 et seq.) who has provided a copy of said state license to the city clerk.

12-383. Requirements of all licensees under this article.

(a) *Applications.* All applicants for a license under this article must file with the city clerk a sworn application, in writing, on a form to be furnished by the city clerk. The application may include, but is not limited to, applicant's name, address, date of birth and contact telephone numbers; felony convictions; brief description of the nature of the business and/or product/service to be sold; a description of any vehicle or removable stand to be used, if applicable; a privacy release authorization and any other information deemed appropriate to ascertain. If an applicant is under 16 years of age, a parent or guardian must also apply as a co-applicant for such license.

(b) *Investigation of applicant.* Upon receipt of an application, the clerk shall cause an investigation of the applicant's business responsibility and moral character to be made as deemed necessary for the protection of the public good as provided for in this chapter.

(c) *Approval/denial of application.* If as a result of such investigation the character and business responsibility of the applicant is found to be satisfactory, the clerk shall issue said license upon receipt of full payment of the prescribed license fee. If as a result of such investigation the applicant's character or business responsibility is found to be unsatisfactory, pursuant to Section 12-46, the clerk shall notify the applicant that the application is disapproved and that no license shall be issued. Applications submitted under this article shall either be approved or denied within seven days from the date the application is submitted.

(d) *Other license requirements.* A copy of the county health certificate approval must be submitted prior to issuance of a license by the city, if applicable. In addition, it will be the obligation of the licensee to obtain any other required licenses from the county and/or state.

(e) *Fees.* The processing and licensing fees for each applicant shall be set by resolution of the city council from time to time. Processing fees are nonrefundable.

(f) *Display of license.* Licensees under this article shall display said license issued by the city clerk's office on his/her person or otherwise be clearly visible by any citizen or authorized officer upon casual inspection during the entire time such business is carried on.

(g) *License non-transferable.* Licenses issued under this article shall not be transferable, either as to individuals or as to location.

(h) *Revocation of license.* A license issued under this article may be revoked at any time for failure to comply with city code or conditions set forth in this chapter.

(i) *Creation of noise, sound and lights to attract attention.* No licensee shall create a nuisance by shouting, crying, blowing a horn, ringing a bell, using any sound device including loud speakers or sound amplifiers, using or employing any flashing lights on any vehicle or any other device upon any private premises, street, alley, park or other public place of the city for the purpose of attracting attention to any product/service which the licensee proposes to sell.

(j) *Litter and/or trash.* Licensees shall keep the sidewalks, streets and other public and private places adjacent to their

locations clean and free from any litter and/or trash generated from the operation of their business.

Sec. 12-384 – 12-390. Reserved.

DIVISION 2. PEDDLERS/SOLICITORS

Sec. 12-391. Conduct of peddlers/solicitors.

(a) **General.** Peddlers/solicitors are authorized to engage in peddling/soliciting their product/service in the public areas of the city, except where otherwise prohibited, upon receipt of a license. The city manager, or his designee, shall have the right to designate such streets, sidewalks, districts or areas wherein it shall be unlawful for any licensee to conduct or operate his/her business. Such designation can be made for reasons of congested pedestrian/vehicular traffic conditions, the character of the neighborhood or if the conduct of such business constitutes a public nuisance. All traffic and parking regulations must be adhered to.

(b) **License period.** The period shall be determined by the amount of the license fee paid.

(c) **Prohibitions:** Peddlers/solicitors are prohibited from the following:

1. Obstructing any street, alley, sidewalk or driveway, except as may be necessary and reasonable to consummate a sale or take orders; selling to persons standing in roadways, to vehicles at red lights and to vehicles in moving traffic lanes; engaging in business on any state trunk line highway or county road within the city; engaging in peddling/soliciting after having been requested to desist by any authorized officer because of congested or dangerous traffic conditions.
2. Remaining, bartering, selling, offering or exposing for sale any product/service in front of or at the side of any property against the wish or desire of the property owner/tenant/occupant of such property or within 500 feet of the entrance to any school building while school is in session.
3. Entering a private residence under pretenses other than for peddling/soliciting or remaining in a private residence or on the premises after the owner or occupant has requested any such person to leave; going in a private residence when the owner/occupant has displayed a no peddling/soliciting sign on such premises; peddling/soliciting at a private residence prior to 9 a.m. or after 9 p.m.
4. Peddling/soliciting on a street or within an area which has been closed by the city for an art fair, street fair or other special event, except with permission from the City or the special event organizer.
5. Placing a vehicle, which is being used to make sales from, more than 12 inches from the curb or not parallel to the curb and not departing from such place as soon as the sale or order has been completed with customers actually present unless they are designated as a removable stand.

(d) **Removable stands.** Licensee may sell products from a removable stand on public property without the necessity of moving from place to place under the following conditions:

1. Comply with all prohibitions outlined in Section 12-391(c) and Sections 42-7 and 42-8 of this code.
2. The operation of removable stands shall be such as to not unreasonably interfere with the use of the sidewalks, streets or other public areas by the public, congest or impede traffic or endanger persons or property of pedestrians or others using the same. Removable stands must be relocated if an authorized officer requests licensee to move from a location

because of physical damage to the property by the peddler's operations, congestion, dangerous traffic conditions or it impedes the ability of city staff to maintain the surrounding public area.

3. Removable stands cannot be placed in the street, occupy a public parking space, be placed in the public area in front of or adjacent to a private residence, nor within 300 feet of an established competing business unless the licensee has within his/her possession written approval from the owner or manager of such established competing business to locate the removable stand within 300 feet of such business.
4. Placement of removable stands shall not cause damage to public property and licensee shall be liable if any such damage occurs due to the operation of their business.
5. Removable stands must be attended to by licensee at all times.
6. No peddler/solicitor will be granted exclusive rights to a specific location under the provisions of this ordinance.

(e) **Exemptions from fees only:** Any established business which sells a product/service at a permanent location within the city, or is a veteran or exempt organization (as defined in Section 12-382) shall be exempt from payment of licensing fees only. All other provisions of this article apply.

(f) **Other exemptions.** The following shall be exempt from this division in its entirety:

1. Newspaper salespersons or delivery persons.
2. Persons traveling on an established route at the request, expressed or implied, of their customers.
3. Salespersons calling on business establishments.
4. Any persons under 18 years of age when engaged in peddling on foot in the neighborhood of their residence under the direct supervision of any school or recognized charitable or religious organization.

Sec. 12-392 – 12-400 Reserved.

DIVISION 3. TRANSIENT MERCHANTS

Sec. 12-401. Conduct for transient merchant license.

(a) **General.** Transient merchants are authorized to engage in a temporary business from a stationary location on commercially-zoned private property with written permission of the property owner/occupant, except where otherwise prohibited, upon receipt of a license.

(b) **License period.** Licenses shall cover up to a 30-consecutive-day sale period; however, no more than four shall be issued per year, per applicant. When the applicant has more than one transient merchant location during the same sale period, there will be a fee assessed per additional location.

(c) **Exceptions to license period.** Transient merchants selling food items only, which items are prepared and intended for immediate consumption, may be issued a license for up to seven months in a calendar year if the city administration finds in each case that:

1. The business and the proposed location for the licensee to conduct business will not create any threat to the public's health, safety and welfare and will not unduly aggravate any traffic problem in the area.
2. The proposed use will not be injurious to the surrounding neighborhood.
3. The proposed use shall not cause traffic congestion or movement out of proportion to that normally prevailing in the particular district.
4. The proposed use shall provide sufficient space for the required off street parking of all vehicles attracted

by its presence and shall abide by the regulations set forth in this chapter for its particular district or use.

(d) **Exemptions from fees only:** Any established business which sells a product/service at a permanent location within the city, or is a veteran or exempt organization (as defined in Section 12-382) shall be exempt from payment of licensing fees only. All other provisions of this article apply.

(e) **Exemptions.** The following shall be exempt from this division in its entirety:

1. Transactions commonly described as yard, garage, basement, and like sales.
2. Sales made under order of any court.
3. Any person foreclosing any chattel mortgage, when the property is disposed of under the power of sale contained in such instrument and not sold at retail.

Sec. 12-402 – 12-500. Reserved.

Pauline M. Repp, MMC
City Clerk

ADOPTED: 04/28/08
PUBLISHED: 05/03/08
EFFECTIVE: 05/03/08

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
No: Councilmember Wright.
Absent: None.

O-2. Councilmember Lewandowski moved that an ordinance introduced April 14, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1291

AN ORDINANCE TO AMEND CHAPTER 42, STREETS, SIDEWALKS AND OTHER PUBLIC PLACES, ARTICLE I, IN GENERAL, TO AMEND THE CODE OF ORDINANCES OF THE CITY OF PORT HURON TO ALLOW LICENSED PEDDLERS/SOLICITORS TO PLACE A REMOVABLE STAND IN THE PUBLIC RIGHT OF WAY UNDER SPECIFIC CONDITIONS.

THE CITY OF PORT HURON ORDAINS:

That Chapter 42, Streets, Sidewalks and Other Public Places, Article I, In General, to amend the Code of Ordinances of the City of Port Huron to allow licensed peddlers/solicitors to place a removable stand in the public right of way under specific conditions.

CHAPTER 42. STREETS, SIDEWALKS AND OTHER PUBLIC PLACES

ARTICLE I. IN GENERAL

Sec. 42-1 through Sec. 42-6.
No changes.

Sec. 42-7. Sec. 42-7. Use for business purposes generally.
No person shall operate or maintain any stand, vehicle, store or place of business in such a manner that the customers or traders with such person occupy or congregate within the limits of any street, lane, highway or public place within the city. No person shall be permitted to use the streets, alleys, lanes or public places of the city for the service of customers or for the transaction of business or to use any stands, stores or other places of business in any manner that shall require the customer, when transacting such

business, to stand within the limits of the streets, highways, alleys or public places of the city, except as otherwise specifically provided in this code.

Sec. 42-8. Display or storage of goods, products or merchandise.

(a) It shall be unlawful for any person to use any street, sidewalk or other public place as a space for the display of goods, products or merchandise for sale or for the selling or storage of goods, products or merchandise without having first obtained a permit from the public works director, unless they are a licensed peddler/solicitor as provided in this code.

(b) No street, sidewalk or other public place shall be blocked by any merchandise, products or goods on display, stored or offered for sale under a permit issued pursuant to this code. A six-foot passageway for pedestrians shall be left open, and merchandise, products and goods shall be securely and adequately placed so as to not endanger passersby or fall or extrude into any street or alley. Such sales and storage or display shall not be operated in any manner which shall cause a nuisance or create a fire hazard.

Sec. 42-9 through Sec. 42-55.

No changes.

Pauline M. Repp, MMC
City Clerk

ADOPTED: 04/28/08
PUBLISHED: 05/03/08
EFFECTIVE: 05/03/08

Adopted unanimously.

NOTE: Per request of Councilmember Wright, City Manager to look at issue of peddlers parking their vehicles (truck with cap, specifically) in the parking area along the Thomas Edison Parkway for extended periods of time and blocking the view for others as well as using spaces intended for short visits.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember Relken read remarks stating his belief that there should not be any further reductions in police or fire personnel and that “public safety and the security of our residents must continue to be the top priority of this city council and the residents of the city of Port Huron” and asked that they become part of the public record (see City Clerk File #08-60 for a complete copy of his remarks.) Additionally, he distributed pictures of paint markings from various utility companies on the sidewalks, etc., around SCCCC, the fire station, etc., and stated that he believes that this “construction graffiti” should be removed at the conclusion of a construction project.

2. Councilmember Fisher talked about the Welkin Base Ball Club and its opening day June 8, 2008, and schedule for the summer.

3. Councilmember Byrne asked about the cost of the Recreation Department’s brochure now that it was done in glossy format. John Berry responded that the layout and design was done in-house and that the printing cost was about the same as in previous years.

On motion (10:25 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held on Saturday, May 3, 2008, at 9:00 a.m. in Conference Room 408, Municipal Office Center, 100 McMorran Blvd.

The meeting was called to order by Mayor Moeller

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.

Absent: Councilmembers Relken and Wright (resignation submitted May 2, 2008).

PUBLIC AUDIENCES

1. Ken Harris, Port Huron, addressed City Council asking if comments were limited to the subject matter of Karl Tomion's resignation. The Mayor said yes and Mr. Harris said he would save comments until a future meeting.

2. Mike Bodeis, Fort Gratiot, addressed City Council stating that Karl Tomion has done a good job. He further commented that overtime pay for employees has been reduced and that Mr. Tomion has good contacts to work on issues such as the casino and he does not want to see him resign. He told Council they were elected to not raise water rates and to get back on track and that they should get Mr. Tomion to stay. He further stated that he supports Mr. Tomion and he supports Mayor Moeller but that the City pays Cadillac wages in a community that has Chevrolet income residents.

MOTIONS AND MISCELLANEOUS BUSINESS

Mayor Moeller gave a prepared statement that stated he had met with Mr. Tomion and discussed what it would take for him to stay and that rumors were that the Council was meeting this date to fire Mr. Tomion and he said that it was not his or the Council's intention to fire Karl Tomion.

Mr. Tomion stated that he met with Mayor Moeller and had a good conversation and he thought that they concluded that the Mayor did not feel the he, the City Council and the City Manager could reach a consensus of moving forward. He further stated that he told the Mayor that he wanted to continue to work until December as he believes he has a lot of experience and the expertise to work on projects that the City is currently involved with and is committed to implementing decisions that the City Council makes during that time.

Mayor Moeller said they talked about the stability of the City and how it is affected when the entire Council is elected every two years and suggested that a Charter amendment is needed to have staggered terms.

Discussion was then held amongst the City Council and City Manager about Karl Tomion's resignation. Following are some of the things discussed:

Councilmember Byrne stated he just wanted to know what options there were. Mr. Tomion stated that if he was to depart early a good idea would be to contact the MML and get an experienced manager for interim and that if the Council wanted to move in that direction he would recommend that Pauline Repp be the Acting Manager in fill the gap. Mr. Tomion further stated that it was his

intention to stay until December 1 but that if that was not possible he would want to do everything possible for the City to move ahead. Mr. Tomion stated that when asked by Councilmember Byrne whether he would continue in a staff capacity until December 1 that he would but that they would be paying two city manager salaries at the same time. It was discussed that they would have to pay Mr. Tomion seven months salary whether he leaves as planned on December 1st or if they fired him. Karl Tomion stated that Council has plenty of time to go through the search process and that there could be an overlap at the end for a smooth transition.

Mayor Moeller stated his concern about Mr. Tomion appointing the replacement of two department heads when he is leaving and should it not wait until a new city manager is in place. It was stated that the Charter dictates that the Manager does the appointments of department heads and other employees and not the City Council. Further, it was stated that if Mr. Tomion left early an interim would have the same full power and authority.

Karl Tomion offered that if the council voted to remove him that he would work out a severance agreement and that during that period of time he would not appoint new administrators but that if he works until December 1 he feels he needs to do those appointments as the positions are necessary and need to be filled.

Councilmember Lewandowski asked how long it would take to get a new city manager. **Mayor Pro-tem Fisher** stated he has spoken to the MML and that they have a search process and have a list of people willing to serve as an interim manager; however, most are retired and wish to serve in a specific geographical area.

Councilmember McCulloch stated that he did not think that Karl Tomion was causing problems for the Council and that he was always professional and made sure that Council's concerns were taken care of. He stated he does not see a problem with Mr. Tomion staying for the seven months and that he has never put his personal preference ahead of Councils. He further expressed that he wished that Mr. Tomion would remove his resignation and stay on. Mr. Tomion stated that he did not want his resignation to cause problems. Councilmember McCulloch further stated that he believes the Council has experienced growing pains over the past six months and that they need to work toward common goals.

Karl Tomion stated that Council would need to set up a process to begin the search for a new city manager and that will take about 4-6 months. He believes it would be attractive to City Council to eliminate paying for two people at once and that there are two key projects that he has been involved in and that if he left now it would be disruptive to efforts made and he was trying to provide a professional transition period and that he was not here today to negotiate his severance.

Councilmember Byrne stated that transition is good but asked about scenario if they found a suitable replacement in three months.

Councilmember McCulloch talked about back door deals to fire the city manager and that when Tom Hutka left there was a lot of controversy and asked if the Council was heading down the road to firing Mr. Tomion. **Mayor Moeller** stated that the meeting this date was to accept Mr. Tomion's resignation.

Mr. Tomion stated that the Open Meetings Act provides for a closed door session if Council wants to perform a job performance review but not to negotiate severance agreement.

Councilmember McCulloch stated that he believes that Karl Tomion is respected and brings a lot to the table and thinks that he and the Council can work this out if support from the Council is shown. He further stated that he did not believe that there were four votes to fire him.

Mayor Pro-tem Fisher stated that he respects the hard work Mr. Tomion has done on the Blue Water Bridge Plaza project and the casino and that they are big issues and that he would like to see him available to Council on those issues. He further stated that he tries not to deal in rumors and he is not here to fire or terminate Karl Tomion but that Mr. Tomion has reached a decision and he thinks Council should not beg him to stay and that they need to do what is best for Karl Tomion and the community.

Councilmember McCulloch stated that if Council had a city manager evaluation at the next meeting and they talked it through one on one it would be possible to work it out and that maybe Mr. Tomion would reconsider his resignation.

Mayor Pro-tem Fisher stated this meeting is very transparent and that is how it should be and that he respects Karl Tomion's decision but would be happy to go through review process but thinks Mr. Tomion is at peace with his decision.

Councilmember McCulloch questioned the necessity for having this Saturday morning meeting if all Council was doing was accepting Mr. Tomion's resignation.

Councilmember Byrne moved to receive and file and accept Karl Tomion's letter of resignation as City Manager effective December 1, 2008.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.

No: None.

Absent: Councilmembers Relken and Wright (resigned May 2, 2008)

Councilmember Byrne asked if Karl Tomion would prepare a resolution for the next meeting with a potential search process. In reply, Mr. Tomion stated he would need to know the Council's goals first. **Mayor Moeller** asked if Mayor Pro-tem Fisher and Councilmember McCulloch would work on something.

On motion (9:53 a.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, May 12, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.

Absent: None.

Vacancy: One.

The minutes of the regular meeting of April 28, 2008, and the special meeting of May 3, 2008, were approved.

APPOINTMENT OF CITY COUNCILMEMBER

1. Councilmember Byrne moved to receive and the file the resignation letter of Councilmember Al Wright.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.

No: None.

Absent: None.

Vacancy: One.

2. Councilmember McCulloch moved to appoint Laurie Sample-Wynn to fill the vacancy on City Council.

Councilmember Fisher moved to postpone action until June 9, 2008.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher and Lewandowski.

No: Councilmembers McCulloch and Relken.

Absent: None.

Vacancy: One.

PUBLIC HEARINGS

1. The Mayor announced that this was the time to hear comments on the application of Domtar Industries, Inc., 1700 Washington Avenue, for an Industrial Facilities Exemption Certificate.

Jennifer King-Elsar, Domtar Industries, Inc., appeared asking for Council support of their application.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Fisher**:

WHEREAS, Domtar Industries, Inc., 1700 Washington Avenue, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, the Port Huron City Council held a public hearing on May 12, 2008, to hear comments on the application; and

WHEREAS, the City Assessor and Legislative Body of each unit which levies taxes was notified of the public hearing prior to said meeting;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council approves the Domtar Industries, Inc., application for an Industrial Facilities Exemption Certificate for six (6) years on personal property and hereby authorizes the appropriate City officials to execute the necessary agreements and the City Clerk to forward the application to the State Tax Commission; and

BE IT FURTHER RESOLVED that the above certificate will be issued for the following dates:

All personal property: 12/31/08 to 12/31/14 (6 years)

BE IT FURTHER RESOLVED that the City of Port Huron does find that the granting of the Industrial Facilities Exemption Certificate (considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and currently in force) shall not have the effect of substantially impeding the operation of the City of Port Huron or impairing the financial soundness of any taxing unit levying an ad valorem property tax on the property upon which the facility known as Domtar Industries, Inc., is located.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.

No: None.

Absent: None.

Vacancy: One.

2. The Mayor announced that this was the time to hear comments on the proposed operating budget for fiscal year 2008-09.

The Mayor relinquished his gavel to Mayor Pro-tem Fisher and addressed the City Council as a citizen (Brian Moeller, 3900 Oak Hills Circle). He stated that with the high price of food and gas people do not want, nor should they have, any increases in their water/sewer rates and thanked Council for rescinding the increase previously instituted and said that without that action he believed that nothing would have changed. He thanked Mr. Tomion for proposing only a 5% increase but stated that he believes another \$600,000 can be cut from the budget and there will be no need for any increase and that \$242,000 can be cut from wages and benefits of the top administrators and that \$1.4 to \$1.7 million can be saved in health care by going to a local company's proposal, Robbins Group.

The Mayor declared the hearing closed.

3. The Mayor announced that this was the time to hear comments on the proposed capital improvement program for fiscal years 2008-09 through 2012-13.

No one appeared to be heard.

The Mayor declared the hearing closed.

4. **The Mayor** announced that this was the time to hear comments on the proposed Port Huron Downtown Development Authority budget for fiscal year 2008-09.

No one appeared to be heard.

The Mayor declared the hearing closed.

PRESENTATIONS

1. Tom Skrobola, Director of Management Services and Chief Financial Officer for the City of Kalamazoo, and a Board Member of the Michigan Governmental Finance Officers Association (GFOA), presented the GFOA Certificate of Achievement for Excellence in Financial Reporting to the City's Finance Director and Department.

PUBLIC AUDIENCES

1. Pam Vaughn, addressed the City Council asking them to continue funding the DARE program.
2. John Pavlov addressed the City Council stating that the city does not need a recall election and that most fail and should only be used for really serious things.
3. Jean Webb, 2526 Military Street, addressed the City Council stating that the Council was elected to make changes and a lot of people of supporting those changes and they need to follow through with no water/sewer increases.
4. Howard Heidemann, County Commissioner, 833 North Pointe Drive, addressed the City Council stating he was disappointed with Council's decision to not appoint Laurie Sample-Wynn to fill the vacancy and that she was next in line as voted by the people and willing to serve and bring her expertise regarding budget and that they owed her an apology.
5. Leslie Butler, addressed the City Council asking them to continue funding the DARE program.
6. Mike McCauley, 838 Griswold Street, owner of Just In Time Concessions and Blue Water Concessions, addressed the City Council thanking Council for new ordinance allowing peddlers in public places but asking that ordinance address being able to sell from a truck in a parking space as well as from a removable stand.
7. Shannon Byrd, owner of 327 Huron Avenue, addressed the City Council about lack of parking downtown because business owners and their employees take the prime spaces and requested that an area in the McMorran lot be designated for owners and employees so that they leave the other parking for patrons. He also stated that Council should have a master plan.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
 No: None.
 Absent: None.
 Vacancy: One.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

May 13: City residents can register for summer recreation programs and non-residents can register May 20.
 May 24-25: Annual Feast of the Ste. Claire, Pine Grove Park
 May 26: Memorial Day Parade, Quay Street to Pine Grove Park

COMMUNICATIONS & PETITIONS

C-1. Councilmember Lewandowski moved to receive and file the following communication:

Letter from the Charter Township of Port Huron stating their objection to the ongoing discussion of annexation of township property, namely the St. Clair County Sheriff Complex at 1170 Michigan Road.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
 No: None.
 Absent: None.
 Vacancy: One.

FROM THE CITY MANAGER

CM-1. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On April 28, 2008, the City of Port Huron Utilities Division received (3) three bids for the purchase and installation of a sweep drive mechanism for the north east thickener tank at the Wastewater Treatment Plant:

| | |
|---|--------------|
| Trojan Development Company, Inc. (Oxford, MI) | \$276,500.00 |
| O'Laughlin Construction Company (Brighton, MI) | \$288,000.00 |
| Titus Welding Company, Inc. (Farmington Hills, MI) | \$289,200.00 |

It is recommended that the bid of Trojan Development Company, Inc. 2260 Metamora Road, Oxford, Michigan 49371, in the amount of Two Hundred Seventy-Six Thousand Five Hundred and 00/100 Dollars (\$276,500.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
 No: None.
 Absent: None.
 Vacancy: One.

CM-2. Councilmember Byrne offered and moved the adoption of the following City Manager's recommendation:

On April 28, 2008, the City of Port Huron Utilities Division received (3) three bids for the purchase and installation of a sweep drive mechanism for clarifier #1 at the Wastewater Treatment Plant:

| | |
|---|--------------|
| Titus Welding Company, Inc. (Farmington Hills, MI) | \$270,900.00 |
| Trojan Development Company, Inc. (Oxford, MI) | \$292,250.00 |
| O'Laughlin Construction Company (Brighton, MI) | \$367,000.00 |

It is recommended that the bid of Titus Welding Company, Inc. 20750 Sunnysdale Avenue, Michigan 48336, in the amount of Two Hundred Seventy Thousand Nine Hundred and 00/100 Dollars (\$270,900.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
 No: None.
 Absent: None.
 Vacancy: One.

CM-3. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

In accordance with Section 55 of the City Charter, there is submitted herewith a Quarterly Financial Report of the City of Port Huron for the nine month period ending March 31, 2008. (See City Clerk File # 08-63).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
 No: None.
 Absent: None.
 Vacancy: One.

RESOLUTIONS

R-1. Councilmember Byrne offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
 No: None.
 Absent: None.
 Vacancy: One.

2-3. Councilmember Lewandowski moved the adoption of the following resolutions:

R-2(a). WHEREAS, the City Council of the City of Port Huron determines that it is necessary to specially assess the cost of maintenance for the streetscape project described as follows:

Along Huron Avenue from the north side of Black River to the south side of McMorrان Boulevard; and

WHEREAS, the City Council determines that the cost of maintaining such project should be paid by special assessment

levied against the lots and parcels of land benefitted by such improvements;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Manager shall make an investigation of the cost of maintaining the project and prepare a report which shall include a budget for maintaining the project for the 2008-2009 fiscal year, a description of the assessment district, and his recommendation as to what portion of the cost should be paid by special assessment and what portion, if any, should be a general expense of the City, and the lands which should be included in the special assessment district.

2. The foregoing special report, as soon as completed, shall be presented to the City Council.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

R-2(b). WHEREAS, in accordance with the City Council resolution dated May 12, 2008, the following is a report of the City Manager regarding the proposed special assessment of the cost of maintaining certain public improvements:

1. The maintenance for the streetscape improvements for which all of the maintenance costs are to be specially assessed are described as follows:

Along Huron Avenue from the north side of Black River to the south side of McMorrان Boulevard.

2. The estimated cost of maintaining streetscape improvements for the 2008-2009 fiscal year is \$40,000.00.

3. Said special assessment district is tentatively designated as all of the lots and parcels of land described as follows:

Along Huron Avenue from the north side of Black River to the south side of McMorrان Boulevard (See Appendix A - See City Clerk File #08-64).

NOW, THEREFORE, IT IS RECOMMENDED THAT:

1. The City Council tentatively declare the special assessment of the maintenance costs of the streetscape improvements to be of public necessity and proceed with necessary procedures to make such special assessment.

2. Said special assessment district be designated as all of the lots and parcels of land described as follows:

Along Huron Avenue from the north side of Black River to the south side of McMorrان Boulevard (See Appendix A).

3. The cost of maintaining said public improvements for the 2008-2009 fiscal year is estimated to be \$40,000.00, of which \$30,000 shall be spread over the special assessment district as hereinafter described, \$10,000 will be provided from accumulated funds and none of which shall be paid as a general expense of the City.

Adopted.

R-2(c). WHEREAS, the City Council of the City of Port Huron tentatively determines that it is necessary to specially assess the cost of maintaining streetscape improvements in the City of Port Huron, more particularly hereinafter described in this resolution; and

WHEREAS, the City Manager has prepared a report concerning the maintenance costs of the streetscape improvements, which includes all the information required to be included by the Special Assessment Ordinance of the City; and

WHEREAS, the City Council has reviewed that report;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby tentatively determines the necessity for and further determines to proceed with special assessment of the cost of the streetscape improvements described as follows:

Along Huron Avenue from the north side of Black River to the south side of McMorran Boulevard.

2. The cost of operating improvements for the 2008-2009 fiscal year is estimated to be \$40,000.00, of which \$30,000 shall be spread over the special assessment district as hereinafter described, \$10,000 will be provided from accumulated funds and none of which shall be paid as a general expense of the City, and the aforesaid report of the City Manager is hereby approved.

3. Said special assessment district is tentatively designated as all of the lots and parcels of land described as follows:

Along Huron Avenue from the north side of Black River to the south side of McMorran Boulevard.

4. The report of the City Manager shall be placed on file in the office of the City Clerk where the same shall be available for public examination.

5. The City Assessor shall prepare a special assessment roll reading that portion of the cost of maintaining the aforesaid streetscape improvements to be borne by the special assessment district against said district according to the benefits received, in conformity with the provisions of the Special Assessment Ordinance of the City and the City Charter. As soon as said roll is prepared, the City Assessor shall file the same with the City Council.

6. All resolutions and parts of resolutions insofar as they conflict with the provision of this resolution be and the same hereby are rescinded.

Adopted.

R-2(d). WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of maintaining streetscape improvements more particularly hereinafter described to the properties specially benefitted by the operation of said public improvements, and the same has been presented to the Council;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll shall be filed in the office of the City Clerk for public examination and shall be open to public

inspection for a period of seven (7) days before the hearing hereinafter provided for.

2. The City Council shall meet at the Municipal Office Center, Port Huron, Michigan, at 7:00 p.m. on May 27, 2008, for the purpose of hearing all persons interested in the operation of said streetscape improvements and said special assessment roll and reviewing the same.

3. The City Clerk is directed to publish the notice of said hearing once in the Port Huron Times Herald, a newspaper of general circulation in the City of Port Huron, not less than ten (10) full days prior the date of the said hearing and shall further cause notice of the meeting to be sent by first class mail to each owner of or person in interest in property subject to assessment as indicated by the records in the City Assessor's office as shown on the current assessment rolls of the City, at least ten (10) full days before the time of said hearing, said notice to be mailed to the addresses shown on said current assessment rolls of the City.

4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF SPECIAL ASSESSMENT HEARING

City of Port Huron
County of St. Clair, Michigan

TAKE NOTICE that the City Council of the City of Port Huron, St. Clair County, Michigan, has determined it to be necessary to specially assess the cost of maintaining streetscape improvements in the City of Port Huron as follows:

The City Council has determined that all the costs of the above described public improvements shall be assessed against each of the following lots and parcels of land:

Along Huron Avenue from the north side of Black River to the south side of McMorran Boulevard.

Take Further Notice that the City Council has caused a report concerning said public improvements to be prepared, which report includes estimates of cost of such public improvements for the 2008-2009 fiscal year, a descriptions of the assessment districts and other pertinent information and has caused a special assessment roll to be prepared and this report and special assessment roll are on file in the office of the City Clerk and are available for public examination.

Take Further Notice that the City Council will meet on May 27, 2008, at 7:00 p.m., at the Municipal Office Center in the City of Port Huron for the purpose of hearing interested persons on the maintenance costs of the streetscape improvements, the composition of said district and for the purpose of reviewing said special assessment roll.

Take Further Notice that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if any appeal should be desired. A property owner or party in interest, or his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter delivered to the Clerk by 4:30 p.m. on May 27, 2008, and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty (30) days after

confirmation of the special assessment roll if that special assessment was protested at this hearing.

This Notice is given by order of the City Council of the City of Port Huron, St. Clair County, Michigan.

Pauline M. Repp, CMC
City Clerk

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

R-3(a). WHEREAS, the City Council of the City of Port Huron determines that it is necessary to specially assess the cost of maintenance for the streetscape project described as follows:

Along Military Street from the south side of Black River to the north side of Court Street; and

WHEREAS, the City Council determines that the cost of maintaining such project should be paid by special assessment levied against the lots and parcels of land benefitted by such improvements;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Manager shall make an investigation of the cost of maintaining the project and prepare a report which shall include a budget for maintaining the project for the balance of the 2008-2009 fiscal year, a description of the assessment district, and his recommendation as to what portion of the cost should be paid by special assessment and what portion, if any, should be a general expense of the City, and the lands which should be included in the special assessment district.

2. The foregoing special report, as soon as completed, shall be presented to the City Council.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Adopted.

R-3(b). WHEREAS, in accordance with the City Council resolution dated May 12, 2008, the following is a report of the City Manager regarding the proposed special assessment of the cost of maintaining certain public improvements:

1. The maintenance for the streetscape improvements for which all of the maintenance costs are to be specially assessed are described as follows:

Along Military Street from the south side of Black River to the north side of Court Street.

2. The estimated cost of maintaining streetscape improvements for the balance of the 2008-2009 fiscal year is \$30,000.00.

3. Said special assessment district is tentatively designated as all of the lots and parcels of land described as follows:

Along Military Street from the south side of Black River to the north side of Court Street (See Appendix A – See City Clerk File #08-65).

NOW, THEREFORE, IT IS RECOMMENDED THAT:

1. The City Council tentatively declare the special assessment of the maintenance costs of the streetscape improvements to be of public necessity and proceed with necessary procedures to make such special assessment.

2. Said special assessment district be designated as all of the lots and parcels of land described as follows:

Along Military Street from the south side of Black River to the north side of Court Street (See Appendix A).

3. The cost of maintaining said public improvements for the balance of the 2008-2009 fiscal year is estimated to be \$30,000.00, of which \$20,000 shall be spread over the special assessment district as hereinafter described, \$10,000 will be provided from accumulated funds and none of which shall be paid as a general expense of the City.

Adopted.

R-3(c). WHEREAS, the City Council of the City of Port Huron tentatively determines that it is necessary to specially assess the cost of maintaining streetscape improvements in the City of Port Huron, more particularly hereinafter described in this resolution; and

WHEREAS, the City Manager has prepared a report concerning the maintenance costs of the streetscape improvements, which includes all the information required to be included by the Special Assessment Ordinance of the City; and

WHEREAS, the City Council has reviewed that report;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby tentatively determines the necessity for and further determines to proceed with special assessment of the cost of the streetscape improvements described as follows:

Along Military Street from the south side of Black River to the north side of Court Street.

2. The cost of operating improvements for the 2008-2009 fiscal year is estimated to be \$30,000.00, of which \$20,000 shall be spread over the special assessment district as hereinafter described, \$10,000 will be provided from accumulated funds and none of which shall be paid as a general expense of the City, and the aforesaid report of the City Manager is hereby approved.

3. Said special assessment district is tentatively designated as all of the lots and parcels of land described as follows:

Along Military Street from the south side of Black River to the north side of Court Street.

4. The report of the City Manager shall be placed on file in the office of the City Clerk where the same shall be available for public examination.

5. The City Assessor shall prepare a special assessment roll spreading that portion of the cost of maintaining the aforesaid streetscape improvements to be borne by the special assessment district against said district according to the benefits received, in conformity with the provisions of the Special Assessment

Ordinance of the City and the City Charter. As soon as said roll is prepared, the City Assessor shall file the same with the City Council.

6. All resolutions and parts of resolutions insofar as they conflict with the provision of this resolution be and the same hereby are rescinded.

Adopted.

R-3(d). WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of maintaining streetscape improvements more particularly hereinafter described to the properties specially benefitted by the operation of said public improvements, and the same has been presented to the Council;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll shall be filed in the office of the City Clerk for public examination and shall be open to public inspection for a period of seven (7) days before the hearing hereinafter provided for.

2. The City Council shall meet at the Municipal Office Center, Port Huron, Michigan, at 7:00 p.m. on May 27, 2008, for the purpose of hearing all persons interested in the operation of said streetscape improvements and said special assessment roll and reviewing the same.

3. The City Clerk is directed to publish the notice of said hearing once in the Port Huron Times Herald, a newspaper of general circulation in the City of Port Huron, not less than ten (10) full days prior to the date of the said hearing and shall further cause notice of the meeting to be sent by first class mail to each owner of or person in interest in property subject to assessment as indicated by the records in the City Assessor's office as shown on the current assessment rolls of the City, at least ten (10) full days before the time of said hearing, said notice to be mailed to the addresses shown on said current assessment rolls of the City.

4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF SPECIAL ASSESSMENT HEARING
City of Port Huron
County of St. Clair, Michigan

TAKE NOTICE that the City Council of the City of Port Huron, St. Clair County, Michigan, has determined it to be necessary to specially assess the cost of maintaining streetscape improvements in the City of Port Huron as follows:

The City Council has determined that all the costs of the above described public improvements shall be assessed against each of the following lots and parcels of land:

Along Military Street from the south side of Black River to the north side of Court Street.

Take Further Notice that the City Council has caused a report concerning said public improvements to be prepared, which report includes estimates of cost of such public improvements for the balance of the 2008-2009 fiscal year, a descriptions of the assessment districts and other pertinent information and has caused a special assessment roll to be prepared and this report and special

assessment roll are on file in the office of the City Clerk and are available for public examination.

Take Further Notice that the City Council will meet on May 27, 2008, at 7:00 p.m., at the Municipal Office Center in the City of Port Huron for the purpose of hearing interested persons on the maintenance costs of the streetscape improvements, the composition of said district and for the purpose of reviewing said special assessment roll.

Take Further Notice that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if any appeal should be desired. A property owner or party in interest, or his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter delivered to the Clerk by 4:30 p.m. on May 27, 2008, and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty (30) days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

This Notice is given by order of the City Council of the City of Port Huron, St. Clair County, Michigan.

Pauline M. Repp, CMC
City Clerk

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Motion to adopt Resolutions 2(a) through (d) and 3 (a) through (d) adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
No: None.
Absent: None.
Vacancy: One.

R-4. Councilmember Fisher moved the adoption of the following resolution:

WHEREAS, under the Provisions of Chapter 18 of the School Code of 1955 of the State of Michigan, as amended, school districts and various governmental units are authorized to cooperate in establishing and operating public recreation systems; and

WHEREAS, it is the desire of the City of Port Huron and the Port Huron Area School District (PHASD) to enter into such an agreement, as authorized by the aforesaid statute, to cooperate with each other in furthering and improving the public recreation system being operated by the City in the PHASD; and

WHEREAS, the PHASD agrees to provide the necessary school buses and drives for transportation purposes required in the operation of the City's public recreation system during the summer months while schools are closed for the summer recess and/or to make available school playgrounds and buildings, by mutual agreement, as may be required for the operation of such public recreation system; and

WHEREAS, the City agrees to reimburse the PHASD for transportation costs incurred, as well as custodial costs, plus any additional actual cost of utilities, supplies and/or materials; and

WHEREAS, the City agrees to save harmless and indemnify PHASD from any and all liabilities, claims and costs incident thereto, arising out of the use of the playgrounds and buildings under the terms of this agreement;

NOW, THEREFORE BE IT RESOLVED that the City Council hereby approves the attached agreement with the Port Huron Area School District for the use of school buses for transporting children in the City's public recreation program and/or the use of the playgrounds and buildings during the summer months while schools are closed for the summer recess and authorizing the appropriate City officials to execute said agreement. (See City Clerk File #08-66)

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
- No: None.
- Absent: None.
- Vacancy: One.

***R-5.** WHEREAS, the Community Development Division must report to the U. S. Department of Housing and Urban Development (HUD) all Community Development Block Grant (CDBG) and HOME activities performed during the year; and

WHEREAS, the Community Development Division of the City of Port Huron has requested to schedule a public hearing on May 27, 2008, to receive comments on the Consolidated Annual Performance Evaluation Report (CAPER) for the program year 2007 (April 1, 2007 to March 31, 2008); and

WHEREAS, the CAPER will be available at the City Clerk's office and the St. Clair County Library, Main Branch, as of Tuesday, May 20, 2008, for public viewing and written comments for a period of at least fifteen days; and

WHEREAS, the report will be submitted to HUD after City Council action on Monday, June 9, 2008, after all comments are considered;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Port Huron hereby schedules a public hearing for Tuesday, May 27, 2008, to hear comments on the Consolidated Annual Performance Evaluation Report (CAPER).

Adopted.

***R-6.** WHEREAS, on February 9, 2004 the City Council established by ordinance a Sister City Commission; and

WHEREAS, it is stated in the Ordinance Code of the City of Port Huron, Chapter 2, Administration, Boards and Commissions, Article IV, Division 8, Section 2-567:

"Sec. 2-567. Membership and terms of office. The membership of the commission shall be composed of nine (9) members appointed by the City Council, from applications on file in the City Clerk's Office, and shall represent persons with a strong interest in and knowledge of foreign countries or cultures, as

much as is possible. Members shall serve without compensation.

The members of the commission shall serve terms of three (3) years....."

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby confirms the appointment of Fredrick Fernandez as a member of the Sister City Commission to fill a vacancy of a term to expire April 26, 2011.

Adopted.

R-7. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, a request has been received for a home occupation special approval use permit to operate a parcel pick-up service in an R-1 (Single- and Two-Family Residential) zoning district at 1417 Jenks Street; and

WHEREAS, on May 6, 2008, the City of Port Huron Planning Commission held a public hearing to receive comments on the proposal; and

WHEREAS, the Planning Commission, after due consideration, recommended approval of the request (vote: 6 ayes; 1 nays; 2 absent; 0 abstained), conditional with the applicant complying with all requirements of Section 52-695, Home Occupations, of the Code of Ordinances for the City of Port Huron, for a two years at which time the matter will be re-evaluated by the Planning Commission regarding neighborhood impacts;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the Zoning Administrator to issue a conditional two-year home occupation special approval use permit for a parcel pick-up service at 1417 Jenks Street.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
- No: None.
- Absent: None.
- Vacancy: One.

***R-8.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special blight cleanup; and

WHEREAS, the cost for blight cleanup shall be assessed to the property owner(s) pursuant to the City of Port Huron Code of Ordinances Sections 22-53 and 40-19; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$1,578.75 for blight cleanup upon the lot and premises described in the attached special assessment report (see City Clerk File #08-67).

Adopted.

R-9. Councilmember Lewandowski moved to adopt the following resolution:

WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup and/or removal of ice and snow in the right-of-way; and

WHEREAS, the cost for trash pickup and/or removal of ice and snow in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$816.04 for special trash pickup and/or removal of ice and snow in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-68).

Motion adopted by the following vote:

Yes: Councilmembers Fisher, Lewandowski, McCulloch and Relken.
 No: Mayor Moeller; Councilmember Byrne.
 Absent: None.
 Vacancy: One.

***R-10.** WHEREAS, the State of Michigan offers low interest loans to assist local governments in financing the construction of Wastewater System Improvement Projects under the State Revolving Fund (SRF) Loan Program and Drinking Water System Improvements under the Drinking Water Revolving Fund (DWRP) Loan Program; and

WHEREAS, the City of Port Huron prepared a Project Plan in June 1998 for Combined Sewer Overflow (CSO) Control, Solids Handling Facilities and Water System Improvement Projects; and

WHEREAS, the City of Port Huron prepared a DWRP Project Plan in April 2002 to update the proposed water main replacement work located within the combined sewer service areas included in the original Project Plan and to add water main replacement in areas of need, outside of the combined sewer service areas; and

WHEREAS, since the submittal of the 1998 Project Plan, the City of Port Huron has received SRF and DWRP funding for segments of the CSO Control and Water System Improvement Projects; and

WHEREAS, the City of Port Huron prepared a Project Plan Update in May 2008 as required by the Michigan Department of Environmental Quality, the administrator of the SRF and DWRP Programs, for the purpose of updating the remaining proposed CSO Control and Water System Improvement Projects of the overall project included in the 1998 Project Plan; and

WHEREAS, a public hearing on the Project Plan Update is a requirement of the SRF and DWRP loan projects to be held prior to the finalization of the report; and

WHEREAS, a copy of the update to the 1998 Project Plan will be available for public review in the City Clerk's office beginning May 23, 2008;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for June 23, 2008, in order to hear comments on the proposed update to the 1998 CSO Project Plan.

Adopted.

R-11. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, on March 10, 2008, the City Council adopted a resolution approving the Request for Qualifications and potential bidders list for the private management, lease or purchase of the McMorran Complex and directed the City Manager to forward the RFQ (Request for Qualifications) to the firms listed on the potential bidders list; and

WHEREAS, the City Council subsequently adopted a schedule to consider these proposals as follows:

March 12: Mail Request for Qualifications (RFQ's)
 April 25: Deadline for submission of RFQ
 April 26-May 7: Review of RFQ's
 May 12: City Council determines qualified firms
 May 14: Mail Request for Proposal (RFP's) to qualified firms
 May 21: Mandatory walk through of McMorran facility
 June 13: Deadline for submittal of RFP's
 July 14-25: Financial analysis of management, lease or sale proposals
 July 28: Recommended proposal submitted to City Council for approval; and

WHEREAS, by April 25, 2008, the City received seven proposals from interested bidders; and

WHEREAS, the City Administration and the McMorran Authority recommend that a Request for Proposal be sent to each of the interested respondents.

NOW, THEREFORE, BE IT RESOLVED that the City Council approves the attached Request for Proposal and directs the City Administration to mail a copy to each of the seven interested responding parties (See City Clerk File #08-69)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
 No: None.
 Absent: None.
 Vacancy: One.

R-12. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the Motor Vehicle Pool purchases and maintains vehicles and equipment for nearly every department in the City; and

WHEREAS, as part of the 2008-2009 proposed budget, the City intends to make significant operational changes to the Motor Vehicle Pool; and

WHEREAS, it is critical that the City maintain accurate records of the cost of operation and maintenance of its fleet of vehicles and equipment; and

WHEREAS, staff from the Department of Public Works and Data Processing have carefully reviewed alternative software packages that will provide easy access to data critical in making equipment repair and replacement decisions; and

WHEREAS, after evaluating several software packages through a competitive process City staff is recommending Ron Turley Associates, Inc.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Ron Turley Associates, Inc. for the purchase of Fleet Maintenance Software and customer support and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-70).

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.
- No: None.
- Absent: None.
- Vacancy: One.

*R-13. WHEREAS, on February 25, 2008, the City Council, after due notice and proper hearing, adopted a resolution objecting to renewal of the following on-premise Class C/SDM license:

Martini Joe's, 3954 24th Avenue, Port Huron (Michelle Anter)

for non-payment of personal property taxes and utility charges; and

WHEREAS, all payments have been made by Martini Joe's;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby recommends approval of the above-named Class C/SDM license for the 2008-09 licensing year; and

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to forward a certified copy of this resolution to the Licensing and Enforcement Division of the Michigan Liquor Control Commission.

Adopted.

MOTIONS & MISCELLANEOUS BUSINESS

*1. On January 28, 2002 the City Council requested that a program be developed to encourage student participation in various City boards and commissions. Since that time, a number of students from Port Huron High School and Port Huron Northern High School have participated.

The boards and their student volunteers for the past year/s are listed as follows:

| <u>Board</u> | <u>Student and School</u> |
|--------------------------------|-------------------------------|
| Downtown Development Authority | Tiarra Forsyth, PHHS (Senior) |
| McMorran Auditorium Authority | Sam Lusk, PHHS (Senior) |
| Planning Commission | Joe Grant, PHN (Senior) |
| Zoning Board of Appeals | Joe Shevnock, PHN (Junior) |

These students did attend when time permitted and they were participatory. Three of the four students will be graduating this year and will need to be replaced. Contact has been made with the schools for a list of interested students.

There were appointees on the Housing Commission and the Traffic Study Committee; however, the students did not participate. It would be our intention to ask for replacements for these students also.

As in the past, plans are to present the graduating students with Certificates of Recognition at the regular City Council meeting of May 27, 2008.

Received and filed.

2. **Councilmember Relken** apologized for not being able to attend the May 3, 2008, special meeting to discuss the City Manager's resignation stating he would have voted "no" on accepting his resignation. He said that Karl Tomion and his management team have worked hard on the Blue Water Bridge Plaza expansion project and because of his work has stopped the State from moving forward and that the loss of his leadership on this matter alone will be devastating and that they will not find someone of his skills to deal with this problem and others. He stated he is opposed to accepting his resignation and encouraged efforts to keep him here. Additionally, he stated that Pauline Repp has served the community for a quarter of a century and he regrets seeing her resign. He also said he finds it unbelievable that Laurie Sample-Wynn was not appointed to fill the vacancy after she volunteered to take it and that she showed up with son and husband tonight and it was a poor way to treat a former mayor of this city who would be an asset. He stated that it was despicable the way she was treated and asked why she was not given the courtesy of knowing that she would not be appointed before she showed up.

3. **Councilmember McCulloch** asked for clarification on Al Wright's May 2 resignation as to the effective date - was it that date or May 12 when the resignation was officially acted upon. **Mayor Moeller** stated that there was an attorney general's opinion that states it is when the Council acts on the resignation (#6054). Councilmember McCulloch also asked Karl Tomion for an update on the appraisal of the Water Street Marina. Mr. Tomion responded that after the last meeting when Council authorized the hiring of an appraiser, they contacted six firms and are proceeding with a Mr. Bogner from St. Joseph (lowest bid and most qualified), unless Council has any objection.

4. **Councilmember Fisher** stated that he did not discuss his motion to postpone action on filling the Council vacancy with anyone other than his wife. He announced that Old Towne Historic Neighborhood was hosting program on May 21, 7 p.m., at the Maritime Center on 25% tax credits for restoration of homes in historic districts and thanked Kevin Banker for putting this together. He further announced the Welkin Base Ball team's first game on May 18, 1 p.m., in Rochester.

5. **Councilmember Byrne** announced the Studio 1219 Renaissance Roam on Sat., May 17, 2008.

On motion (8:50 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held on Wednesday, May 14, 2008 at 7:00 p.m. in Conference Room 408.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne (arrived at 8:17 p.m.), Fisher, Lewandowski, McCulloch (arrived at 7:22 p.m.) and Relken.

Absent: None.

Vacancy: One.

Mayor Moeller turned the session over to Karl Tomion, City Manager. Mr. Tomion stated that highlights were already given the night the budget was transmitted but that Bob Clegg, City Engineer, will give presentation on CSO expenditures and John Ogden, Director of Finance, will give presentation on CSO revenues and then he would like to do an update on negotiations since the Council's January meeting on goals for negotiations.

Bob Clegg gave his Combined Sewer Overflow Progress Report (see City Clerk File #08-71). Questions by Council included how much work on requirements is done in-house, how many cities who apply for low interest loans actually qualify, clarification on discharge points and what requirements there may be in the future to treat storm water.

John Ogden gave his Combined Sewer Overflow Cost Update (see City Clerk File #08-72). Questions by Council included land purchase funds that are used for this, whether the increase in fuel has been factored in, whether sludge injection was still a free service to agricultural community and whether alternative fuels had been looked into.

NOTE: Karl Tomion to make copies of both presentations for Council. The City Manager asked the Council to let him know of any specific topics they would like discussed in the future budget meetings so that staff can be prepared.

Mayor Moeller stated that he would like Mr. Robbins from the Robbins Group to do a presentation on their insurance proposal at 9 a.m. Saturday and then work on budgets until 2 p.m. and cancel May 15's meeting. Councilmember Fisher stated that he needed to leave by 11:45 a.m. Saturday. Mayor Moeller said that he would invite Mr. Robbins to present Thursday, May 15 and not cancel meeting. Karl Tomion, City Manager, stated that the budget includes health care cost containment and that it will be presented in the closed session as part of the negotiations discussion. Mayor Moeller stated he would still like to have Mr. Robbins come and that if City can save \$1.4 to \$1.7 million then the budget could be adopted as is. He also asked about system used to decide who we contract with for health care. Mayor Moeller also talked about another company that gave him a similar quote but didn't know who he had given the proposal to.

Councilmember Relken expressed concern that seven people are elected to represent taxpayers and that there was no issue more important to have complete representation than in the budget process and stated that he heard Mayor Moeller on the radio say that he did not want to appoint Laurie Sample-Wynn because she disagreed on water rate issue and that he found it despicable that Laurie had not been appointed and hoped Council would reconsider and appoint her.

Councilmember McCulloch stated that with only six members a 3-3 tie could stop a good idea and thinks that seven members is appropriate and does not understand the delay. He stated he believes Laurie Sample-Wynn would add a lot and another gender's insight would add something.

Councilmember Relken moved to go into closed session to discuss labor negotiations.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.

No: None.

Absent: None.

Vacancy: One.

A recess was held from 8:20 p.m. to 8:30 p.m. when Council went into closed session.

On motion, Council returned to regular session.

On motion (10:05 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held on Thursday, May 15, 2008, at 7:00 p.m. in Conference Room 408.

The meeting was called to order by Mayor Moeller

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Relken.

Absent: None.

Vacancy: One.

AUDIENCES

1. Jean Webb, Port Huron, re privatization – don’t think argue that when trash privatized it was successful and like to see it tried in other areas. Cleaning of offices, lawn maintenance, snow plowing, water meter reading, billing. Some cities hire management companies to manage whole city – that is extreme perhaps but instead of City manager and department heads they hire a whole team.

PRESENTATIONS

1. Bill Robbins, Robbins Group, gave presentation on proposal for health care (see City Clerk File #08-73 for copy of proposal). He talked about experience rated, self funded and that they have done this for 20 years. He talked about the three cards that need to be used – one prescription card, one Blue Cross card and one Regency medical card. He stated that other than the cards, as an employee, it is no different. Further, he stated that their administrative fee amounts to \$32 per employee per month. He expressed that he would be willing to give a list of references. Mr. Robbins answered questions from Council about the cards. City administration to review proposal and get back with Council, probably Monday.

AT THIS POINT, Mayor Moeller asked if anyone on Council had a specific area of the budget they would like to discuss. If not, they would start at the beginning and go through page by page.

Following are the suggested changes by accounts:

| | |
|--|---------------------------------|
| City Council (101) - | Total reduction \$14,350 |
| 706 – Minus \$1,500 (reduce number of meetings to 35) | |
| 728 – Minus \$250 (take out Christmas cards) | |
| 818 – Minus \$4,400 (remove Spirit of Port Huron and National Day of Prayer and other promotional items) | |
| 873 – Minus \$5,000 (remove travel items & dinners) | |
| 958 – Minus \$3,200 (remove NLC membership) | |

At this point (8:20 p.m.), Council recessed until 8:30 p.m.

City Manager (172) – Total reduction \$36,693

- 706 – Minus \$22,394. Suggesting \$119,581 instead of \$136,000 but not for Karl Tomion. New city manager would be \$107,852.00 and \$4,270 would be new figure through December 1.
- 710 – Minus \$13,884 (less benefits)
- 718 – Minus \$250 (Christmas cards)
- 873 – Minus \$165 (misc. dinners)

Elections (191) – Total reduction \$2,627

- 706 – Minus \$2,239 for new deputy clerk
- 710 – Minus \$1,388 (less benefits)
- 730 – Plus \$1,000 (additional postage)

Finance (201) – Total reduction \$35,932

- 706 - Minus \$22,180 (\$14,602 plus deferred comp)

At this point, **Councilmember Relken** stated that John Ogden’s wealth of experience was worth every dollar and return far outweighs the amount. **Mayor Moeller** responded that if we can save \$1.4 million with health car then no cuts need to be made in the budget except for the proposed 5% water/sewer increase. **Councilmember Lewandowski** responded that he agrees with cutting salaries but more like making Mr. Ogden’s salary \$94,000 - \$95,000. Karl Tomion stated that the Mayor noted Karl’s opposition to cutting the salaries but warned that when looking at this kind of cut and when that cut is not recurring that the Council will have to make additional cuts in the future. **Councilmember Lewandowski** stated that he agrees with a 2–3% water-sewer rate increase. **Councilmember Relken** said that Council is not giving public the truth on rates and that there is a requirement to meet bond requirements that will continue to escalate and there will be huge obligations after this Council leaves office. **Councilmember Byrne** stated he is looking at long term and hoping for 0% this year and next and is looking at doing cuts of \$1.2 million this year. **Mayor Moeller** stated that his comparables were communities with population of 25,000 to 40,000, six of them within the state - Oak Park, Port Huron, Wyandotte, Jackson, Delta Charter, Mount Pleasant.

- 710 – Minus \$13,752 (less benefits)

Councilmember McCulloch reiterated need for a seventh member of Council.

On motion (9:40 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held Saturday, May 17, 2008, at 9:00 a.m. in Conference Room 408, Municipal Office Center, 100 McMorrان Blvd.

The meeting was called to order by Mayor Moeller

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.

Vacancy: Two

Discussion was held on the resignation of James Relken but no action taken.

The budget work session resumed and following were suggested changes:

Assessor (209) – Total reduction \$16,596
706 - Minus \$11,596

Discussed making salary of Assessor \$67,427 and then discussed the fact that the Assessor serves as the DDA Executive Director (10% of time spent). Consensus was to keep the salary the same but transfer a total of \$11,596 out of the general fund budget and into the DDA budget (\$7,158 salary and \$4,438 fringe benefits). In addition, remove the \$12,000 allocated for health benefits for a DDA Executive Director as the DDA will not be hiring one at this point.

801 – Minus \$5,000 (tax appeals)

AT THIS POINT, Council discussed the option of going paperless to reduce copying charges in everyone’s budgets. Also, discussed whether to budget with assumptions or scale back. The Mayor stated that all travel and training should be done away with except for mandatory training.

AT THIS POINT, Council recessed at 10:07 a.m. and resumed at 10:25 a.m.

Legal Department (210) Total reduction \$21,203

706 - Minus \$2,656 (wages)
710 - Minus \$1,647 (fringe benefits)
728 - Minus \$300 (office supplies)

Mayor stated for the record that he has a nephew working at the Fletcher firm

801 - Minus \$10,000 (professional services)
801 - Minus \$4,000
873 - Minus \$2,000 (various travel)
958 - Minus \$600 (dues for IMLA)

Clerk (215) Total reduction \$24,877
706 – Minus \$13,110 (Clerk’s salary)
Minus \$2,239 (Deputy Clerk’s salary)
710 – Minus \$10,994 (fringe benefits)
873 – Minus \$150 (miscellaneous dinner meetings)
904 – Increase \$4,000 (Code supplements)

Mayor stated this could be different if Clerk doesn’t retire.

Personnel (226)
706 – Discussion was held about reducing Personnel Director’s salary and correspondingly reduce the fringe benefits (710). Discussion held as far as how Personnel Director’s job is more than that – he supervises Recreation, Marinas and Health and Safety as well – so there is probably not a comparison with another community. The Mayor stated that the average was \$71,988 to \$71,988 (90% figure) so pay should be reduced \$18,919 plus ICMA of \$2,231.

Councilmember Lewandowski stated that they cannot cut department heads salaries by 25% unless they are retiring or everyone will leave. **Mayor Moeller** stated that you could make the argument that they have been overpaid for the past 20 years and Council is just bringing them into line and stated that if the health care costs come in good and there is no water rate increase then they could just get rid of the ICMA contribution. The Mayor asked whether the City was really going broke and stated that if the Council doesn’t make cuts then the state will do it. **Councilmember McCulloch** stated that he doesn’t mind re-evaluating wages as people retire but does not support cutting current employees. **Councilmember Lewandowski** stated that he knows that cuts have to be made to the budget but that dealing with supplies at \$200 a shot wasn’t the answer.

Councilmember McCulloch stated that perhaps they wait and talk about salaries until Monday after they receive analysis of Robbins proposal. **Mayor Moeller** stated that nothing is written in stone and if they come up with enough of a savings with the Robbins proposal then he will put back in salaries.

Mayor Pro-tem Fisher said that in the private sector salaries and positions have been cut. In response, Karl Tomion, City Manager, stated that the top management people in the private sector who are able to reduce costs for the companies are getting increases and that the City has a team of upper management who has cut \$3 million out of the budget in one year. **Mayor Moeller** stated that he wasn’t going to argue that but that he was elected by the people and they almost choked when given a 19% water increase last year and he doesn’t believe you should eliminate positions at the bottom.

On motion (11:25 a.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held on Monday, May 19, 2008, at 7:00 p.m. in Conference Room 408, Municipal Office Center, 100 McMorran Blvd.

The meeting was called to order by Mayor Moeller

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.

Vacancies: Two

Discussion on James Relken's resignation. It will be on the agenda for the Tuesday, May 27, 2008, regular meeting.

AT THIS POINT, John Ogden, Director of Finance went over a report and recommendation from the City Manager relative to changes in employee and retiree health/prescription changes (see City Clerk File #08-74).

Mayor Moeller asked whether approval of these changes eliminate the need for the 5% water-sewer rate increase and City Manager Karl Tomion responded yes because this would be a recurring expense. The Mayor then stated that if no water-sewer rate increase then he was in favor of no pay cuts and that if there was a consensus to accept this the Council could move high speed through the rest of the budget, cancel Tuesday and Wednesday workshops and come back on Thursday night at 7:00 p.m. with a final summary.

There was general consensus except Councilmember Byrne stated that his bottom line was different but that he was comfortable with replacing the salaries but keeping the rest of the previous cuts and transfer 10% of Assessor's salary to DDA. Mayor Moeller stated that only the salaries and benefits will be restored.

Councilmember Fisher moved to cancel the special meetings scheduled for May 20 and 21, 2008.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.

No: None.

Vacancies: Two.

AT THIS POINT, Council went through the rest of the general fund budgets and comments are as follows:

MOC (265) – Interest in renting out space on the 5th floor. Questions about repairs/maintenance of \$8,000 and cost of \$1,250 for pagers for maintenance personnel. Also discussion on pillars out front of the building and their deterioration.

Discussion on looking into having advertising in our newsletter to help defray the cost.

Police (315) - Question about what the DARE officer does in the summer. Police Chief Corbett explained that they have a grant from the Housing Commission for his services in the summer. Also he talked about how the duties of the Community Services Officer have been split up. Discussion was held on the canines that the Police Department has and whether we get reimbursed anything from the Sheriff's Department for their use. Discussion on radar detectors in the cars.

Fire Department (340) - Discussion about number of personnel at Sanborn station. Fire Chief Eick stated that 27 out of 90 days they had only two people there.

Inspection (371) - Discussion about number of inspectors and had privatization been looked at.

Engineering (449) - Discussion about need for aerial photography.

Streets (450) - Discussion about unnecessary traffic signals, specifically at Stone Street and Elmwood Street and Michigan Street and Grand River Avenue

Senior Transportation (688) - Question about who drives the sedans? Senior volunteers through the Council on Aging.

Parks (704) - Mayor Moeller questioned the need for lights in the parks after hours. Councilmember Byrne asked about having a dog park. Question asked about when City will be getting bleachers for the handicapped in Pine Grove Park and Chief Eick responded that the grant is in process.

Recreation (708) - Discussion held about whether the new fee structure was working and whether costs are being met and the answer was "yes." Question was asked whether the Halloween Stroll should be continued and John Berry explained that with the donations and the fees charged that it was a break even venture but that he would check into and report back to City Council. Discussion held on use of car allowances in Recreation Department and John Berry explained that staff uses their cars a lot, especially in summer months, and that by giving them an allowance rather than having to report mileage it was financially better for the City. There was a comment about Sanborn Pool having more activities than Court Street Pool. Also, discussion held on amount appropriated for supplies for lifeguards when there will not be any at Lakeside Park this summer.

Museum (745) - Discussion about the Lighthouse and plans for improvements and charging for tours of the Lighthouse.

Mayor Moeller stated that there will be a summary prepared for Thursday but for the Council to finish looking at the rest of budget and bring any suggestions to that meeting.

Councilmember McCulloch moved to enter into closed session for purposes of discussing labor negotiations.

AT THIS POINT (before entering into closed session), Council recessed (9:00 p.m.) and returned to a closed session at 9:12 p.m.

On motion (9:50 p.m.), Council reconvened to regular session.

On motion (9:51 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held on Thursday, May 22, 2008, at 7:00 p.m. in Conference Room 408.

The meeting was called to order by Mayor Moeller

Present: Mayor Moeller; Councilmembers Byrne, Fisher (arrived at 7:07 p.m.), Lewandowski and McCulloch.

Vacancies: Two

PUBLIC AUDIENCES

1. Rosemary Kovach, Port Huron, addressed the City Council asking that they do not place budget solution on shoulder of retired City employees and would rather they increase utility bill or raise property taxes and then it would be equal.

2. Richard Klaus, retired city employee, addressed the City Council stating that he retired in 1990 and is still getting the same retirement pay that he did then because it has not been raised and that the retirees are being asked to sacrifice more by increasing their co-pay for prescriptions and they are the ones that can afford it the least.

3. Ken Harris, 1521 Wells Street, addressed the City Council, stating he hopes issues can be resolved and expressed his disappointment with city staff that they have not taken at least a 1% lower pay rather than passing this along to retirees.

AT THIS POINT, **Mayor Moeller** asked Karl Tomion, City Manager, to give an update. Mr. Tomion stated their were two things – a revised employee and retiree health/prescription benefit changes report which includes a revision of the Robbins proposal and a report on budget changes and considerations (see City Clerk File #08-75) and asked John Ogden, Director of Finance, to go over the reports. Mr. Tomion stated that he had not proposed a reduction in retiree health care in his 2008-09 budget.

Mr. Ogden stated that due to changes in the Robbins proposal administration could not recommend moving forward with it because it would prevent the city from moving to the ASC program and receiving the RSR monies, would not be consistent with what was presented to the unions during negotiations and the City would not be able to achieve savings in retiree prescription costs without reducing benefits.

Councilmember McCulloch asked for clarification of the changes in retiree prescription coverage. **Mayor Moeller and Mayor Pro-tem Fisher** both stated that they would not support raising the cost of prescriptions for retirees over reducing the compensation of city employees. Karl Tomion stated that the staff contrasted with the Robbins proposal but that it was not his recommendation and he never included a retiree increase in his budget. He further stated that the staff had not been informed that Robbins' proposal was predicated on staying with existing coverage rather than changing to the ASC program. A discussion ensued about who was told what at various meetings that the Robbins group held with both staff and Councilmembers individually. Karl Tomion stated that the staff met with five different insurance companies in December and all proposals focused on active employees and that the consultant said "no" to the Robbins proposal on active employees and his report did not mention anything about retirees. Discussion held on whether going with the Robbins proposal would be against

what has been negotiated with the unions. Also, discussion held on what information Robbins was using for proposal and how it erred.

Mayor Moeller then said that now Council has \$400,000 to cut from budget. John Ogden, Director of Finance, went over the budget changes and considerations (see City Clerk File #08-75). Items discussed were:

- Increased income tax receipts after the third quarter.
- Water Street Marina subsidy.
- Need to budget \$25,000 as City's contribution toward consultant needed to look at everything from design to traffic projections for new Blue Water Bridge plaza design.
- Postponement of window caulking and replacement at MOC.
- Low bid of Woodstock Area project.
- New phone system.
- General Fund insurance estimate reduction.
- Reduction of certain contingency-type estimates.

It was stated that changes in the above items would give another \$800,000 without touching retiree co-pays, more than the \$400,000 needed to not increase water-sewer rates. Mr. Ogden stated that they will continue to look at health insurance and prescription costs for savings in the future. Mr. Tomion stated that the biggest cost item in the budget is wages and the second one is the cost of retiree health care with active employee health care following that and that this is looked at every year for cost savings. **Mayor Moeller** said that the total cut would be \$1,140,000 with what was already cut and there would be no water-sewer rate increase and retirees would not be affected. Mr. Ogden informed Council that the DDA board approved their budget with the dollar amount transferred from the Assessor's budget to theirs to account for the time the Assessor spends being DDA Executive Director. **Councilmember Byrne** said that this was a good start but that he had other suggestions.

AT THIS POINT (8:20 p.m.) Council recessed and resumed at 8:28 p.m.

Following are the items presented by Councilmember Byrne for further discussion:

- Cost of street sweeping and where funds allocated and millage for garbage/rubbish being reduced.
- Elimination of blight control program.
- Bagging leaves instead of raking leaves to the curb. (NOTE: Bob Clegg, City Engineer, to look at any cost reduction to solids waste contract if leaf pickup program were eliminated and report to Council before fall.)
- Use of sugar beet juice with road salt to save costs. (NOTE: Bob Clegg, City Engineer, to look at other communities doing this and report back to Council.)

- Elimination of rental certification program. (NOTE: Mayor Moeller interested in its history and having a public hearing on this.)
- Questioned costs included in budget for River Street Marina. Additionally, would like City to be aggressive on marketing Water Street Marina and look at the rate structure. (NOTE: Also, check message being left as to who to call if someone has a question.)
- Allocation of costs for parking and for the parking technician.

Discussion held on the sale of the parking lots and other vacant parcels of property. Karl Tomion stated that staff is almost done with the report on vacant property owned by the City that could be sold (property owned by City in Port Huron Township will be included as requested by Mayor Moeller.) **Councilmember Lewandowski** asked whether employees should be required to take vacation as opposed to pay in lieu of vacation.

Mayor Moeller mentioned that there is a grant available in June through the Department of Public Health for fluoride that staff should look into. Additionally, he asked that a summary of changes, with account numbers, to the budget be provided to Council by tomorrow night (Friday) for their review.

Councilmember McCulloch moved to request an opinion from the Fletcher firm on determining options available to fill the vacancies on the City Council.

Motion *rejected* by the following vote:

No: Councilmembers Byrne and Fisher.
Yes: Councilmembers Lewandowski and McCulloch.
Abstain: Mayor Moeller (nephew is employed by Fletcher)
Vacancy: Two

On motion (9:55 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Tuesday, May 27, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.

Vacancies: Two.

The minutes of the regular meeting of May 12, 2008, and the special meetings of May 14, 15, 17 and 19, 2008, were approved.

PRESENTATIONS

1. A Certificate of Recognition was presented to Tiara Forsyth, a high school student volunteer who served on the DDA.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on from all persons interested in the maintenance costs of the Huron Avenue streetscape project (from the north side of Black River to the south side of McMorrان Boulevard) and for the purpose of reviewing said special assessment roll.

No one appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember McCulloch**:

WHEREAS, the City Council has met after due and legal notice and heard all persons to be affected by the maintenance for the streetscape project and reviewed the special assessment roll prepared for the purpose of defraying the special assessment district's share of the maintenance for the streetscape project described as follows:

Along Huron Avenue from the north side of Black River to the south side of McMorrان Boulevard; and

WHEREAS, after hearing all persons interested therein and after carefully reviewing said special assessment roll, the Council deems it advisable to proceed with said assessment and deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the benefits to be derived by the parcels of land assessed; and

WHEREAS, the Council has not received written objection by owners of more than one-half (½) of the property to be assessed;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to defray the cost of maintaining the streetscape project by special assessment upon the property specially benefitted in proportion to the benefits to be derived.

2. The City Council hereby approves the estimates of cost of maintaining the aforesaid streetscape project for the 2008-2009 fiscal year, determines the estimated cost of maintaining said streetscape project to be \$40,000.00, of which \$30,000 shall be

specially assessed, \$10,000 will be provided from accumulated funds and none to be paid as a general expense of the City.

3. The City Council hereby designates the following lots and parcels of land as the property to comprise the special assessment district upon which the special assessment shall be levied.

4. Said revised special assessment roll as prepared by the City Assessor in the amount of \$30,000.00 is hereby confirmed and shall be known as Special Assessment Roll No. S-0001 (See City Clerk File #08-64).

5. Payments on said special assessment roll shall be due and payable on or before July 1, 2008.

6. The City Clerk be and is hereby directed to endorse the date of confirmation on the roll.

7. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.

No: None.

Absent: None.

Vacancy: Two.

2. **The Mayor** announced that this was the time to hear comments on from all persons interested in the maintenance costs of the Military Street streetscape project (from the south side of Black River to the north side of Court Street) and for the purpose of reviewing said special assessment roll.

The City Clerk read into the record letters of objection to the assessment from Frank Sharp, River Investments LCP, L.L.C., 800 Military Street and David Heyboer, representing William and Gayle Kettlewell, owners of property at 1003 Military Street and 1007 and 1011 Military Street.

Sandy Nowak, 914 Military Street, appeared questioning what maintenance the assessment included and stated that she felt the assessment was sizable and not fair and that there is a difference between what the north side of Black River and the south side.

Harlan Blomquist, Standard Office Supply, appeared with concerns about the streetscape maintenance and plantings and stated that this item should be tabled and a meeting held with the property owners to assess what is being done as he believes it is not equal to what is being charged for.

Ken Harris, 1521 Wells Street, appeared to reiterate what had been said and felt the assessment should be fair and Council should table the resolution.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember McCulloch but there was no second and therefore the resolution was not considered**:

WHEREAS, the City Council has met after due and legal notice and heard all persons to be affected by the maintenance for the streetscape project and reviewed the special assessment roll prepared for the purpose of defraying the special assessment

district's share of the maintenance for the streetscape project described as follows:

Along Military Street from the south side of Black River to the north side of Court Street; and

WHEREAS, after hearing all persons interested therein and after carefully reviewing said special assessment roll, the Council deems it advisable to proceed with said assessment and deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the benefits to be derived by the parcels of land assessed; and

WHEREAS, the Council has not received written objection by owners of more than one-half (1/2) of the property to be assessed;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to defray the cost of maintaining the streetscape project by special assessment upon the property specially benefitted in proportion to the benefits to be derived.

2. The City Council hereby approves the estimates of cost of maintaining the aforesaid streetscape project for the 2008-2009 fiscal year, determines the estimated cost of maintaining said streetscape project to be \$30,000.00, of which \$20,000 shall be specially assessed, \$10,000 will be provided from accumulated funds and none to be paid as a general expense of the City.

3. The City Council hereby designates the following lots and parcels of land as the property to comprise the special assessment district upon which the special assessment shall be levied.

4. Said revised special assessment roll as prepared by the City Assessor in the amount of \$20,000.00 is hereby confirmed and shall be known as Special Assessment Roll No. S-0002 (See City Clerk File #08-65).

5. Payments on said special assessment roll shall be due and payable on or before July 1, 2008.

6. The City Clerk be and is hereby directed to endorse the date of confirmation on the roll.

7. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

3. **The Mayor** announced that this was the time to hear comments on the Consolidated Annual Performance Evaluation Report (CAPER) for the Community Development Division.

No one appeared to be heard.

The Mayor declared the hearing closed.

PUBLIC AUDIENCES

1. Laurie Sample-Wynn, 3443 Stone Street, addressed the City Council stating that she was the 8th highest vote getter in 1997 and was appointed to fill a vacancy (Lauren Hager) in 1998 and in

1999 when Gerald Ackerman resigned there was much debate when the next place person Ted Barss declined and Council didn't appoint Jim Norris (the number 10th person) and because there was no language in the Charter to define a method of appointment ballot language was put forth and 79% of the voters made it clear that the procedure of appointing the next vote getter in line with at least 25% of the votes received in the previous election was the method to use and she feels that the Council should follow the will of the voters and appoint her and Alan Cutcher, as No. 8 and No. 9 respectively, to fill the current vacancies.

2. Casey Chaudry, 1802 Martin Street, addressed the City Council stating they are not following their own policy about invocations and he again requests to give the invocation as an ordained reverend. He further stated that he has no objections to someone giving prayer during public audience but not at the beginning of the meeting.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: Two.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- June 7: Be A Tourist in Your Own Town
- June 8: Home opener, Welkin Base Ball Club, Lincoln Park
- June 14: Sanborn & Court Street pools open, weather permitting
- June 18: Big Screen Movie, Palmer Park
- June 25: Big Screen Movie, Lincoln Park
- June 18 & 25: Lincoln Park, Wild Wednesdays
- June 20 & 27: Lincoln Park, Super Soak Fridays

COMMUNICATIONS & PETITIONS

C-1. Councilmember Fisher moved to receive and file the following communication:

Resignation notice from Councilmember James A. Relken.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: Two.

FROM THE CITY MANAGER

CM-1. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

On May 15, 2008, the City of Port Huron received four (4) unit price bids for the estimated annual consumption of 500,000 wet lbs. of sodium hydroxide for the Wastewater Treatment Plant:

| | |
|--|----------------------|
| Jones Chemicals, Inc. (Riverview, MI) | \$0.0943 per wet lb. |
| K. A. Steel Chemicals (Lemont, IL) | \$0.0969 per wet lb. |
| Alexander Chemicals (Downers Grove, IL) | \$0.1250 per wet lb. |
| PVS-Nolwood Chemicals, Inc. (Detroit, MI) | \$0.1425 per wet lb. |

It is recommended that the bid of Jones Chemicals, Inc., 18000 Payne Avenue, Riverview, MI 48192, in the estimated amount of \$47,150.00, F.O.B., be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: Two.

RESOLUTIONS

R-1. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the taxable value of the ad valorem real and personal property in the City of Port Huron has been determined to be \$794,198,375, plus \$43,282,774 of value on the Special Acts assessment rolls including the Industrial Facilities, Neighborhood Enterprise Zone and Land Bank rolls.

NOW, THEREFORE, BE IT RESOLVED, that the budget of the City of Port Huron for the fiscal year beginning July 1, 2008 and ending June 30, 2009 is hereby determined and adopted as follows:

GENERAL FUND:

| | | | |
|----------------------------------|----|----------------|----------------------|
| Means of financing: | | | |
| Property taxes | \$ | 8,665,000 | |
| Income tax | | 6,575,000 | |
| Business licenses and permits | | 302,000 | |
| Nonbusiness licenses and permits | | 308,000 | |
| State shared revenues | | 3,800,000 | |
| Charges for services | | 670,000 | |
| Fines and forfeits | | 200,000 | |
| Investment income | | 225,000 | |
| Rents | | 260,000 | |
| Sale of assets | | 3,400 | |
| Charges to other funds | | 1,848,568 | |
| Transfer from other funds | | <u>425,000</u> | <u>\$ 23,281,968</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 20,703,775 | |
| Transfers | | 1,942,793 | |
| Capital outlay | | <u>635,400</u> | <u>\$ 23,281,968</u> |

MAJOR STREETS FUND:

| | | | |
|--|----|------------------|---------------------|
| Means of financing: | | | |
| Estimated designated fund balance | \$ | 12,276 | |
| State shared revenues | | 1,704,000 | |
| Trunkline maintenance | | 213,918 | |
| State grants | | 5,960,000 | |
| Transfer from Municipal streets to Major streets | | <u>1,525,000</u> | <u>\$ 9,415,194</u> |

Estimated requirements:

| | | | |
|--|----|------------------|---------------------|
| Ordinary recurring expenses | \$ | 2,087,394 | |
| Capital outlay and street improvements | | <u>7,327,800</u> | <u>\$ 9,415,194</u> |

LOCAL STREETS FUND:

Means of financing:

| | | | |
|--|----|----------------|---------------------|
| Estimated designated fund balance | \$ | 10,090 | |
| State shared revenues | | 529,000 | |
| State grants | | 145,000 | |
| Transfer from Major streets to Local streets | | 440,000 | |
| Transfer from Municipal streets to Local streets | | <u>800,000</u> | <u>\$ 1,924,090</u> |

Estimated requirements:

| | | | |
|--|----|------------------|---------------------|
| Ordinary recurring expenses | \$ | 864,090 | |
| Capital outlay and street improvements | | <u>1,060,000</u> | <u>\$ 1,924,090</u> |

MUNICIPAL STREETS FUND:

Means of financing:

| | | | |
|-----------------------------------|----|----------------|---------------------|
| Estimated designated fund balance | \$ | 1,771,154 | |
| Taxes - Street millage | | 1,490,000 | |
| Taxes - BWATC | | 475,000 | |
| Investment income | | <u>150,000</u> | <u>\$ 3,886,154</u> |

Estimated requirements:

| | | | |
|-----------------------------|--|---------------------|--|
| Ordinary recurring expenses | | <u>\$ 3,886,154</u> | |
|-----------------------------|--|---------------------|--|

CEMETERY FUND:

Means of financing:

| | | | |
|--|----|----------------|-------------------|
| Foundations | \$ | 25,500 | |
| Graveside interments | | 49,700 | |
| Chapel interments | | 58,100 | |
| Other services | | 13,355 | |
| Transfer from Cemetery perpetual care fund | | <u>255,000</u> | <u>\$ 401,655</u> |

Estimated requirements:

| | | | |
|-----------------------------|----|--------------|-------------------|
| Ordinary recurring expenses | \$ | 393,155 | |
| Capital outlay | | <u>8,500</u> | <u>\$ 401,655</u> |

GARBAGE AND RUBBISH COLLECTION FUND:

Means of financing:

| | | | |
|-----------------------------------|----|------------------|---------------------|
| Estimated designated fund balance | \$ | 351,105 | |
| Taxes | | <u>2,130,000</u> | <u>\$ 2,481,105</u> |

Estimated requirements:

| | | | |
|-----------------------------|--|---------------------|--|
| Ordinary recurring expenses | | <u>\$ 2,481,105</u> | |
|-----------------------------|--|---------------------|--|

RENTAL CERTIFICATION FUND:

Means of financing:

| | | | |
|-----------------------------------|----|----------------|-------------------|
| Estimated designated fund balance | \$ | 9,721 | |
| Charges for services | | <u>160,285</u> | <u>\$ 170,006</u> |

Estimated requirements:

| | | | |
|-----------------------------|--|-------------------|--|
| Ordinary recurring expenses | | <u>\$ 170,006</u> | |
|-----------------------------|--|-------------------|--|

DOMESTIC PREPAREDNESS FUND:

Means of financing:

| | | | |
|--------|--|-------------------|--|
| Grants | | <u>\$ 100,000</u> | |
|--------|--|-------------------|--|

Estimated requirements:

| | | | |
|-----------------------------|----|---------------|-------------------|
| Ordinary recurring expenses | \$ | 10,000 | |
| Capital outlay | | <u>90,000</u> | <u>\$ 100,000</u> |

O.U.I.L. FUND:

| | | | |
|-----------------------------|----|---------------|------------------|
| Means of financing: | | | |
| Fines and forfeits | | \$ | <u>15,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 5,000 | |
| Capital outlay | | <u>10,000</u> | \$ <u>15,000</u> |

DRUG LAW ENFORCEMENT FUND:

| | | | |
|-----------------------------|----|---------------|------------------|
| Means of financing: | | | |
| Fines and forfeits | | \$ | <u>46,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 6,000 | |
| Capital outlay | | <u>40,000</u> | \$ <u>46,000</u> |

LAW ENFORCEMENT FUND:

| | | | |
|-----------------------------|--|----|--------------|
| Means of financing: | | | |
| Charges for services | | \$ | <u>5,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | | \$ | <u>5,000</u> |

ENHANCED 911 FUND:

| | | | |
|-----------------------------|----|----------------|-------------------|
| Means of financing: | | | |
| Charges for services | | \$ | <u>133,450</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 33,450 | |
| Capital outlay | | <u>100,000</u> | \$ <u>133,450</u> |

COMMUNITY DEVELOPMENT BLOCK GRANT FUND:

| | | | |
|-----------------------------|----|----------------|-------------------|
| Means of financing: | | | |
| Grants | | \$ | <u>850,677</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 75,000 | |
| Capital outlay | | <u>775,677</u> | \$ <u>850,677</u> |

NEIGHBORHOOD REHABILITATION FUND:

| | | | |
|-------------------------|--|----|----------------|
| Means of financing: | | | |
| Grant | | \$ | <u>100,000</u> |
| Estimated requirements: | | | |
| Capital outlay | | \$ | <u>100,000</u> |

HOME PROGRAM FUND:

| | | | |
|-----------------------------|----|----------------|-------------------|
| Means of financing: | | | |
| Grants | | \$ | <u>261,646</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 26,165 | |
| Capital outlay | | <u>235,481</u> | \$ <u>261,646</u> |

STREETSCAPE MAINTENANCE FUND:

| | | | |
|-----------------------------|----|---------------|------------------|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ | 20,000 | |
| Charges for services | | <u>50,000</u> | \$ <u>70,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | | \$ | <u>70,000</u> |

DOWNTOWN DEVELOPMENT FUND:

| | | | |
|-----------------------------|----|---------------|-------------------|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ | 175,000 | |
| Taxes | | 87,000 | |
| Dues | | 36,000 | |
| Promotions and fees | | <u>25,000</u> | \$ <u>323,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | | \$ | <u>323,000</u> |

INDUSTRIAL PARK TAX INCREMENT FUND:

| | | | |
|-------------------------------|----|------------------|---------------------|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ | 180,000 | |
| Taxes | | <u>1,565,000</u> | \$ <u>1,745,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses – | | | |
| Taxes not captured | \$ | 1,565,000 | |
| Contractual services | | 80,000 | |
| Capital outlay | | <u>100,000</u> | \$ <u>1,745,000</u> |

PAPER COMPANY TAX INCREMENT FUND:

| | | | |
|-------------------------------|----|----------------|-------------------|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ | 50,000 | |
| Taxes | | <u>510,000</u> | \$ <u>560,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses – | | | |
| Taxes not captured | \$ | 510,000 | |
| Contractual services | | <u>50,000</u> | \$ <u>560,000</u> |

KRAFFT-HOLLAND TAX INCREMENT FUND:

| | | | |
|-------------------------------|----|----------------|-------------------|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ | 35,000 | |
| Taxes | | <u>619,000</u> | \$ <u>654,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses – | | | |
| Taxes not captured | \$ | 619,000 | |
| Capital outlay | | <u>35,000</u> | \$ <u>654,000</u> |

PEERLESS SITE TAX INCREMENT FUND:

| | | | |
|----------------------------|----|---------------|-------------------|
| Means of financing: | | | |
| Taxes | | | \$ <u>104,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expense | \$ | 89,000 | |
| Capital outlay | | <u>15,000</u> | \$ <u>104,000</u> |

HARRINGTON HOTEL TAX INCREMENT FUND:

| | | | |
|----------------------------|----|----------------|-------------------|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ | 127,500 | |
| Taxes | | <u>27,600</u> | \$ <u>155,100</u> |
| Estimated requirements: | | | |
| Ordinary recurring expense | \$ | 10,000 | |
| Capital outlay | | <u>145,100</u> | \$ <u>155,100</u> |

BANK TAX INCREMENT FUND:

| | | | |
|----------------------------|----|----------------|-------------------|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ | 200,000 | |
| Taxes | | <u>40,000</u> | \$ <u>240,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expense | \$ | 10,000 | |
| Capital outlay | | <u>230,000</u> | \$ <u>240,000</u> |

EDISON REDEVELOPMENT TAX INCREMENT FUND:

| | | | |
|-----------------------------|----|---------------|-------------------|
| Means of financing: | | | |
| Taxes | | | \$ <u>573,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 558,000 | |
| Capital outlay | | <u>15,000</u> | \$ <u>573,000</u> |

WATER STREET TAX INCREMENT FUND:

| | | | |
|-----------------------------|---------------|-------------------|--|
| Means of financing: | | | |
| Taxes | | <u>\$ 541,000</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 526,000 | | |
| Capital outlay | <u>15,000</u> | <u>\$ 541,000</u> | |

MAINSTREET TAX INCREMENT FUND:

| | | | |
|-----------------------------|---------------|------------------|--|
| Means of financing: | | | |
| Taxes | | <u>\$ 45,000</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 20,000 | | |
| Capital outlay | <u>25,000</u> | <u>\$ 45,000</u> | |

INDUSTRIAL PARK EXPANSION TAX INCREMENT FUND:

| | | | |
|-----------------------------|---------------|-------------------|--|
| Means of financing: | | | |
| Taxes | | <u>\$ 392,000</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 342,000 | | |
| Capital outlay | <u>50,000</u> | <u>\$ 392,000</u> | |

BROWNFIELD REDEVELOPMENT TAX INCREMENT FUND:

| | | | |
|-----------------------------|--|-------------------|--|
| Means of financing: | | | |
| Taxes | | <u>\$ 457,000</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | | <u>\$ 457,000</u> | |

BEAUTIFICATION COMMISSION:

| | | | |
|-----------------------------|--------------|-----------------|--|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ 2,000 | | |
| Miscellaneous | 2,000 | | |
| Transfer from General fund | <u>3,300</u> | <u>\$ 7,300</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | | <u>\$ 7,300</u> | |

MARINA FUND:

| | | | |
|----------------------------------|--|-------------------|--|
| Means of financing: | | | |
| Transfer from Land purchase fund | | <u>\$ 201,769</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | | <u>\$ 201,769</u> | |

SENIOR CITIZENS HOUSING FUND:

| | | | |
|---|----------------|-------------------|--|
| Means of financing: | | | |
| Grants | \$ 432,300 | | |
| Rent | 339,180 | | |
| Charges for services | <u>46,404</u> | <u>\$ 817,884</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 668,725 | | |
| Capital outlay and/or other adjustments | <u>149,159</u> | <u>\$ 817,884</u> | |

LAND PURCHASE FUND:

| | | | |
|-----------------------------------|------------------|---------------------|--|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ 1,200,000 | | |
| Investment income | 125,000 | | |
| Rents | 186,000 | | |
| Other income | 10,000 | | |
| Transfer from tax increment funds | <u>1,463,733</u> | <u>\$ 2,984,733</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 2,946,769 | | |
| Capital outlay | <u>37,964</u> | <u>\$ 2,984,733</u> | |

PARKING FUND:

| | | | |
|-----------------------------|---------------|-------------------|--|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ 78,733 | | |
| Street meters | 36,000 | | |
| Parking lots | 52,500 | | |
| Annual permits | 59,400 | | |
| Charges for services | <u>900</u> | <u>\$ 227,533</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 212,533 | | |
| Capital outlay | <u>15,000</u> | <u>\$ 227,533</u> | |

WATER FUND:

| | | | |
|---|------------------|---------------------|--|
| Means of financing: | | | |
| Estimated designated fund | | | |
| balance | \$ 900,000 | | |
| Sale of water | 6,164,340 | | |
| Charges for services | 141,200 | | |
| Investment income | 75,000 | | |
| Tax increment funds-construction projects | 20,000 | | |
| Proceeds from long-term revenue bonds | 1,915,000 | | |
| Pro rata share of water administration and meter reading budget reimbursed from Wastewater fund | <u>501,977</u> | <u>\$ 9,717,517</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 4,422,381 | | |
| Debt service | 2,949,000 | | |
| Capital outlay | <u>2,346,136</u> | <u>\$ 9,717,517</u> | |

WASTEWATER FUND:

| | | | |
|--|------------------|----------------------|--|
| Means of financing: | | | |
| Charges for services | \$ 7,359,181 | | |
| Other income | 25,000 | | |
| Investment income | 75,000 | | |
| Grants | 758,177 | | |
| Tax increment funds-construction projects | 35,000 | | |
| Reimbursement from other units of government | 1,770,000 | | |
| Proceeds from long-term revenue bonds | 2,466,823 | | |
| Transfer from governmental funds | 2,939,493 | | |
| Transfer from Land purchase fund | <u>2,295,000</u> | <u>\$ 17,723,674</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 7,256,874 | | |
| Debt service | 6,200,000 | | |
| Capital outlay | <u>4,266,800</u> | <u>\$ 17,723,674</u> | |

NOTE: Wastewater Fund to also receive a transfer from the General Fund of \$500,000 during the fiscal year ending June 30, 2008.

CENTRAL STORES FUND:

| | | | |
|-----------------------------|---------------|-------------------|--|
| Means of financing: | | | |
| Charges for services | | <u>\$ 150,322</u> | |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 140,322 | | |
| Capital outlay | <u>10,000</u> | <u>\$ 150,322</u> | |

DATA PROCESSING FUND:

| | | | |
|-----------------------------|----|---------------|-------------------|
| Means of financing: | | | |
| Charges for services | | \$ | <u>875,940</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 801,390 | |
| Capital outlay | | <u>74,550</u> | \$ <u>875,940</u> |

MOTOR VEHICLE FUND:

| | | | |
|-----------------------------------|----|------------------|---------------------|
| Means of financing: | | | |
| Estimated designated fund balance | | | |
| | \$ | 548,168 | |
| Charges for services | | <u>2,320,000</u> | \$ <u>2,868,168</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 2,105,606 | |
| Capital outlay | | <u>762,562</u> | \$ <u>2,868,168</u> |

INSURANCE AND FRINGE BENEFIT FUND:

| | | | |
|-----------------------------|----|----------------|----------------------|
| Means of financing: | | | |
| Charges for services | | \$ | <u>10,240,319</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ | 9,246,819 | |
| Supplies and materials | | 500 | |
| Contractual services | | <u>993,000</u> | \$ <u>10,240,319</u> |

BE IT FURTHER RESOLVED, that the following Summary of Estimated Requirements by Budget Classes and Schedule of Estimated Expenditures, being for informational purposes only, is intended to substantiate the computation of budget appropriations included above, and

SUMMARY OF ESTIMATED REQUIREMENTS BY BUDGET CLASSES
2008-2009

| | Personal Services | Supplies and Materials | Contractual Services | Total Recurring Expenses | Capital Outlay | Total |
|--------------------------------|----------------------|------------------------------|-------------------------|--------------------------------|-------------------|-------------------|
| GENERAL FUND | | | | | | |
| General Government: | | | | | | |
| City council | \$ 8,470 | \$ 2,500 | \$ 65,770 | \$ 76,740 | \$. | \$ 76,740 |
| City manager | 272,565 | 2,050 | 28,468 | 303,083 | | 303,083 |
| Elections | 65,149 | 7,000 | 20,130 | 92,279 | | 92,279 |
| Finance and accounting | 550,749 | 8,000 | 111,965 | 670,714 | | 670,714 |
| Income tax | 215,048 | 20,180 | 71,765 | 306,993 | | 306,993 |
| Assessor | 297,068 | 7,750 | 75,799 | 380,617 | | 380,617 |
| Legal | 211,470 | 1,100 | 76,645 | 289,215 | | 289,215 |
| Clerk | 207,944 | 1,050 | 24,077 | 233,071 | | 233,071 |
| Personnel | 245,720 | 3,100 | 62,763 | 311,583 | | 311,583 |
| Purchasing | 31,946 | 169 | 9,760 | 41,875 | | 41,875 |
| Board of review | 1,800 | | 650 | 2,450 | | 2,450 |
| Treasurer | 135,199 | 9,095 | 68,980 | 213,274 | | 213,274 |
| Municipal office center | 207,206 | 28,279 | 317,944 | 553,429 | 6,000 | 559,429 |
| Promotional | | | 23,000 | 23,000 | | 23,000 |
| | <u>2,450,334</u> | <u>90,273</u> | <u>957,716</u> | <u>3,498,323</u> | <u>6,000</u> | <u>3,504,323</u> |
| Public Safety: | | | | | | |
| Police administration | 796,566 | 24,973 | 200,796 | 1,022,335 | | 1,022,335 |
| Detectives | 829,693 | 13,100 | 87,480 | 930,273 | | 930,273 |
| Patrol | 4,622,189 | 89,400 | 418,552 | 5,130,141 | 4,050 | 5,134,191 |
| Communications | 55,000 | 1,225 | 283,870 | 340,095 | | 340,095 |
| Fire | 4,518,225 | 156,497 | 331,855 | 5,006,577 | 23,850 | 5,030,427 |
| | <u>10,821,673</u> | <u>285,195</u> | <u>1,322,553</u> | <u>12,429,421</u> | <u>27,900</u> | <u>12,457,321</u> |
| Public Works: | | | | | | |
| Inspection | 344,222 | 3,200 | 39,073 | 386,495 | | 386,495 |
| Emergency Management | | 2,600 | 10,409 | 13,009 | | 13,009 |
| Public works administration | 197,317 | 300 | 11,620 | 209,237 | | 209,237 |
| Engineering | 240,470 | 7,000 | 76,555 | 324,025 | | 324,025 |
| Street lighting | 7,084 | 3,000 | 711,271 | 721,355 | | 721,355 |
| Blight | 103,093 | 1,600 | 8,761 | 113,454 | | 113,454 |
| | <u>892,186</u> | <u>17,700</u> | <u>857,689</u> | <u>1,767,575</u> | | <u>1,767,575</u> |
| Senior Citizens: | | | | | | |
| Wastewater and water discounts | | | 5,000 | 5,000 | | 5,000 |
| Senior citizens transportation | | | 12,404 | 12,404 | | 12,404 |
| | | | <u>17,404</u> | <u>17,404</u> | | <u>17,404</u> |

SUMMARY OF ESTIMATED REQUIREMENTS BY BUDGET CLASSES
2008-2009

| | <u>Personal Services</u> | <u>Supplies and Materials</u> | <u>Contractual Services</u> | <u>Total Recurring Expenses</u> | <u>Capital Outlay</u> | <u>Total</u> |
|---------------------------------------|------------------------------|---------------------------------------|---------------------------------|---|---------------------------|-------------------|
| Recreation, Parks and Culture: | | | | | | |
| Parks and Forestry | \$ 713,421 | \$ 59,669 | \$ 308,960 | \$ 1,082,050 | \$ 22,500 | \$ 1,104,550 |
| Recreation | 444,700 | 87,721 | 117,273 | 649,694 | | 649,694 |
| 20th and Court pool | 57,400 | 11,760 | 28,870 | 98,030 | | 98,030 |
| Sanborn pool | 69,671 | 12,710 | 32,170 | 114,551 | | 114,551 |
| Lighthouse park | 9,397 | 2,100 | 1,700 | 13,197 | | 13,197 |
| Lakeside park | 10,283 | 3,250 | 9,700 | 23,233 | | 23,233 |
| Palmer park recreation center | 81,182 | 6,658 | 32,250 | 120,090 | | 120,090 |
| Lightship | 362 | 1,500 | 10,700 | 12,562 | | 12,562 |
| McMorran complex | | | 335,000 | 335,000 | | 335,000 |
| Library | | | 8,000 | 8,000 | | 8,000 |
| Museum | 580 | 3,000 | 95,450 | 99,030 | | 99,030 |
| | <u>1,386,996</u> | <u>188,368</u> | <u>980,073</u> | <u>2,555,437</u> | <u>22,500</u> | <u>2,577,937</u> |
| Other Functions: | | | | | | |
| Planning | 150,097 | 2,900 | 44,862 | 197,859 | | 197,859 |
| Telephone service | | 1,800 | 23,366 | 25,166 | | 25,166 |
| Contingencies | | 40,000 | | 40,000 | | 40,000 |
| Insurance, health and safety | 8,250 | | 154,340 | 162,590 | | 162,590 |
| Taxes written off | | | 5,000 | 5,000 | | 5,000 |
| Demolitions | | | 5,000 | 5,000 | | 5,000 |
| | <u>158,347</u> | <u>44,700</u> | <u>232,568</u> | <u>435,615</u> | | <u>435,615</u> |
| Subtotal | <u>15,709,536</u> | <u>626,236</u> | <u>4,368,003</u> | <u>20,703,775</u> | <u>56,400</u> | <u>20,760,175</u> |
| Public Improvements: | | | | | | |
| Parks and recreation projects | | | | | 135,000 | 135,000 |
| MOC Capital | | | | | 414,000 | 414,000 |
| Other public improvements | | | | | 30,000 | 30,000 |
| | | | | | <u>579,000</u> | <u>579,000</u> |
| Subtotal | <u>15,709,536</u> | <u>626,236</u> | <u>4,368,003</u> | <u>20,703,775</u> | <u>635,400</u> | <u>21,339,175</u> |
| Transfer to other funds: | | | | | | |
| Wastewater fund | | | 1,939,493 | 1,939,493 | | 1,939,493 |
| Beautification fund | | | 3,300 | 3,300 | | 3,300 |
| | | | <u>1,942,793</u> | <u>1,942,793</u> | | <u>1,942,793</u> |
| TOTAL GENERAL FUND | <u>15,709,536</u> | <u>626,236</u> | <u>6,310,796</u> | <u>22,646,568</u> | <u>635,400</u> | <u>23,281,968</u> |
| SPECIAL REVENUE FUNDS | | | | | | |
| Street funds: | | | | | | |
| Major streets | 928,774 | 224,293 | 934,327 | 2,087,394 | 7,327,800 | 9,415,194 |
| Local streets | 499,626 | 79,080 | 285,384 | 864,090 | 1,060,000 | 1,924,090 |
| Municipal streets | 58,093 | 21,659 | 3,806,402 | 3,886,154 | | 3,886,154 |
| | <u>1,486,493</u> | <u>325,032</u> | <u>5,026,113</u> | <u>6,837,638</u> | <u>8,387,800</u> | <u>15,225,438</u> |
| Cemetery fund | 275,779 | 21,132 | 96,244 | 393,155 | 8,500 | 401,655 |
| Garbage and rubbish collection fund | 329,410 | 500 | 2,151,195 | 2,481,105 | | 2,481,105 |
| Rental certification fund | 133,485 | 4,600 | 31,921 | 170,006 | | 170,006 |
| Domestic Preparedness | | 5,000 | 5,000 | 10,000 | 90,000 | 100,000 |
| OUIL | | 3,500 | 1,500 | 5,000 | 10,000 | 15,000 |
| Drug law enforcement fund | | 5,000 | 1,000 | 6,000 | 40,000 | 46,000 |
| Law enforcement fund | | 5,000 | | 5,000 | | 5,000 |
| Enhanced 911 fund | | | 33,450 | 33,450 | 100,000 | 133,450 |
| Community development block grant | 51,461 | 883 | 22,656 | 75,000 | 775,677 | 850,677 |

SUMMARY OF ESTIMATED REQUIREMENTS BY BUDGET CLASSES
2008-2009

| | Personal Services | Supplies and Materials | Contractual Services | Total Recurring Expenses | Capital Outlay | Total |
|--|----------------------|------------------------------|-------------------------|--------------------------------|---------------------|---------------------|
| Neighborhood rehabilitation | \$. | \$. | \$. | \$. | \$ 100,000 | \$ 100,000 |
| Home program fund | 26,165 | | | 26,165 | 235,481 | 261,646 |
| Streetscape maintenance | 644 | 313 | 69,043 | 70,000 | | 70,000 |
| Downtown development fund | 100,000 | 20,000 | 203,000 | 323,000 | | 323,000 |
| Industrial park tax increment fund | | | 1,645,000 | 1,645,000 | 100,000 | 1,745,000 |
| Paper Company tax increment fund | | | 560,000 | 560,000 | | 560,000 |
| Krafft-Holland tax increment fund | | | 654,000 | 654,000 | | 654,000 |
| Peerless site tax increment fund | | | 89,000 | 89,000 | 15,000 | 104,000 |
| Harrington Hotel tax increment fund | | | 10,000 | 10,000 | 145,100 | 155,100 |
| Bank tax increment fund | | | 10,000 | 10,000 | 230,000 | 240,000 |
| Edison redevelopment tax increment fund | | | 558,000 | 558,000 | 15,000 | 573,000 |
| Water Street tax increment fund | | | 526,000 | 526,000 | 15,000 | 541,000 |
| Mainstreet tax increment fund | | | 20,000 | 20,000 | 25,000 | 45,000 |
| Industrial park expansion tax increment fund | | | 342,000 | 342,000 | 50,000 | 392,000 |
| Brownfield redevelopment tax increment fund | | | 457,000 | 457,000 | | 457,000 |
| Beautification commission fund | | 6,570 | 730 | 7,300 | | 7,300 |
| TOTAL SPECIAL REVENUE FUNDS | <u>2,403,437</u> | <u>397,530</u> | <u>12,512,852</u> | <u>15,313,819</u> | <u>10,342,558</u> | <u>25,656,377</u> |
| ENTERPRISE FUNDS | | | | | | |
| Marina fund | 5,598 | 35 | 196,136 | 201,769 | | 201,769 |
| Senior citizens housing fund | 4,025 | 12,800 | 651,900 | 668,725 | 149,159 | 817,884 |
| Land purchase fund | | | 2,946,769 | 2,946,769 | 37,964 | 2,984,733 |
| Parking fund | 97,529 | 16,625 | 98,379 | 212,533 | 15,000 | 227,533 |
| Water fund: | | | | | | |
| Treatment plant | 906,005 | 152,055 | 987,150 | 2,045,210 | 386,436 | 2,431,646 |
| Distribution | 696,964 | 166,885 | 509,369 | 1,373,218 | 1,959,700 | 3,332,918 |
| Customer accounting | 147,289 | 26,868 | 108,732 | 282,889 | | 282,889 |
| Meter reading | 421,777 | 134,591 | 164,696 | 721,064 | | 721,064 |
| Debt service | | | 2,949,000 | 2,949,000 | | 2,949,000 |
| | <u>2,172,035</u> | <u>480,399</u> | <u>4,718,947</u> | <u>7,371,381</u> | <u>2,346,136</u> | <u>9,717,517</u> |
| Wastewater fund: | | | | | | |
| Treatment plant | 1,958,081 | 496,727 | 2,455,353 | 4,910,161 | 995,000 | 5,905,161 |
| Collection, general | 886,912 | 136,823 | 1,264,703 | 2,288,438 | 3,271,800 | 5,560,238 |
| Collection system no. 1 | | | 214 | 214 | | 214 |
| Collection system no. 2 | 3,484 | 4,500 | 18,433 | 26,417 | | 26,417 |
| Collection system no. 3 | 4,988 | 1,500 | 25,156 | 31,644 | | 31,644 |
| Debt service | | | 6,200,000 | 6,200,000 | | 6,200,000 |
| | <u>2,853,465</u> | <u>639,550</u> | <u>9,963,859</u> | <u>13,456,874</u> | <u>4,266,800</u> | <u>17,723,674</u> |
| TOTAL ENTERPRISE FUNDS | <u>5,132,652</u> | <u>1,149,409</u> | <u>18,575,990</u> | <u>24,858,051</u> | <u>6,815,059</u> | <u>31,673,110</u> |
| INTERNAL SERVICE FUNDS | | | | | | |
| Central stores fund | 12,023 | 43,100 | 85,199 | 140,322 | 10,000 | 150,322 |
| Data Processing fund | 475,579 | 97,905 | 227,906 | 801,390 | 74,550 | 875,940 |
| Motor vehicle fund | 771,893 | 534,213 | 799,500 | 2,105,606 | 762,562 | 2,868,168 |
| Insurance and fringe benefit fund | 9,246,819 | 500 | 993,000 | 10,240,319 | | 10,240,319 |
| TOTAL INTERNAL SERVICE FUNDS | <u>10,506,314</u> | <u>675,718</u> | <u>2,105,605</u> | <u>13,287,637</u> | <u>847,112</u> | <u>14,134,749</u> |
| TOTAL ALL FUNDS | <u>\$33,751,939</u> | <u>\$2,848,893</u> | <u>\$39,505,243</u> | <u>\$76,106,075</u> | <u>\$18,640,129</u> | <u>\$94,746,204</u> |

SCHEDULE OF ESTIMATED EXPENDITURES
2008-2009

| | Actual | | Budget | | | |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|---------------|----------------|
| | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | Increase | Decrease |
| GENERAL FUND | | | | | | |
| General Government: | | | | | | |
| City council | \$ 91,682 | \$ 92,757 | \$ 86,335 | \$ 76,740 | \$. | \$ 9,595 |
| City manager | 570,166 | 346,632 | 338,154 | 303,083 | | 35,071 |
| Elections | 61,549 | 85,520 | 88,249 | 92,279 | 4,030 | |
| Finance and accounting | 597,068 | 656,188 | 667,519 | 670,714 | 3,195 | |
| Income tax | 278,775 | 298,561 | 310,637 | 306,993 | | 3,644 |
| Assessor | 386,363 | 420,717 | 424,283 | 380,617 | | 43,666 |
| Legal | 262,592 | 271,267 | 306,217 | 289,215 | | 17,002 |
| Clerk | 237,246 | 245,560 | 247,656 | 233,071 | | 14,585 |
| Personnel | 303,430 | 303,149 | 308,639 | 311,583 | 2,944 | |
| Purchasing | 37,855 | 41,189 | 42,041 | 41,875 | | 166 |
| Board of review | 2,341 | 2,322 | 2,450 | 2,450 | | |
| Treasurer | 187,628 | 202,413 | 215,724 | 213,274 | | 2,450 |
| Municipal office center | 575,547 | 549,738 | 637,626 | 559,429 | | 78,197 |
| Promotional | 34,419 | 27,889 | 26,000 | 23,000 | | 3,000 |
| | <u>3,626,661</u> | <u>3,543,902</u> | <u>3,701,530</u> | <u>3,504,323</u> | <u>10,169</u> | <u>207,376</u> |
| Public Safety: | | | | | | |
| Police administration | 943,337 | 1,011,501 | 1,077,464 | 1,022,335 | | 55,129 |
| Detectives | 1,046,388 | 968,236 | 935,100 | 930,273 | | 4,827 |
| Patrol | 5,022,490 | 4,940,745 | 5,181,987 | 5,134,191 | | 47,796 |
| Communications | 726,268 | 793,526 | 764,261 | 340,095 | | 424,166 |
| Fire | 5,603,541 | 5,546,308 | 5,118,512 | 5,030,427 | | 88,085 |
| | <u>13,342,024</u> | <u>13,260,316</u> | <u>13,077,324</u> | <u>12,457,321</u> | | <u>620,003</u> |
| Public Works: | | | | | | |
| Inspection | 361,690 | 334,720 | 393,720 | 386,495 | | 7,225 |
| Emergency Management | 9,191 | 17,130 | 13,773 | 13,009 | | 764 |
| Public works administration | 198,430 | 206,874 | 209,131 | 209,237 | 106 | |
| Engineering | 264,360 | 223,614 | 377,764 | 324,025 | | 53,739 |
| Street lighting | 695,115 | 698,308 | 718,925 | 721,355 | 2,430 | |
| Blight | 125,702 | 127,603 | 101,256 | 113,454 | 12,198 | |
| | <u>1,654,488</u> | <u>1,608,249</u> | <u>1,814,569</u> | <u>1,767,575</u> | <u>14,734</u> | <u>61,728</u> |
| Senior Citizens: | | | | | | |
| Wastewater and water discounts | 3,163 | 3,348 | 6,000 | 5,000 | | 1,000 |
| Senior citizens transportation | 15,008 | 14,503 | 15,688 | 12,404 | | 3,284 |
| | <u>18,171</u> | <u>17,851</u> | <u>21,688</u> | <u>17,404</u> | | <u>4,284</u> |
| Recreation, Parks and Culture: | | | | | | |
| Parks and Forestry | 1,345,431 | 1,156,092 | 1,188,420 | 1,104,550 | | 83,870 |
| Recreation | 646,331 | 635,643 | 676,523 | 649,694 | | 26,829 |
| 20th and Court pool | 104,428 | 101,315 | 109,716 | 98,030 | | 11,686 |
| Sanborn pool | 122,926 | 133,337 | 127,629 | 114,551 | | 13,078 |
| Lighthouse park | 48,480 | 50,830 | 43,368 | 13,197 | | 30,171 |
| Lakeside park | 69,630 | 62,829 | 53,458 | 23,233 | | 30,225 |
| Palmer park recreation center | 112,780 | 124,047 | 122,289 | 120,090 | | 2,199 |
| Lightship | 10,203 | 29,421 | 14,267 | 12,562 | | 1,705 |
| McMorran complex | 335,000 | 335,000 | 335,000 | 335,000 | | |
| Library | 8,000 | 8,000 | 8,000 | 8,000 | | |
| Museum | 112,241 | 139,647 | 111,060 | 99,030 | | 12,030 |
| Fine arts | 1,500 | | | | | |
| | <u>2,916,950</u> | <u>2,776,161</u> | <u>2,789,730</u> | <u>2,577,937</u> | | <u>211,793</u> |
| Other Functions: | | | | | | |
| Planning | 213,004 | 269,290 | 212,571 | 197,859 | | 14,712 |
| Telephone service | 34,915 | 24,006 | 31,950 | 25,166 | | 6,784 |
| Contingencies | | | 2,500 | 40,000 | 37,500 | |

SCHEDULE OF ESTIMATED EXPENDITURES
2008-2009

| | Actual | | Budget | | | |
|---|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | Increase | Decrease |
| Insurance, health and safety | \$ 238,476 | \$ 110,938 | \$ 333,458 | \$ 162,590 | \$. | \$ 170,868 |
| Taxes written off | 717 | 449 | 5,000 | 5,000 | | |
| Demolitions | | 158 | 5,000 | 5,000 | | |
| | <u>487,112</u> | <u>404,841</u> | <u>590,479</u> | <u>435,615</u> | <u>37,500</u> | <u>192,364</u> |
| Subtotal | <u>22,045,406</u> | <u>21,611,320</u> | <u>21,995,320</u> | <u>20,760,175</u> | <u>62,403</u> | <u>1,297,548</u> |
| Public Improvements: | | | | | | |
| Parks and recreation projects | 78,309 | 3,071 | 117,000 | 135,000 | 18,000 | |
| MOC Capital | 64,547 | 341,871 | 258,700 | 414,000 | 155,300 | |
| Other public improvement | | | 125,000 | 30,000 | | 95,000 |
| | <u>142,856</u> | <u>344,942</u> | <u>500,700</u> | <u>579,000</u> | <u>173,300</u> | <u>95,000</u> |
| Subtotal | <u>22,188,262</u> | <u>21,956,262</u> | <u>22,496,020</u> | <u>21,339,175</u> | <u>235,703</u> | <u>1,392,548</u> |
| Transfer to other funds: | | | | | | |
| Cemetery fund | 45,000 | 204,000 | 57,546 | | | 57,546 |
| Downtown development fund | | | 12,000 | | | 12,000 |
| Beautification commission fund | 8,300 | 3,300 | 3,300 | 3,300 | | |
| Land purchase fund | 250,000 | | | | | |
| Wastewater fund | | 700,000 | 667,400 | 1,939,493 | 1,272,093 | |
| | <u>303,300</u> | <u>907,300</u> | <u>740,246</u> | <u>1,942,793</u> | <u>1,272,093</u> | <u>69,546</u> |
| TOTAL GENERAL FUND | <u>22,491,562</u> | <u>22,863,562</u> | <u>23,236,266</u> | <u>23,281,968</u> | <u>1,507,796</u> | <u>1,462,094</u> |
| SPECIAL REVENUE FUNDS | | | | | | |
| Street funds: | | | | | | |
| Major streets | 3,475,800 | 5,022,023 | 16,814,675 | 9,415,194 | | 7,399,481 |
| Local streets | 1,642,203 | 1,179,005 | 1,436,900 | 1,924,090 | 487,190 | |
| Municipal streets | 1,757,722 | 2,701,983 | 4,823,082 | 3,886,154 | | 936,928 |
| | <u>6,875,725</u> | <u>8,903,011</u> | <u>23,074,657</u> | <u>15,225,438</u> | <u>487,190</u> | <u>8,336,409</u> |
| Cemetery fund | 496,879 | 523,695 | 434,946 | 401,655 | | 33,291 |
| Garbage and rubbish collection fund | 1,772,152 | 2,010,241 | 2,197,586 | 2,481,105 | 283,519 | |
| Rental certification fund | 205,794 | 204,458 | 184,755 | 170,006 | | 14,749 |
| Domestic preparedness fund | 954,445 | 503,137 | 200,000 | 100,000 | | 100,000 |
| OUIL fund | 17,579 | 628 | 15,000 | 15,000 | | |
| Drug law enforcement fund | 18,285 | 4,640 | 46,000 | 46,000 | | |
| Law enforcement fund | 2,336 | 2,160 | 5,000 | 5,000 | | |
| Enhanced 911 fund | 257,052 | 292,475 | 224,855 | 133,450 | | 91,405 |
| Community development block grant fund | 771,608 | 1,170,185 | 881,023 | 850,677 | | 30,346 |
| Neighborhood rehabilitation fund | 90,000 | 145,779 | 247,500 | 100,000 | | 147,500 |
| Home program fund | 420,279 | 251,779 | 270,141 | 261,646 | | 8,495 |
| Streetscape maintenance fund | 33,847 | 28,633 | 66,795 | 70,000 | 3,205 | |
| Downtown development fund | 75,251 | 17,909 | 211,200 | 323,000 | 111,800 | |
| Industrial park tax increment fund | 1,558,293 | 1,594,232 | 1,758,000 | 1,745,000 | | 13,000 |
| Paper Company tax increment fund | 555,237 | 535,407 | 553,000 | 560,000 | 7,000 | |
| Krafft-Holland tax increment fund | 564,633 | 589,595 | 610,000 | 654,000 | 44,000 | |
| Peerless site tax increment fund | 200,372 | 159,589 | 102,000 | 104,000 | 2,000 | |
| Harrington Hotel tax increment fund | 2,428 | | 127,500 | 155,100 | 27,600 | |
| Bank tax increment fund | | | 200,000 | 240,000 | 40,000 | |
| Edison redevelopment tax increment fund | 508,641 | 530,164 | 553,000 | 573,000 | 20,000 | |
| Water Street tax increment fund | 372,007 | 969,916 | 520,000 | 541,000 | 21,000 | |
| Mainstreet tax increment fund | 252,406 | 46,268 | 53,000 | 45,000 | | 8,000 |

SCHEDULE OF ESTIMATED EXPENDITURES
2008-2009

| | Actual | | Budget | | | |
|--|---------------------|---------------------|----------------------|---------------------|--------------------|---------------------|
| | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | Increase | Decrease |
| Industrial park expansion tax increment fund | \$ 226,346 | \$ 235,471 | \$ 363,000 | \$ 392,000 | \$ 29,000 | \$. |
| Brownfield redevelopment tax increment fund | 382,551 | 379,123 | 385,000 | 457,000 | 72,000 | |
| Beautification commission fund | 5,410 | 7,450 | 7,300 | 7,300 | | |
| TOTAL SPECIAL REVENUE FUNDS | <u>16,619,556</u> | <u>19,105,945</u> | <u>33,291,258</u> | <u>25,656,377</u> | <u>1,148,314</u> | <u>8,783,195</u> |
| ENTERPRISE FUNDS | | | | | | |
| Marina fund | 876,246 | 716,718 | 831,300 | 201,769 | | 629,531 |
| Senior citizens housing fund | 750,473 | 979,513 | 817,884 | 817,884 | | |
| Land purchase fund | 5,137,383 | 3,518,361 | 2,884,733 | 2,984,733 | 100,000 | |
| Parking fund | 198,587 | 185,203 | 313,082 | 227,533 | | 85,549 |
| Water fund: | | | | | | |
| Treatment plant | 1,965,843 | 1,858,173 | 2,370,093 | 2,431,646 | 61,553 | |
| Distribution | 1,423,050 | 1,473,970 | 1,471,719 | 1,397,918 | | 73,801 |
| Customer accounting | 245,433 | 280,515 | 286,161 | 282,889 | | 3,272 |
| Meter reading | 640,639 | 662,688 | 715,780 | 721,064 | 5,284 | |
| Debt service | 2,404,503 | 2,498,380 | 2,960,000 | 2,949,000 | | 11,000 |
| Capital outlay | 5,508,509 | 4,286,926 | 5,070,000 | 1,935,000 | | 3,135,000 |
| | <u>12,187,977</u> | <u>11,060,652</u> | <u>12,873,753</u> | <u>9,717,517</u> | <u>66,837</u> | <u>3,223,073</u> |
| Wastewater fund: | | | | | | |
| Treatment plant | 4,665,085 | 4,857,328 | 5,852,502 | 5,905,161 | 52,659 | |
| Collection, general | 2,174,134 | 2,241,521 | 2,647,856 | 2,300,238 | | 347,618 |
| Collection system no. 1 | 11 | 12 | 213 | 214 | 1 | |
| Collection system no. 2 | 18,094 | 53,534 | 23,989 | 26,417 | 2,428 | |
| Collection system no. 3 | 18,596 | 11,045 | 24,782 | 31,644 | 6,862 | |
| Debt service | 5,242,180 | 5,682,867 | 6,306,000 | 6,200,000 | | 106,000 |
| Capital outlay | 7,581,552 | 6,486,008 | 9,240,000 | 3,260,000 | | 5,980,000 |
| | <u>19,699,652</u> | <u>19,332,315</u> | <u>24,095,342</u> | <u>17,723,674</u> | <u>61,950</u> | <u>6,433,618</u> |
| TOTAL ENTERPRISE FUNDS | <u>38,850,318</u> | <u>35,792,762</u> | <u>41,816,094</u> | <u>31,673,110</u> | <u>228,787</u> | <u>10,371,771</u> |
| INTERNAL SERVICE FUNDS | | | | | | |
| Central stores fund | 139,300 | 123,376 | 160,341 | 150,322 | | 10,019 |
| Data Processing fund | 980,394 | 938,642 | 940,167 | 875,940 | | 64,227 |
| Motor vehicle fund | 2,394,980 | 2,189,465 | 2,952,208 | 2,868,168 | | 84,040 |
| Insurance and fringe benefit fund | 9,665,753 | 9,819,303 | 12,563,076 | 10,240,319 | | 2,322,757 |
| TOTAL INTERNAL SERVICE FUNDS | <u>13,180,427</u> | <u>13,070,786</u> | <u>16,615,792</u> | <u>14,134,749</u> | | <u>2,481,043</u> |
| TOTAL ALL FUNDS | <u>\$91,141,863</u> | <u>\$90,833,055</u> | <u>\$114,959,410</u> | <u>\$94,746,204</u> | <u>\$2,884,897</u> | <u>\$23,098,103</u> |

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to make budgetary transfers within and between the activity centers of each fund established through this budget, and that all budgetary transfers between funds may be made only by further action of the Council pursuant to the provisions of the Michigan Uniform Accounting and Budgeting Act, and

BE IT FURTHER RESOLVED that the Finance Director is hereby authorized and directed to transfer 25% of the fiscal year

2008-09 Motor Vehicle Highway Distribution revenue from the Major Street Fund to the Local Street Fund as provided for in Section 13d of Act 51 of P.A. 1951, and

BE IT FURTHER RESOLVED, that the following schedule of parking fees, rates and charges established by the City Manager during the previous twelve month period and for any prior periods are hereby confirmed by the City Council, in accordance with Ordinance No. 835:

Street Meters

Various locations - converted meters (Merchant Street)

Metered Off Street Lots

Various locations - converted meters

(A schedule of parking fees, rates and charges is attached as City Clerk File #08-79)

BE IT FURTHER RESOLVED, that there is hereby levied on each dollar of taxable value, against all real and personal taxable property in the City of Port Huron, 16.0869 mills for operating purposes, being 11.2696 mills for general operations, 2.8173 mills for the collection of refuse and 2.0000 mills for street improvements, and

BE IT FURTHER RESOLVED, that in accordance with the recommendation of the Downtown Development Authority, there is hereby levied on each dollar of taxable value, against all real and personal taxable property in the Downtown Development District, 1.9874 mills for operating purposes, and

BE IT FURTHER RESOLVED, that said 16.0869 mills for various operating purposes and said 1.9874 mills for operations of the Downtown Development Authority be levied on July 1, 2008, and

BE IT FURTHER RESOLVED, that the City Clerk be and is hereby authorized and directed to certify said tax for levy and collection to the City Treasurer by delivering a certified copy of this resolution, and

BE IT FURTHER RESOLVED, that the City Treasurer is hereby authorized and directed to accept payment on taxes due July 1, 2008, for a period not extending beyond March 1, 2009 with penalty as follows:

1. Taxes shall be collected without additional charge for a period of one (1) month from the date the tax bills are mailed or July 1, 2008, whichever is later.

2. An addition of one percent (1%) of every unpaid tax shall be made on the first day of the second, third, fourth and fifth, thirty (30) day period (four percent <4%> maximum) next following the mailing of the tax bills or July 1, 2008, whichever is later, and

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to grant non-union employees (excluding Department Heads) a salary adjustment of up to 2.0 percent and/or to require additional merit consideration to be effective, July 5, 2008, and

BE IT FURTHER RESOLVED, that the required employee contribution for all non union employees participating in the Municipal Employees Retirement System of Michigan (MERS) Group #10 will be 1% effective for all wages paid after July 1, 2008, 2% effective for all wages paid after July 1, 2009, and 3% for all wages paid after July 1, 2010, and

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized and directed to execute necessary employment agreements with key personnel consistent with this budget resolution, and

BE IT FURTHER RESOLVED, that the appropriate City officials are hereby authorized to enter into an Administrative

Services Contract (ASC) agreement with Blue Cross Blue Shield of Michigan to fully self-insure employee and retiree health insurance, including prescription drug coverage, in accordance with the labor contract ratified by the Fire Fighters union and consistent with ongoing negotiations with the other City unions, and

BE IT FURTHER RESOLVED, that the Capital Improvement Program for the 2008-2009 through 2012-2013 fiscal years, as amended, be adopted as a guide for capital expenditures during this period.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski and McCulloch.

No: Councilmember Byrne.

Absent: None.

Vacancy: Two.

***R-2.** WHEREAS, the Blue Water Area Transportation Commission ("BWATC") operates a transit system within the Blue Water Area; and

WHEREAS, it was agreed to place the question of additional funding for the transportation system before the voters of each local unit of government in the form of a millage; and

WHEREAS, on May 6, 2008 the voters in the City of Port Huron and the Charter Township of Fort Gratiot approved the Blue Water Area Transportation System operation millage proposal which provided that the limitation on the total amount of all taxes which may be assessed against all property in said two (2) local units of government be increased by up to 0.6214 mills of taxable valuation, as finally equalized, of all real and personal taxable property within said two (2) local units of government for the period of four (4) years for the purpose of providing funds for the operation of the Blue Water Area Transportation System from July 1, 2008, through June 30, 2012; and

WHEREAS, the City of Port Huron has received a recommendation from the Blue Water Area Transportation Commission to levy 0.6214 mills on the taxable valuation, as finally equalized, on all real and personal property in the City of Port Huron for the period of one (1) year (the July 1, 2008 City levy) which recommendation is within the 0.6214 mills approved by the voters of the City of Port Huron; and

WHEREAS, the amount to be received from the levy of 0.6214 mills by the City of Port Huron, based on the 2008 State Equalized Value of all real and personal taxable property has been determined by the Blue Water Area Transportation Commission to be a fair and equitable basis and formula for the local financing of the said operation of the transportation system from July 1, 2008 through June 30, 2009;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Port Huron, St. Clair County, Michigan, by the authority of said May 6, 2008 millage approval by the voters of the City of Port Huron, that the City of Port Huron does hereby levy for the period of one (1) year, 0.6214 mills on each dollar of taxable valuations, as finally equalized against all real and personal taxable property in the City of Port Huron for the purpose of the City of Port Huron contributing its share of the said financing of the operation of the Blue Water Area Transportation Commission for the operational period of July 1, 2008 through June 30, 2009; and

BE IT FURTHER RESOLVED that said 0.6214 mills be levied on July 1, 2008; and

BE IT FURTHER RESOLVED that the City Clerk be and is hereby authorized and directed to certify said tax for levy and collection to the City Treasurer of the City of Port Huron by delivering to said City Treasurer a certified copy of this resolution.

All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

Adopted.

R-3. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the United States Department of Housing and Urban Development (HUD) allocated \$272,285.90 in HOME funding in 2006 and \$270,141.00 in HOME funding in 2007 to the City of Port Huron for use in developing affordable housing for low-income persons in the city; and

WHEREAS, a condition of receipt of funds is that at least 15% of the annual allocation be set aside for eligible Community Housing Development Organization (CHDO) housing projects; and

WHEREAS, the City requested proposals from eligible CHDOs which included a specific housing project to provide permanent housing to low-income persons and the submitted applications were reviewed and scored by the Community Development Division; and

WHEREAS, Massive Impact Housing Development has been recommended to receive the award from 2006 and 2007 HOME funding in the amount of \$108,485.50 (contingent upon meeting all applicable regulations and execution of contract agreements);

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the City's Community Development Division to allocate 2006 and 2007 HOME CHDO funds according to Massive Impact Housing Development's proposal for the acquisition of a single-family residential property in the Olde Town area, rehabilitation of that property, and sale to a low-income first time home buyer;

BE IT FURTHER RESOLVED that the City council also authorizes and approves the Community Development Director and/or Supervisor to sign all necessary agreements.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.
No: None.
Absent: None.
Vacancy: Two.

AT THIS POINT (7:50 p.m.), Council recessed until 7:56 p.m.

R-4. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the collective bargaining agreement between the City and the Port Huron Fire Fighters Association, Local 354, expired on June 30, 2007; and

WHEREAS, the City and the Union have negotiated a new collective bargaining agreement that is acceptable to each;

NOW, THEREFORE, BE IT RESOLVED that the attached changes to the existing collective bargaining agreement are hereby adopted and appropriate City Officials are authorized to prepare and execute a new four-year collective bargaining agreement with the Port Huron Fire Fighters Association, Local 354, for the period July 1, 2007, through June 30, 2011. (See City Clerk File #08-76)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.
No: None.
Absent: None.
Vacancy: Two.

R-5. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the Water Street Marina has been operating at a loss for several years; and

WHEREAS, the electors approved the sale or long-term lease of the Water Street Marina property to the James C. Acheson Charitable Foundation for the purpose of redevelopment of the property for marina and other development at he November 2005 election; and

WHEREAS, the James C. Acheson Charitable Foundation is no longer interested in the purchase of the Water Street Marina Property; and

WHEREAS, Section 78 of the City Charter for the City of Port Huron requires that any development, lease or sale of any City-owned waterfront property be approved by a majority of the electorate; and

WHEREAS, City Council has directed that an appraisal of the Water Street Marina property be obtained from an appraiser experienced in appraisals of marina properties;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby directs the City Clerk to make all necessary arrangements in accordance with the law for the placement on the ballot at the Primary Election to be held on Tuesday, August 5, 2008, the following question:

PROPOSITION NO. 1

"Shall the City of Port Huron be authorized to sell the property known as the Water Street Marina for a minimum of \$300,000 or one half the appraised value, whichever is greater?"

Motion *rejected* by the following vote:

No: Councilmembers Lewandowski and McCulloch.
Yes: Mayor Moeller; Councilmembers Byrne and Fisher.
Absent: None.
Vacancy: Two.

R-6. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, it is necessary to perform professional services and serve as the City's professional representative; and

WHEREAS, there has been prepared an agreement between the City of Port Huron and Tetra Tech MPS for the engineering coordination and administration of the Combined Sewer Overflow Control Program in accordance with the Michigan Department of Environmental Quality (MDEQ) Administrative Order #DFO-SW-98-001;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Tetra Tech MPS for the engineering coordination and administration of the Combined Sewer Overflow Control Program and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-77).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: Two.

R-7. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, it is necessary to perform professional services and serve as the City's professional representative; and

WHEREAS, there has been prepared an agreement between the City of Port Huron and Tetra Tech MPS for the implementation of a Private Inflow and Infiltration Elimination Program, in conjunction with the Michigan Department of Environmental Quality (MDEQ) Administrative Order #DFO-SW98-001;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Tetra Tech MPS for the implementation of a Private Inflow and Infiltration Elimination Program, and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-78).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: Two.

***R-8.** WHEREAS, it is anticipated that there will be no need to hold the second meeting in the month of July;

NOW, THEREFORE, BE IT RESOLVED that the City Council:

- a) Suspends its rules and procedures for the regular meeting of July 28, 2008; and
- b) Instructs the City Manager to not prepare an agenda for this regular meeting; and
- c) Instructs the City Clerk to place on the bulletin board in the main lobby of the Municipal Office Center a public notice that the regular meeting of July 28, 2008 will not be held.

Adopted.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember Fisher announced that the Welkin Base Ball Club will be holding its first home game at Lincoln Park on Sunday, June 8, at 2 p.m.. and it will be the first international match game since 1867.

2. Councilmember Byrne asked what Wild Wednesdays and Soak Fridays are. John Berry to send response.

On motion (8:20 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
 City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, June 9, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.

Vacancy: Two.

The minutes of the special meeting of May 22, 2008, and the regular meeting of May 27, 2008, were approved.

PRESENTATIONS

1. Betty Ward, Executive Director, presented the Port Huron Housing Commission's annual report.
2. Proclamation designating June 19, 2009, as "Dump the Pump Day" was presented to the Blue Water Area Transportation Commission (Councilmember Fisher, the City's representative, accepted).

PUBLIC AUDIENCES

1. William Maas, 2830 Woodstock Circle, addressed the City Council requesting that they fill the two vacancies on Council before the end of this meeting and that they follow the Charter. Also, he asked that Council retain the City legal department.
2. Ralph Gillhooley, 3323 Conger Street, addressed the City Council reading a letter signed by a number of former Mayors and Councilmembers stating that Section 15 of the Charter is clear and that Council should promptly fill the vacancies with Laurie Sample-Wynn and B. Mark Neal.
3. Richard Frazier, Bancroft Street, addressed the City Council stating that he watched a little boy jump in the St. Clair River this past weekend and a couple of scuba divers in the area saved him and expressed the need for safety rings along the riverfront.
4. Alice O'Neil, Prospect Place, addressed the City Council and reinforced what Richard Frazier said and talked about trust between Council and the City Manager and stated that residents perceive Council has "I think so," "maybe" and "not sure" and that they seem to like to tread water rather than follow the Charter by appointing the next in line to Council.
5. Russ Kelly, 928 Huron Avenue, addressed the City Council relative to seating two Councilmembers and stated that the voters made their choice at the ballot box and that former Councils filled with the next highest vote getters and that Council needs to respect voters.
6. Joann Rumford, addressed the City Council talking about the Water Street marina, the disabled and their right to vote, voting for health care in November and Great Lakes protection.
7. Margaret Enright, Port Huron, addressed the City Council asking that a house be removed that sits 15 feet into Sherman Street and that the residents of the house park along side instead of in their driveway and block her access to Sherman Street.

8. Mary Taylor, Assistant Director, St. Clair County Council on Aging, addressed the City Council requesting the fees for use of Palmer Park be waived.

9. Ken Harris, 1521 Wells Street, addressed the City Council stated that he was disgusted before when issue of Water Street marina was passed by but glad that it is before Council again stated that he thinks an election needs to be set for the vacancies but that whatever way the Council goes they need to make a fair decision.

10. Kay Cumbow, 15184 Dudley Road, Lynn Township, addressed the City Council relative to the Ontario Power Generation proposed Deep Geologic Repository Project to store low and intermediate-level radioactive waste in Ontario near Lake Huron and requested that Council ask the Canadian Environmental Assessment Agency for a 90 day extension of the assessment period and ask for a presentation in Port Huron. She also announced she was holding a workshop at 1227 10th Avenue, at 7 p.m. on June 11.

11. Anna Chaudry, 1802 Martin Street, addressed the City Council relative to the Housing Commission presentation earlier asking what air conditioning, dishwashers and internet have to do with safe and affordable housing for low income people.

12. Mike McCauley, Just in Time Concessions, 838 Griswold Street, addressed the City Council about his request for a concession stand under the Blue Water Bridge. Mayor Moeller stated that Council received an email relative to this and will be reviewing it.

13. Casey Chaudry, 1802 Martin Street, addressed the City Council citing hypocrisy and discrimination when it comes to prayer at City Council meetings. He also stated that the Council is again defying its own policy by not filling the vacant seats on Council according to the Charter.

14. Trina Avedisian, Port Huron, addressed the City Council stating that she has talked to people about the Charter requirement to fill vacancies and it is not clear and that Council should not let anyone insult their intelligence by saying that they cannot operate with five members and that there is a need to fix the Charter.

AT THIS POINT, the Mayor announced the following:

- June 14: Sanborn and Court Street pools open, weather permitting.
- June 28: Fireworks at Vantage Point.

COMMUNICATIONS & PETITIONS

C-1. Councilmember Fisher moved to receive and file the following communication and approve their request:

From The Council on Aging, Inc., requesting that the fees be waived for the use of Palmer Park for their Senior Nutrition Meal Program.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Fisher, Lewandowski and McCulloch.
 No: Councilmember Byrne.
 Absent: None.
 Vacancy: Two.

APPOINTMENT OF CITY COUNCILMEMBERS

AT THIS POINT, City Clerk Pauline Repp read into the record a letter from Alan Cutchner stating that he is not interested in an appointment to City Council. Council had previously received a letter of interest from B. Mark Neal.

1. Motion to appoint Laurie Sample-Wynn to fill the vacancy of Al Wright (postponed from May 12, 2008 regular meeting).

Motion *rejected* by the following vote:

No: Councilmembers Byrne and Fisher.
 Yes: Mayor Moeller; Councilmembers Lewandowski and McCulloch.
 Absent: None.
 Vacancy: Two.

2. **Councilmember McCulloch** moved to appoint B. Mark Neal to fill the vacancy of Al Wright:

Motion *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Byrne and Fisher.
 Yes: Councilmembers Lewandowski and McCulloch.
 Absent: None.
 Vacancy: Two.

3. **Councilmember Fisher** moved to appoint Marty Doorn to fill the vacancy of Al Wright.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher and Lewandowski.
 No: Councilmember McCulloch.
 Absent: None.
 Vacancy: Two.

4. **Councilmember Byrne** moved to postpone appointing anyone to fill the vacancy of Jim Relken until next meeting.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: Two.

AT THIS POINT (8:35 p.m.), Council recessed until 8:45 p.m.

FROM THE CITY MANAGER

CM-1. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

On May 15, 2008, the City of Port Huron received three (3) unit price bids for the milling and resurfacing of the Campbell (former Spike Furniture) and Michigan Street (Fogcutter) parking lots. The following is a comparative summary of the bids received:

| | |
|---|-------------|
| Astec Asphalt, Inc. (Brown City, MI) | \$55,450.60 |
| Ace Asphalt & Paving, Inc. (Flint, MI) | \$71,094.41 |
| Raymond Excavating Co. (Marysville, MI) | \$74,263.27 |

It is recommended that the bid of Astec Asphalt, Inc., 4270 Toman Road, Brown City, Michigan 48416, in the amount of Fifty-Five Thousand Four Hundred Fifty and 60/100 Dollars (\$55,450.60) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion *rejected* by the following vote:

No: Councilmembers Byrne and Lewandowski.
 Yes: Mayor Moeller; Councilmembers Fisher and McCulloch.
 Absent: None.
 Vacancy: Two.

CM-2. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

On May 29, 2008, the City of Port Huron received two (2) bids for labor and material to replace the hydraulic drives and motors of the intermediate service and backwash pumps (3 pumps total) with new motors, variable frequency drives, associated controls, and appurtenances for the Water Filtration Plant:

| | |
|---|--------------|
| Trojan Development Company (Oxford, MI) | \$225,000.00 |
| Weinstein Electric Company (Flint, MI) | \$229,700.00 |

It is recommended that the bid of Trojan Development Company, 2260 Metamora Road, Oxford, MI 48371, in the amount of Two Hundred Twenty-Five Thousand and 00/100 Dollars (\$225,000.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: Two.

CM-3. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On May 6, 2008, the City of Port Huron received two (2) quotes for the purchase of a push camera system for sewer pipe investigation:

| | |
|---|-------------|
| Jack Doheny Supplies, Inc. (Northville, MI) | \$12,135.00 |
| Insight Vision (Saukville, WI) | \$12,427.00 |

It is recommended that the quote of Jack Doheny Supplies, Inc. 777 Doheny Court, Northville, Michigan, 48167, in the amount of Twelve Thousand One Hundred Thirty-Five and 00/100 Dollars (\$12,135.00) be accepted with grant funding of \$5,000 from the Michigan Municipal Risk Management Authority, and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: Two.

CM-4. Councilmember McCulloch offered and moved the adoption of the following City Manager's recommendation:

Both the Michigan Uniform Accounting and Budget Act and the City Charter provides that the City Council may make supplemental appropriations and may transfer an unencumbered balance, or portion thereof, from one activity center, department or fund to another.

It is recommended that the budget for the 2007-2008 fiscal year be amended by adjusting the means of financing and adjusting the estimated requirements for the following governmental funds:

| | <u>As currently Adopted</u> | <u>Per Proposed Amendment</u> | <u>Increase (Decrease)</u> |
|--|---------------------------------|-----------------------------------|--------------------------------|
| GENERAL FUND: | | | |
| Means of financing: | | | |
| Property taxes | \$ 8,560,000 | \$ 8,560,000 | \$ |
| Income tax | 6,325,000 | 6,325,000 | |
| Business licenses and permits | 306,645 | 306,645 | |
| Nonbusiness licenses and permits | 435,000 | 435,000 | |
| Grants | | 200,000 | 200,000 |
| State shared revenues | 3,838,000 | 3,900,000 | 62,000 |
| Charges for services | 640,000 | 640,000 | |
| Fines and forfeits | 200,000 | 200,000 | |
| Investment income | 525,000 | 525,000 | |
| Rents | 240,000 | 243,000 | 3,000 |
| Other revenue | | 10,000 | 10,000 |
| Sale of assets | 3,000 | 3,000 | |
| Charges to other funds | 1,888,621 | 1,888,621 | |
| Transfers from other funds | <u>275,000</u> | | <u>(275,000)</u> |
| | <u>\$ 23,236,266</u> | <u>\$ 23,236,266</u> | <u>\$ 0</u> |
| Estimated requirements: | | | |
| General government | \$ 3,960,230 | \$ 3,700,230 | \$ (260,000) |
| Public safety | 13,042,324 | 12,917,324 | (125,000) |
| Public works | 1,779,569 | 1,719,569 | (60,000) |
| Senior citizens | 21,688 | 21,688 | |
| Recreation, parks and culture | 2,789,730 | 2,709,730 | (80,000) |
| Other functions | 645,479 | 550,479 | (95,000) |
| Public improvements | 257,000 | 377,000 | 120,000 |
| Transfer to other funds | <u>740,246</u> | <u>1,240,246</u> | <u>500,000</u> |
| | <u>\$ 23,236,266</u> | <u>\$ 23,236,266</u> | <u>\$ 0</u> |
| ENHANCED 911 FUND: | | | |
| Means of financing: | | | |
| Estimated designated fund balance | \$ | \$ 250,000 | \$ 250,000 |
| Charges for services | <u>224,855</u> | <u>224,855</u> | |
| | <u>\$ 224,855</u> | <u>\$ 474,855</u> | <u>\$ 250,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 94,831 | \$ 219,831 | \$ 125,000 |
| Capital outlay | <u>130,024</u> | <u>255,024</u> | <u>125,000</u> |
| | <u>\$ 224,855</u> | <u>\$ 474,855</u> | <u>\$ 250,000</u> |
| COMMUNITY DEVELOPMENT BLOCK GRANT FUND: | | | |
| Means of financing: | | | |
| Grants | \$ 881,023 | \$ 1,346,023 | \$ 465,000 |
| Charges for services | | <u>35,000</u> | <u>35,000</u> |
| | <u>\$ 881,023</u> | <u>\$ 1,381,023</u> | <u>\$ 500,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 175,000 | \$ 175,000 | \$ |
| Capital outlay | <u>706,023</u> | <u>1,206,023</u> | <u>500,000</u> |
| | <u>\$ 881,023</u> | <u>\$ 1,381,023</u> | <u>\$ 500,000</u> |
| NEIGHBORHOOD REHABILITATION: | | | |
| Means of financing: | | | |
| Grants | <u>\$ 247,500</u> | <u>\$ 347,500</u> | <u>\$ 100,000</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 24,750 | \$ 24,750 | \$ |
| Capital outlay | <u>222,750</u> | <u>322,750</u> | <u>100,000</u> |
| | <u>\$ 247,500</u> | <u>\$ 347,500</u> | <u>\$ 100,000</u> |

| | <u>As currently Adopted</u> | <u>Per Proposed Amendment</u> | <u>Increase (Decrease)</u> |
|--|---------------------------------|-----------------------------------|--------------------------------|
| WASTEWATER FUND: | | | |
| Means of financing: | | | |
| Estimated designated fund balance | \$ 1,182,625 | \$ 682,625 | \$ (500,000) |
| Charges for services | 7,564,342 | 7,564,342 | |
| Other income | 60,000 | 60,000 | |
| Investment income | 180,000 | 180,000 | |
| Grants | 1,050,000 | 1,050,000 | |
| Reimbursements from townships | 1,991,000 | 1,991,000 | |
| Proceeds from issuance of long-term revenue bonds | 8,190,000 | 8,190,000 | |
| Transfer from other funds | <u>3,877,375</u> | <u>4,377,375</u> | <u>500,000</u> |
| | <u>\$ 24,095,342</u> | <u>\$ 24,095,342</u> | <u>\$ 0</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 7,839,709 | \$ 7,839,709 | \$ 0 |
| Debt service requirements | 6,306,000 | 6,306,000 | |
| Capital outlay | <u>9,949,633</u> | <u>9,949,633</u> | |
| | <u>\$ 24,095,342</u> | <u>\$ 24,095,342</u> | <u>\$ 0</u> |

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Fisher, Byrne, Lewandowski and McCulloch.
- No: None.
- Absent: None.
- Vacancy: Two.

CM-5. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

**RECOMMENDATION - REQUEST FOR PROPOSAL
LEGAL PROFESSIONAL SERVICES**

BACKGROUND

On March 24, 2008, the City Council directed the administration to prepare a Request for Proposal (RFP) for legal professional services for law firms to perform all legal services for the City of Port Huron. It was the desire of the City Council to use the RFP responses to evaluate the current City of Port Huron legal structure. This includes an in-house city attorney and secretary, supplemented by external legal professional services from the firm of Fletcher Fealko Shoudy & Moeller, P.C. On April 28, 2008, the City Council approved an RFP (a copy of which is attached to this report – see City Clerk File #08-69) and directed that it be should be sent to all St. Clair County law firms.

The RFP directed that the following criteria be used to evaluate the responding firms:

1. Relevant experience with similar engagements and client references.
2. Qualifications of personnel to be assigned to City projects or work based on education and experience in legal matters associated with municipal practice.
3. Capacity of the firm to provide a range of services requested and to meet the requirements outlined.
4. Accessibility, availability of the firm to perform the requested services.
5. Cost.

A mandatory pre-proposal conference was held on Friday, May 9, 2008 with six firms attending. The City received proposals from the following five firms, each of whom attended the pre-proposal conference:

1. Fletcher Fealko Shoudy & Moeller, P.C.
2. Law Offices of Steven Heisler, Esq.
3. Kelly, Whipple, Zick & Keyes, P.L.L.C.
4. McNamee Law Office
5. Touma, Watson, Whaling, Coury, Castello & Stremers, P.C.

RECOMMENDATION

It is our recommendation that the current legal department structure be continued.

After reviewing the proposals, it has been determined that the current structure not only provides the lowest cost, most economical service to the City of Port Huron, but also provides a situation where the requirements for relevant legal experience, qualified legal personnel, service capacity and accessibility are also met in the most effective manner because:

1. City Attorney, John Livesay is uniquely qualified due to his thirty-four years of municipal legal experience:
 - a. Assistant County Prosecutor for St. Joseph County for three years
 - b. County Prosecutor for Branch County for twenty-four years
 - c. City Attorney for the City of Port Huron for seven years

2. Fletcher Fealko Shoudy & Moeller, P.C. supplement the City Attorney:
 - a. Most extensive and most varied local municipal legal practice of the responding firms
 - b. Services awarded based on previous competitive process in 2004

**REQUEST FOR PROPOSAL
INFORMATION AND REQUIREMENTS**

The RFP provided a listing of the legal work to be performed by the outside legal professional firm. There were twenty specific services listed on pages 1 and 2 of the RFP. Additional services expected to be performed were also listed in Addendum A, which was attached to the RFP. The RFP also required that the firm handling the City Attorney duties must maintain a fully staffed local office in the City of Port Huron and provide in its proposal a description of the office location.

The RFP requested proposals to enter a contract with a firm that would be readily available to facilitate all aspects of legal work for the City. The RFP provided that the City Administration would evaluate the proposals with an emphasis on qualifications and demonstrated ability to provide quality results. The primary emphasis in procurement of these services will be the quality, technical abilities and resources of the law firm, and a good fit as to working relationships.

The RFP further required that a firm profile and firm experience be provided. The firm profile was listed on pages 7 and 8 and included ten specific information requests and an eleventh item clarifying costs to be included in the RFP. The information the firm was to provide on firm experience included nineteen specific questions on pages 8 and 9 of the RFP.

The RFP provided a summary of internal and external hours of legal services that could be used as a guide for estimating the time required for legal services for the City. The City Attorney provides approximately 1,950 hours of legal services annually. This estimate is actual hours worked excluding vacation, sick time and holidays. It includes time spent at regularly scheduled and special City Council meetings. In order to provide a cost estimate for the proposals, the City Attorney’s District Court time was estimated to be 350 hours per year. Also provided was a summary of the external hours of legal services over the past several years.

The estimated hours of necessary services are shown in the table below:

| FISCAL YEAR | EXTERNAL HOURS | INTERNAL HOURS | TOTAL HOURS |
|------------------------|----------------|----------------|-------------|
| 2005 – 2006 | 246 | 1,950 | 2,196 |
| 2006 – 2007 | 219 | 1,950 | 2,169 |
| 2007 – 2008 (budgeted) | 436 | 1,950 | 2,386 |
| 2008 – 2009 (budgeted) | 336 | 1,950 | 2,286 |

SUMMARY OF RESPONSES

Fletcher Fealko Shoudy & Moeller, P.C. (Fletcher firm)

The Fletcher firm was responsive to all of the information requested in the RFP. They have an office in Port Huron and presented a firm profile and firm experience. The Fletcher firm

presented the most relevant municipal experience, both as individual attorneys and as a firm. They proposed an hourly fee of \$140 per hour with 72nd District Court matters billed at \$100 per hour.

Law Offices of Steven Heisler, Esq. (Heisler firm)

The Heisler firm was only partially responsive to the request for a firm profile. Information was not provided regarding the following:

1. Question #4 - Sanctions
2. Question #5 - Disciplinary actions
3. Question #6 – Municipal specialization
4. Question #7 - The firm’s malpractice carrier and a copy of the certificate of insurance
5. Question #8 - Malpractice claims for the past three years
6. Question #9 - Conflicts of interest
7. Question #10 - The Martindale-Hubbell rating

The response was also incomplete with regard to firm experience:

1. Questions #3 through #17 – No responses were provided for any of the requested information
2. Question #18 - Municipalities represented in the last seven (7) years - No experience was listed
3. Port Huron Office
 - a. Heisler firm is located in Marine City
 - b. No plans were discussed for a Port Huron office
 - c. Did discuss adding a Port Huron phone line.

The Heisler firm is considered non responsive to the RFP.

Kelly, Whipple, Zick & Keyes, P.L.L.C. (Kelly firm)

The Kelly firm expressed interest in serving as “outside legal services” but not to replace the current internal City Attorney. Their response reads, in part:

“Your present City Attorney, John Livesay, is providing excellent legal services at a price which cannot be matched. It is our opinion that it is in the City’s best interest to continue with its existing City Attorney staff. Our proposal is to serve as “outside attorneys” to supplement and augment the legal services you are presently receiving from your City Attorney staff.”

As a result of their limited response to the RFP, the Kelly firm is considered non responsive.

McNamee Law Office (McNamee firm)

The McNamee firm was responsive to all of the information requested in the RFP. They have an office in Port Huron, presented a firm profile and firm experience. The McNamee firm presented relevant municipal experience, both as individual attorneys and as a firm, though their experience does not appear to be as extensive as the Fletcher firm. They proposed an hourly fee of \$125 per hour.

Touma, Watson, Whaling, Coury, Castello & Stremers, P.C.
(Touma firm)

The Touma firm was responsive to all of the information requested in the RFP. They have an office in Port Huron, presented a firm profile and firm experience. The Touma firm presented relevant municipal experience, both as individual attorneys and as a firm, though their experience does not appear to be as extensive as the Fletcher firm. They proposed an hourly fee of \$130 per hour.

In their response, the Touma firm also stated the following:

“Our firm understands that the City Council is trying to save money under difficult circumstances. Although we discourage closure of the City Attorney’s Office, we believe our proposal will help the City save on legal fees by retaining our firm as Corporate Counsel.”

**ANALYSIS OF PROPOSALS
AND COMPARISON TO CURRENT STRUCTURE**

A cost comparison follows that compares the current legal structure with the proposals received. This report makes the following changes in the City Attorney’s existing budget to fairly contrast the two alternatives:

1. Retained Costs - Court costs to be retained by the City have been eliminated.
2. Allocated Costs - Data Processing and vehicle rent were eliminated because they are fixed and would not be reduced.
3. Fringe Benefit Adjustment - Fringe benefit costs for the City Attorney and secretary are adjusted to actual not average employee costs.

The restated allocation of actual and budgeted costs for the 2005-06, 2006-07, 2007-08 and 2008-09 fiscal years (including the actual and budgeted costs for current external legal services) is as follows:

| | June 30, 2006 Actual) | June 30, 2007 Actual) | June 30, 2008 (Budgeted) | June 30, 2009 (Budgeted) |
|---------------------------|-----------------------------|-----------------------------|--------------------------------|--------------------------------|
| Internal Department Costs | \$227,565 | \$237,577 | \$245,217 | \$242,215 |
| External Legal Costs | 35,027 | 33,690 | 61,000 | 47,000 |
| Total Legal Costs | 262,592 | 271,267 | 306,217 | 289,215 |
| Retained Costs | 2,335 | 4,001 | 5,000 | 5,000 |
| Allocated Costs | 7,924 | 9,960 | 11,310 | 10,340 |
| Fringe Benefit Adjustment | 23,066 | 25,090 | 23,106 | 24,681 |
| Net Cost for Comparison | \$229,267 | \$232,216 | \$266,801 | \$249,194 |

The comparison of the estimated costs of the current structure to the proposals received is as follows:

| | June 30, 2006 (Actual) | June 30, 2007 (Actual) | June 30, 2008 (Budgeted) | June 30, 2009 (Budgeted) |
|---|------------------------------|------------------------------|--------------------------------|--------------------------------|
| Estimated Hours: | | | | |
| Internal Services | 1,950 | 1,950 | 1,950 | 1,950 |
| External Services | 246 | 219 | 436 | 336 |
| Total | 2,196 | 2,169 | 2,386 | 2,286 |
| Estimated External Cost (using proposed rates and hours above): | | | | |
| Fletcher Firm | \$293,440 | \$289,660 | \$320,040 | \$306,040 |
| McNamee Firm | \$274,500 | \$271,125 | \$298,250 | \$285,750 |
| Touma Firm | \$285,480 | \$281,970 | \$310,180 | \$297,180 |
| | | | | |
| Net Cost – Current Structure | \$229,267 | \$232,216 | \$266,801 | \$249,194 |

As shown above, the proposals from any of the responsive firms would be \$30,000 to \$65,000 more expensive than the annual actual and budgeted costs of the current legal structure.

Based upon this analysis of the RFP criteria, we believe that the City of Port Huron is best served by the current structure. The five criteria set out in the RFP to be used in evaluating legal professional services all support the use of a staff city attorney supplemented by a qualified external firm. In summary, the current structure provides the most relevant experience, qualifications, capacity and accessibility to provide services. As shown above, the current structure is also the least expensive.

RECOMMENDATION

We recommend that the City Council direct the staff to continue the current legal department structure of the in-house staff City Attorney, John Livesay, supplemented by the continued use of the firm of Fletcher Fealko Shoudy & Moeller, P.C.

Motion adopted by the following vote:

- Yes: Councilmembers Byrne, Fisher, Lewandowski and McCulloch.
No: Mayor Moeller.
Absent: None.
Vacancy: Two.

NOTE: Mayor Moeller disclosed that his nephew is a partner at Fletcher Fealko Shoudy & Moeller, P.C.

AT THIS POINT, City Clerk Pauline Repp administered the Oath of Office to Marty Doorn and he joined the Council meeting.

RESOLUTIONS

R-1. Councilmember McCulloch offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
- No: None.
- Absent: None.
- Vacancy: One

R-2. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the Port Huron Police Department has recently been notified that a grant application to the U. S. Department of Homeland Security, and administered through the Michigan Department of State Police, Emergency Management and Homeland Security Division, has been approved; and

WHEREAS, this grant funding, as part of the State of Michigan Buffer Zone Protection Program, provides federal dollars to reduce vulnerabilities of critical infrastructure and key resource sites by extending the protected area around a site into the surrounding community and supporting the prevention and preparedness efforts of local first responders; and

WHEREAS, the grant funds of up to \$188,600, with no local match of dollars required, can be used for the purchase and use of allowable materials, equipment and resources to help reduce possible vulnerabilities;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the grant agreement with the Michigan Department of State Police, Emergency Management and Homeland Security Division, for the purchase and use of allowable materials, equipment and resources to protect and prevent vulnerabilities to critical infrastructure and key resource sites (see City Clerk File #08-80); and

BE IT FURTHER RESOLVED that the appropriate City officials are hereby authorized to executive this grant agreement, as well as any further amendments necessary to fund the project, on behalf of the City; and

BE IS FURTHER RESOLVED that Donald E. Porrett, Acting Police Chief, is hereby appointed as project coordinator and authorized representative for all aspects of the grant agreement.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski and McCulloch.
- No: Councilmember Byrne.
- Absent: None.
- Vacancy: One.

R-3. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, during the 2008 construction season, it will be necessary to have professional licensed surveyors and inspection service work performed on the various projects being undertaken in the City; and

WHEREAS, the City currently has one construction inspector and during the busier summer months the inspector needs the assistance of additional professional surveying and inspection services to complete the construction projects; and

WHEREAS, a review of the cost effectiveness of hiring additional employees or hiring an outside contractor has been completed and it has been determined that it would require two additional full-time employees at a cost of approximately \$186,000 which includes labor, benefits and equipment; and

WHEREAS, since 2005 the City has contracted with an outside contractor at a annual cost of approximately \$100,000 and it has been determined that it continues to be a more cost effective method to hire an outside contractor to perform the services; and

WHEREAS, Request for Proposals were sent to three engineering consulting firms and based upon the responses and evaluation of the proposals submitted, BMJ Engineers & Surveyors, Inc., is the appropriate engineering firm to provide these services;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with BMJ Engineers & Surveyors, Inc., for professional surveying and inspection services during the 2008 construction season and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-81).

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
- No: None.
- Absent: None.
- Vacancy: One.

NOTE: Councilmember Fisher disclosed that two members of his Welkin Base Ball were employees of BMJ.

R-4. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, it is stated in the Ordinance Code of the City of Port Huron, Chapter 2, Article IV, Division 2, Sections 2-432 and 2-433:

“Sec. 2-432. Composition, appointment of members. The Planning Commission shall consist of nine members, one of whom shall be a member of and selected by the City Council, eight of whom shall be appointed by the mayor subject to council approval, one of these being the city manager or his designee. Each member of the planning commission shall represent, insofar as is possible, different professions or occupations.”

“Sec. 2-433. Terms and removal of members. The term of the City Councilmember’s membership on the Planning Commission shall correspond to his official tenure. The term of each other member of the Planning Commission shall be three years or until his successor takes office.”; and

WHEREAS, due to the resignation of Al Wright, who was the Council’s representative on the Planning Commission;

NOW, THEREFORE, BE IT RESOLVED that Councilmember Lewandowski be appointed as the Council’s designated representative on the City Planning Commission.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn,
Fisher, Lewandowski and McCulloch.
No: None.
Absent: None.
Vacancy: One.

R-5. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the Water Street Marina has been operating at a loss for several years; and

WHEREAS, the electors approved the sale or long-term lease of the Water Street Marina property to the James C. Acheson Charitable Foundation for the purpose of redevelopment of the property for marina and other development at the November 2005 election; and

WHEREAS, the James C. Acheson Charitable Foundation is no longer interested in the purchase of the Water Street Marina property; and

WHEREAS, Section 78 of the City Charter for the City of Port Huron requires that any development, lease or sale of any City-owned waterfront property be approved by a majority of the electorate;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby directs the City Clerk to make all necessary arrangements in accordance with the law for the placement on the ballot at the general election to be held on Tuesday, November 4, 2008, the following question:

PROPOSITION NO. 1

"Shall the City of Port Huron be authorized to sell the property known as the Water Street Marina for a minimum of \$300,000?"

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn,
Fisher, Lewandowski and McCulloch.
No: None.
Absent: None.
Vacancy: One.

MOTIONS & MISCELLANEOUS BUSINESS

1. Mayor Moeller asked that someone look into the water problem at 24th Street and Lapeer Avenue intersection. He also asked if Council still wanted to hold the special meeting scheduled for June 16 and consensus was to hold the meeting and the City Clerk distributed the formal meeting notice.

2. Councilmember Byrne asked about holding the June 16th meeting at the Eleger Harvey Reinvestment Center. It was decided that the meeting will be held at the Municipal Office Center as scheduled but the Eleger Harvey Reinvestment Center will be looked at for the next special meeting. Councilmember Byrne asked about the boat launch parking and whether there could be other locations rather than just City Hall, because of the hours open, to sell the parking permits. He also asked that the issue of Sherman Street be looked into.

On motion (9:40 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Special meeting of the City Council of the City of Port Huron, Michigan, held on Monday, June 16, 2008, at 7:00 p.m. in Conference Room 408.

The meeting was called to order by Mayor Moeller

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher and Lewandowski.

Absent: Councilmember McCulloch

Vacancy: One

PUBLIC AUDIENCES

1. Audrey Walzak, on behalf of Citizens for a Vibrant Community addressed the City Council relative to a package of material they put together supporting the designation of 10th Street/Avenue as the business route rather than having it going through the downtown and asked that Council take a look at the material.

2. Barbara Parker addressed the City Council and asked if there was a way to keep people who are not handicapped from parking in handicapped parking spaces and she suggested posting a \$500 fine sign above the handicapped spaces.

MOTIONS & MISCELLANEOUS BUSINESS

Councilmember Lewandowski distributed information and talked about meeting with Citizens for a Vibrant Community that he and Karl Tomion attended relative to re-routing the I-94/I-69 business loop to 10th Avenue/Street. He stated they are asking Council to recommend that staff do a feasibility study on this which will require funding and he supports staff doing the report to see if this is feasible. **Mayor Moeller** stated that Bob Clegg and Kim Harmer had done a memo on this and asked the Citizens for a Vibrant Community to give their presentation at the next Council meeting. Karl Tomion, City Manager, stated that staff would probably need a month or so to give a preliminary report to Council on process necessary and how the downtown, 10th Avenue/Street residents and community at large would be affected before a final cost estimate is developed.

Mayor Moeller asked to reschedule the July 28 meeting so that a decision can be made on that date on the McMorran proposals and suggested cancelling the August 11 meeting instead and scheduling a special meeting for August 4 to approve necessary payments.

Mayor Moeller then stated that the purpose of the meeting was goal setting and that it was Councilmember Lewandowski's turn to head up the meeting in whatever manner he deemed appropriate. He also suggested that they schedule the next goal setting meeting in September (it was later decided that the meeting would be held on September 15, 2008)

Councilmember Lewandowski stated that he thinks the Council needs to focus on the bigger issues such as the Blue Water Bridge Plaza expansion and looking for a new City Manager.

AT THIS POINT, the Council reviewed the grid which was prepared at their last goals' session on March 31, 2008 and made additions and deletions (see City Clerk File #08-82 for a copy of the revised goals' grid). Some of the items discussed in more detail were as follows:

Items under Easy to Do/Big Reward

Councilmember Doorn expressed desire to still hold a workshop type meeting with Acheson Ventures. **Mayor Moeller** suggested inviting them to the September workshop meeting and the date was set for the 15th.

Councilmember Doorn stated in response to the goal to work with the various nonprofits that presently the Community Foundation, DDA, Chamber of Commerce and Convention and Visitors Bureau are working together and have created this vision plan for economic development and tourism in Port Huron that will be released soon and that they have an aggressive marketing plan. He also stated that Port Huron Hospital Foundation, in collaboration with others, is doing a leadership institute.

Items under Easy to Do/Medium Reward

As far as holding special Council meetings at different locations, it was decided to ask Acheson Ventures if the September 15 meeting could be held at the Maritime Center (Karl Tomion to take care of this)

Karl Tomion stated that the staff will be reviewing the list of vacant city property (that could be available for sale) at their staff meeting on June 24 and a list will be provided to City Council at their first meeting of July.

Items under Medium to Do/Big Reward

Discussion was held that McMorran needs to move up on the list.

Councilmember Lewandowski suggested that after the labor contracts are settled that the health insurance for retirees be looked at for savings.

Items under Medium to Do/Medium Reward

Discussion on Terra Land Group and the fact that they are looking at student housing (SCCCC) but not at the Sperry's building. It was stated that presently the Community Foundation, SCCC and the EDA are doing a study on the demand for student housing. Discussion also on their previous desire to acquire the Quay Street parking lot, its easement and fact that ballot question expires at the end of the year.

Karl Tomion stated that there still may be interest in a hotel/water park.

Items under Hard to Do/Big Reward

Karl Tomion stated that MDOT will do a presentation at next Council meeting (June 23) on their revised plan for the Blue Water Bridge Plaza and that the Port Huron Township Board and County Board of Commissioners will also be attending the meeting. He further stated that the City is still waiting for data on border information and it has been promised for August. He informed Council that with the last design an outside consultant was hired and many of his recommendations helped and had a significant impact but that they are looking for another one because the company hired previously does a lot of work for MDOT and now can no longer represent us because it affected that relationship. When asked, Karl Tomion stated that the goal is to reduce all economic impacts – environmental, loss of property, utility concerns, etc. He stated the cost for a consultant will be approximately \$120,000 and the Coalition will be paying for one-half and the expectation is that the balance will be funded by the County and the City. **Mayor Moeller** stated that he had suggested an extra toll for the bridge but MDOT does pay the City \$200,000 a year for police and fire protection and

that maybe an increase in this could be pursued and that the City cannot stop the plaza expansion but that the damage needs to be minimized.

As far as downtown revitalization, **Councilmember Doorn** stated that there is a draft Vision Plan for Port Huron that the different groups (Community Foundation, DDA, Chamber of Commerce, Convention and Visitors Bureau) have developed and that they are asking for support and involvement from City. Karl Tomion suggested a presentation be given at a Council meeting on Destination Port Huron.

Regional fire and police authorities – it was decided to only pursue the fire portion.

Items under Hard to Do/Medium Reward

Mayor Moeller talked about becoming a friendlier city and how a gentleman from St. Clair Shores called him and was upset about receiving a parking ticket for not parking head-in and will never return to Port Huron. He further stated that all parking meters should be removed as it is a detriment because people do not like parking tickets. Further discussion was held on this in the respect that if the money collected could be made up some other way then the meters could be removed. **Mayor Pro-tem Fisher** stated that perhaps meters could be returned to the prime spaces and get rid of them in the less desirable areas to encourage employees to not park in the prime spaces and leave them for customers.

AT THIS POINT, each Councilmember was given the opportunity to add things to the goals' list.

Councilmember Doorn added development of the former YMCA and jail property and other vital pieces of downtown property and collaborating on the Downtown Port Huron Vision Plan.

Councilmember Lewandowski added replacing the City Manager and finding ways to make up money from parking meters so that they can be removed and blanket purchasing with other communities to save money.

Councilmember Byrne added filling the Council vacancy.

Mayor Pro-tem Fisher added library expansion project. He talked about the EOC leaving and the library looking at expanding and that there is an opportunity to develop a government campus area with a park (and added that the library could include a coffee shop) and that maybe the City could assist on this.

AT THIS POINT, Councilmembers were given five votes to attach to the areas they believed were the most important to work on at this time. Because there were ties, the following list of priorities, in ranking order, includes six:

1. McMorran (6)
2. Replacement of City Manager (4)
3. Meeting with Acheson Ventures and Community Foundation (3)
4. Development of downtown vacant property; i.e., YMCA and jail (3)
5. Sale of vacant City-owned property (2)
6. Collaboration with different groups on Downtown Port Huron Vision Plan (2)

On motion (9:12 p.m.), meeting adjourned.

PAULINE M. REPP, MMC, City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, June 23, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.

Vacancy: One

The minutes of the regular meeting of June 9, 2008, and special meeting of June 16, 2008, were approved.

PRESENTATIONS

1. Matt Webb, Project Manager, along with Jim Sharp, General Services Administration, both from the Michigan Department of Transportation gave a presentation on the revised Blue Water Bridge Plaza design including what figured into the revision, steps to be taken next and time frame, community workshops that will be held, traffic flow and use of roundabouts and property acquisition. Questions followed by members of the City Council, City Manager, members of the Port Huron Township board and County Commissioner Denny Kearns (see City Clerk File #08-83 for a copy of presentation).

NOTE: During the question portion of the presentation, Council recessed and Pauline Repp, City Clerk, left the meeting and was replaced by Sue Child, Deputy City Clerk.

2. Audrey Walzak, Vice-Chair for Citizens for a Vibrant Community, gave a presentation on a proposal to move BL I-94/69 to the 10th Street/Avenue corridor (see City Clerk File #08-84 for a copy of presentation).

3. Proclamation designating July 6 – 12, 2008, as Healthy Lakes Healthy Lives Week was presented to Kristin Jurs and Bob Sweeney, who gave background about the Great Lakes and talked about a press conference on July 9 that the Lt. Governor has been invited to.

4. John Stuewer, President, Port Huron Police Officers Association, gave a presentation on the use of vehicles for on-call officers and the requirement that effective July 1st the employees be required to reimburse for mileage and asking that City Council repeal this decision.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on the proposed update to the 1998 Combined Sewer Overflow (CSO) Project Plan.

Bob Clegg, City Engineer, gave introductory remarks and gave a slide presentation (see City Clerk File #08-85).

Joann Rumford, 3440 Parkway Drive, #9, addressed the City Council in reference to signing in for this public hearing with their name and address.

Sharon Bender, South Boulevard, addressed the City Council relative to the Clean Michigan Initiative Funding being expended and stating that there is a measure in front of the state legislature, HB 6227 and HB 6228, that is important and encouraged the City Council to contact their legislators and ask for passage of these measures so that more loans are available.

Angela Kelly, Port Huron, addressed the City Council regarding CDBG funds being used for sewer separation and thinks funds would better be used for small businesses, rehab of homes, public services, energy sources, profit-motivated businesses and economic development.

5. Shirley Watts, Port Huron, appeared but sat down until Public Audience as her comments were not relevant to this public hearing.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember McCulloch**:

WHEREAS, the State of Michigan offers low interest loans to assist local governments in financing the construction of Wastewater System Improvement Projects under the State Revolving Fund (SRF) Loan Program and Drinking Water System Improvements under the Drinking Water Revolving Fund (DWRf) Loan Program; and

WHEREAS, the City of Port Huron prepared a Project Plan in June 1998 for Combined Sewer Overflow (CSO) Control, Solids Handling Facilities and Water System Improvement Projects; and

WHEREAS, the City of Port Huron prepared a DWRf Project Plan in April 2002 to update the proposed water main replacement work located within the combined sewer service areas included in the original Project Plan and to add water main replacement in areas of need, outside of the combined sewer service areas; and

WHEREAS, since the submittal of the 1998 Project Plan, the City of Port Huron has received SRF and DWRf funding for segments of the CSO Control and Water System Improvement Projects; and

WHEREAS, the City of Port Huron prepared a Project Plan Update in May 2008 as required by the Michigan Department of Environmental Quality, the administrator of the SRF and DWRf Programs, for the purpose of updating the remaining proposed CSO Control and Water System Improvement Projects of the overall project included in the 1998 Project Plan; and

WHEREAS, the Project Plan Update recommends the construction of combined sewer overflow control and water system improvements as identified in the document; and

WHEREAS, a public hearing on the Project Plan Update is a requirement of the SRF and DWRf loan projects and was held on June 23, 2008; and

WHEREAS, the Project Plan Update of May 2008 has been on file and available for public review for the past thirty (30) days;

NOW, THEREFORE, BE IT RESOLVED by the Port Huron City Council hereby adopts the Project Plan Update of May 2008, which is found to be the most readily implementable, environmentally sound, cost-effective and socially acceptable plan.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers, Byrne, Doorn, Fisher, Lewandowski and McCulloch.
No: None.
Absent: None.
Vacancy: One.

PUBLIC AUDIENCES

1. Shirley Watts, Port Huron, addressed the City Council stating that the children are our future and that many don't have jobs in Port Huron and there is a need to invest in community centers so that children having something to keep them busy. Additionally, she stated she pays her water bill with her rent but questioned whether someone else was doing the billing service for the City.
2. Trina Avedisian, 15th Street, addressed the City Council stating she has kept an eye on the sewer separation project for the past 10 years and it is unfair to ask citizens to pay more for sewer and water because there was a delay in starting the project and supports CDBG funds being used for the separation work.
3. Mike Bodeis, Fort Gratiot, addressed the City Council stating he agrees with using CDBG funds for sewer separation and agrees with the appointment of Councilmember Doorn and that anyone who supported past water increases should not be appointed to fill a vacancy on Council. He also encouraged continuing to look at the budget to cut programs and save money.
4. Ken Harris, 1520 Wells Street, addressed the City Council about the sign-in process at this evening's meeting and stated that local tradesmen could do a better plan of the Blue Water Bridge Plaza project.
5. Sharon Bender, South Boulevard, addressed the City Council saying that signing in occurs at all MDOT meetings and again stressed importance that City Council contact their legislators in support of HB 6227 and HB 6228. She also stated that CDBG funds need to be used for housing rehab.
6. Roger Thomas, Port Huron, addressed the City Council relative to the proposed changes in the footprint of the Blue Water Bridge Plaza and stated this is a hardship for the families living in that area and they have been held hostage for six years. He requested that City Council and administration consider these families living in limbo and who will be left behind.
7. Bernard Ellery, 6th Street, addressed the City Council relative to blight in the alleys and homes that have been repossessed and that the financial institutions who have repossessed the properties need to be maintaining them. He specifically mentioned a mini van filled with garbage in the alley in the area of Union/Court, 7th and 8th Streets.
8. Grace Ruch, Scott Avenue, addressed the City Council stating that the new Blue Water Bridge Plaza plan needs to be rejected and the former plan reinstated because now property owners are stranded and must sell their property on the public market at a lower value. She encouraged City Council to go to MDOT and ask for the former plan or to not isolate those property owners.
9. Angela Kelly, 2121 Poplar Street, addressed the City Council relative to her and her neighbors having the duty free store with a huge wall next to them with the new Blue Water Bridge Plaza plan. She also encouraged a bike trail to the Thomas Edison Parkway, using the green space under the bridge for possibly a baseball field and additional signage coming off I-94 to encourage people to go downtown.
10. Crystal Stewart, 1630 Scott Avenue, addressed the City Council stating the residents in her neighborhood are in emotional turmoil due to the expansion of the Blue Water Bridge Plaza and they are now faced with a poor housing market.
11. Casey Chaudry, 1802 Martin Street, addressed the City Council relative to the appointment of a new Councilmember and

stated that they disrespected the voters by appointing Councilmember Doorn and that if he was a man of his word he would resign. He further stated that their interpretation of the charter was wrong and that they can't bring someone in and make the rules up as they go along.

12. Joann Rumford, 3540 Parkway Drive, #9, addressed the City Council relative to her sister visiting and the fact that she was impressed by what was here in Port Huron.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers, Byrne, Doorn, Fisher, Lewandowski and McCulloch.
 No: None.
 Absent: None.
 Vacancy: One.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

June 28 - Downtown Furniture Fair
 June 28 - Fireworks display at Vantage Point
 July 4 - City offices closed in observance of Independence Day
 July 8-13 - McDonough Carnival
 July 9 - Rotary International Day Parade
 July 12-14 - Port Huron to Mackinac Yacht Race activities
 July 18-19 - Antique & Classic Auto Parade and Show
 July 20 - Southside Blues & Jazz Festival, Lincoln Park
 July 25 - Yard of the Year nominations due

UNFINISHED BUSINESS

1. Appointment of member to fill the vacancy of James A. Relken (postponed from June 9, 2008 meeting).

Councilmember Fisher offered and moved to appoint Lonnie Stevens. No second.

Councilmember McCulloch offered and moved to appoint Laurie Sample-Wynn.

Motion *rejected* by the following vote:

No: Mayor Moeller; Councilmembers, Byrne, Doorn and Fisher.
 Yes: Councilmembers Lewandowski and McCulloch.
 Absent: None.
 Vacancy: One.

Councilmember McCulloch offered and moved to appoint B. Mark Neal.

Motion *rejected* by the following vote:

No: Mayor Moeller; Councilmembers, Byrne, Doorn and Fisher.
 Yes: Councilmembers Lewandowski and McCulloch.
 Absent: None.
 Vacancy: One.

Councilmember Fisher offered and moved to appoint Lonnie Stevens.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers, Byrne, Doorn and Fisher.
- No: Councilmembers Lewandowski and McCulloch.
- Absent: None.
- Vacancy: One.

AT THIS POINT, Sue Child, Deputy City Clerk, administered the oath to Lonnie Stevens and she was seated as a Councilmember.

FROM THE CITY MANAGER

CM-1. Councilmember Fisher offered and moved the adoption of the following City Manager’s recommendation:

On June 12, 2008, the City of Port Huron received four (4) bids for the 19th Avenue Area Repairs and Miscellaneous Sewer Lining Project:

| | |
|--|----------------|
| Raymond Excavating Company (Marysville, MI) | \$539,203.53 |
| Boddy Construction Company, Inc. (Port Huron, MI) | \$569,401.77 |
| Pamar Enterprises Inc. (New Haven, MI) | \$569,644.24 |
| Murray Underground Systems, Inc. (Fort Gratiot, MI) | \$587,115.25 * |

* As corrected

It is recommended that the bid of Raymond Excavating Company, 800 Gratiot Blvd, P. O. Box 207, Marysville, Michigan, 48040, in the amount of Five Hundred Thirty-Nine Thousand Two Hundred Three and 53/100 Dollars (\$539,203.53) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-2. Councilmember Byrne offered and moved the adoption of the following City Manager’s recommendation:

On June 12, 2008, the City of Port Huron received seven (7) bids for the Sanborn Street at 12th Avenue Utility and Pavement Reconstruction Project:

| | |
|--|--------------|
| Boddy Construction Company, Inc. (Port Huron, MI) | \$146,976.37 |
| Pamar Enterprises Inc. (New Haven, MI) | \$148,732.30 |
| Teltow Construction, Inc. (Casco, MI) | \$150,567.20 |
| L & J Construction, Inc. (North Street, MI) | \$154,308.20 |
| Murray Underground Systems, Inc. (Port Huron, MI) | \$156,927.75 |
| Raymond Excavating Company (Marysville, MI) | \$158,186.20 |
| Tyger Excavating, Inc. (New Haven, MI) | \$165,000.00 |

It is recommended that the bid of Boddy Construction Company, Inc., 2600 Wills, Marysville, Michigan, 48040, in the amount of One Hundred Forty-Six Thousand Nine Hundred Seventy-Six and 37/100 Dollars (\$146,976.37) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-3. Councilmember McCulloch offered and moved the adoption of the following City Manager’s recommendation:

Telephone System – Initial Phase

Background

The Municipal Office Center’s (MOC) current telephone system is 17 years old and needs to be replaced. Parts have been discontinued and are often unavailable making it difficult to find replacement pieces. The phone sets do not provide many of the basic features that are today considered essential such as voice mail and auto attendant. The addition of these features will improve our ability to efficiently serve the public.

Last year, Central Fire Station experienced an unexpected system failure and the entire phone system had to be replaced. The phone manufacturer was the same as the MOC’s and the fire department system was installed at the same time, seventeen years ago. It took about two weeks for purchase and installation. Since the MOC’s system is much larger, with over 175 stations, we anticipate that if a system failure occurs, replacement could take four to six weeks to complete. A disruption of this magnitude would be detrimental to city business and more costly to resolve.

In May 2007, Plante and Moran reviewed and evaluated the City’s current phone system. It was their finding that with each passing year, the concern of equipment failure increases dramatically. In addition, a new system would increase office efficiency and current phone line technology could reduce monthly phone charges while increasing the number of assignable phone numbers. Consequently, the replacement of the MOC phone system was anticipated and \$100,000 was included in this year’s current capital improvement projects as an initial phase. Subsequent phases would include the replacement and integration of systems at remote locations such as Bancroft Street Warehouse and Palmer Park Recreation Center and an amount to continue those appears in the 2009 Capital Budget.

Proposal Process

A committee consisting of communications, engineering, data processing and an office specialist was organized. A request document was prepared that outlined the City’s requirements and asked for proposals to provide a digital PBX that would be expandable in the future to include Voice Over Internet Protocol (VOIP) capabilities as well as the necessary individual phones.

In January 2008, the City advertised for Request for Qualifications and Proposals. A mandatory project information meeting was held and six companies eventually submitted proposals. The written proposals were evaluated and ranked. The following items were taken under consideration:

- how well the proposal met the listed requirements
- company’s experience, financial background and locality
- phones proposed and their reliability, features available, ease in use and future expandability;
- customer support
- method and time frame required to complete the replacement process.

The City received proposals from the following six companies:

- AT&T (Southfield, MI)
- BSB Communications, Inc. (Port Huron Township, MI)
- CTS Unitel (Kimball Township, MI)
- Hi Tech (Casco Township, MI)
- I.T.I. (Bridgeport, MI)
- JT&T (Flint, MI)

After the initial ranking, three companies were determined to merit further consideration. Those companies were:

- BSB Communications, Inc.
- CTS Unitel
- I.T.I.

The three qualified vendors were invited to bring in samples of their equipment for a demonstration and evaluation. The items considered were:

- the available phone features
- ease of use and programmability of the features
- quality of the visual display
- quality of the speaker phone
- competency of the presentation

The committee determined that all phone systems must have a full duplex speaker phone that provided an easy user interface for programming the phone's calling, answering and forwarding features. Following the demonstrations, and after reviewing the formal references, it was determined that only two of the vendors fully complied with these requirements. Of those two which are listed below, the committee selected the Inter-Tel Axxess Phone Communications System by BSB Communications, Inc., as their choice of the vendor and equipment that best meets the City's requirements for the MOC phone system replacement.

| Vendor | Brand of Equipment | Service Location | Installed Price |
|--------------------------|--------------------|---------------------|-----------------|
| BSB Communications, Inc. | Inter-Tel Axxess | Port Huron Twp., MI | \$85,999.77 |
| CTS Unitel | Toshiba | Kimball Twp., MI | \$92,362.00 |

Recommendation

It is therefore recommended that the proposal from BSB Communications, Inc., 2929 Lapeer Road, Port Huron, Michigan 48060, in the amount of Eighty-Five Thousand Nine Hundred Ninety-Nine and 77/100 (\$85,999.77) for the Municipal Office Center telephone system replacement be accepted and that the appropriate City officials are hereby authorized to execute an agreement.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
 No: Councilmember Byrne.
 Absent: None.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron is exposed to various risks of loss and has purchased commercial insurance for property damage, including buildings, contents and other assets, boiler and machinery, computers and other equipment, employee dishonesty and other potential losses; and

WHEREAS, such coverage is necessary for the fiscal year beginning July 1, 2008 and ending June 30, 2009; and thereafter and

WHEREAS, from time to time this benefit is reviewed and analyzed for its appropriateness of coverages, cost effectiveness and other factors; and

WHEREAS, competitive proposals have been solicited from a number of insurance firms which have demonstrated the qualifications, competence and capacity to provide this coverage including:

- Chubb Group of Insurance Companies
- Cincinnati Insurance Company
- Citizens Insurance Company
- Hanover Insurance Group
- Hartford Insurance Company
- Zurich Insurance Company

WHEREAS, the Hartford Insurance Company was selected for property loss coverage, with an estimated annual cost of \$170,308.00 (a 10% annual reduction), based upon its comprehensiveness of coverage, superior service, exceptional insurance rating, experience with municipalities and the lowest annual cost and the Hanover Insurance Company was selected for public employee crime and fraud coverage, with an estimated three year cost of \$7,198.00 (a 4% reduction from the previous three years), based upon its superior service, experience and lowest annual cost;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves insurance contracts with the Hartford Insurance Company for property loss coverage and the Hanover Insurance Company for public employee crime and fraud coverage in accordance with the insurance requirements of the City and authorizes the proper City officials to execute such agreements.

Adopted unanimously.

R-2. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron is an important center of recreational boating activity and serves as a refuge point for shallow-draft recreational vessels; and

WHEREAS, the City has asked the Michigan Department of Natural Resources (DNR) to assist with last year's costs to dredge the River Street Marina (2007); and

WHEREAS, the DNR has authorized and has prepared an agreement for the City to receive reimbursement of up to 50% of the total project cost to dredge the River Street Marina in an amount not to exceed \$52,679.25;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council does hereby approve the grant agreement with the Michigan Department of Natural Resources to receive reimbursement of up to 50% of the total project cost for the 2007

dredging of the River Street Marina and authorizing the appropriate City officials to execute said agreement (see City Clerk File #08-86);

BE IT FURTHER RESOLVED that the City does hereby specifically agree, but not by way of limitation, as follows:

1. To appropriate the sum of \$52,679.25 to match the grant authorized by the department.
2. To maintain satisfactory financial accounts, documents and records and to make them available to the department for auditing at reasonable times.
3. To construct the facility improvements and provide such funds, services and materials as may be necessary to satisfy the terms of the agreement.
4. To insure that all premises, buildings and equipment-related procedures comply with all applicable state and federal regulations.
5. To establish and appoint Daniel L. Collins, Harbormaster, to regulate the use of the facilities constructed under this agreement to assure the use thereof by the public on equal and reasonable terms.
6. To enforce all state statutes and local ordinances pertaining to marine safety and to enforce statutes of the State of Michigan within the confines of the City pertaining to the licensing of watercraft. Watercraft not fully complying with the laws of the State of Michigan relative to licensing shall not be permitted to use the facility until full compliance with those laws has been made.
7. To comply with all terms of the agreement, including all terms not specifically set forth in the foregoing portions of the resolution.

Adopted unanimously.

***R-3.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup in the right-of-way; and

WHEREAS, the cost for trash pickup in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot special assessments in the total amount of \$1,521.16 for special trash pickup in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-87).

Adopted.

R-4. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the collective bargaining agreement between the City and the Port Huron Police Clerical Association, expired on June 30, 2007; and

WHEREAS, the City and the Union have negotiated a new collective bargaining agreement that is acceptable to each;

NOW, THEREFORE, BE IT RESOLVED that the attached changes to the existing collective bargaining agreement are hereby adopted and appropriate City Officials are authorized to prepare and execute a new four-year collective bargaining agreement with the Port Huron Police Clerical Association, for the period July 1, 2007 through June 30, 2011. (See City Clerk File #08-88)

Adopted unanimously.

***R-5.** WHEREAS, the City Council adopted a resolution instructing the City Manager to not prepare an agenda for the regular meeting of July 28, 2008 as they anticipated that there would be no need to hold the second meeting in the month of July; and

WHEREAS, it has become apparent that there is a need to hold the July 28, 2008 meeting but that instead there will be no need to hold the first regular meeting in the month of August except for the authorization of payments;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby rescinds Resolution No. 8 dated May 27, 2008 and reschedules the July 28, 2008 regular meeting; and

BE IT FURTHER RESOLVED that the City Council:

- a) Suspends its rules and procedures for the regular meeting of August 11, 2008; and
- b) Instructs the City Manager to not prepare an agenda for this regular meeting; and
- c) Instructs the City Clerk to place on the bulletin board in the main lobby of the Municipal Office Center a public notice that the regular meeting of August 11, 2008 will not be held; and

BE IT FURTHER RESOLVED that the City Clerk is instructed to schedule a special meeting on Monday, August 4, 2008 at 7:00 p.m., in Conference Room 408, for the purpose of approving payments and any other necessary business that may come before the City Council.

Adopted.

R-6. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the Community Development Division of the City of Port Huron held a public hearing on May 27, 2008, to hear comments on the Consolidated Annual Performance Evaluation Report (CAPER) for the program year 2007 (April 1, 2007, through March 31, 2008) and;

WHEREAS, the Community Development Division for the City has provided a copy of the CAPER for public viewing at the City Clerk's office and the St. Clair County Public Library for a period of at least 15 days; and

WHEREAS, any comments heard and/or received will be incorporated into the CAPER for review by the U.S. Department of Housing and Urban Development (HUD);

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Port Huron hereby authorizes the Community Development Division to submit the Consolidated Annual Performance Evaluation Report (CAPER) for the program year April 1, 2007, through March 31, 2008, regarding the use of Community Development Block Grant and HOME funds, to the U.S. Department of Housing and Urban Development for their review and approval (see City Clerk File #08-89).

Adopted unanimously.

R-7. Councilmember Lewandowski offered and moved that the following resolution be postponed until the next meeting:

WHEREAS, Councilmember Byrne has prepared the attached draft ballot language (see City Clerk File #08-90) consisting of two proposals to amend Section 15 of the City Charter to establish an amended process of filling Council vacancies;

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby directed to prepare, in consultation with the City's outside legal counsel, two resolutions for the July 14, 2008 regular City Council meeting containing ballot language consistent with Councilmember Byrne's suggestions for amending Section 15 of the City Charter.

Motion to postpone *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher and Stevens.
 Yes: Councilmembers Lewandowski and McCulloch.
 Absent: None.

Councilmember Byrne offered and moved the adoption of Resolution No. 7:

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher and Stevens.
 No: Councilmembers Lewandowski and McCulloch.
 Absent: None.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember McCulloch moved to postpone implementation until August 1, 2008, the previously adopted policy to become effective July 1, 2008, that would seek mileage reimbursement from employees who take home City-owned vehicles.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
 No: Councilmember Byrne.
 Absent: None.

NOTE: Karl Tomion, City Manager, to prepare a report.

2. Councilmember Fisher mentioned the following events being held during the upcoming weekend: Tall Ship Festival, Black River Raft Off and the Vintage Base ball team will be hosting Rochester.

3. Councilmember Byrne mentioned the Beast of the Beach Wrestling Tournament event at Lakeside Park on July 19.

4. Councilmember Stevens was offered the opportunity to comment about her appointment to City Council.

5. Mayor Moeller stated that the special Council meeting on September 15 at the Maritime Center has been confirmed with Doug Austin (Acheson Ventures). Additionally he asked for someone to take his place on August 15 for the Coast Guard Days and on June 26 for the Golden Agers at the Salvation Army.

On motion (10:45 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
 Deputy City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, July 14, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.

Absent: Mayor Pro-tem Fisher.

The minutes of the regular meeting of June 23, 2008, were approved.

PUBLIC AUDIENCES

1. Margaret Enright, 1319 Sherman Street, addressed the City Council on behalf of the Ice Hawks and stated that they should take over the McMorran operation and lease the building.

2. Vickie Stultz, 505 Taylor Street, addressed the City Council and read a letter from David Goetze with names of supporters of the Ice Hawks taking over the operation of McMorran as well as asking for a two week delay to work out any details with County and Community Foundation. She also read a letter of support for David Goetze from the Colonial Woods Missionary Church.

3. Jim Collins, 4107 Myron Rd., president of the Ice Hawks Booster Club, addressed the City Council stating that without the hockey team it would be a great downfall and that Kinney Management should be able to come in and run McMorran and it would help the downtown.

4. Jay Costick, 2307 Priscilla Court, addressed the City Council asking to express his thoughts about a number of issues that would take longer than four minutes. He talked about Port Huron's debt, the Ice Hawks, the jail, city employees taking cars home and that Port Huron will never be the way it used to be. (Mayor did not extend his time but rather asked him to contact the Clerk's office to give a presentation at a future meeting.)

5. Ken Harris, 1521 Wells Street, addressed the City Council stating taking exception to the item revisiting McMorran with the County and Community Foundation because he felt it was an injustice to those who have submitted proposals.

6. Trina Avedisian, 15th Street, addressed the City Council asking that they reject the City Manager's recommendation to meet with the County and the Community Foundation about McMorran stating that she supports the Ice Hawks running it. She additionally asked that Council support Resolution No. 16.

7. Mike Bodeis, President of the Port Huron Area Landlord's Association, addressed the City Council about the severe problem with blight due to the number of foreclosures and that he believes that the rental ordinance can be streamlined and the blight ordinance strengthened and that citizens have to get involved to turn the city around.

8. Casey Chaudry, 1802 Martin Street, addressed the City Council relative to the invocation and that the Council policy hinders freedom of speech and asked that the new Councilmembers move the invocation to public audience time. He also stated that as a taxpayer he does not have a problem with city employees taking cars home.

CONSENT AGENDA

Councilmember McCulloch offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.

No: None.

Absent: Mayor Pro-tem Fisher.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- July 18, Antique & Classic Auto Parade
- July 19, Antique & Classic Auto Show – downtown
- July 20, Southside Blues & Jazz Festival – Lincoln Park

FROM THE CITY MANAGER

CM-1. Councilmember Doorn offered and moved the adoption of the following City Manager's recommendation, **except for paragraph 3 of the recommendation (as indicated by the strikethrough)**:

For the past nine (9) fiscal years McMorran's subsidy has averaged \$335,000 a year. In order to address this issue, City Council has implemented a strategy to reduce the City of Port Huron's subsidy of McMorran Place.

As part of this plan, the City has received seven (7) responses to its Request for Qualifications (RFQ) and five (5) bids in response for its Request for Proposals (RFP) to privatize the operation of the facility.

This process sought to reduce the subsidy either by:

- Selling the facility to an entertainment developer; or
- Leasing the facility to an entertainment provider; or
- Privatizing the management of the facility

While we have received substantial responses from several firms with extensive experience in this field, we have determined after preliminary review of all of the proposals that:

- There is no interest in purchasing the facility;
- There is no interest in leasing the facility; and
- While there is substantial interest in private contract management of the facility, after reviewing the RFP submissions, it is unlikely that contract negotiations will reduce the City's subsidy in the short term

In May 2006 the City Council received a report from twenty (20) citizen volunteers appointed to develop a plan to improve McMorran Complex for the benefit of the community. The committee concluded the following:

1. Gift - the original intent of the gift from the McMorran family was to create a public, non-profit facility serving as a venue for a wide variety of cultural, recreational, social and entertainment activities for the entire community.

They also found a great deal has changed since the City accepted the gift nearly fifty (50) years ago. Then the City of Port

Huron was the urban center of St. Clair County constituting nearly 40% of its population. Today the City's population has declined to less than 20% of the County's total, while both the County and the City's surrounding neighbors have grown in population.

2. User surveys - the committee commissioned a survey by the consulting firm of Plante and Moran of nearly 800 households spread throughout the County. Approximately 72% of the respondents felt that McMorran was a very important asset for quality of life.

A zip code survey conducted by McMorran staff of people who purchase tickets showed that approximately 80% of the facility's users were from outside of the City of Port Huron.

Similar geographic profiles can be found within principal user groups such as Port Huron Minor Hockey Association and the Town Hall events.

3. Capital needs - the committee's tour and their review of a previous architectural study of the complex determined that it is in desperate need of major capital improvements to address its age and lack of features needed to attract and host modern programs and events. We believe that whichever management firm may be selected from the proposals we have received, they will also recommend similar capital expenditures to improve the utilization of the facility at our expense.

4. Long term governance - the committee recommended that the City Council transition the governance of McMorran to a regional model that encourages participation and management by the entire benefitted community.

The committee recommended that the governance of McMorran be continued in the short term by extension of the terms of the authority but in the long term the Downtown Development Authority (DDA) be charged with the responsibility to facilitate regional governance.

The citizen's report was issued in May of 2006 and since that time:

1. The terms of the Authority have been extended by the City Council.

2. The anticipated appointment of a DDA director who was to assist in the facilitation of the recommendations did not occur. Last month the DDA contracted with the Renaissance Fund of the Community Foundation of St. Clair County to provide DDA management services.

3. St. Clair County has expressed to the City Council its interest in addressing McMorran's problems.

We do not believe now that our RFQ/RFP process will be successful in significantly reducing the City's annual subsidy. In our opinion a private manager can improve marketing and provide the benefits of economies of scale from operating several similar facilities; however, they will not eliminate the costs of additional major capital improvements that are necessary as a result of previously deferred repairs and functional obsolescence.

Therefore, we propose that the City Council consider the previous recommendation to undertake a collaborative government funding initiative similar to those advocated in the May 2006 report. Specifically, we recommend that the City Council:

1. Direct the City Manager to meet with the St. Clair County Administrator and the President of the Community Foundation to determine their respective organizations' interest in pursuing wider and more collaborative governance.
2. If there is interest by these two (2) organizations in pursuing a wider initiative, the City Manager be directed to work with those two organizations to develop a plan to be considered by the City Council and other interested groups.
3. ~~Postpone the decision to select a preferred contract manager. If we are going to seek to collaborate with other interested community groups we should not be making such a significant policy decision unilaterally prior to establishing such a partnership.~~

We believe the gift of this facility by the McMorran Family can still provide our entire community with valuable cultural, recreational, social and entertainment services. However, the existing governance structure is outmoded and must be updated to realize its current potential.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
 No: None.
 Absent: Mayor Pro-tem Fisher.

RESOLUTIONS

R-1. Councilmember McCulloch offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
 No: None.
 Absent: Mayor Pro-tem Fisher.

R-2. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, at the Special City Council Budget Study Session held on May 19, 2008, Mayor Moeller requested that the City Administration look into whether the following traffic signals continue to be warranted:

- Michigan Street at McMorran Boulevard
- Michigan Street at Grand River Avenue
- Stone Street at Elmwood; and

WHEREAS, the City Engineer and Police Chief reviewed this request with the Traffic Study Committee; and

WHEREAS, the City Engineer and Police Chief have provided the City Manager with the attached report and recommendation (see City Clerk File #08-91); and

WHEREAS, the City Council desires to proceed with the study to determine if these signals should be removed as recommended;

NOW, THEREFORE, BE IT RESOLVED that a public hearing regarding the removal of these traffic signals is hereby scheduled for the July 28, 2008, City Council meeting.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

R-3. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, since 1991, the Port Huron Neighborhood Housing Corporation (PHNHC), a local non-profit organization whose membership includes the City of Port Huron, has renovated, constructed, and sold over 75 homes exclusively within the City limits to low- to moderate-income homebuyers; and

WHEREAS, the PHNHC has used HOME funds and other state and federal funds to leverage private monies in order to provide homeownership opportunities to low- and moderate-income families; and

WHEREAS, the Michigan State Housing Development Authority (MSHDA) is currently offering grants to non-profit organizations for home acquisition, renovation, and resale programs, and the PHNHC has submitted a grant application in the amount of \$300,000; and

WHEREAS, the grant application requires a letter of support from the City's highest elected official;

NOW, THEREFORE, BE IT RESOLVED the City Council hereby supports the grant application and authorizes the Mayor to submit a letter of support to the Michigan State Housing Development Authority on behalf of the Port Huron Neighborhood Housing Corporation's grant application (see City Clerk File #08-92 for a copy of the letter).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

R-4. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the City Council desires to establish a clear method for the filling of vacancies on City Council; and

WHEREAS, the current language in Section 15 Vacancies of the City Charter reads as follows:

Section 15a. A vacancy shall be deemed to exist in the City Council when any member of the City Council dies, resigns, is removed from office, moves from the city, is convicted by a court of competent jurisdiction of a felony, or if misconduct in office under this charter or is judicially declared to be mentally incompetent.

Section 15b. In case of a vacancy in the office of any member of the City Council except by recall, the remaining members of the Council shall appoint within thirty (30) days a qualified person to fill the unexpired term.

Section 15c. The qualified person to fill the vacancy shall first be chosen from the candidates for City Council in the immediately preceding general election for City Council who received at least 25% of the total votes cast; priority shall be given to the candidates in the order of the number of votes received, beginning with the highest vote recipient. If the City Council is unable to fill the vacancy within 30 days, or if the number of vacancies existing on the Council reduces the membership below a quorum, the City Clerk shall call a special election for the purpose of filling such vacancy or vacancies for the balance of the term(s) provided that more than six (6) months from the date of vacancy remain of the unexpired term, except in the case of lack of a quorum. Candidates shall be nominated by petitions in a manner identical to that provided in Section 30 of the City Charter. The City Clerk shall publish notice of the last day, time and place for filing nominating petitions. Except in the case of lack of a quorum, if less than six (6) months from the date of the vacancy remain, the City Council will choose from applications submitted by qualified members of the community;

and

WHEREAS, Councilmember Byrne has suggested two options for consideration;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby proposes to submit to the electorate two proposals for amending the Charter of the City of Port Huron, Chapter II, by changing the language in Sections 15b and 15c and adding Section 15d, which, if adopted by the electorate, will read as follows:

CHARTER LANGUAGE FOR PROPOSITION NO. 2

Section 15a. A vacancy shall be deemed to exist in the City Council when any member of the City Council dies, resigns, is removed from office, moves from the city, is convicted by a court of competent jurisdiction of a felony, or if misconduct in office under this charter or is judicially declared to be mentally incompetent.

Section 15b. A vacancy, except one caused by recall, shall be filled by City Council appointment within 30 days of the date the vacancy exists. In the case of a resignation, such 30 days shall commence to run on the date the resignation is accepted by the City Council which shall occur at the next regularly scheduled Council meeting after the resignation is submitted to the City Clerk. The City Council shall choose from City residents who are willing to serve and who meet the requirements of Chapter II of the City Charter.

Section 15c. If City Council does not fill the vacancy within 30 days, the City Clerk shall schedule an election for the next available election date for the purpose of filling such vacancy or vacancies for the balance of the term(s) provided more than six (6) months from the date of the vacancy remain of the unexpired term. There shall be no primary election and candidates shall be nominated by petitions in a manner identical to that provided in

Section 30 of the City Charter. The City Clerk shall publish notice of the last day, time and place for filing nominating petitions.

Section 15d. If the number of vacancies existing on City Council reduces the membership below a quorum or if a vacancy is created because of recall, the vacancy shall be filled according to state law. If state law dictates that an election be held, the election will be held in the manner provided in Section 15c.

CHARTER LANGUAGE FOR PROPOSITION NO. 3

Section 15a. A vacancy shall be deemed to exist in the City Council when any member of the City Council dies, resigns, is removed from office, moves from the city, is convicted by a court of competent jurisdiction of a felony, or if misconduct in office under this charter or is judicially declared to be mentally incompetent.

Section 15b. A vacancy, except one caused by recall, shall be filled at the next regularly scheduled City Council meeting after the vacancy exists by the next highest vote getter in the preceding election for City Council who is willing to serve and still meets the requirements of Chapter II of the City Charter. In the event that the next highest voter getter declines or is unqualified to fill the position, the process shall be repeated until the vacancy is filled. A vacancy by resignation shall be deemed to exist at the next regularly scheduled Council meeting after the resignation is submitted to the City Clerk.

Section 15c. If no qualified candidate from the preceding election accepts the position after the vacancy becomes effective, the Clerk shall schedule an election for the next available election date for the purpose of filling such vacancy or vacancies for the balance of the term(s) provided more than six (6) months from the date of the vacancy remain of the unexpired term. There shall be no primary election and candidates shall be nominated by petitions in a manner identical to that provided in Section 30 of the City Charter. The City Clerk shall publish notice of the last day, time and place for filing nominating petitions. Except in the case of lack of a quorum, if less than six (6) months from the date of the vacancy remain, the City Council will choose from applications submitted by qualified members of the community.

Section 15d. If the number of vacancies existing on City Council reduces the membership below a quorum or if a vacancy is created because of recall, the vacancy shall be filled according to state law. If state law dictates that an election be held, the election will be held in the manner provided in Section 15c.

and

BE IT FURTHER RESOLVED that the proposed amendments shall be submitted to the qualified electors of the City of Port Huron and printed on the ballot in the following form:

PROPOSITION NO. 2

Shall the Port Huron City Charter be amended to provide for the filling of vacancies on City Council through appointment by City Council from City residents who meet the eligibility requirements of the City Charter? The amendment would also require an election if the City Council does not fill the vacancy within 30 days or if the vacancies on City Council reduce membership below a quorum.

PROPOSITION NO. 3

Shall the Port Huron City Charter be amended to require the filling of vacancies on City Council by the next highest vote getter in the most recent City Council election who is willing to accept

the appointment? The amendment would also require an election in the event no qualified candidate accepts the appointment or if vacancies on the City Council reduce membership below a quorum.

and

BE IT FURTHER RESOLVED that the City Clerk shall forthwith transmit a copy of the proposed Charter amendments to the Governor of the State of Michigan for her approval, and transmit a copy of the foregoing ballot designation of such proposed Charter amendments to the Attorney General of the State of Michigan for approval as required by law; and

and

BE IT FURTHER RESOLVED that the amendment proposals shall be submitted to the qualified electors of the City of Port Huron at the General Election to be held on the 4th of November, 2008, and the City Clerk is directed to give notice of the election and notice of registration therefore in the manner prescribed by law and to do all things necessary to submit such charter amendments to the vote of the electors as required by law; and

BE IT FURTHER RESOLVED that the proposed Charter amendments, together with the questions, shall be published in full as part of the notice of election; and

BE IT FURTHER RESOLVED that the canvass and determination of the votes on said questions shall be made in accordance with the laws of the State of Michigan and the Charter of the City of Port Huron.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

NOTE: City Council also requested that a resolution be prepared for the next agenda that would approve ballot language asking the electorate whether they want to have a charter revision commission.

***R-5.** WHEREAS, it is the intent of the City Council to make changes in the pension benefits offered to new hires, excluding public safety employees; and

WHEREAS, the changes for union employees will be included in their union contracts; and

WHEREAS, the Michigan Employees' Retirement System (MERS) requires that the changes for non-union new hires be formalized by City Council;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby confirms the following MERS Hybrid Retirement Benefit Plan that will be offered to non-union new hires effective July 1, 2008:

MERS Hybrid Retirement Benefit Plan

The Hybrid Plan will include a defined benefit, a well as a defined contribution component, as follows:

- The defined benefit plan will include a 1.25% multiplier.
- The defined contribution portion will include 1.0% employer contribution and a 2.0% employee contribution, with employees able to contribute additional after-tax funds up to IRS limits.
- Vesting is six (6) years.
- Three (3) year F.A.C. (Final Average Compensation).
- Normal retirement at age 60.

Adopted.

R-6. Councilmember Stevens offered and moved the adoption of the following resolution:

WHEREAS, in October 2004 the City used Federal Emergency Management Agency (FEMA) grant funds to purchase Graphical Information System (GIS) computer software to be used in emergency preparedness, and is also used by the engineering, planning and assessing departments; and

WHEREAS, ESRI, Inc., 380 New York St. Redlands California, 92373-8100, is the single source company that provides the \$6,700.00 per year maintenance which is required to be paid in order to receive periodic updates and enhancements to the software; and

WHEREAS, the annual software maintenance charge was included in the Data Processing Department budget for FY 2008-09;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes payment to ESRI, Inc., in the amount of Six Thousand Seven Hundred Dollars (\$6,700.00) for the Graphical Information Software maintenance for the period of July 6, 2008, through July 6, 2009.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

***R-7.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for sidewalk replacement; and

WHEREAS, the costs of sidewalk replacement shall be assessed to the property owner(s) pursuant to City Ordinance 42-57; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$1,149.80 for sidewalk replacement upon the lots and premises described in the attached special assessment report (see City Clerk File #08-93).

Adopted.

R-8. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, chemical spills occurring on either side of the St. Clair River may expose water treatment plants to contamination creating potential health hazards; and

WHEREAS, the operators of these plants and the citizens served by these plants agree that our drinking water should be protected with a detection and warning system that can produce emergency notification in a timely manner; and

WHEREAS, St. Clair and Macomb Counties have been recipients of a federal grant sponsored by Congresswoman Candice Miller to fund the development of a drinking water monitoring and notification system; and

WHEREAS, a federal grant was secured for a two year period that ends September 30, 2008 and a request has been submitted again for federal grant funding of \$635,000 with two counties and nine water treatment plants making contributions toward the local match; and

WHEREAS, the St. Clair County Health Department has indicated that the local match requirement for the City of Port Huron Water Treatment Plant will be a total of \$5,000 for the fiscal year 2008-09 with or without receiving further grants; and

WHEREAS, if federal grant funds are not available, the local match requirement will be utilized for the actual operation of the system;

NOW, THEREFORE, BE IT RESOLVED the City Council authorizes payment in the amount of \$5,000 to the St. Clair County Health Department for the fiscal year 2008-09 local match if grant is received or in the alternative, the cost share for the actual operation of the Port Huron Water Treatment Plant's share of the drinking water monitoring and notification system.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

***R-9.** WHEREAS, the City Planning Commission has received a request from Kramer Realty on behalf of Citizens First Bank to rezone 2803 Stone Street from an R (Single-Family Residential) to a B (Neighborhood Business) zoning district, legally described as:

Lots 57 and 58, Taylor, Young, and Kenney's subdivision of Lots 12 and 13 McNeil Tract; also known as 2803 Stone Street, City of Port Huron; and

WHEREAS, on July 1, 2008, the City Planning Commission held a public hearing to receive comments on the proposed rezoning; and

WHEREAS, the City Planning Commission, after due consideration, recommended approval (vote: 5 ayes; 1 nays; 3 absent; 0 abstained) of the rezoning;

WHEREAS, the next step in the rezoning process is for the City Council to hold a public hearing on the proposed rezoning;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for August 25, 2008, to receive comments on the request from the Kramer Realty on behalf of Citizens First Bank for the rezoning of the above described property.

Adopted.

R-10. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, a request has been received for a home occupation special approval use permit to operate a commercial embroidery and art service in an R-1 (Single- and Two-Family Residential) zoning district on property legally described as:

Lots 2 and 3, Block 2, Assessor's Plat of the Weyers Land, also known as 1809 - 16th Street, City of Port Huron; and

WHEREAS, on July 1, 2008, the City of Port Huron Planning Commission held a public hearing to receive comments on the proposal; and

WHEREAS, the Planning Commission, after due consideration, recommended approval of the request (vote: 6 ayes; 0 nays; 3 absent; 0 abstained), subject to the requirements of Section 52-695, Home Occupations, of the Code of Ordinances for the City of Port Huron;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the Zoning Administrator to issue a home occupation special approval use permit for a commercial embroidery and art service at 1809 - 16th Street.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

***R-11.** WHEREAS, a request has been received to vacate any possible street rights-of-way and public utility easements in the property located at the south end of 15th Street in the block bounded by Bancroft Street, 14th Street, Cypress Street extended west, and 16th Street, legally described as:

Lot 29, Block L, and Lot A, Block M, Victoria Petit Plat, City of Port Huron, St. Clair County; and

WHEREAS, on July 1, 2008, the City Planning Commission held a public hearing to receive comments on the proposed vacation said easement; and

WHEREAS, the City Planning Commission, after due consideration, recommended approval (vote: 6 ayes; 0 nays; 3 absent; 0 abstain) of the vacation;

WHEREAS, the next step in the vacation process is for the City Council to hold a public hearing on the proposed vacations;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for August 25, 2008, to receive comments on the proposed vacation of the above-described possible street rights-of-way and public utility easements.

Adopted.

***R-12.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the

property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$425.00 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors (see City Clerk File #08-94).

Adopted.

R-13. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, Port Huron Hospital's Parkview Property Management Corporation intends to redevelop an area generally bounded by Pine Grove Avenue, Stone Street and Richardson Street; and

WHEREAS, Parkview Property Management Corporation will be constructing a 40,000 square foot medical office building and site improvements; and

WHEREAS, Parkview Property Management Corporation needs a storm sewer installed in Stone Street to facilitate the development of their site improvements; and

WHEREAS, the City will be performing sewer repair, water main replacement, and street reconstruction work in Stone Street; and

WHEREAS, the City and Parkview Property Management Corporation wish to enter into an agreement which will define the work to be performed under City contracts and defining the cost sharing arrangement for said work;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Parkview Property Management Corporation for the shared costs of public improvements in the area generally bounded by Pine Grove Avenue, Stone Street and Richardson Street and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-95).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

R-14. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, Parkview Property Management Corporation is planning to construct a medical office building and site improvements; and

WHEREAS, the City is planning to complete sanitary sewer repairs, water main replacement and street reconstruction on Stone

Street adjacent to the Parkview Property Management Corporation project; and

WHEREAS, the City and Parkview Property Management Corporation have entered an agreement to share costs for a project that will complete certain public improvements in Stone Street that will benefit the City and Parkview Property Management Corporation; and

WHEREAS, it is necessary to perform professional engineering services during the design and construction of sanitary sewer, storm sewer, water main and street improvements; and

WHEREAS, Parkview Property Management Corporation hired Tetra Tech to design site improvements for their development project including utility improvements; and

WHEREAS, City staff have reviewed Tetra Tech's qualifications and have found them qualified to provide professional services for our street and utility improvements; and

WHEREAS, it is in the City's best interest to work cooperatively with Parkview Property Management Corporation to assure utility improvements are coordinated properly;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Tetra Tech for professional engineering services for sanitary sewer and water main repair and street reconstruction on Stone Street from Washington to Pine Grove Avenue and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-96).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

R-15. Councilmember Doorn offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron has in the past purchased tax foreclosed properties and then sold the properties to the Port Huron Neighborhood Housing Corporation (PHNHC) or the Economic Opportunity Committee of St. Clair County, Inc., (EOC) to build new single-family dwellings or to rehabilitate existing structures which are then sold to low- to moderate-income homebuyers; and

WHEREAS, the St. Clair County Treasurer's office has notified the City of the availability of the following tax foreclosed properties within the City limits:

74-06-743-0463-000, 717 Griswold Street
74-06-343-0084-000, Vacant Lot 2500 Block Little Street; and

WHEREAS, the 717 Griswold Street property is located within the Community Renaissance Neighborhood and the EOC is interested in purchasing the home in order to rehabilitate it and sell the structure to a low- to moderate-income home buyer; and

WHEREAS, the PHNHC owns a vacant lot adjacent to the Little Street property and they would like to purchase this property to combine the two non-conforming sized lots to construct a single-family dwelling for sale to a low- to moderate-income home buyer; and

WHEREAS, both the EOC and the PHNHC will reimburse the City for all costs associated with the sale of the properties to their agencies;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the purchase of 717 Griswold Street for \$6,400.00 and the vacant lot in the 2500 block of Little Street for \$750.00 from the St. Clair County Treasurer and that the appropriate City officials are authorized to execute the necessary documents; and

BE IT FURTHER RESOLVED that the appropriate City officials are authorized to execute the necessary documents to convey 717 Griswold Street to the Economic Opportunity Committee of St. Clair County, Inc., and the vacant lot in the 2500 block of Little Street to the Port Huron Neighborhood Housing Corporation, for an amount to totally reimburse the City for all costs associated with this purchase.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

R-16. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the Michigan Department of Transportation (MDOT) currently designates a corridor consisting of the following street segments as I-94 BL/I-69 BL:

Military Street from Oak to the Black River, Huron Avenue from the Black River to Glenwood Avenue, and Pine Grove Avenue from Glenwood Avenue to 10th Avenue; and

WHEREAS, at its June 23, 2008 City Council meeting a presentation was made by the Citizens for a Vibrant Community (CVC) advocating that I-94 BL/I-69 BL be relocated to 10th Street from Military Street to the Black River and 10th Avenue from the Black River to Pine Grove Avenue; and

WHEREAS, the CVC believes that such a relocation would be a benefit to the development of downtown Port Huron; and

WHEREAS, the CVC has contacted officials from MDOT who expressed preliminary support for the study of such a relocation; and

WHEREAS, the City Council desires to receive a report that would outline how an engineering plan could be developed to determine the advantages and disadvantages of such a proposal.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby directs the City Manager to contact MDOT and discuss how a trunk-line relocation study for I-94 BL/I-69 BL could be prepared and prepare a report for the City Council's consideration.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Lewandowski, McCulloch and Stevens.
No: None.
Absent: Mayor Pro-tem Fisher.

MOTIONS & MISCELLANEOUS BUSINESS

1. **Councilmember Byrne** thanked the citizen group that asked to pursue the trunkline relocation (see Resolution No. 16).
2. **Councilmember Stevens** stated that at the last Council meeting she talked about the foreclosures and the blight problem caused by them and that she had her questions answered by the administration and found out that these are being handled on a regular basis and thanked the administration for their response and encouraged people who see blighted conditions to call the Complaint Division in the Clerk's office at 984-9724.
3. **Councilmember Byrne** thanked the City and its Police Department for the great job done with boat night this past weekend.
4. **Mayor Moeller** stated that he had asked the City Manager and the City vacant property list will be on the next agenda (Karl Tomion, City Manager, stated that Council might want to schedule a special meeting in the future to discuss this issue). He also thanked the Police Department for the lack of parking enforcement at the recent softball tournament in Pine Grove Park but that he had received numerous calls about people getting parking tickets when the Salvation Army band played there on Sunday night and asked if enforcement could be eased.

On motion (8:25 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, July 28, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of July 14, 2008, were approved.

PRESENTATIONS

1. Kimberly Harmer, Planning Director, gave a presentation on the Rental Certification Program. (See City Clerk File #08-97 for a copy of the PowerPoint Presentation.)

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on the removal of traffic signals at Michigan Street and McMorran Boulevard, Michigan Street and Grand River Avenue and Stone Street at Elmwood Street.

No one appeared to be heard.

The Mayor declared the hearing closed.

PUBLIC AUDIENCES

1. Barbara Ernsberger, Executive Director, Blue Water Habitat for Humanity, addressed the City Council inviting them to join their organization at the 2008 Legislative Build event at 834 Union Street on August 19, 2008 and thanked the City for its support of their organization and PHNHC.

2. David Goetze, Kinney Management Group (KMG), addressed the City Council and thanked them for the opportunity to submit a proposal to manage McMorran and in honor of the spirit of gift of McMorran pledged to maintain and manage with dignity, pride and fiscal responsibility and stated that they were the right choice. He further stated that they were willing to commit \$30,000 for a pro shop and that they were looking to outsource vendors and work with Funfest Productions to bring in acts and that by working together they believe they can make McMorran the hub of Port Huron.

3. David Ellingwood, Port Huron, addressed the City Council and asked that the City check into accessible traffic signals for blind persons.

4. Frank Kinney, owner of KMG and the Ice Hawks, addressed the City Council and stated that their position was to simply eliminate the subsidy at McMorran and that they will guarantee up to \$250,000 of the subsidy and that the Ice Hawks want to play here and they want to be here.

5. The following persons addressed the City Council in support of KMG/Ice Hawks managing McMorran:

Karen Schneider, 934 Beard, St. Clair, (also read letter from Brian S. Connelly, Unit Sales Mgr., Pepsi Bottling Group); Stan Drulia, General Mgr. and Head Coach of Ice Hawks (also read letter from Marshall Campbell); B.J. Adams, player for Ice Hawks (also read letter from Jim McPhee, President, Port Huron Minor Hockey Association); Kelly Shaw, 2667 Riverside Drive, on behalf of family – husband and children; Margaret Enright, Sherman St.; Carolyn Neumann, 1510 Howard St.; Trina Avedisian, 15th Street; Carl Erickson, Port Huron Township; Josh Pomeroy, read letter sent to Dave Goetze from E & A Credit Union in support of KMG; Alice O'Neil, Prospect Place; Robert Lahiff, KMG, Northville; and Kimberly Keating, PHASD teacher.

6. Jim Currier, McMorran Authority, addressed the City Council and stated that they reviewed the proposals to manage McMorran and feel that time needs to be taken to solidify efforts with the County and privately and that they as a group stand ready to help but that they do support the City Manager's recommendation.

7. Sharon Cummins, National Director for VenuWorks, addressed the City Council and stated that they operate theatres, ice rinks and convention centers on a day to day basis and they would like to use their expertise to manage McMorran. She talked about the need for capital improvements at McMorran. She also congratulated the Ice Hawks for the excitement they have generated.

8. Ken Harris, 1521 Wells Street, addressed the City Council and asked if the bidders were aware of \$200,000 transferred to Community Foundation on behalf of McMorran and that he felt McMorran Authority violated the Open Meetings Act by meeting with the Community Foundation and that new members to the Authority were needed.

9. Sharon Bender, South Blvd., addressed the City Council and stated that McMorran should be getting convention money like Cobo and that she doesn't see that any proposal that doesn't address the \$300,000 deficit should be accepted as the point is we are supposed to take care of a financially troubled city and cannot support McMorran.

10. Mark Byrne, 825 Prospect Place, addressed the City Council encouraging a "no" vote on 18 mill non-homestead property tax millage for PHASD on August 5.

CONSENT AGENDA

Councilmember Lewandowski offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- July 28 – MDOT is scheduled to begin milling and resurfacing Pine Grove Ave./Huron Ave. from Hancock Street to Quay Street, beginning at the north end.
- August 5 – Election Day, vote between 7:00 a.m. and 8:00 p.m.
- August 5 – National Night Out
- August 8-10 – Blue Water Area Antique & Yard Sale Trail
- August 15-17 – Coast Guard Days (Huron Lightship & Bramble)
- August 23-24 – Art on the Avenue (downtown)

FROM THE CITY MANAGER

CM-1. Councilmember Doorn offered and moved the adoption of the following City Manager's recommendation:

At their February 11, 2008, meeting the City Council initiated a process to seek proposals for the private management, lease, or purchase of the McMorran Complex. Subsequently, the City Council approved the process that has since been implemented and is as follows:

March 10, 2008 - City Council approved a Request for Qualifications (RFQ) and a list of potential bidders who would be mailed the RFQ.

April 25, 2008 - Seven proposals from interested bidders were received by the City, as follows:

- Canlan Ice Sports
- Kinney Management Group, LLC (KMG)
- Olympia Entertainment
- RG Sports & Entertainment (RG)
- Rink Management Services, Inc. (Rink)
- SMG
- VenuWorks

None of the respondents proposed purchasing or leasing the facility.

May 12, 2008 - City Council approved a Request for Proposal (RFP) and directed the City administration to submit it to the seven respondents.

May 21, 2008 - Pre-bid mandatory walk-through of the McMorran facility was held, as required by the RFP. Only Canlan Ice Sports did not attend that meeting.

June 13, 2008 - City received five proposals. Neither Canlan Ice Sports nor Olympia Entertainment submitted a proposal. A copy of each proposal was provided to the City Council on June 16, 2008 and shortly thereafter copies were sent to the McMorran Authority and The Times Herald.

July 28, 2008 - Recommendation from the City Manager concerning a proposed award to one of the bidders to be presented to City Council, as directed.

In the approved RFP, the City Council indicated that the proposals would be evaluated on:

- The comprehensiveness of each submission.
- The qualifications and experience of each bidder.
- The proposed fee structure of each proposal.

Evaluation of each proposal was also to include, but not be limited to, the following:

- The overall quality of the proposal.
- The relevant experience in providing similar services.
- Experienced and demonstrated success as indicated by references.
- Quality of the response to the requested qualifications and scope of service.
- Methodology and approach to provide services.

The RFP also provided that the City Council may undertake its own review and interview of one or more of the firms if they so desire.

COMPREHENSIVENESS OF PROPOSALS

The proposals were reviewed to determine how well they were organized, responded to the RFP criteria, and the quality of those responses.

- **Organization:** Four of the responses (Kinney Management Group, RG Sports and Entertainment, SMG and VenuWorks) were well organized and responded to the criteria. Rink Management's proposal did not respond to the specifics of the RFP and instead provided general related information.
- **Quality of Response:** The responses from SMG and VenuWorks contained relevant detail on their approach to each criterion. The proposals from RG Sports and Entertainment and Kinney Management Group were far less specific.

QUALIFICATIONS AND EXPERIENCE

The only vendor that did not have facility management experience was Kinney Management Group. Rink Management had significant ice rink management experience, but listed no theater or multi-event facility management experience. RG Sports and Entertainment listed no theater experience and generally specialized in the design/build and subsequent management of new facilities.

While SMG and VenuWorks had similar experience with new facilities, they also listed several examples of their success in managing and marketing existing facilities similar to the McMorran Complex. Specifically, they were as follows:

SMG

- Dow Event Center, Saginaw, Michigan
- Pensacola Civic Center, Pensacola, Florida
- Carolina First Center, Greenville, South Carolina
- Wolstein Center/Cleveland State University, Cleveland, Ohio
- CenturyTel, Bossier City, Louisiana
- Sovereign Center, Reading, Pennsylvania
- Times Union Center, Albany, New York
- Ford Center, Oklahoma City, Oklahoma

VenuWorks

- Three Rivers Convention Center, Toyota Center and Toyota Arena, Kennewick, Washington
- DeltaPlex Entertainment and Expo Center, Grand Rapids, Michigan
- Swiftel Center, Brookings, South Dakota
- U.S. Cellular Center, Paramount Theatre, Cedar Rapids Ice Arena, Cedar Rapids, Iowa
- River Center and Adler Theatre, Davenport, Iowa
- Memorial Hall and Festival Hall of Racine, Wisconsin
- Vicksburg Convention Center, Vicksburg, Mississippi
- Topeka Performing Arts Center, Topeka, Kansas

More extensive details about the specific accomplishments at each of these sites from the SMG and VenuWorks proposals are attached as Exhibits A and B (see City Clerk File #08-98).

PROPOSED FEE STRUCTURE

The bidders took different approaches to proposing their fee structures. The following table summarizes an estimate of the proposed annual fees charged by each.

| | KMG | RG | Rink | SMG | VenuWorks |
|---------------------------|------------|-----------|-------------|------------|------------------|
| Management Fee: | | | | | |
| Annual Charge | \$138,529 | \$ 90,000 | \$ 95,000 | \$108,000 | \$ 94,200 |
| Profit from Alcohol | 95,258 | 0 | 0 | 0 | 0 |
| Total | \$233,787 | \$ 90,000 | \$ 95,000 | \$108,000 | \$ 94,200 |
| | | | | | |
| Food Service | Unknown | Unknown | None | \$ 62,543 | \$ 17,695 |
| | | | | | |
| Subsidy Reduction | 25% City | 100% City | 100% City | 75% City | 75% City |
| | | | | | |
| Profit Sharing | 50% City | 100% City | 100% City | 100% City | 65% City |
| | | | | | |
| Termination Charge | \$250,000 | None | None | None | None |

Certain of the proposed fees and charges would be based on actual receipts or costs. In order to provide an annual estimate, the most recent information regarding actual sales for 2007-08 was used.

Further, Kinney Management Group proposes that all costs and revenue associated with the McMorran liquor license be excluded from the agreement and that such associated costs and revenue would become the sole responsibility and benefit of Kinney Management Group. The 2007-08 alcohol revenues, net of the cost of the alcohol and the cost of bartenders and liquor liability insurance, have been used to calculate the effect of this transfer. Net alcohol profits would remain with McMorran under the other proposals.

Kinney Management Group proposes that concessions and catering services be outsourced to Chef Shell's Catering. RG Sports & Entertainment proposes that the Boston Culinary Group provide concession and catering services. Neither respondent provided the financial terms of such an arrangement. As a result, that area is listed as unknown above. SMG and VenuWorks proposed a concessions and catering fee structure based, at least partially, on a percentage of sales. Rink Management Services, Inc. did not provide additional information on this area.

Additionally, there were other unique provisions of the proposals. Kinney Management Group proposed to spend \$30,000 for capital improvements. Kinney Management Group has also proposed that there be a minimum charge to the City of \$250,000 if the contract is terminated early for any reason. That charge could be higher based on additional costs incurred to the date of termination. RG Sports & Entertainment, in addition to the management fee, proposes that they receive reimbursable expenses, such as transportation, meals and lodging and mileage. SMG proposed to spend \$100,000 for capital improvements which would be amortized over six years. SMG also requested a contract clause to allow them to earn an additional \$25,000 based on subjective criteria such as community involvement or customer service. VenuWorks proposed that they receive a 15% commission for any new revenues from advertising, pouring rights or sponsorships.

REVIEW AND RECOMMENDATION

After reviewing each of the proposals with the criteria adopted by the City Council, we believe that both SMG and VenuWorks provide a comprehensive approach to the management of McMorran and have significant successful experience with similar multi-purpose facilities. However, in reviewing their proposed fee structure, the VenuWorks proposal is the less costly of the two.

It is therefore our recommendation that the City Manager be authorized and directed to initiate detailed contract negotiations with VenuWorks and present a proposed contract to City Council for approval.

Motion to adopt From the City Manager No. 1 *rejected* unanimously.

Councilmember Lewandowski moved to authorize and direct the City Manager to initiate detailed contract negotiations with Kinney Management Group, LLC (KMG) and present a proposed contract to City Council for approval.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski, McCulloch and Stevens.
No: Councilmember Doorn.
Absent: None.

CM-2. Councilmember Byrne offered and moved to receive and file the following report and schedule a special meeting to be held at the Eleger Harvey Reinvestment Center for a date and time when all Councilmembers can be present to review the information:

At the direction of the City Council, staff has prepared a summary of all vacant City-owned land. The attached report groups the vacant parcels into the following categories:

| | | |
|--------------|--|---------------------|
| Category I | Small, unbuildable portions of land | 13 parcels |
| Category II | Land that is considered a buildable lot | 5 parcels |
| Category III | Larger parcels and tracts of land held as part of comprehensive, long-term redevelopment goals | 7 parcels or tracts |
| Category IV | City-owned parking lots in the downtown | 15 lots |

We believe that the presentation and discussion of this report could take up to two hours. Therefore, we recommend that a special City Council workshop be scheduled in order to review this information (see City Clerk File #08-99 for copy of the report).

Adopted unanimously.

CM-3. Councilmember Stevens offered and moved the adoption of the following City Manager's recommendation:

The City Council has initiated a program to reduce City vehicle costs by requiring employees who are non-residents, and assigned a vehicle that is taken home, to reimburse the cost of commuting at the IRS mileage rate.

After a presentation by the Port Huron Police Officers at the June 23rd Council meeting this policy was temporarily suspended until August 1st and the City Manager was directed to prepare and submit this report.

SUMMARY

The Michigan State Legislature has limited local governments from implementing residency requirements. Therefore, the City of Port Huron cannot implement a requirement that its employees live any closer than 20 miles.

Approximately 21 vehicles are assigned to employees who have responsibility to address problems that occur outside of the normal work day. Combined, they react to approximately 480 calls per year.

It has been the past practice for the City to provide these vehicles as an incentive for employees to be available and in lieu of standby pay.

The City Council requested a review of this program and attached is a report that:

- Outlines the callout responsibilities of each employee that is provided such a vehicle.
- Summarizes a survey of similar policies for other municipalities.

RECOMMENDATION

After analyzing the types of calls, the time necessary to respond outside of normal work hours and the survey, we recommend that:

1. Only employees that are assigned responsibility and have vehicles equipped to provide emergency response be permitted to take such vehicles home. Emergency response is defined as providing a time sensitive service to protect public safety and/or prevent significant property damage. This will reduce the number of vehicles currently taken home from 21 to 9.
2. The employees that respond to callouts for routine work that must be accomplished outside normal working hours will not be assigned take home vehicles. This work is not time sensitive and a 20 minute delay to obtain City vehicles stored at City facilities will not cause serious concerns.
3. Charging emergency employees the IRS reimbursement rate of 58.5¢ for commuting from home to work not be implemented. This would be an expensive disincentive and the employees would not take the emergency vehicles home thereby causing critical delays in response time.

CALL RESPONSIBILITY

The callout responsibilities for each employee assigned a vehicle currently taken home are outlined below:

| Position (Number of Employees) | Callout Responsibility | Number of Calls Annually |
|---|---|--------------------------|
| DEPARTMENT OF PUBLIC WORKS | | |
| Wastewater Plant Supervisor (1) | Equipment failure at 14 sewer pump stations to prevent sewer backups | 45 |
| Streets Foreman III (2) | (a) Traffic signals outages (b) Bascule bridge failures (c) Emergency responses for fires, road hazards, vehicle crashes, crime scenes, etc. | 100 |
| Water Foreman (1) Sewer Foreman (1) Meter Foreman (1) Utility Supervisor (1) | (a) Respond to plugged sewers to avoid basement backups and other property loss. (b) Respond to roadway cave-ins or street flooding to prevent personal injury (c) Respond to water main breaks to mitigate system pressure loss / multi-day boil water notices / large commodity losses of treated water and to prevent property loss (d) Miss Dig marking for emergency operations of DTE Energy/SEMCO to prevent City utility system damage | 240 |

| Position (Number of Employees) | Callout Responsibility | Number of Calls Annually |
|---|--|---|
| POLICE DEPARTMENT | | |
| Executive Duty Officer (3) | (a) Respond to and manage critical incidents such as shootings, barricaded gunmen/hostages, etc. (b) Meet with confidential informants (c) Conduct sensitive internal affairs investigations | Not Available |
| Detectives (7) | Investigations of: (a) armed robberies (b) firearm crimes (c) serious assaults (d) serious breaking and enterings (e) narcotics investigations (f) search warrants (g) homicides (h) after hours follow-up investigations (i) meet with confidential informants | 40 |
| Canine Units (2) | (a) Search for suspects/missing persons (b) Drug location/identification (c) Transport for training/animal care | 17 |
| FIRE DEPARTMENT | | |
| Fire Chief/Emergency Management Coordinator (1) | (a) Command response to major fires, chemical releases and other significant emergencies. (b) Direct fire investigations (c) Employee injury and accident response (d) Investigate civilian fire injuries/deaths | Not Available |
| Fire Captain/ Inspector (1) | (a) Emergency scene safety officer (b) Undertakes fire investigations (c) Arson investigations (d) Respond to fire code violations | 40 |

VEHICLE ASSIGNMENTS

Currently, the City of Port Huron assigns 21 vehicles to employees who have a responsibility to respond to problems that occur outside the normal work day. The specific assignments are outlined in the table below:

DEPARTMENT OF PUBLIC WORKS

| Position | Unit Number | Vehicle Make & Model | Road Miles to Nearest Point in the City |
|-------------------------------------|--------------------|---------------------------------|--|
| WWTP Supervisor I | 215 | 2002 Dodge Pickup 2-Wheel Drive | 2.4 |
| Streets Foreman III | 102 | 2001 Dodge 4x4 Pickup | 2.4 |
| Streets Foreman III | 104 | 1998 Dodge 4x4 Pickup | In City |
| Utilities Foreman III – Water Dist. | 207 | 2006 Ford 4x4 Pickup | 6.5 |
| Utilities Foreman III – Collections | 210 | 2001 Dodge 4x4 Pickup | In City |
| Utilities Foreman III – Meters | 220 | 1998 Dodge Pickup 2-Wheel Drive | In City |
| Utilities Services Supervisor | 234 | 1997 Ford Van | 6.7 |

POLICE DEPARTMENT

| Position | Unit Number | Vehicle Make & Model | Road Miles to Nearest Point in the City |
|-------------------|--------------------|---------------------------------|--|
| Police Chief | 1 | 2006 Chev. Impala | 3.2 |
| Captain | 2 | 2007 Chev. Malibu | 4.4 |
| Admin. Lieutenant | 3 | 2007 Ford Taurus | 2.2 |
| Det. Sergeant | 4 | 2007 Chev Impala | 16.2 |
| Detective | 5 | 2003 Dodge Intrepid | 8.3 |
| Detective | 6 | 1999 Dodge Intrepid | 8.4 |

POLICE DEPARTMENT

| Position | Unit Number | Vehicle Make & Model | Road Miles to Nearest Point in the City |
|-----------|-------------|-------------------------|---|
| Detective | 7 | 1995 Ford Crown Vic | 4.0 |
| Detective | 8 | 2004 Ford Crown Vic | In City |
| Detective | 27 | 1998 Pontiac Bonneville | In City |
| Detective | 28 | 2002 Ford Taurus | 2.7 |
| Canine | 11 | 1999 Chev Tahoe | 18.6 |
| Canine | 26 | 2005 Chev Tahoe | 19.9 |

FIRE DEPARTMENT

| Position | Unit Number | Vehicle Make & Model | Road Miles to Nearest Point in the City |
|------------------------|-------------|-----------------------------|---|
| Fire Chief | 42 | 2007 Chevrolet Impala | 2.3 |
| Fire Inspector/Captain | 49 | 1999 Ford Windstar mini van | 3.7 |

VEHICLE REDUCTIONS

The recommended elimination of 12 take-home vehicles is as follows:

| | |
|-------------------------|-------------------|
| Detectives | 7 Vehicles |
| Fire Captain/Inspector | 1 Vehicle |
| DPW Foremen/Supervisors | <u>4 Vehicles</u> |
| Total | 12 Vehicles |

While other after-hours responses will still be made by the employees assigned these City vehicles, they need not be taken home. Instead, the employees will respond to the City facility where the vehicle is stored and they will pick up the vehicle and respond to the incident. In these lower priority after hours responses, a delay of 10 to 20 minutes should not endanger public safety or increase private or public property loss.

The surveys that were conducted as part of this process to determine the policies of other cities are attached as Appendix A (see City Clerk File #08-100).

RECOMMENDATION

It is therefore recommended that only employees with vehicles equipped to provide emergency responses be permitted to take such vehicles home, reducing the number taken home from 21 to 9, and that no mileage reimbursement be required by those employees.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, McCulloch and Stevens.
No: Councilmembers Byrne and Lewandowski.
Absent: None.

RESOLUTIONS

R-1. Councilmember Stevens offered and moved the adoption of the following resolution:

WHEREAS, at their regular meeting of July 14, 2008 City Council discussed whether there should be a charter revision

commission established in order to revise the current City's charter; and

WHEREAS, City Council requested that a ballot question be prepared in order to place before the voters at the November election the question of whether there will be a general charter revision;

NOW, THEREFORE, BE IT RESOLVED that the City Clerk is hereby directed to place the following question, in accordance with the laws of the State of Michigan, on the ballot for the November 4, 2008 election:

"Shall the City of Port Huron have a general charter revision of the Charter of the City of Port Huron?"

Adopted unanimously.

***R-2.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$1,641.75 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors (see City Clerk File #08-101).

Adopted.

***R-3.** WHEREAS, the Municipal Employees Retirement Act provides that an annual meeting of the participating municipalities shall be held each year “for the purpose of selecting nominees for membership on the Retirement Board and to transact such other business as may be required for the proper operation of the Retirement System;” and

WHEREAS, it also provides that the governing body of each participating municipality shall certify to the Board the names of the delegates, one of whom shall be an officer and one an employee to represent said municipality at this meeting; and

WHEREAS, the annual meeting for 2008 has been called for on Tuesday, September 30 through Thursday, October 2, 2008 at the Grand Traverse Resort, Acme, Michigan; and

WHEREAS, the City Clerk has certified the name of John Zielke as the employee delegate and Peggy Pisciotta, selected by secret ballot as prescribed by the Act;

NOW, THEREFORE, BE IT RESOLVED that John H. Ogden be certified as the officer delegate and John P. Berry as the officer alternate, in accordance with the recommendation of the City Manager.

Adopted.

MOTIONS & MISCELLANEOUS BUSINESS

1. Mayor Pro-tem Fisher announced that the Welkin Base Ball Club will at Greenfield Village on August 2-3, 2008.

2. Mayor Moeller announced that the next Council meeting is August 4, 2008, (meeting of August 11, 2008, was cancelled) and it will be in Conference Room 408 and not televised. He also reminded Council that they need to turn in their conflict of interest statements by July 31, 2008.

On motion (9:00 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held Monday, August 4, 2008, at 7:00 p.m. in Conference Room 408, Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher and Lewandowski.

Absent: Councilmembers McCulloch and Stevens.

The minutes of the regular meeting of July 28, 2008, were approved.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher and Lewandowski.
- No: None.
- Absent: Councilmembers McCulloch and Stevens.

R-2. Councilmember Doorn offered and moved the adoption of the following resolution:

WHEREAS, Malmok, LLC (Georgina Witt), 221 Huron Avenue, Port Huron, has applied for a Neighborhood Enterprise Zone Rehabilitation (NEZ) Certificate as allowed under the authority of P.A. 147 of 1992, as amended; and

WHEREAS, the property (Parcel No. 74-06-298-0107-000) is within NEZ No. 1, which was designated as such on November 28, 2005, by the Port Huron City Council; and

WHEREAS, the application meets the necessary criteria;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council approves the application from Malmok, LLC (Georgina Witt), 221 Huron Avenue for a NEZ Rehabilitation Certificate and authorizes the City Clerk to forward the application to the State Tax Commission; and

BE IT FURTHER RESOLVED that the above certificate will be issued for the period December 31, 2008, through December 30, 2017, the first six years consisting of a full abatement only on the increased value of the rehabilitated portion of a residential unit and the last three years a graduated payment that follows the formula outlined by the state act.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher and Lewandowski.
- No: None.
- Absent: Councilmembers McCulloch and Stevens.

MOTIONS & MISCELLANEOUS BUSINESS

1. Mayor Moeller asked if any other member of Council was interested in attending a golf outing sponsored by the Food Depot on August 16 as he would not be able to attend. He also distributed a thank you from Reverend Portis' family. The Mayor asked for recommendations from Council and Administration for filling four seats on the Planning Commission that will be coming up as well as two expired terms on the McMorran Authority and one other coming up soon. Councilmember Byrne added that there is an opening on the Sister City Commission.

2. Councilmember Byrne mentioned that Council has received an email complaint about the hot dog vendor on the Thomas Edison Parkway and the fact that he has expanded his operation further than the ordinances allow.

3. Karl Tomion, City Manager, distributed a press release announcing the \$4,000,000 sale of Grandview Towers.

4. John Ogden, Director of Finance, explained to Council the new procedures that has to be followed by the auditors and that each Councilmember will be receiving a letter from them and that there needs to be a designated person from Council for them to talk to at the beginning of the audit to let them know what the auditor's responsibilities are and as a contact person during the process.

On motion (7:18 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, August 25, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of August 4, 2008, were approved.

PRESENTATIONS

1. Proclamation declaring September 8 – 14, 2008 as Patriotism Week was presented to Gail Marquis, Michigan East District Americanism Chairman, Port Huron Elks Lodge #343.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on the request from Kramer Realty on behalf of Citizens First Bank for rezoning of 2803 Stone Street from “R” (Single Family Residential) to “B” (Neighborhood Business).

No one appeared to be heard.

The Mayor declared the hearing closed and **Councilmember Lewandowski** moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 52, ZONING, ARTICLE III, DISTRICT REGULATIONS, DIVISION 1, GENERALLY, SECTION 52-162, MAP, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REZONING PROPERTY LOCATED AT 2803 STONE STREET FROM R (SINGLE-FAMILY RESIDENTIAL) TO B (NEIGHBORHOOD BUSINESS) ZONING DISTRICT.

Adopted unanimously.

2. **The Mayor** announced that this was the time to hear comments on the proposed vacation of possible street rights-of-way and public utility easements in the property located at the south end of 15th Street in the block bounded by Bancroft Street, 14th Street, Cypress Street extended west and 16th Street.

Jonathan Wilson, 1504 Bancroft Street, appeared to be heard stating his interest in purchasing the property in this area for a driveway due to the fact that he owns other property in this area.

Greg Meadows, 2100 16th Street, appeared to be heard stating his interest in purchasing the property in this area as it abuts his property.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember McCulloch**:

WHEREAS, the City of Port Huron desires to vacate any possible street rights-of-way and public utility easements in the property located at the south end of 15th Street in the block bounded by Bancroft Street, 14th Street, Cypress Street extended west, and 16th Street, legally described as:

Lot 29, Block L, and Lot A, Block M, Victoria Petit Plat, City of Port Huron, St. Clair County; and

WHEREAS, on July 1, 2008, the City Planning Commission held a public hearing to hear comments on the proposed vacation and recommended approval (vote: 6 ayes; 0 nays; 3 absent; 0 abstain); and

WHEREAS, the City Council on August 25, 2008, held a public hearing for the purpose of hearing and considering any objections to the vacation and after due consideration, it is the judgment of the Port Huron City Council that the vacation would be in keeping with the City's Master Plan and in furtherance of the public interest and benefit;

NOW, THEREFORE, BE IT RESOLVED that the above-described possible street rights-of-way and public utility easements are hereby vacated.

Adopted unanimously.

PUBLIC AUDIENCES

1. Margaret Enright, Sherman Street, addressed the City Council stating that the building on the corner of 13th Street and Lapeer Avenue has been abandoned and that it is being used for illegal purposes (entering through the upper level) and the building needs to be taken down. She also asked if anyone could explain the victims' rights fund as she cannot find anyone who knows anything about it and both her grandson and her son have been victims of crime and need help.

2. Jean Webb, Port Huron, addressed the City Council stating that if the Council agrees that Mr. Tomion should stay then they should ask where his fiscal plan is for the city and that property assessments need to be lowered and cuts need to be made and Council should hire a business manager to make cuts.

3. Tom Hildebrant, LaSalle Blvd., addressed the City Council congratulating Pauline Repp on her years of service.

AT THIS POINT, a presentation of flowers from the City Council was made to Pauline Repp, City Clerk, in honor of her retirement.

CONSENT AGENDA

Councilmember Byrne offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- September 11, 9:00 a.m., 9-1-1 Memorial Ceremony, International Flag Plaza
- September 11, 11:30 a.m., Dedication of Rotary Bench recognizing City's Sesquicentennial, Heritage Park on the Quay
- September 13-14, Studio 1219's Fire & Ice Educational Art Festival
- September 20, HobbyFest, Pine Grove Park (later it was stated that this event had been cancelled)

FROM THE CITY MANAGER

CM-1. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On August 1, 2008, the City of Port Huron received three (3) bids for forty-five (45) Steiner 7X50 Police Binoculars to be purchased with Buffer Zone Grant monies:

| | |
|--|-------------|
| Pioneer Research (Moorestown, New Jersey) | \$13,632.75 |
| VF Sports Inc. (Port Huron Township, Michigan) | \$13,905.00 |
| Gander Mountain (Fort Gratiot, Michigan) | \$15,705.00 |

It is recommended that the bid of Pioneer Research, 97 Foster Road, Moorestown, New Jersey 08057, in the amount of Thirteen Thousand Six Hundred Thirty-Two and 75/100 Dollars (\$13,632.75) be accepted and that the appropriate City Officials be authorized to execute the necessary documents.

Rejected unanimously.

Councilmember Byrne moved to award the bid for the above purchase of Steiner 7x50 Police Binoculars to VF Sports Inc.

Motion adopted unanimously.

CM-2. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On July 15, 2008, the City of Port Huron received the results of the State of Michigan MIDEAL Purchasing Program bids for two (2) 2009 Ford F-450 cab and chassis trucks for the Streets Division and Parks and Forestry Division:

| | |
|------------------|------------------|
| Gorno Ford, Inc. | \$33,426.00 each |
|------------------|------------------|

It is recommended that the bid of Gorno Ford, Inc., 22025 Allen Road, Woodhaven, Michigan 48183, in the amount of Sixty-Six Thousand Eight Hundred Fifty-Two and 00/100 Dollars (\$66,852.00) be accepted, in accordance with the State of Michigan MIDEAL Purchasing Program, and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-3. Councilmember Byrne offered and moved the adoption of the following City Manager's recommendation:

On June 26, 2008, the City of Port Huron received four (4) bids for two (2) two cubic yard dump boxes with auxiliary equipment for the Ford F450 cab and chassis for the Parks & Forestry Department and Streets Division:

| | |
|-------------------------------------|-------------------|
| Knapheide Truck (Flint, MI) | \$ 18,135.00 each |
| North River Truck (Mt. Clemens, MI) | \$ 21,105.00 each |
| Cannon Engineering (Shelby Twp, MI) | * |
| NBC Truck Equipment (Roseville, MI) | * |

* Does not meet spec.

It is recommended that the bid of Knapheide Truck, 1200 S. Averill Avenue, Flint, Michigan, 48503, in the amount of Thirty-Six Thousand Two Hundred Seventy and 00/100 Dollars (\$36,270.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-4. Councilmember Stevens offered and moved the adoption of the following City Manager's recommendation:

The City Council adopted a resolution on April 28, 2008 authorizing and directing the City Manager to obtain an appraisal of the Water Street Marina. Subsequently, at the May 27, 2008 meeting, the City Council adopted a resolution to place before the voters the following question:

"Shall the City of Port Huron be authorized to sell the property known as the Water Street Marina for a minimum of \$300,000?"

Attached is a copy of the appraisal undertaken by Robert W. Bogner and Associates, Inc. It is recommended that the City Council receive and file this appraisal. (See City Clerk File #08-102)

Adopted unanimously.

CM-5. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

The City Council received a presentation by the Michigan Department of Transportation and the Federal General Services Administration about the revised bridge plaza design. Since that time, representatives of St. Clair County, the Bridge Plaza Business and Community Coalition and City staff have met to review these changes.

As we discussed with the City Council during its budget study session on May 22, 2008, we anticipated that we would need to retain the services of an outside engineering consultant to assist us in the analysis of this report. As we indicated at that time, the similar assistance that was provided by DLZ Engineering last year helped us to prepare very effective comments on the Draft Environmental Impact Study (EIS).

The County, the Coalition and the City have sought the services of a qualified engineering firm that does not have an ongoing relationship with the Michigan Department of Transportation. We have jointly selected the firm of Bernardin, Lochmueller & Associates, Inc., of Evanston, Indiana, to undertake this work. The contract itself would be between the firm and the Community Coalition and the cost would be divided as follows:

| |
|---------------------------|
| 25% - City of Port Huron |
| 25% - St. Clair County |
| 25% - Community Coalition |
| 25% - Acheson Ventures |

It is recommended that the City Council approve the City of Port Huron's participation in this engineering study and that the City Manager be authorized to expend \$25,000 as appropriated in the Council's approved 2008-2009 budget.

Adopted unanimously.

FROM THE DIRECTOR OF FINANCE

***1.** The City of Port Huron Administrative Regulation No. 2.1, "Conflict of Interest Policy", adopted by the City Council on June 14, 1993, provides procedures for reporting of situations where a conflict of interest might exist by certain City officials.

The annual conflict of interest statements were transmitted to each City Council member, the City Manager, department heads, division heads and other individuals required by the City Manager on July 1, 2008. Section 3.D of said administrative regulation states, "At the first City Council meeting in August, the City Council shall be notified of the results of the evaluation of the conflict of interest statements by the Director of Finance. The City Council shall take such action as is appropriate concerning any council member who fails to complete the form."

Please be advised that all conflict of interest statements have been returned and no discrepancies have been noted.

Received and filed.

RESOLUTIONS

***R-1.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$2,925.00 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors (see City Clerk File #08-103)

Adopted.

R-2. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, it is the intent of the City Council to make changes in the health insurance benefits for new hires when they retire; and

WHEREAS, the changes for new hire union employees will be included in their union contracts; and

WHEREAS, the Michigan Employees' Retirement Systems (MERS) requires that the changes for non-union new hires be formalized by City Council;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby confirms the following MERS Health Care Savings Program that will be offered to non-union new hires effective June 23, 2008:

MERS Health Care Savings Program

- The City will offer to contribute an employer match from a flat amount of \$2.50 up to a 2% match of the employee's base wage per pay.

- Employees will contribute \$2.50 per pay up to 100% of their base wage. Employee's contribution may be increased, but never decreased.
- Employer's contribution will have a three (3) year vesting.
- Upon leaving employment, the account is available to the employee, spouse and eligible dependents for tax-free reimbursement of medical expenses.
- Employees hired on or after June 23, 2008, and their spouse of record, will be eligible to be included in the City's group health insurance plan following retirement, at the retiree's expense. The employee must meet the age and years of service requirements (age 55/25 years of service) or their age plus years of service must equal 80 points to be eligible to purchase the City retirement health care benefit.

Adopted unanimously.

R-3. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, on May 3, 2008 the City Council accepted the resignation of Karl Tomion, City Manager, effective on December 1, 2008; and

WHEREAS, a committee, consisting of Councilmembers Doorn, Fisher and McCulloch, was established to recommend a method to use in order to hire a replacement for Mr. Tomion; and

WHEREAS, the committee has met and determined that a search firm should be hired to begin the process of receiving applicants;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves entering into negotiations with the Michigan Municipal League on an agreement to conduct the search for a new city manager due to Karl Tomion's resignation.

Adopted unanimously.

***R-4.** WHEREAS, Section 6 (1) of Act No. 442 of the Public Acts of 1976, as amended, known as the Freedom of Information Act, requires that "a public body that is a city, village, township, county, or state department, shall designate an individual as the public body's FOIA coordinator;" and

WHEREAS, Pauline M. Repp, City Clerk, was previously designated by City Council as the person to perform this function of complying with Freedom of Information Act requests; and

WHEREAS, effective September 1, 2008, Pauline M. Repp will be retiring and replaced by Susan M. Child;

NOW, THEREFORE, BE IT RESOLVED that Susan M. Child be designated as the FOIA Coordinator for the City of Port Huron, effective September 1, 2008.

Adopted.

***R-5.** WHEREAS, on February 9, 2004 the City Council established by ordinance a Sister City Commission; and

WHEREAS, it is stated in the Ordinance Code of the City of Port Huron, Chapter 2, Administration, Boards and Commissions, Article IV, Division 8, Section 2-567:

“Sec. 2-567. Membership and terms of office. The membership of the commission shall be composed of nine (9) members appointed by the City Council, from applications on file in the City Clerk’s Office, and shall represent persons with a strong interest in and knowledge of foreign countries or cultures, as much as is possible. Members shall serve without compensation.

The members of the commission shall serve terms of three (3) years.....”

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby confirms the reappointment to the Sister City Commission of Louise Bauman for a three year term to expire April 12, 2011 and Armstead Diggs for a three year term to expire on May 10, 2011.

Adopted.

*R-6. BE IT RESOLVED THAT, the following taxi cab licenses for 2008-09 (November 1, 2008 through October 31, 2009) are hereby approved subject to the condition that the licenses are issued only upon receipt of proper application in accordance with Chapter 12 of the Port Huron City Code:

| | |
|---|-------------|
| Acme Cab Company (Star Taxi & Transfer, Inc., Robert Boyd) | 10 Licenses |
| City Cab of Port Huron, Inc. (Dennis Cooper) | 10 Licenses |
| Port Huron Cab (Donald J. Swinson) | 4 Licenses |

Adopted.

*R-7. WHEREAS, Kinney Charities, Inc., has made application to the Bureau of State Lottery for a gaming license to conduct a raffle; and

WHEREAS, the Bureau requires a resolution from the local government recognizing the organization as non-profit;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Port Huron does hereby recognize Kinney Charities, Inc., as a non-profit organization operating in the City of Port Huron.

Adopted.

*R-8. WHEREAS, the City Manager has issued Temporary Traffic Control Order No. 1220 effective June 27, 2008, pursuant to Chapter 46, Article II, of the 2004 Port Huron City Code:

SHERMAN STREET - There shall be “NO PARKING” on either side of Sherman Street for a distance 112 feet west of the curb line of 13th Street.

NOW, THEREFORE, BE IT RESOLVED that said Traffic Control Order be and hereby is made permanent until such time as it is modified or repealed;

BE IT FURTHER RESOLVED that said Traffic Control Order be filed and enforced in keeping with the appropriate laws as contained in the Statutes of this State, as well as the Charter, Ordinances, and Resolutions of the City of Port Huron.

Adopted.

R-9. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, Port Huron Charter Township desires to receive the services of the City of Port Huron’s Filtered Water Treatment Plant and Distribution System for an area as described in “Exhibit A”; and

WHEREAS, in order to comply with the requirements of various federal and state programs under which the City of Port Huron operates its Filtered Water Treatment and Distribution System, there has been prepared an agreement between Port Huron Charter Township and the City of Port Huron outlining the parties’ respective obligations; and

WHEREAS, upon review, the terms and conditions are satisfactory;

NOW, THEREFORE, BE IT RESOLVED that the appropriate City officials are hereby authorized to execute the Addendum to the Filtered Water Service Agreement of December 15, 1987 between Port Huron Charter Township and the City of Port Huron. (See City Clerk File #08-104)

Adopted unanimously.

R-10. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, Port Huron Charter Township desires to receive the services of the City of Port Huron’s sanitary sewer system and Wastewater Treatment Plant for an area as described in “Exhibit A”; and

WHEREAS, in order to comply with the requirements of various federal and state programs under which the City of Port Huron operates its sanitary sewer system and wastewater treatment plant, there has been prepared an agreement between the Port Huron Charter Township and the City of Port Huron outlining the parties’ respective obligations; and

WHEREAS, upon review, the terms and conditions are satisfactory;

NOW, THEREFORE, BE IT RESOLVED that the appropriate City officials are hereby authorized to execute the Addendum to the Sanitary Sewage Disposal Service Agreement of May 5, 1976 between Port Huron Charter Township and the City of Port Huron. (See City Clerk File #08-105)

Adopted unanimously.

R-11. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, there has been a request by the MetroPCS to lease City property at the Riverside Boat Launch to construct a “stealth” cellular communications tower; and

WHEREAS, Section 78 of the City Charter for the City of Port Huron requires that any development, lease or sale of any City-owned waterfront property be approved by a majority of the electorate;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby directs the City Clerk to make all necessary arrangements in accordance with the law for the placement on the ballot at the General Election to be held on Tuesday, November 4, 2008, the following question:

PROPOSITION NO. 5

“Shall the City of Port Huron be authorized to lease City property at the Riverside Boat Launch to construct a cellular communications tower?”

Adopted unanimously.

***R-12.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup in the right-of-way; and

WHEREAS, the cost for trash pickup in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot special assessments in the total amount of \$2,673.10 for special trash pickup in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-106).

Adopted.

ORDINANCES

O-1. Councilmember Fisher moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 36, PARKS AND RECREATION, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REVISING SECTION 36-16, 12TH STREET AND RIVERSIDE BOAT RAMPS TO INCLUDE LOCATIONS OTHER THAN CITY HALL WHERE A YEARLY LAUNCH PERMIT MAY BE PURCHASED AND TO ADD SECTION 36-17, BOAT RAMP VIOLATIONS.

Motion adopted unanimously and ordinance given its first and second reading.

MOTIONS & MISCELLANEOUS BUSINESS

1. Mayor Moeller, on behalf of the entire City Council, presented retiring City Clerk Pauline Repp with a proclamation declaring Friday, August 29 as Pauline Repp Day and making her honorary Mayor for the day and presented her an engraved gavel. Pauline Repp gave remarks following the presentation followed by individual remarks from Council.

2. Councilmember Byrne stated there was a voting palooza on September 20 at the Municipal Office Center.

3. Mayor Pro-tem Fisher gave stats from the Vintage Base Ball team. Also, he commended the Humane Society.

4. Councilmember Stevens recognized the 88th anniversary of women’s right to vote and encouraged all women not register to do so.

5. Councilmember Lewandowski congratulated Mark Bills on his organization of the float down and offered his assistance next year.

6. Mayor Moeller thanked Carol Schoenberg for her generous \$500 contribution to the restoration of the Fort Gratiot Lighthouse.

On motion (8:15 p.m.), meeting adjourned.

PAULINE M. REPP, MMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, September 8, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of August 25, 2008, were approved.

PRESENTATIONS

1. Yard of the Year awards were presented by the Beautification Commission (See City Clerk File #08-115 for a list of the winners).

PUBLIC AUDIENCES

1. Juanita Gittings, long-term resident of Port Huron, taxpayer, McMorrان authority member, former County Commissioner and former Director of Dept. of Human Services, addressed the Council stating she reviewed a draft copy of the McMorrان management agreement and is concerned with the contract reporting requirements, the cancellation clause and no reciprocal clause for the city, the naming rights and keeping McMorrان in the overall complex name in spirit of the gift given, the 16-year contract length, surety bonds and stating she supports a transitional agreement for current employees.

2. Bob Lahiff, General Counsel, for Kinney Management Group addressed the Council stating he was available to answer questions or discuss the McMorrان agreement. Frank Kinney, CFO, and David Goetze were also available.

3. Mike Bodeis, President, Port Huron Landlord Association, addressed the Council concerning the association’s suggested changes to the rental inspection ordinance including extending inspection periods from four to seven years, enforcement of the blight ordinance, being aggressive in removing unlicensed/inoperable vehicles, eliminating duplication of rental inspections for rentals already inspected by the state and lowering inspection fees. Port Huron is getting too many Detroit and Flint area residents dropped off here who are using our assistance programs which takes away help for our own residents.

4. Alice O’Neil, Prospect Place, addressed the Council in support of the IceHawks and the McMorrان agreement; wants to see a continuation of blight enforcement; consideration of a vacancy tax for unoccupied buildings; an ordinance for business signage removal upon vacancy; and moratorium on number of permitted rentals allowed in the city and tax incentives to return building to single- or dual-family dwellings.

CONSENT AGENDA

Councilmember McCulloch offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- September 11, 9:00 a.m., 9-1-1 Memorial Ceremony, International Flag Plaza
- September 11, 11:30 a.m., Dedication of Rotary Bench recognizing City’s Sesquicentennial, Heritage Park on the Quay
- September 13-14, Studio 1219’s Fire & Ice Educational Art Festival
- September 16, Fall recreation registration for residents only, Palmer Park Rec. Center. September 17 is open to all who wish to register and includes an evening registration from 4:30 – 7:00 p.m.

FROM THE CITY MANAGER

CM-1. Councilmember Fisher offered and moved the adoption of the following City Manager’s recommendation:

On August 27, 2008, the City of Port Huron received eight (8) bids for the Stone Street water main, sewer and street improvements from Washington Avenue to Pine Grove Avenue:

| | |
|---|---------------|
| Teltow Contracting, Inc. (Casco Twp.) | \$421,877.00 |
| Pamar Enterprises Inc. (New Haven) | \$425,947.60 |
| T. R. Pieprzak Co. (China Twp.) | \$431,194.67 |
| Raymond Excavating Company (Marysville) | \$439,977.65 |
| L & J Construction, Inc. (North Street) | \$448,891.55 |
| Murray Underground Systems, Inc. (Fort Gratiot) | \$482,622.70* |
| Boddy Construction Company, Inc. (Port Huron Twp.) | \$484,966.03 |
| Tyger Excavating, Inc. (New Haven) | \$517,113.25 |

* As corrected

It is recommended that the bid of Teltow Contracting, Inc., 4678 Meldrum Road, Casco Township, Michigan, 48065, in the amount of Four Hundred Twenty-One Thousand Eight Hundred Seventy-Seven and 00/100 Dollars (\$421,877.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-2. Councilmember Stevens offered and moved the adoption of the following City Manager’s recommendation:

On August 28, 2008, the City of Port Huron received the results of the State of Michigan MIDEAL Purchasing Program bids for one (1) 2009 Chevrolet Tahoe two wheel drive for use by the Police Department canine officer:

| | |
|------------------|-------------|
| Berger Chevrolet | \$27,427.52 |
|------------------|-------------|

It is recommended that the bid of Berger Chevrolet, 2525 28th Street, Grand Rapids, Michigan 49512, in the amount of Twenty-Seven Thousand Four Hundred Twenty-Seven and 52/100 Dollars (\$27,427.52) be accepted, in accordance with the State of Michigan MIDEAL Purchasing Program, and that the appropriate City officials be authorized to execute the necessary documents.

Councilmember McCulloch moved to amend by adding “money to pay for the vehicle purchase to be taken from the drug

forfeiture funds, if available and legal, and if not, the motor vehicle fund.”

Motion to amend adopted unanimously.

Motion to adopt resolution, as amended, adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
No: Councilmember Byrne.
Absent: None.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Adopted unanimously.

R-2. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the City Council directed the City Manager to solicit proposals to sell, lease or contract the management of McMorrان Place on March 10, 2008; and

WHEREAS, the City received seven (7) proposals to provide contract management; and

WHEREAS, on July 28, 2008, the City Council selected the proposal of Kinney Management Group, LLC, as the preferred contractor and directed the City Manager to initiate a detailed contract with them; and

WHEREAS, the attached proposed agreement has been prepared;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby approves the attached agreement with the Kinney Management Group, LLC, to provide management services for McMorrان Place and authorizes the appropriate City Officials to execute said agreement. (See City Clerk File #08-107)

Yes: Mayor Moeller; Councilmembers Byrne, Fisher, Lewandowski and McCulloch.
No: Councilmembers Doorn and Stevens.
Absent: None.

R-3. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the Recreation Department offers a variety of youth and adult programs and family activities for the community to participate in throughout the summer; and

WHEREAS, the donation of funds has made the continuation and expansion of programs currently offered possible;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby acknowledges and publicly thanks the Acheson Foundation and Dr. James C. Acheson for their generosity and

support of the City's Recreation Department's mission to provide recreational opportunities for our citizens with their donation of funds.

Adopted unanimously.

NOTE: A proclamation to express the Council's appreciation for supporting the City's programs will be presented at the special meeting next week at Acheson's building (Vantage Point).

***R-4. WHEREAS**, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$2,445.75 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors (see City Clerk File #08-108)

Adopted.

R-5. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the City Council has received and considered the attached Preliminary Code Enforcement Report for Code Case #08-001, 605 Division Street, (see City Clerk File #08-109) from the City's Building Official relating to the following described property and premises within the City of Port Huron, County of St. Clair, State of Michigan:

West 30 feet of east 80 feet, Lot 13, Block 48, White Plat; and

WHEREAS, it appears to the City Council that the condition of the property described above may constitute a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Code of Ordinances of the City of Port Huron, justifying abatement by the City pursuant to the powers granted in Chapter II, Section 2, and Chapter VIII of the City Charter and procedures set forth in Chapter 10, Section 10-211, and Chapter 40, Sections 40-19 and 40-20, of the Code of Ordinances of the City of Port Huron; and

WHEREAS, the City Council believes it is warranted in conducting a public hearing and investigation pursuant to such provisions of Chapter 10 and Chapter 40 of said Code for the purpose of ascertaining and determining for itself whether such condition or conditions exist;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council of the City of Port Huron shall conduct a public hearing on September 22, 2008, at 7:00 p.m. in the Public Meeting Room, First Floor, Municipal Office Center, 100

McMorran Boulevard, for the purposes and according to the procedures referred to above; and

2. The City Clerk shall:

(a) Notify, by certified mail directed to the last known address, persons known to have an interest in the property described above and all property owners thereof according to the most recent City Assessor's record, at least ten (10) days in advance of the date herein set for such hearing and investigation. The notice shall state that the interested parties will be given the opportunity to state their case for or against bringing this property up to code or demolition of this property, at the time of the public hearing.

(b) Cause a notice to be published in the Times Herald newspaper at least ten (10) days in advance of said hearing. The notice herein required shall include time and place of said hearing and legal description and address of the property involved, and specify in what respects said property may constitute a nuisance within the meaning of Chapter 10, Section 10-211, and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron.

(c) Provide for the recording of such hearings.

Unanimously adopted.

***R-6.** WHEREAS, the City Council has received and considered the attached Preliminary Code Enforcement Report for Code Case 08-004, 1301 Lapeer Avenue (see City Clerk File #08-110) from the City's Building Official relating to the following described property and premises within the City of Port Huron, County of St. Clair, State of Michigan:

Lot 18, Assessor's Plat of Gordon and Kean Land; and

WHEREAS, it appears to the City Council that the condition of the property described above may constitute a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Code of Ordinances of the City of Port Huron, justifying abatement by the City pursuant to the powers granted in Chapter II, Section 2, and Chapter VIII of the City Charter and procedures set forth in Chapter 10, Section 10-211, and Chapter 40, Sections 40-19 and 40-20, of the Code of Ordinances of the City of Port Huron; and

WHEREAS, the City Council believes it is warranted in conducting a public hearing and investigation pursuant to such provisions of Chapter 10 and Chapter 40 of said Code for the purpose of ascertaining and determining for itself whether such condition or conditions exist;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council of the City of Port Huron shall conduct a public hearing on September 22, 2008, at 7:00 p.m. in the Public Meeting Room, First Floor, Municipal Office Center, 100 McMorran Boulevard, for the purposes and according to the procedures referred to above; and

2. The City Clerk shall:

(a) Notify, by certified mail directed to the last known address, persons known to have an interest in the property described above and all property owners thereof according to the most recent City Assessor's record, at least ten (10) days in advance of the date herein set for such hearing and investigation. The notice shall state that the interested parties will be given the opportunity to state their case for or against bringing this property up to code or demolition of this property, at the time of the public hearing.

(b) Cause a notice to be published in the Times Herald newspaper at least ten (10) days in advance of said hearing. The notice herein required shall include time and place of said hearing and legal description and address of the property involved, and specify in what respects said property may constitute a nuisance within the meaning of Chapter 10, Section 10-211, and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron.

(c) Provide for the recording of such hearings.

Adopted.

***R-7.** WHEREAS, the City Council has received and considered the attached Preliminary Code Enforcement Report for Code Case #08-006, 2402 Pine Grove Avenue (see City Clerk File #08-111) from the City's Building Official relating to the following described property and premises within the City of Port Huron, County of St. Clair, State of Michigan:

Lots 47 and 48, except easterly 148 feet and except north 42 feet of Lot 47, Subdivision of Lots 27, 289, 29, 30, and 32, McNeil Tract; and

WHEREAS, it appears to the City Council that the condition of the property described above may constitute a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Code of Ordinances of the City of Port Huron, justifying abatement by the City pursuant to the powers granted in Chapter II, Section 2, and Chapter VIII of the City Charter and procedures set forth in Chapter 10, Section 10-211, and Chapter 40, Sections 40-19 and 40-20, of the Code of Ordinances of the City of Port Huron; and

WHEREAS, the City Council believes it is warranted in conducting a public hearing and investigation pursuant to such provisions of Chapter 10 and Chapter 40 of said Code for the purpose of ascertaining and determining for itself whether such condition or conditions exist;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council of the City of Port Huron shall conduct a public hearing on September 22, 2008, at 7:00 p.m. in the Public Meeting Room, First Floor, Municipal Office Center, 100 McMorran Boulevard, for the purposes and according to the procedures referred to above; and

2. The City Clerk shall:

(a) Notify, by certified mail directed to the last known address, persons known to have an interest in the property described above and all property owners thereof according to the most recent City Assessor's record, at least ten (10) days in advance of the date herein set for such hearing and investigation. The notice shall state that the interested parties will be given the opportunity to state their case for or against bringing this property up to code or demolition of this property, at the time of the public hearing.

(b) Cause a notice to be published in the Times Herald newspaper at least ten (10) days in advance of said hearing. The notice herein required shall include time and place of said hearing and legal description and address of the property involved, and specify in what respects said property may constitute a nuisance within the meaning of Chapter 10, Section 10-211, and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron.

(c) Provide for the recording of such hearings.

Adopted.

R-8. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City Council has received and considered the attached Preliminary Code Enforcement Report for Code Case #07-007, 2418 Manuel Street (see City Clerk File #08-112) from the City's Building Official relating to the following described property and premises within the City of Port Huron, County of St. Clair, State of Michigan:

West 25 feet of east 50 feet of a piece of land bounded on the north by Manuel Street, east, south, and west by Factory Land Company's Plat No. 2, northwest 1/4 Section 21, Township 6 North, Range 17 East, Section 21; and

WHEREAS, it appears to the City Council that the condition of the property described above may constitute a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Code of Ordinances of the City of Port Huron, justifying abatement by the City pursuant to the powers granted in Chapter II, Section 2, and Chapter VIII of the City Charter and procedures set forth in Chapter 10, Section 10-211, and Chapter 40, Sections 40-19 and 40-20, of the Code of Ordinances of the City of Port Huron; and

WHEREAS, the City Council believes it is warranted in conducting a public hearing and investigation pursuant to such provisions of Chapter 10 and Chapter 40 of said Code for the purpose of ascertaining and determining for itself whether such condition or conditions exist;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council of the City of Port Huron shall conduct a public hearing on September 22, 2008, at 7:00 p.m. in the Public Meeting Room, First Floor, Municipal Office Center, 100 McMorran Boulevard, for the purposes and according to the procedures referred to above; and

2. The City Clerk shall:

(a) Notify, by certified mail directed to the last known address, persons known to have an interest in the property described above and all property owners thereof according to the most recent City Assessor's record, at least ten (10) days in advance of the date herein set for such hearing and investigation. The notice shall state that the interested parties will be given the opportunity to state their case for or against bringing this property up to code or demolition of this property, at the time of the public hearing.

(b) Cause a notice to be published in the Times Herald newspaper at least ten (10) days in advance of said hearing. The notice herein required shall include time and place of said hearing and legal description and address of the property involved, and specify in what respects said property may constitute a nuisance within the meaning of Chapter 10, Section 10-211, and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron.

(c) Provide for the recording of such hearings.

Adopted unanimously.

***R-9.** WHEREAS, the City Council has received and considered the attached Preliminary Code Enforcement Report for Code Case #08-003, 3104 South Boulevard, (see City Clerk File #08-113) from the City's Building Official relating to the following described property and premises within the City of Port Huron, County of St. Clair, State of Michigan:

Lot 1, Block 14, Factory Land Company's Plat No. 1; and

WHEREAS, it appears to the City Council that the condition of the property described above may constitute a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Code of Ordinances of the City of Port Huron, justifying abatement by the City pursuant to the powers granted in Chapter II, Section 2, and Chapter VIII of the City Charter and procedures set forth in Chapter 10, Section 10-211, and Chapter 40, Sections 40-19 and 40-20, of the Code of Ordinances of the City of Port Huron; and

WHEREAS, the City Council believes it is warranted in conducting a public hearing and investigation pursuant to such provisions of Chapter 10 and Chapter 40 of said Code for the purpose of ascertaining and determining for itself whether such condition or conditions exist;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council of the City of Port Huron shall conduct a public hearing on September 22, 2008, at 7:00 p.m. in the Public Meeting Room, First Floor, Municipal Office Center, 100 McMorran Boulevard, for the purposes and according to the procedures referred to above; and

2. The City Clerk shall:

(a) Notify, by certified mail directed to the last known address, persons known to have an interest in the property described above and all property owners thereof according to the most recent City Assessor's record, at least ten (10) days in advance of the date herein set for such hearing and investigation. The notice shall state that the interested parties will be given the opportunity to state their case for or against bringing this property up to code or demolition of this property, at the time of the public hearing.

(b) Cause a notice to be published in the Times Herald newspaper at least ten (10) days in advance of said hearing. The notice herein required shall include time and place of said hearing and legal description and address of the property involved, and specify in what respects said property may constitute a nuisance within the meaning of Chapter 10, Section 10-211, and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron.

(c) Provide for the recording of such hearings.

Adopted.

***R-10.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for sidewalk replacement; and

WHEREAS, the costs of sidewalk replacement shall be assessed to the property owner(s) pursuant to City Ordinance 42-57; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$915.30 for sidewalk replacement upon the lots and premises described in the attached special assessment report (see City Clerk File #08-114).

Adopted.

ORDINANCES

O-1. Councilmember McCulloch moved that an ordinance introduced August 25, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1292

AN ORDINANCE TO AMEND CHAPTER 36, PARKS AND RECREATION, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REVISING SECTION 36-16, 12TH STREET AND RIVERSIDE BOAT RAMPS TO INCLUDE LOCATIONS OTHER THAN CITY HALL WHERE A YEARLY LAUNCH PERMIT MAY BE PURCHASED AND TO ADD SECTION 36-17, BOAT RAMP VIOLATIONS.

THE CITY OF PORT HURON ORDAINS:

That Chapter 36, Parks and Recreation, of the Code of Ordinances of the City of Port Huron, be amended by revising Section 36-16, 12th Street and Riverside Boat Ramps to include locations other than City Hall where a yearly launch permit may be purchased and to add Section 36-17, Boat Ramp Violations.

**CHAPTER 36.
PARKS AND RECREATION**

Sec. 36-1. through Sec. 36-15.

No changes.

Sec. 36-16. 12th Street and Riverside Boat Ramps.

Persons who launch boats and other watercraft at the 12th Street and Riverside boat ramps shall be required to pay a launch fee. This launch fee must be in accordance with the MDNR Waterways Commission. Locations other than City Hall where a yearly launch permit may be purchased will be approved by resolution of City Council. All fees will be approved by resolution of City Council. Boat launching activity must be in accordance with the rules and regulations established by the City Manager or his/her designee.

Sec. 36-17. Boat Ramp Violations.

Violation of Section 36-16 shall result in a civil infraction in the amount of \$50.00. If the violator purchases a yearly permit within fourteen (14) days of receiving the municipal civil infraction, the fine will be voided.

Susan M. Child, CMC
City Clerk

ADOPTED: 09/08/08
PUBLISHED: 09/15/08
EFFECTIVE: 09/15/08

Adopted unanimously.

O-2. Councilmember Byrne moved that an ordinance introduced August 25, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1293

AN ORDINANCE TO AMEND CHAPTER 52, ZONING, ARTICLE III, DISTRICT REGULATIONS, DIVISION 1, GENERALLY, SECTION 52-162, MAP, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF REZONING PROPERTY LOCATED AT 2803 STONE STREET FROM R (SINGLE-FAMILY RESIDENTIAL) TO B (NEIGHBORHOOD BUSINESS) ZONING DISTRICT.

THE CITY OF PORT HURON ORDAINS:

That Chapter 52, Zoning, Article III, District Regulations, Division 1, Generally, Section 52-162, Map, of the Code of Ordinances of the City of Port Huron is hereby amended by changing the following area from an R (Single-Family Residential) zoning district to a B (Neighborhood Business) zoning district:

Lots 57 and 58, Taylor, Young, and Kenney's subdivision of Lots 12 and 13 McNeil Tract; also known as 2803 Stone Street, City of Port Huron.

Susan M. Child, CMC
City Clerk

ADOPTED: 09/08/08
PUBLISHED: 09/15/08
EFFECTIVE: 09/21/08

Adopted unanimously.

MOTIONS & MISCELLANEOUS BUSINESS

1. Mayor Moeller asked if someone from Council could attend the United States Marine Corp. birthday celebration event on November 10, at 3 p.m. in his place. Mayor Pro-tem Fisher offered to attend in his place. The Mayor asked about the flooding at the 24th Street/Lapeer Avenue intersection. Karl Tomion stated the Director of the Road Commission has been contacted and they are working with the township DDA to get the sufficient rights-of-way which has caused the delay. The Mayor also asked about the removal of old signs from businesses. Kim Harmer stated there is an ordinance regarding the period of time that signs are allowed to be in place and then removed and that two violation cases are currently being worked on (one has been ticketed and the other will be going to court). The Mayor also stated he will be walking in the "Walk for Life" event at 9 a.m. on Saturday at Sanborn Park and he is accepting pledges.

2. Councilmember Byrne encouraged attendance at the free voting palooza on September 20, at the M.O.C. from 2 to 5 p.m., with various candidates and political parties attending. He also requested that resolutions be placed on the next agenda for appointments to the Beautification Commission and Canvass Board based on an application received. He also asked about making an appointment to the McMorrin board since a person expressed an interest in being appointed. **Councilmember Stevens** suggested that since the board will probably need to be restructured that the Council look into this first.

3. Mayor Moeller stated that the Council's next meeting will be Monday, September 15, at 7 p.m. at Vantage Point.

On motion (9:15 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held Monday, September 15, 2008, at 7:00 p.m. in the Conference Room at the Maritime Center, Desmond Landing, at the foot of Water Street.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

PUBLIC AUDIENCE

The Mayor provided the opportunity for audience members to comment. No one spoke.

Mayor Moeller stated the purpose of this meeting with Acheson Ventures and the Community Foundation of St. Clair County was to hear what they are doing for the community.

AT THIS POINT, **the Mayor** presented a Certificate of Recognition to Dr. James C. Acheson and the Acheson Foundation for their support of City recreational programs and activities. Douglas R. Austin, Executive Vice President of Acheson Ventures, accepted the proclamation.

Presentation by Doug Austin was given as to why Jim Acheson wanted to give back to the southside area. When the 70 acres of railroad property became available, it provided him with a way to redevelop the area. A short video was shown from a free music concert sponsored by Acheson.

Donna Niester gave an overview of Acheson Foundation, which is the charitable organization that has provided a large investment of dollars into the community. Organizations mentioned that have received donations or matching gifts included Port Huron Hospital, the Port Huron Museum, YMCA, Port Huron Area School District, the Bridge to Bay Trail, Safe Horizons and the Cleveland School PTA. The Oak Crest home project and partnerships with the Community Foundation programs were also mentioned.

Doug Austin again spoke and provided a progress report on the entrepreneurial philanthropy aspect or the business approach of Acheson Ventures. The relocation of the SEMCO headquarters and the history to it was explained. Incentives the company has offered to encourage businesses to locate here were outlined. Other projects listed included the new YMCA building, the adjacent parking structure and the new location for the Visiting Nurses Association. (See City Clerk File #08-116 for a copy of their progress report brochure.) Later in the meeting, Mr. Austin stated that the casino issue is not over yet and that a lot has been done to get the Port Huron area recognized (Mackinac Race, advertisement done outside of the area and how the Highlander Sea has become an ambassador symbol for the city).

Rich Engle, Chief Operating Officer of Acheson Ventures, gave an overview of the 20 different development planners and experts they have worked with to assist them with developing the property and the ownership the community feels with the property. They have looked into how to attract people here, venue planning, loft condos and the various studies done on hotel, leisure and water park possibilities. He stated that as soon as the economy turns, things will begin to happen. Investments they have made have increased the property taxes being paid and therefore local taxing agencies have received increased property tax dollars.

Randy Maiers, President and Chief Executive Officer of the Community Foundation of St. Clair County, gave an overview of what community foundations do and how their focus is on quality of life and bringing jobs downtown. The recent "Destination: Port Huron Vision Plan" and the new "Small Business Concierge" programs were also explained. (See City Clerk File #08-117 for a copy of his presentation.)

The Council and audience members were given an opportunity to ask questions and/or make comments and various topics mentioned were unattractiveness of vacant storefront windows; is a basin off of the Black River still being considered; availability of façade and building improvement grants; building an activity center similar to one at Metro Beach; and the cancelling of many downtown events. Dennis Zembala, Port Huron Museum President, also gave a list of coming events at the museum.

Other comments included frustration with the negativism and how the community expects things and the need to concentrate on bringing high-tech jobs here so students return to the area after attending college. Appreciation was given to Dave and Georgina Witt for their investments in downtown buildings with thanks also given to Acheson and the Community Foundation for their efforts.

The Mayor asked that the Council's next goal session be scheduled for Monday, October 20, 2008, at 7 p.m. **Councilmember Byrne** moved to schedule the goal session as stated. Motion adopted unanimously.

On motion (8:55 p.m.) meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, September 22, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of September 8, 2008, and the special meeting of September 15, 2008, were approved.

PRESENTATIONS

- 1. Proclamation designating September 21–27, 2008, as Adult Day Services Week was presented to Brian Larsen, Starpath Adult Day Director, at The Council on Aging, Inc. Mr. Larsen also introduced members from his staff.
- 2. Bill Baldrige, Michigan Municipal League, reviewed the search and hiring process, explained the role MML would play and presented several time schedules Council could use. (See City Clerk File #08-118 for a copy of the proposed schedules.)
- 3. Scott Fernandez, Sister Cities Commission, gave a presentation on St. Clair County Community College’s recent trip to Chiquimula, Guatemala.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on Code Case #08-001, 605 Division Street, to determine whether it constitutes a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Port Huron City Code.

Kim Harmer, Planning Director, gave a PowerPoint presentation on the code case process and gave a report on the status of the property. (See City Clerk File #08-119).

Robert Wisswell, property owner, stated he has been ill and that it has been difficult for him to perform the required repairs. He stated he did not object to the demolition of the home as he had an individual who was interested in buying the property without the home on it.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Byrne**:

WHEREAS, the condition of the property located within the City of Port Huron, St. Clair County, Michigan, described as:

West 30 feet of east 80 feet, Lot 13, Block 48, White Plat;
also known as 605 Division Street; and

has been brought to the attention of the City Council by the Building Official as code Case #08-001 (see City Clerk File #08-109) claiming such condition constitutes a nuisance; and

WHEREAS, such property has received repeated inspections by appropriate City Inspection Officials; and

WHEREAS, repeated correspondence has been sent notifying the owner or owners of said property violations regarding the Code

of Ordinances of the City of Port Huron and requesting abatement of these conditions; and

WHEREAS, to date, there has been no compliance regarding said notices and requests; and

WHEREAS, after a public hearing and investigation conducted by the City Council in accordance with its resolution adopted September 8, 2008, with respect to said property, it is the judgment of the City Council that the condition of said property constitutes a nuisance as defined by Chapter 10, Section 10-211 and Chapter 34, Section 34-3 of the Code of Ordinances of the City of Port Huron;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the above-described property is of such condition as to constitute a nuisance within the meaning and definition of Chapter 10, Section 10-211 and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron and contains the following code violations:

[X] Building [] Electrical [X] Plumbing [X] Heating

2. That the City Manager is directed to cause the abatement of such conditions and nuisance by **immediate demolition**.

3. That any costs incurred in abatement of such conditions and nuisances are to be assessed against the property in accordance with Chapter 40, Sections 40-19 and 40-20 of the City of Port Huron Code of Ordinances.

4. That the City Manager is hereby authorized to solicit and receive bids in order that the City be in position to move promptly to carry out the direction of the City Council as provided herein.

5. That the City Clerk shall send, by certified mail, return receipt requested, a certified copy of this resolution to the last known address of the property owner according to the most recent records maintained by the Office of the City Assessor, and shall have this resolution also posted on the property.

Adopted unanimously.

2. **The Mayor** announced that this was the time to hear comments on Code Case #08-004, 1301 Lapeer Avenue, to determine whether it constitutes a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Port Huron City Code.

Kim Harmer, Planning Director, gave a report on the status of the property (see City Clerk File #08-119).

No one else appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Stevens**:

WHEREAS, the condition of the property located within the City of Port Huron, St. Clair County, Michigan, described as:

Lot 18, Assessor's Plat of Gordon and Kean Land; also known as 1301 Lapeer Avenue; and

has been brought to the attention of the City Council by the Building Official as Code Case # 08-004 (see City Clerk File #08-110) claiming such condition constitutes a nuisance; and

WHEREAS, such property has received repeated inspections by appropriate City Inspection Officials; and

WHEREAS, repeated correspondence has been sent notifying the owner or owners of said property violations regarding the Code of Ordinances of the City of Port Huron and requesting abatement of these conditions; and

WHEREAS, to date, there has been no compliance regarding said notices and requests; and

WHEREAS, after a public hearing and investigation conducted by the City Council in accordance with its resolution adopted September 8, 2008, with respect to said property, it is the judgment of the City Council that the condition of said property constitutes a nuisance as defined by Chapter 10, Section 10-211 and Chapter 34, Section 34-3 of the Code of Ordinances of the City of Port Huron;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the above-described property is of such condition as to constitute a nuisance within the meaning and definition of Chapter 10, Section 10-211 and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron and contains the following code violations:

Building Electrical Plumbing Heating

2. That the City Manager is directed to cause the abatement of such conditions and nuisance by **immediate demolition**.

3. That any costs incurred in abatement of such conditions and nuisances are to be assessed against the property in accordance with Chapter 40, Sections 40-19 and 40-20 of the City of Port Huron Code of Ordinances.

4. That the City Manager is hereby authorized to solicit and receive bids in order that the City be in position to move promptly to carry out the direction of the City Council as provided herein.

5. That the City Clerk shall send, by certified mail, return receipt requested, a certified copy of this resolution to the last known address of the property owner according to the most recent records maintained by the Office of the City Assessor, and shall have this resolution also posted on the property.

Adopted unanimously.

3. The Mayor announced that this was the time to hear comments on Code Case #08-006, 2402 Pine Grove Avenue, to determine whether it constitutes a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Port Huron City Code.

Kim Harmer, Planning Director, gave a report on the status of the property (see City Clerk File #08-119).

Council received and discussed a faxed copy of a letter from the property owner, Todd White, Real Estate Manager, Crown Enterprises, Inc., (for and on behalf of Ammex, Inc.) stating they wished to be granted a few weeks' time to obtain the necessary

permits and begin repairs to the property. (See City Clerk File #08-120)

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Fisher**:

WHEREAS, the condition of the property located within the City of Port Huron, St. Clair County, Michigan, described as:

Lots 47 and 48, except easterly 148 feet and except north 42 feet of Lot 47, Subdivision of Lots 27, 28, 29, 30, and 32, McNeil Tract; also known as 2402 Pine Grove Avenue; and

has been brought to the attention of the City Council by the Building Official as Code Case #08-006 (see City Clerk File #08-111) claiming such condition constitutes a nuisance; and

WHEREAS, such property has received repeated inspections by appropriate City Inspection Officials; and

WHEREAS, repeated correspondence has been sent notifying the owner or owners of said property violations regarding the Code of Ordinances of the City of Port Huron and requesting abatement of these conditions; and

WHEREAS, to date, there has been no compliance regarding said notices and requests; and

WHEREAS, after a public hearing and investigation conducted by the City Council in accordance with its resolution adopted September 8, 2008, with respect to said property, it is the judgment of the City Council that the condition of said property constitutes a nuisance as defined by Chapter 10, Section 10-211 and Chapter 34, Section 34-3 of the Code of Ordinances of the City of Port Huron;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the above-described property is of such condition as to constitute a nuisance within the meaning and definition of Chapter 10, Section 10-211 and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron and contains the following code violations:

Building Electrical Plumbing Heating

2. That the City Manager is directed to cause the abatement of such conditions and nuisance by **immediate demolition**.

3. That any costs incurred in abatement of such conditions and nuisances are to be assessed against the property in accordance with Chapter 40, Sections 40-19 and 40-20 of the City of Port Huron Code of Ordinances.

4. That the City Manager is hereby authorized to solicit and receive bids in order that the City be in position to move promptly to carry out the direction of the City Council as provided herein.

5. That the City Clerk shall send, by certified mail, return receipt requested, a certified copy of this resolution to the last known address of the property owner according to the most recent records maintained by the Office of the City Assessor, and shall have this resolution also posted on the property.

Councilmember Byrne moved to amend to have a work agreement prepared to allow the property owner two months to complete the improvements (by December 22), and if not completed, to authorize immediate demolition.

Motion *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Fisher, McCulloch and Stevens.
Yes: Councilmembers Byrne, Doorn and Lewandowski.
Absent: None.

Motion to adopt the resolution as presented adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, McCulloch and Stevens.
Yes: Councilmembers Byrne and Lewandowski.
Absent: None.

4. The Mayor announced that this was the time to hear comments on Code Case #07-007, 2418 Manuel Street, to determine whether it constitutes a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Port Huron City Code.

Kim Harmer, Planning Director, gave a report on the status of the property (see City Clerk File #08-119).

No one else appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Lewandowski**:

WHEREAS, the condition of the property located within the City of Port Huron, St. Clair County, Michigan, described as:

West 25 feet of east 50 feet of a piece of land bounded on the north by Manuel Street, east, south, and west by Factory Land Company's Plat No. 2, northwest 1/4 Section 21, Township 6 North, Range 17 East, Section 21; also known as 2418 Manuel Street; and

has been brought to the attention of the City Council by the Building Official as Code Case #07-007 (see City Clerk File #08-112) claiming such condition constitutes a nuisance; and

WHEREAS, such property has received repeated inspections by appropriate City Inspection Officials; and

WHEREAS, repeated correspondence has been sent notifying the owner or owners of said property violations regarding the Code of Ordinances of the City of Port Huron and requesting abatement of these conditions; and

WHEREAS, to date, there has been no compliance regarding said notices and requests; and

WHEREAS, after a public hearing and investigation conducted by the City Council in accordance with its resolution adopted September 8, 2008, with respect to said property, it is the judgment of the City Council that the condition of said property constitutes a nuisance as defined by Chapter 10, Section 10-211

and Chapter 34, Section 34-3 of the Code of Ordinances of the City of Port Huron;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the above-described property is of such condition as to constitute a nuisance within the meaning and definition of Chapter 10, Section 10-211 and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron and contains the following code violations:

[X] Building [] Electrical [] Plumbing [] Heating

2. As property owner has entered into a Work Agreement dated September 10, 2008, with the City to abate the nuisance at subject property, with specific completion dates, if said dates are not met in accordance with the Work Agreement, the City Manager is directed to cause the abatement of such conditions and nuisance by **immediate demolition**.

3. That any costs incurred in abatement of such conditions and nuisances are to be assessed against the property in accordance with Chapter 40, Sections 40-19 and 40-20 of the City of Port Huron Code of Ordinances.

4. That the City Manager is hereby authorized to solicit and receive bids in order that the City be in position to move promptly to carry out the direction of the City Council as provided herein.

5. That the City Clerk shall send, by certified mail, return receipt requested, a certified copy of this resolution to the last known address of the property owner according to the most recent records maintained by the Office of the City Assessor, and shall have this resolution also posted on the property.

Adopted unanimously.

5. The Mayor announced that this was the time to hear comments on Code Case #08-003, 3104 South Boulevard, to determine whether it constitutes a nuisance as defined by Chapter 10, Section 10-211, and Chapter 34, Section 34-3, of the Port Huron City Code.

Kim Harmer, Planning Director, gave a report on the status of the property (see City Clerk File #08-119).

No one else appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Fisher**:

WHEREAS, the condition of the property located within the City of Port Huron, St. Clair County, Michigan, described as:

Lot 1, Block 14, Factory Land Company's Plat No. 1; also known as 3104 South Boulevard; and

has been brought to the attention of the City Council by the Building Official as Code Case #08-003 (see City Clerk File #08-113) claiming such condition constitutes a nuisance; and

WHEREAS, such property has received repeated inspections by appropriate City Inspection Officials; and

WHEREAS, repeated correspondence has been sent notifying the owner or owners of said property violations regarding the Code of Ordinances of the City of Port Huron and requesting abatement of these conditions; and

WHEREAS, to date, there has been no compliance regarding said notices and requests; and

WHEREAS, after a public hearing and investigation conducted by the City Council in accordance with its resolution adopted September 8, 2008, with respect to said property, it is the judgment of the City Council that the condition of said property constitutes a nuisance as defined by Chapter 10, Section 10-211 and Chapter 34, Section 34-3 of the Code of Ordinances of the City of Port Huron;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the above-described property is of such condition as to constitute a nuisance within the meaning and definition of Chapter 10, Section 10-211 and Chapter 34, Section 34-3, Code of Ordinances of the City of Port Huron and contains the following code violations:

[X] Building [X] Electrical [X] Plumbing [X] Heating

2. That the City Manager is directed to cause the abatement of such conditions and nuisance by **immediate demolition**.

3. That any costs incurred in abatement of such conditions and nuisances are to be assessed against the property in accordance with Chapter 40, Sections 40-19 and 40-20 of the City of Port Huron Code of Ordinances.

4. That the City Manager is hereby authorized to solicit and receive bids in order that the City be in position to move promptly to carry out the direction of the City Council as provided herein.

5. That the City Clerk shall send, by certified mail, return receipt requested, a certified copy of this resolution to the last known address of the property owner according to the most recent records maintained by the Office of the City Assessor, and shall have this resolution also posted on the property.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.

No: Councilmember Byrne.

Absent: None.

PUBLIC AUDIENCES

1. Anthony America addressed the City Council and stated his displeasure with the Council and Karl Tomion leaving.

2. Margaret Enright addressed the City Council regarding deleted language she heard was removed from the McMorrان management contract.

3. Trina Avedisian, 15th Street, addressed the City Council regarding the McMorrان management contract and stated she hoped Council would continue to negotiate with Kinney Management Group (KMG) for a contract.

4. Sharon Bender, South Boulevard, addressed the City Council regarding the McMorrان management agreement and stated a review of the history of the McMorrان Authority should have been looked into and the house to be demolished on South Boulevard may have mold issues.

5. Ken Harris, 1521 Wells Street, addressed the City Council stating that two previous meetings held with only three Councilmembers in attendance were in violation of the Open Meetings Act and stated it was shameful how the McMorrان Authority has ignored the building over the years.

6. Alice O'Neil, Prospect Place, addressed the City Council and stated her disappointment with the McMorrان Authority turning down the management contract with KMG and the Council needs to find a way around the politics.

CONSENT AGENDA

Councilmember McCulloch offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- Sept. 26-28, the Port Huron Civic Theatre presents Sweeney Todd at McMorrان.
- Sept. 27 at 2 p.m. at Lincoln Park, the Welkin Base Ball Club hosts the Port Huron Icehaws.
- Sept. 27 is the Autumn Mid-Night 5K Run which starts at the YMCA building.
- Sept. 28 is the Blue Water Area Humane Society's Mutt March

COMMUNICATIONS & PETITIONS

***C-1.** Notification from the Michigan Liquor Control Commission that they have received an application from Woodrow Detroit CVS, L.L.C., requesting transfer of ownership of 2008 SDM licensed business located at 3530 Pine Grove Avenue from Arbor Drugs, Inc.

Received and filed.

***C-2.** Notification from the Michigan Liquor Control Commission that they have received an application from Woodrow Detroit CVS, L.L.C., requesting transfer of ownership of 2008 SDM licensed business located at 940 Lapeer from Arbor Drugs, Inc.

Received and filed.

***C-3.** Letter from Kinney Management Group (KMG) withdrawing itself from any further consideration for manager of McMorrان Arena.

Received and filed.

FROM THE CITY MANAGER

CM-1. Councilmember Fisher offered and moved the adoption of the following City Manager’s recommendation:

On August 11, 2008, the City of Port Huron received the results of the 2008-09 salt bid from the State of Michigan MIDEAL Program:

Early Delivery of 2,000 tons
North American Salt Company - \$44.93 per ton

Combined with a bid of:

Backup Delivery of 2,500 tons
North American Salt Company - \$46.43 per ton

It is recommended that the bid of North American Salt Company at \$44.93 per ton for early salt delivery and \$46.43 per ton for backup salt delivery be accepted through the State of Michigan MIDEAL Program and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-2. Councilmember Stevens offered and moved the adoption of the following City Manager’s recommendation:

On September 11, 2008, the City of Port Huron received one quote for the removal and replacement of two (2) sump pumps in the lower mechanical room of the Municipal Office Center:

Watson Brothers (Port Huron) \$22,885.00

It is recommended that the quote of Watson Brothers, 3433 Electric Avenue, Port Huron, Michigan 48060, in the amount of Twenty-Two Thousand Eight Hundred Eighty-Five and 00/100 Dollars (\$22,885.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

RESOLUTIONS

***R-1.** WHEREAS, a 21-member Beautification Commission was established at the City Council meeting of December 9, 1985; and

NOW, THEREFORE, BE IT RESOLVED that Eric A. Sturgis is hereby appointed to the Beautification Commission for a term to expire January 30, 2010.

Adopted.

***R-2.** WHEREAS, the Board of Canvassers is provided for by the general election laws of the State of Michigan and Section 33 of the City Charter; and

WHEREAS, membership consists of two Republicans and two Democrats appointed by the City Council; and

WHEREAS, a vacancy currently exists for one Democrat on the board;

NOW, THEREFORE, BE IT RESOLVED that Eric A. Sturgis, 3542 Shenandoah Avenue, Democrat, is hereby appointed to serve as a member of the Board of Canvassers for a term to expire December 31, 2011.

Adopted.

R-3. Councilmember Doorn offered and moved the adoption of the following resolution:

WHEREAS, it is stated in the City Ordinance Code, Chapter 16, Community Development, Article III, Downtown Development Authority, Division 1, Generally, Section 16-83, Board:

"(a) The downtown development authority shall be under the supervision and control of a board consisting of the city manager and eight members appointed by the city manager subject to approval by the city council. At least five of the members shall be persons having an interest in property located in the downtown district. At least one of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it...A member shall hold office until the member's successor is appointed. Thereafter, a member shall serve for a term of four years."

NOW, THEREFORE, BE IT RESOLVED that the City Manager’s Downtown Development Authority appointment of Kurt Eppley to fill the vacancy created by the resignation of Rose Bellanca for a term to expire February 9, 2009, is hereby approved and confirmed.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
Yes: Councilmember Byrne.
Absent: None.

***R-4.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$1,813.00 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors. (See City Clerk File #08-121)

Adopted.

R-5. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron provides a self-insured workers' compensation insurance program for our employees through the use of a third party administrator for claims administration and an excess insurance carrier for claims in excess of specified limits in accordance with the requirements of the State of Michigan, Bureau of Workers Disability Compensation – Self Insurance Programs; and

WHEREAS, from time to time this program is reviewed and analyzed for its cost effectiveness; and

WHEREAS, competitive proposals have been solicited from a number of third party administrators and excess insurance carriers; and

WHEREAS, the following third party administrators responded with proposals which demonstrated the qualifications, competence and capacity of the firms seeking to provide the administration:

Accident Fund Company
Citizens Management Inc. (CMI)
Cambridge
CCMSI (Incomplete)

and the following excess insurance carriers responded with proposals which demonstrated the qualifications and capacity to provide the insurance coverage:

Accident Fund Company
Citizens Management Inc. (CMI)
Cambridge

WHEREAS, the third party administrator proposals were evaluated based upon the elements of the proposal including the firm's expertise and experience with comparable government engagements, the quality of personnel to be assigned to the engagement, the firm's size and structure, the cost of performing the annual administrative services, the length of the contract and the firm's expected administrative results based upon claims cost reductions with other similar entities; and

WHEREAS, the excess insurance carrier proposals were also evaluated based upon the elements of the proposal including the firm's expertise and experience with comparable government engagements, the firm's size and structure, the annual coverage provided, the length of the available contract and the annual cost of the coverage; and

WHEREAS, the firm of CMI was selected as both the third party administrator and excess insurance carrier for its superior service, improved insurance coverage, exceptional insurance rating, annual cost savings (approximately \$14,000 - \$16,000 per year) and long-term contract (4 years);

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached agreement with CMI to provide third party administration services and excess insurance coverage for workers' compensation insurance program and authorizes the appropriate City officials to execute said agreement. (See City Clerk File #08-122)

Adopted unanimously.

***R-6.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup in the right-of-way; and

WHEREAS, the cost for trash pickup in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot special assessments in the total amount of \$699.22 for special trash pickup in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-123).

Adopted.

MOTIONS & MISCELLANEOUS BUSINESS

1. Councilmember Stevens moved to accept Karl Tomion's request for a paid leave of absence. (See City Clerk File #08-124 for a copy of the request.)

Adopted unanimously.

2. A special meeting will be held on September 24, 2008, in Room 408, of the Municipal Office Center, at 7:00 p.m. to discuss and review resumes and appoint an interim City Manager and to discuss and possibly hire the Michigan Municipal League to assist in the search for a new City Manager.

3. A special meeting will be held on September 29, 2008, in Room 408, of the Municipal Office Center, at 7:00 p.m., to have a joint meeting with the Henry McMorran Memorial Auditorium Authority to review and discuss the goals and objectives for McMorran Place (Public Meeting Room will be used if additional space is needed to accommodate the public). This meeting replaces a previously scheduled meeting on this date at the Eleger Harvey Reinvestment Center to review the City-owned vacant land report.

On motion (9:10 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

Special meeting of the City Council of the City of Port Huron, Michigan, held Wednesday, September 24, 2008, at 7:00 p.m. in Conference Room 408, Municipal Office Center.

The meeting was called to order by Mayor Moeller at 7:00 p.m.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and Stevens.

Absent: Councilmember McCulloch.

PUBLIC AUDIENCE

1. Ken Harris, addressed the City Council, stating that no one is invincible, including Council, and recent examples to this are fired Detroit Lions Coach Matt Millen and the federal government.

MISCELLANEOUS BUSINESS

Discussion was held on the hiring of the Michigan Municipal League (MML) to assist with the executive search for a city manager.

Councilmember Fisher moved to hire the MML to assist with the executive search for a city manager.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmember Doorn, Fisher, Lewandowski and Stevens.

No: Councilmember Byrne.

Absent: Councilmember McCulloch.

Further discussion was held on the five proposed time schedules previously provided by Bill Baldrige from the MML (see City Clerk File #08-118). Various comments by Council included that the process should not be rushed in order to select the right person and that department heads are capable of running things in the meantime. **Councilmember Byrne** expressed concerns regarding waiting until next year to hire someone given the City's current problems.

A motion was made to select the fourth timeline schedule; however, it was later withdrawn to allow another opportunity to meet with Bill Baldrige at a special meeting to further discuss the hiring process, to decide on the timeline and to begin work on the profile of the City for the advertising brochure.

Discussion was then held on the hiring of an interim manager with the following six candidates' resumes reviewed: Steven R. Aynes, Bruce C. Brown, Ann K. Capela, William M. Israel, Michael Nagy and Larry D. Stoever. See City Clerk File #08-125 for a copy of the resumes.

The Mayor and each Councilmember were given the opportunity to discuss their review of the resumes or personal interviews they had with candidates. The Mayor also provided the review comments received by email from Councilmember McCulloch. Bruce Brown and Michael Nagy were present at the meeting and Council asked both candidates various questions.

Several questions asked of Mr. Brown included why he wanted the job, the number of days he could work if hired and his experience working with declining budgets, government/private sector partnerships, historic districts, smaller single-family home development projects and larger scale projects such as sewer separation and the Blue Water Bridge Plaza.

Several questions asked of Mr. Nagy included why he wanted the interim position and his experience with declining budgets and larger scale projects and what government efficiency improvements has he implemented in past positions.

Councilmember Lewandowski moved to have Corporation Counsel meet with Bruce Brown to prepare an interim city manager contract for Council consideration at the September 29, 2008, special meeting.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmember Byrne, Doorn, Fisher, Lewandowski and Stevens.

No: None.

Absent: Councilmember McCulloch.

Councilmembers listed several suggestions they felt should be considered in the contract negotiations including flat fee versus a salary, incentive bonus if goals and objectives are met, required number of working days, required attendance at Council meetings and the availability to communicate with Council when not in Port Huron.

Councilmember Stevens provided a list of interim city manager attributes and achievements for consideration so both sides will know what to expect. See City Clerk File #08-126 for a copy of this list.

On motion (8:20 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held jointly with the Henry McMorran Memorial Auditorium Authority, on Monday, September 29, 2008, at 7:00 p.m. in Conference Room 408, Municipal Office Center.

The meeting was called to order by Mayor Moeller at 7:00 p.m.

Port Huron City Councilmembers Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

McMorran Authority Board Members Present: Jim Bridge, Jim Currier, Juanita Gittings, John Hill, Audrey Pack, Susan Porrett, Donna Schwartz and Greg Stremers. Also present were Larry Krabach, General Manager, and Lynn Hines.

MOTIONS AND MISCELLANEOUS BUSINESS

1. INTERIM CITY MANAGER - Mayor Moeller stated that the first item to be considered would be the appointment of an Interim City Manager and he reviewed how the contract would effect the budget.

Councilmember Byrne moved to approve the Interim City Manager's contract (see City Clerk File #08-127).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, McCulloch and Stevens.
No: Councilmember Lewandowski.
Absent: None.

2. McMORRAN COMPLEX - Jim Currier, Chairperson of the McMorran Authority, stated that the Authority was interested in discussing the continuing governance of McMorran as a result of the Council's extension of the Authority through December 2008, potential management contracts and capital improvement needs.

Councilmember Stevens stated that she has been researching the history of McMorran and all of the legal documents. Since the Authority will cease on December 31, 2008, she suggested that a short-term transitional team be put together to review and recommend modifications to the Articles of Incorporation and how McMorran would be managed.

Discussion was held on the study prepared by Plante and Moran regarding the McMorran Complex and some of the suggested recommendations that have not been implemented. Several items mentioned included why a bond proposal to fund improvements has not been undertaken, why a promoter was not hired to promote the facility and why a regional authority to govern McMorran was not pursued.

Concerns were expressed about the age of the facility and should money be spent on the needed improvements or would it be better to tear down the structures and start over. Comments were also made that McMorran is the heart of the community, that it is an architectural jewel and that it brings a lot of out-of-town people to the area and provides a lot of revenue for downtown businesses.

Discussion was held on whether negotiations should continue with Kinney Management Group (KMG) to see if the problems with the management contract could be resolved. Other comments made were about the possibility of moving on to one of the other companies who submitted proposals or should the governing issues with McMorran be dealt with first.

Councilmember Byrne moved to direct the City Manager and the McMorran Authority to work with City Council and Gary Fletcher (Corporation Counsel) to iron out the differences and to come up with a revised KMG contract.

Motion was *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
Yes: Councilmember Byrne.
Absent: None.

PUBLIC AUDIENCES

1. Alice O'Neil, Prospect Place, stated that she is a diehard hockey fan and that the area could support ice hockey but not other cultural events and KMG was trying to provide something for everyone to enjoy. She further stated that the people of this community cannot continue to support the subsidy.

2. Dick Cummings, Avoca, stated he worked with Morris Snider (former General Manager) to bring a rodeo to McMorran and that he had to put his own money into the event to make it a success. McMorran should never be expected to be a money maker, it should not be managed by a private company and believes it should be run by a county-wide regional authority. Because of the economy and people losing their jobs, people are going to choose feeding their families over going to a hockey game.

3. Morris Snider, former General Manager, stated that he was one of the people who sat down with Mr. Murphy to hear the purpose and vision for McMorran. The Authority has been a lame duck board and it has been difficult for them to operate. McMorran was built to serve St. Clair County and to bring the arts, sporting events, shows, etc., here to entertain the people. Although it was put here for the kids, Mr. Murphy stated he felt they should pay for using McMorran. He supports a regional authority comprised of three members with politics being kept out of it. Mr. Murphy's vision also was for the community college to use McMorran for sporting events and for arena management. Convention business should be pursued but the lack of money is why it has not been done in the past.

On motion (8:50 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, October 13, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of September 22, 2008, and special meetings of September 24 and 29, 2008, were approved.

PUBLIC AUDIENCES

1. Ken Harris addressed the City Council stating that both communications on the agenda should be removed from the consent agenda to allow discussion.
2. Jay Cosstick, 2307 Priscilla Court, addressed the City Council regarding McMorran and thought the City was looking for someone to buy the facility, not just to run it, and that it should be torn down or turned over to the community college.
3. Joanne Rumford, 3540 Parkway Drive Apt. 9, addressed the City Council about parents dealing with their kids and that online news reporting is the future for getting information to the public about various crimes.
4. Alice O'Neil, Prospect Place, addressed the City Council stating that she has supported the various hockey teams over the years and the Icehawks may be our last team and she recommends getting rid of the McMorran Authority and that the general manager should report directly to the City Manager.
5. Pat Pryor, 804 Sedgwick, addressed the City Council stating she is against a Councilmember sitting on the McMorran transitional committee who voted against the KMG contract and that during roundtable discussions the citizens wanted the McMorran subsidy eliminated.
6. Audrey Walzak, addressed the City Council regarding McMorran and stated the Authority should expire at the end of the year, the facility should be run by the general manager and that the DDA should hire a promoter for McMorran.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- Oct. 13: Leaf removal program begins. For further details, visit the City's website at www.porthuron.org or call 984-9730.
- Oct. 17: Visiting Nurse Association will provide flu shots at the MainStreet Welcome Center.
- Oct. 17: Halloween Movie on the Big Screen begins at dusk at Palmer Park.
-

- Oct. 24 & 25: Port Huron Museum's Ghost Ship BRAMBLE at the Seaway Terminal.
- Oct. 25: Halloween Stroll takes place at Sanborn Park from 11:30 a.m. to 3:00 p.m.
- Oct. 25: Fire Department Open House at Central Fire Station from noon to 3:00 p.m.

COMMUNICATIONS & PETITIONS

C-1. Councilmember Fisher moved to receive and file the following communication:

From Jake Howlett, President of Crown Enterprises, requesting the demolition of the building located at 2402 Pine Grove Avenue be stopped and Ammex (owner) and Crown (real estate and maintenance representative) be allowed to take whatever steps are necessary to place the building back into compliance.

Motion to receive and file adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
 No: Councilmember Byrne.
 Absent: None.

C-2. Councilmember Fisher moved to receive and file the following communication:

Petition #08-001: Transmitting certified referendary petitions that propose to repeal Ordinance No. 1285 which allowed alcoholic liquor to be possessed or consumed in the marinas and two city parks (see City Clerk File #08-128).

Motion to receive and file adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
 No: Councilmember Byrne.
 Absent: None.

NOTE: The petition organizer contacted the City Clerk's office the day following the regular meeting. After discussion and review, it was determined that several of the petition sheets were improperly signed; therefore, insufficient signatures were submitted and the petitions are nullified.

FROM THE CITY MANAGER

CM-1. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On September 4, 2008, the City received three (3) proposals for the purchase of vehicle exhaust removal system to replace the current systems used at Central, Sanborn Street and 24th Street Fire Stations by the Port Huron Fire Department:

| <u>VENDOR</u> | <u>PRICE</u> |
|--|--------------|
| Nederman, Inc. (Westland, MI) | \$119,313 |
| Hastings Air-Energy Control (New Berlin, WI) | \$123,434 |
| Air Cleaning Specialists (Indianapolis, IN) | * |

* Incomplete proposal

It is recommended that the proposal from Nederman, Inc., 39115 Warren Road, Westland, Michigan 48335, in the amount of One Hundred Nineteen Thousand, Three Hundred Thirteen and 00/100 (\$119,313.00) to replace the fire department's vehicle

exhaust removal system in the three fire station locations be accepted with 90% (\$107,381.00) funding from the U.S. Department of Homeland Security Emergency Preparedness and Response Directorate (DHS-EP&R/FEMA) for the FY2007 Assistance to Firefighter Grant Program (AFGP) and a local match of 10% (\$11,932.00) and authorizing the appropriate City officials to execute the necessary documents.

Adopted unanimously.

CM-2. Councilmember Byrne offered and moved the adoption of the following City Manager's recommendation:

On July 24, 2008, the City of Port Huron received two (2) unit price bids for maintenance dredging of the Black River Canal entrance at Lake Huron (estimated 4,500 cubic yards) and deposit the dredged materials at the beach at Lakeside. Based on estimated quantities, the following is a comparative summary of the bid received:

| | | | |
|-----------------------------------|-------------------------------|----|--------------|
| <u>S. A. Torello, Inc.</u> | | | |
| 1st year (2008) | \$7.15 per estimated 4,500 CY | \$ | 32,175.00 |
| 2nd year (2009) | \$8.15 per estimated 4,500 CY | \$ | 36,675.00 |
| 3rd year (2010) | \$9.15 per estimated 4,500 CY | \$ | 41,175.00 |
| | TOTAL | | \$110,025.00 |

| | | | |
|------------------------------|--------------------------------|----|--------------|
| <u>Malcolm Marine</u> | | | |
| 1st year (2008) | \$11.92 per estimated 4,500 CY | \$ | 53,640.00 |
| 2nd year (2009) | \$12.92 per estimated 4,500 CY | \$ | 58,140.00 |
| 3rd year (2010) | \$13.92 per estimated 4,500 CY | \$ | 62,640.00 |
| | TOTAL | | \$174,420.00 |

It is recommended that the unit price bid of S. A. Torello, Inc., 3500 Dove Road, Port Huron, Michigan, 48060, in the estimated amount of One Hundred Ten Thousand Twenty-Five and 00/100 Dollars (\$110,025.00) be accepted and that the appropriate City Officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-3. Councilmember Lewandowski offered and moved the adoption of the following City Manager's recommendation:

On September 25, 2008, the City of Port Huron received two (2) bids for the replacement and installation of two fuel dispensers and two fuelmaster fuel management units for the Motor Vehicle Pool:

| | |
|---|-------------|
| Kelly Maintenance Company (Saginaw, MI) | \$30,853.80 |
| Oscar W. Larson (Clarkston, MI) | \$32,835.00 |

It is recommended that the bid of Kelly Maintenance Company, 416 S. Westervelt, Saginaw, Michigan, 48604, in the amount of Thirty Thousand Eight Hundred Fifty-Three and 80/100 Dollars (\$30,853.80) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-4. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

On September 3, 2008, the City of Port Huron Utilities Division received four (4) quotes for the purchase of land application equipment for the Wastewater Treatment Plant:

| | |
|---|-------------|
| Ag-Chem (Spicer, MN) (Used 2002) | \$196,000 |
| Ag-Chem (Spicer, MN) (2009) | \$426,586 |
| Stahly (Bloomington, IL) (2009) | \$261,860 * |
| D & G Equipment (Williamston, MI) (New 2006) | \$274,737 * |

* did not meet specification

It is recommended that the quote of Ag-Chem, 12891 134th Avenue NE, Spicer, Minnesota 56288, in the amount of One Hundred Ninety-Six Thousand and 00/100 Dollars (\$196,000.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

RESOLUTIONS

R-1. Councilmember McCulloch offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Adopted unanimously.

R-2. Councilmember Stevens offered and moved the adoption of the following resolution:

WHEREAS, in 1956 the Henry McMorran Memorial Auditorium Authority ("Authority") was created to oversee the building of a civic auditorium and/or sports arena and to then provide for the continued management of what is now known as the McMorran Complex; and

WHEREAS, the term of the Authority was for a 50-year period, with said term being extended an additional two years, and with a current expiration date of December 31, 2008; and

WHEREAS, as the legislative body of the incorporating unit of the Authority, the Port Huron City Council desires to have a transitional team consisting of ten members review and recommend modifications to the Articles of Incorporation and the management of McMorran; and

WHEREAS, in order to facilitate a timely review, the transitional team shall meet weekly and will submit their draft recommendations to City Council by November 15, 2008; and

WHEREAS, City Council will then review the recommendations and adopt any revisions to the Articles of Incorporation by December 15, 2008, and appoint new Authority members by December 31, 2008;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby appoints a ten member transitional team to review the Henry McMorran Memorial Auditorium Authority Articles of Incorporation and to submit their recommendations on the future management and governance of McMorran to the City Council by November 15, 2008; and

BE IT FURTHER RESOLVED that the following individuals are appointed to the transitional team, which will be chaired by Councilmember Lonnie Stevens:

City Council Representative/Chair- Lonnie Stevens
 City Council Representative - Alan Lewandowski
 Downtown Development Authority
 Executive Director - Randy Fernandez
 McMorran Place - General Manager and three (3)
 current Authority members
 Member at Large - Daniel Lockwood (retired CFO
 Blue Water Plastics)
 Member at Large - Donald Stoner (retired Human Resources
 Director of St. John’s Health Systems)
 Member at Large - Mark Bessette (General Manager
 Domtar, Port Huron)

NOTE: McMorran Place representatives will be McMorran Authority members Jim Currier, Juanita Gittings and John Hill and General Manager Larry Krabach.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher and Stevens.
 No: Councilmember Lewandowski and McCulloch.
 Absent: None.

***R-3.** WHEREAS, the Port Huron Housing Commission has made application and received notification of acceptance for the following grants:

- U. S. Department of Housing and Urban Development (HUD) for a Public Housing Neighborhood Networks Grant 2008 and has been informed that they have been approved for this grant in the amount of \$300,000 over a three year period; and
- Michigan Community Service Commission for an AmeriCorps* VISTA Grant 2008 and has been informed that they have been approved for this grant in the approximate amount of \$53,000 each year for a three year period which will include three workers; and

WHEREAS, a resolution was adopted by the City Council which requires their approval before the Housing Commission may accept or enter into agreements relating to one or more types of grants;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the Port Huron Housing Commission’s acceptance of the Neighborhood Networks Grant 2008 in the amount of \$300,000 offered to them by the U. S. Department of Housing and Urban Development (HUD) and the AmeriCorps* VISTA Grant 2008 in the approximate amount of \$53,000 each year for a three year period offered to them by the Michigan Community Service Commission.

Adopted.

***R-4.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the

procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$975.00 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors (see City Clerk File #08-129)

Adopted.

***R-5.** WHEREAS, a request has been received to vacate the following described easements in the block bounded by Washington Avenue to the north, Richardson Street to the south, Stone Street to the west, and Pine Grove Avenue to the east, legally described as:

the east 11 feet of the vacated Willow Street right-of-way (66 feet wide), lying north of the vacated Richardson Street right-of-way and south of the Washington Avenue Right-of-way lying adjacent to Block 32, and that portion of St. Clair Street between the southwest right-of-way line of Pine Grove Avenue and the north right-of-way line of vacated Richardson Street and adjacent to Lots 5, 6, and 9, Block 32, Subdivision of the Fort Gratiot Military Reservation, recorded in Liber B of Plats, page 17, St. Clair County Records, City of Port Huron; City of Port Huron, St. Clair County; and

WHEREAS, on October 7, 2008, the City Planning Commission held a public hearing to receive comments on the proposed vacation said easement; and

WHEREAS, the City Planning Commission, after due consideration, recommended approval (6 ayes; 0 nays; 2 absent; 1 abstain) of the vacation;

WHEREAS, the next step in the vacation process is for the City Council to hold a public hearing on the proposed vacations;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for November 10, 2008, to receive comments on the proposed vacation of the above-described easements.

Adopted.

***R-6.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for an emergency board-up of a vacant structure; and

WHEREAS, the cost for boarding up of openings shall be assessed to the property owner(s) pursuant to Article IV, Property Maintenance Code, Section 109.2 Temporary Safeguards, and Section 40-19 of the City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$150.00 for an emergency board-up of the premises described in the attached special assessment report (see City Clerk file #08-130).

Adopted.

***R-7.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for sidewalk replacement; and

WHEREAS, the costs of sidewalk replacement shall be assessed to the property owner(s) pursuant to City Ordinance 42-57; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$3,920.40 for sidewalk replacement upon the lots and premises described in the attached special assessment report (see City Clerk File #08-131).

Adopted.

R-8. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, it is necessary to perform professional engineering services to evaluate the City's curb ramps; and

WHEREAS, Washtenaw Engineering Company is the appropriate engineering firm to provide these services based upon an evaluation of competitive proposals submitted; and

WHEREAS, there has been prepared an agreement between the City of Port Huron and Washtenaw Engineering Company for professional engineering services to evaluate the City's curb ramps;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Washtenaw Engineering Company for professional engineering services to evaluate the City's curb ramps and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-132).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
No: Councilmember Byrne.
Absent: None.

R-9. Councilmember Byrne offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Port Huron City Council hereby suspends all parking meter enforcement effective immediately and through November 10, 2009, or until further direction is given by the City Council.

Councilmember Stevens moved to *postpone* until the next regular meeting and to direct the City Manager to stop parking meter enforcement for the next two weeks.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and Stevens.
No: Councilmember McCulloch.
Absent: None.

***R-10.** WHEREAS, Paumac Tubing, LLC, 2356 Beard Street, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, Act No. 198 states that the City Assessor and Legislative Body of each unit which levies taxes shall be notified of the public hearing;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for October 27, 2008, in order to hear comments on the application of Paumac Tubing, LLC for an Industrial Facilities Exemption Certificate; and

BE IT FURTHER RESOLVED that the City Clerk shall send notices of said public hearing to the following Legislative Bodies:

City Assessor - Port Huron
County Board of Commissioners - St. Clair County
Port Huron Area School Board
St. Clair County Community College
St. Clair County Regional Educational Service Agency
Downtown Development Authority

Adopted.

On motion (8:45 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

Special meeting of the City Council of the City of Port Huron, Michigan, held Monday, October 20, 2008, at 7:00 p.m. in Conference Room 408, Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne (arrived at 7:05 p.m.), Doorn, Fisher (arrived at 7:06 p.m.), Lewandowski, McCulloch and Stevens.

PUBLIC AUDIENCES

No one spoke.

MISCELLANEOUS BUSINESS

Councilmember McCulloch introduced Bill Baldrige from the Michigan Municipal League who will be assisting the City Council with the search for a new City Manager. The following items were reviewed:

Process review and confidentiality issues - General discussion regarding the search process, review of resumes, selection of candidates to interview, confidentiality and salary issues, and the conduct of interview sessions was held.

Schedule of meetings - The consensus on the schedule was decided as follows:

January 19, 2009 - Advertisement of job opening in the International City Manager's Association publication (will also be posted on MML web site)

February 20, 2009 - Deadline for submitting applications

March 6, 2009 - Short list of candidates compiled, along with resumes and Bill Baldrige's research on the candidates submitted to City Council

March 16, 2009 - Special meeting to select candidates to interview

March 21, 2009 - Candidates interviewed

March 28, 2009 - Continuation of interviews or to be used for second interviews

Profile discussion - Bill Baldrige distributed a list of possible candidate qualifications. Councilmembers reviewed the list and selected which qualifications would be required, which ones would be desired and which ones would be considered minor factors for potential candidates. Other desirable qualifications added included the following: experience with cost-effective downsizing, successful leadership experience working with Councils and experience in leadership positions involving diverse groups. Also discussed having a "meet and greet" of the candidates who will be interviewed. (See City Clerk File #08-133).

Advertisement Content - Items to be included in the advertisement are qualifications for the position, the budgeted salary amount, benefits, the community profile and school district information.

Scope of Involvement - The scope of the involvement by department heads and the public with the process was discussed.

The Mayor asked the availability of Councilmembers at a special meeting on Monday, November 3, at 7:00 p.m., in Room 408 of the Municipal Office Center, to discuss matters to do with the Blue Water Bridge Plaza expansion. The meeting will be scheduled for this date and time.

On motion (8:45 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, October 27, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of October 13, 2008, and the special meeting of October 20, 2008, were approved.

PRESENTATIONS

1. Proclamation designating October 2008 as Chamber of Commerce Month was presented to Vickie Ledsworth, President, Blue Water Area Chamber of Commerce.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on the application of Paumac Tubing, LLC, 2356 Beard Street, for an Industrial Facilities Exemption Certificate.

Norman MacDonald, Owner and President, appeared and asked for Council support of their application.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Lewandowski**:

WHEREAS, Paumac Tubing, LLC, 2356 Beard Street, Port Huron, Michigan, has applied for an Industrial Facilities Exemption Certificate for facility expansion (machinery, equipment, furniture and fixtures); and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, a public hearing is to be held on the application; and

WHEREAS, the Port Huron City Council held a public hearing on October 27, 2008, to hear comments on the application; and

WHEREAS, the City Assessor and Legislative Body of each unit which levies taxes was notified of the public hearing prior to said meeting;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council approves the Paumac Tubing, LLC, application for an Industrial Facilities Exemption Certificate for six (6) years on personal property and hereby authorizes the appropriate City officials to execute the necessary agreements and the City Clerk to forward the application to the State Tax Commission; and

BE IT FURTHER RESOLVED that the above certificate will be issued for the following dates:

All personal property: 12/31/08 to 12/31/14 (6 years)

BE IT FURTHER RESOLVED that the City of Port Huron does find that the granting of the Industrial Facilities Exemption Certificate (considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and

currently in force) shall not have the effect of substantially impeding the operation of the City of Port Huron or impairing the financial soundness of any taxing unit levying an ad valorem property tax on the property upon which the facility known as Paumac Tubing, LLC, is located.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.

No: None.

Absent: Councilmember Stevens.

PUBLIC AUDIENCES

1. Margaret Enright addressed the City Council and suggested that weekly recyclables be picked up once a month or every other week to save the City money and also mentioned the Spaghetti on Ice event at McMorran on Sunday to raise funds for MDA.

2. Eric Sturgis, Port Huron Northern Tennis Coach, congratulated the Port Huron Northern Boys' Tennis Team for finishing second in the state and Russell Kovar and Aaron Adams for finishing first.

3. Vicki Ledsworth, President, Blue Water Area Chamber of Commerce, addressed the City Council and stated that their membership was surveyed and an overwhelming majority (91%) supported free parking in the downtown area and the creation of an employee parking plan to help create a customer-friendly environment for the downtown.

4. Ken Harris addressed the City Council regarding reconsideration of the demolition of 2402 Pine Grove Avenue (Communication #3) and spoke about the St. Clair County Board of Commissioners' decision to give central dispatch discretion on handling emergency and non-emergency calls and believes Council should ask the County to reconsider their decision.

CONSENT AGENDA

Councilmember Byrne offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.

No: None.

Absent: Councilmember Stevens.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- Oct. 29 - SC4 Halloween Concert
- Oct. 31 - Icehawks vs. Flint
- Through Nov. 2: Port Huron Museum's "Pirates and Smugglers" exhibit is on display
- Nov. 2 - MDA - Spaghetti on Ice event at McMorran
- Nov. 4 - Remember to vote and take picture ID with you to the polls
- Nov. 8 - Icehawks vs. Kalamazoo

COMMUNICATIONS & PETITIONS

***C-1.** 1. From Laurie Sample-Wynn, President, First Night® Port Huron, requesting all permit fees and fees for use of the Municipal Office Center's meeting room be waived for their 8th annual event on December 31, 2008.

Received and filed and request granted.

***C-2.** From Vickie Ledsworth, President, Blue Water Area Chamber of Commerce, in support of free parking downtown and an employee parking plan that would ensure merchant customers get prime parking opportunities.

Received and filed.

C-3. Councilmember Fisher moved to receive and file the following communication:

From Jake Howlett, President, Crown Enterprises, Inc., Agent for Ammex, Inc., regarding the demolition of 2402 Pine Grove Avenue and asking Council to reconsider the resolution ordering demolition.

Motion to receive and file adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
No: None.
Absent: Councilmember Stevens.

Councilmember Byrne moved to rescind the demolition of 2402 Pine Grove Avenue.

Councilmember Fisher moved to amend the motion to rescind the demolition for a 30-day period to allow a work agreement to be executed and to allow for the completion of repairs, the issuance of a certificate of occupancy, and if not completed within 30 days from this date, to allow the demolition of the building to proceed.

Motion to amend adopted by the following vote:

Yes: Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
No: Mayor Moeller.
Absent: Councilmember Stevens.

Motion to rescind the demolition of 2402 Pine Grove Avenue, as amended, adopted by the following vote:

Yes: Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
No: Mayor Moeller.
Absent: Councilmember Stevens.

UNFINISHED BUSINESS

1. Councilmember Byrne offered and moved the adoption of the following resolution (postponed from the October 13, 2008, regular meeting):

BE IT RESOLVED that the Port Huron City Council hereby suspends all parking meter enforcement effective immediately and through November 10, 2009, or until further direction is given by the City Council.

Councilmember McCulloch moved to amend the resolution to approve the City Manager's recommendations to enforce meter parking in the government districts only and to eliminate the November 10, 2009, ending date to make the change permanent. (See City Clerk File #08-134 for a copy of the Downtown Port Huron Parking Map.)

Motion to amend adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
No: None.
Absent: Councilmember Stevens.

Motion to adopt the resolution, as amended, adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
No: None.
Absent: Councilmember Stevens.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, on September 24, 2008, the City Council approved the hiring of the Michigan Municipal League to assist with the executive search for a City Manager;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached contract with the Michigan Municipal League to assist with the executive search for a City Manager (see City Clerk File #08-135).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski and McCulloch.
No: Councilmember Byrne.
Absent: Councilmember Stevens.

***R-2.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$2,052.50 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors (see City Clerk File #08-136).

Adopted.

ORDINANCES

O-1. Councilmember Fisher moved that the following ordinance, entitled and reading as follows, be given its first and second reading:

AN ORDINANCE TO AMEND CHAPTER 12, BUSINESSES, ARTICLE XIII, VEHICLES FOR HIRE, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF ALLOWING TAXICAB LICENSEES TO PLACE ADDITIONAL VEHICLES INTO SERVICE AS TAXICABS FOR CERTAIN SPECIFIC EVENTS.

NOTE: Dennis Cooper, City Cab of Port Huron, Inc., addressed the City Council regarding his request to remove the limit on the number of licensed cabs allowed during special events (see City Clerk File #08-137). City Administration to make recommendations on the changes discussed such as gender neutral language, removing restriction on number of additional licenses allowed for special events, fees, etc.

Motion to give the ordinance its first and second reading adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.

No: None.

Absent: Councilmember Stevens.

MOTIONS & MISCELLANEOUS BUSINESS

1. Mayor Moeller asked about the central dispatch center and how the decision by the County Board of Commissioners to charge for non-emergency calls will affect the City's contract. The Mayor also extended congratulations to the Port Huron Northern Boys Tennis Team for finishing second in the state.

2. Councilmember McCulloch mentioned that the Colonial Woods Church Trunk and Treat event will be held on Halloween again this year and stated it is a free, safe and well-lit event which starts at 6:30 p.m.

3. Mayor Moeller extended thanks to the City Manager, Bruce Brown, for keeping the Council informed and especially for keeping him informed.

On motion (8:45 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Special meeting of the City Council of the City of Port Huron, Michigan, held Monday, November 3, 2008, at 7:00 p.m. in Conference Room 408, Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

PUBLIC AUDIENCES

No one spoke.

MISCELLANEOUS BUSINESS

1. **Councilmember Stevens** moved to enter into a closed session.

Adopted unanimously.

Mayor Moeller stated that pursuant to Section 8(d) and Section 8(h) of the Open Meetings Act, the City Council hereby enters into a closed session for the purpose of discussing land acquisition and a written opinion of legal counsel regarding the Blue Water Bridge.

Councilmember Fisher moved to adjourn from closed session at 9:10 p.m.

Adopted unanimously.

On motion (9:11 p.m.), Council adjourned.

PATRICIA A. KINGSBURY
Executive Secretary

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, November 10, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of October 27, 2008, and the special meeting of November 3, 2008, were approved.

AT THIS POINT, the veterans in the audience were asked to stand and be recognized on the eve of Veterans Day.

PRESENTATIONS

1. Michael D. Wendling, St. Clair County Prosecuting Attorney, gave a presentation on the OWI (Operating While Intoxicated) Forfeiture Program (see City Clerk File #08-138)
2. Proclamation designating November 9-15, 2008 as "Homeless Awareness Week" was presented to Andy Bennett, Program Manager, Pathway Homeless Shelter.

NOTE: Mayor Moeller mentioned at this time that he presented a proclamation yesterday to Ryan Teeple, who could not attend tonight's meeting, for attaining his Eagle Scout ranking with the Boy Scouts.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments on the proposed vacation of easements in the block bounded by Washington Avenue to the north, Richardson Street to the south, Stone Street to the west, and Pine Grove Avenue to the east.

No one appeared to be heard.

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember McCulloch**:

WHEREAS, a request has been received to vacate the following described easements in the block bounded by Washington Avenue to the north, Richardson Street to the south, Stone Street to the west, and Pine Grove Avenue to the east, legally described as:

the east 11 feet of the vacated Willow Street right-of-way (66 feet wide), lying north of the vacated Richardson Street right-of-way and south of the Washington Avenue Right-of-way lying adjacent to Block 32, and that portion of St. Clair Street between the southwest right-of-way line of Pine Grove Avenue and the north right-of-way line of vacated Richardson Street and adjacent to Lots 5, 6, and 9, Block 32, Subdivision of the Fort Gratiot Military Reservation, recorded in Liber B of Plats, page 17, St. Clair County Records, City of Port Huron; City of Port Huron, St. Clair County; and

WHEREAS, on October 7, 2008, the City Planning Commission held a public hearing to receive comments on the proposed vacation and recommended approval (vote: 6 ayes; 0 nays; 2 absent; 1 abstained) of the vacation; and

WHEREAS, the City Council on November 11, 2008, held a public hearing for the purpose of hearing and considering any

objections to the vacation and after due consideration, it is the judgment of the Port Huron City Council that the vacation would be in keeping with the City's Master Plan and in furtherance of the public interest and benefit;

NOW, THEREFORE, BE IT RESOLVED that the above-described portions of easements are hereby vacated.

Adopted unanimously.

PUBLIC AUDIENCES

1. Mike McCauley, 838 Griswold Street, Just in Time Concession, LLC, addressed the City Council regarding changing the ordinance to allow a concession wagon on waterfront. Administration was asked to review and report back to Council.

CONSENT AGENDA

Councilmember Byrne offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- Nov. 11: Icehawks vs. Bloomington
- Nov. 14-16: SC4 Potters Market
- Nov. 14: McMorran Transitional Team Meeting, 3 p.m., Room 408 at the Municipal Office Center
- Nov. 15: Extreme Cagefighting Championship at McMorran
- Nov. 18: Icehawks vs. Kalamazoo
- Nov. 22: Port Huron Figure Skating Club competition

FROM THE CITY MANAGER

CM-1. Councilmember Stevens offered and moved the adoption of the following City Manager's recommendation:

On October 8, 2007 City Council approved Resolution #9 for the connection of the City's analog consoles to the MPSCS 800 MHz network (with E-911 funds).

The Port Huron Police Department received radios from the St. Clair County Office of Emergency Management as part of an Urban Area Security Initiative (UASI) grant and on October 22, 2007 City Council approved From the Manager #3 for the purchase (with E-911 funds) of the remaining radios.

Radio encryption is needed for secure radio communications during times of sensitive and/or confidential investigations.

Funds are available from the 2006 Blue Water Bridges Buffer Zone Grant (\$50,000) and Drug Forfeiture Funds (\$10,155) for the purchase of DVP OFB ENCRYPTION Kits.

It is recommended that the State of Michigan bid price quoted by Motorola, Inc., 925 Alexandria Drive, Lansing, Michigan 48917, in the estimated amount of Sixty Thousand One Hundred Fifty Five and 00/100 Dollars (\$60,155.00) be accepted and that the appropriate City Officials be authorized to execute the necessary documents.

Adopted unanimously.

CM-2. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

Plante and Moran, Certified Public Accountants, are nearing completion of the City's annual audit for the 2007-2008 fiscal year. Both the Michigan Uniform Accounting and Budget Act and the City Charter provides that the City Council may make supplemental appropriations and may transfer an unencumbered balance, or portion thereof, from one activity center, department or fund to another.

It is recommended that the budget for the 2007-2008 fiscal year be amended by adjusting the means of financing and adjusting the estimated requirements for the following funds:

| | <u>As currently Adopted</u> | <u>Per Proposed Amendment</u> | <u>Increase (Decrease)</u> |
|--|---------------------------------|-----------------------------------|--------------------------------|
| GENERAL FUND: | | | |
| Means of financing: | | | |
| Property taxes | \$ 8,560,000 | \$ 8,560,000 | \$ |
| Income tax | 6,325,000 | 8,150,000 | 1,825,000 |
| Business licenses and permits | 306,645 | 306,645 | |
| Nonbusiness licenses and permits | 435,000 | 435,000 | |
| Grants | 200,000 | 200,000 | |
| State shared revenues | 3,900,000 | 3,900,000 | |
| Charges for services | 640,000 | 640,000 | |
| Fines and forfeits | 200,000 | 200,000 | |
| Investment income | 525,000 | 690,000 | 165,000 |
| Rents | 243,000 | 253,000 | 10,000 |
| Other revenue | 45,000 | 45,000 | |
| Sale of assets | 3,000 | 3,000 | |
| Charges to other funds | <u>1,853,621</u> | <u>1,853,621</u> | |
| | <u>\$ 23,236,266</u> | <u>\$ 25,236,266</u> | <u>\$ 2,000,000</u> |
| Estimated requirements: | | | |
| General government | \$ 3,700,230 | \$ 3,600,230 | \$ (100,000) |
| Public safety | 12,917,324 | 12,772,324 | (145,000) |
| Public works | 1,719,569 | 1,609,569 | (110,000) |
| Senior citizens | 21,688 | 21,688 | |
| Recreation, parks and culture | 2,709,730 | 2,584,730 | (125,000) |
| Other functions | 562,479 | 467,479 | (95,000) |
| Public improvements | 377,000 | 202,000 | (175,000) |
| Transfer to other funds: | | | |
| Cemetery fund | 57,546 | 57,546 | |
| Beautification fund | 3,300 | 3,300 | |
| Wastewater fund | <u>1,167,400</u> | <u>3,917,400</u> | <u>2,750,000</u> |
| | <u>\$ 23,236,266</u> | <u>\$ 25,236,266</u> | <u>\$ 2,000,000</u> |
| WASTEWATER FUND: | | | |
| Means of financing: | | | |
| Estimated designated fund balance | \$ 682,625 | \$ | \$ (682,625) |
| Charges for services | 7,564,342 | 7,564,342 | |
| Other income | 60,000 | 60,000 | |
| Investment income | 180,000 | 180,000 | |
| Grants | 1,050,000 | 1,050,000 | |
| Reimbursement from townships | 1,991,000 | 1,991,000 | |
| Proceeds from issuance of long-term revenue bonds | 8,190,000 | 8,190,000 | |
| Transfer from other funds: | | | |
| General fund | 1,167,400 | 3,917,400 | 2,750,000 |
| Municipal streets fund | 1,000,000 | 1,000,000 | |
| Land purchase fund | 2,200,000 | 2,200,000 | |
| Parking fund | <u>9,975</u> | <u>9,975</u> | |
| | <u>\$ 24,095,342</u> | <u>\$ 26,162,717</u> | <u>\$ 2,067,375</u> |
| Estimated requirements: | | | |
| Ordinary recurring expenses | \$ 7,839,709 | \$ 7,839,709 | \$ |
| Debt service requirements | 6,306,000 | 6,306,000 | |
| Capital outlay – current year | 9,949,633 | 9,949,633 | |
| Capital outlay and debt service – future years | | <u>2,067,375</u> | <u>2,067,375</u> |
| | <u>\$ 24,095,342</u> | <u>\$ 26,162,717</u> | <u>\$ 2,067,375</u> |

Adopted unanimously.

CM-3. Councilmember Byrne offered and moved the adoption of the following City Manager's recommendation:

In accordance with Section 55 of the City Charter, there is submitted herewith a Quarterly Financial Report of the City of Port Huron for the three month period ending September 30, 2008. (See City Clerk File # 08-139).

Adopted unanimously.

BOARDS & COMMISSIONS

1. The County Canvass Board report for the November 4, 2008, election was withdrawn from the agenda as the board has not completed their review.

RESOLUTIONS

R-1. Councilmember Lewandowski offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Adopted unanimously.

R-2. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron provides post-employment healthcare benefits for retired employees and will provide such benefits for current employees in accordance with bargaining group agreements and personnel policies; and

WHEREAS, the cost of such post-employment healthcare benefits is recognized annually as an expenditure as current premiums are paid (pay as you go method); and

WHEREAS, the Government Accounting Standards Board (GASB) has issued Statement No. 43 regarding Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans and Statement No. 45 regarding Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions which require that governments calculate the cost of post-employment healthcare benefits and recognize the cost of such benefits actuarially over the employees' working careers, similar to pension costs, effective for the City's fiscal year ending June 30, 2009; and

WHEREAS, the Michigan Commission on Pension and Retiree Health Benefits recommends that governments disclose unfunded post-employment healthcare benefit liabilities and begin a program to set aside monies to reduce those unfunded liabilities; and

WHEREAS, it is necessary to have an actuarial valuation of the City's post-employment healthcare benefits performed in order to calculate the amount of the current liability and determine potential funding methods; and

WHEREAS, the Municipal Employees' Retirement System of Michigan (MERS), which provides pension services for the City of Port Huron, has previously requested proposals for actuarial services and has chosen Gabriel, Roeder, Smith & Company Consultants and Actuaries, as a result of this competitive process; and

WHEREAS, Gabriel, Roeder, Smith & Company, as a part of their annual pension actuarial services for MERS and the City of Port Huron, has developed membership characteristics for the City's active members, inactive vested members and retirees and beneficiaries required to make the necessary actuarial assumptions regarding uncertain future events in order that they can complete the pension actuarial valuation; and

WHEREAS, the membership characteristics, demographic assumptions and actuarial methods developed for the annual pension services can also be used for the actuarial valuation of post-employment healthcare benefits, resulting in a significant cost and time advantage for providing the services; and

WHEREAS, MERS has negotiated a discounted price for MERS members from Gabriel, Roeder, Smith & Company for the provision of annual actuarial and consulting services related to post-employment healthcare plans;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached agreement with Gabriel, Roeder, Smith & Company, Consultants and Actuaries, to conduct an actuarial valuation of post-employment healthcare benefits for the City of Port Huron and authorizes and directs the proper City officials to execute the agreement and appoints John H. Ogden, Director of Finance, as the Project Coordinator. (See City Clerk File #08-140)

Adopted unanimously.

R-3. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron Water Filtration Plant is a regional facility which produces and distributes treated drinking water for the residents of the City and four adjacent townships; and

WHEREAS, the Michigan Department of Environmental Quality (MDEQ), Water Bureau, regulates the production and distribution of drinking water in the State of Michigan; and

WHEREAS, the MDEQ requires that the City of Port Huron obtain an operating permit as a community public water supplier and has assessed a fee to the permit holder based on population served;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the payment of \$8,150.13 to the Michigan Department of Environmental Quality for the community public water supply annual fee.

Adopted unanimously.

***R-4.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$390.00 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors (see City Clerk File #08-141)

Adopted.

R-5. Councilmember Stevens offered and moved the adoption of the following resolution:

WHEREAS, the question of whether the City of Port Huron should have a revision of the City Charter was submitted to the electors at the November 4, 2008, General Election; and

WHEREAS, a majority of the electors voting voted to approve a Charter revision of the City Charter; and

WHEREAS, the Home Rule Cities Act requires there be a Charter Commission elected consisting of nine (9) electors of the city having a residence of at least three (3) years in the city; and

WHEREAS, an election must be scheduled for the election of Charter Commission members; and

WHEREAS, February 24, 2009, is the next election date available for the election of a Charter Commission; and

WHEREAS, it is the responsibility of the Council to determine the place of meetings for the Charter Commission, the compensation of the Charter Commission members and to provide funds for expenses of the Charter Commission;

NOW, THEREFORE, BE IT RESOLVED that in accordance with state law, Charter Commission members shall be elected at an election to be held on Tuesday, February 24, 2009, with Tuesday, December 2, 2008, 4:00 p.m. being the deadline for the filing of nominating petitions and with Friday, December 5, 2008, 4:00 p.m. being the deadline to withdraw; and

BE IT FURTHER RESOLVED that such Charter Revision Commission:

(a) Shall have as the place of its meetings, the meeting rooms of the Municipal Office Center, 100 McMorran Boulevard, Port Huron, Michigan; and

(b) The compensation of its members shall be \$20.00 per meeting, per member, for no more than ninety (90) meetings of the Charter Commission, and only for actual attendance; and

(c) Any reasonable expenses directly related to purposes of the Charter Revision Commission shall be paid for and/or reimbursed.

Motion adopted by the following vote:

Yes: Councilmembers Byrne, Doorn, Fisher,
Lewandowski, McCulloch and Stevens.
No: Mayor Moeller.
Absent: None.

R-6. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, amendments to Chapter 12, Businesses, Article XIII, Vehicles for Hire, are before the City Council for third and final reading and enactment at this meeting which would allow taxicab licensees to place additional vehicles into service during certain special events; and

WHEREAS, Section 12-636 states that fees for taxicab licenses shall be set by resolution of the City Council;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves a \$15 per vehicle fee for additional taxicabs placed into service during special events, as described in Section 12-612, Special Events, with said fee being instituted if the proposed amendments to Chapter 12, Businesses, Article XIII, Vehicles for Hire, authorizing these additional taxicabs are adopted.

Adopted unanimously.

ORDINANCES

O-1. Councilmember Fisher moved that an ordinance introduced October 27, 2008, entitled and reading as follows be given its third and final reading and enacted:

ORDINANCE NO. 1294

AN ORDINANCE TO AMEND CHAPTER 12, BUSINESSES, ARTICLE XIII, VEHICLES FOR HIRE, OF THE CODE OF ORDINANCES OF THE CITY OF PORT HURON, FOR THE PURPOSE OF ALLOWING TAXICAB LICENSEES TO PLACE ADDITIONAL VEHICLES INTO SERVICE AS TAXICABS FOR CERTAIN SPECIFIC EVENTS.

THE CITY OF PORT HURON ORDAINS:

That Chapter 12, Businesses, Article XIII, Vehicles for Hire, of the Code of Ordinances of the City of Port Huron, for the purpose of allowing taxicab licensees to place additional vehicles into service as taxicabs for certain specific events is hereby amended as follows:

CHAPTER 12. BUSINESSES ARTICLE XIII. VEHICLES FOR HIRE DIVISION 1. GENERALLY

Sec. 12-576. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Bus means a motor vehicle designed to carry eight or more persons and operating along a fixed route on a regular schedule.

Jitney means a motor vehicle designed to carry seven or less persons and operating along a fixed route and carrying passengers either on a fixed rate per trip or on a distance basis.

Licensee means the owners of licensed taxicabs.

Limousine means a self-propelled motor vehicle used in the carrying of passengers and the baggage of the passengers for hire upon a public highway of this state with a seating capacity of 15 passengers or less, including the driver. The term "limousine" does not include a self-propelled motor vehicle having a seating capacity of 15 passengers or less that is used by or on behalf of an employer to transport their employees to and from their place of employment. A limousine shall not be used as a taxicab, except as provided in Sec. 12-612.

Motor vehicle for hire means a motor vehicle designed to carry seven or less persons and operated for public hire at an hourly rate.

Taxicab means a motor vehicle used for the transportation of seven or less persons for hire upon a trip or distance basis.

Sec. 12-577. Jitneys prohibited; franchise required for buses.

(a) The operation of jitneys shall not be permitted in the city.

(b) Buses may be operated only under a special franchise ordinance adopted by the city council.

DIVISION 2. TAXICABS

Subdivision I. In General

Sec. 12-601. Rules and regulations of city manager.

The city manager is hereby empowered, subject to approval by the city council, to make such rules and regulations, not inconsistent with this division, regarding the dress and conduct of taxicab drivers and the maintenance, marking and operation of taxicabs as may be necessary in the interest of providing safe and orderly service to passengers, and no person shall fail to comply with any such rule or regulation. Upon adoption or change in any such rule or regulation, notice thereof shall be furnished to each licensee, who will be responsible for notifying their drivers of these changes. The city manager may require periodic reports to be submitted by licensees in order to assist in the enforcement of such rules and regulations or the terms of this division.

Sec. 12-602. Identification.

(a) For purposes of proper identification, each taxicab shall have a lighted (white or yellow only) sign permanently mounted on the roof displaying the word "taxi," in lettering not less than two inches in height, except as provided in section 12-612. Each taxicab shall bear, in letters and figures not less than three inches in height and permanently affixed and reflectorized, the name of the taxicab company and identifying vehicle number on each side of the vehicle, except as provided in section 12-612.

(b) When a vehicle is no longer being used as a taxicab, it shall be the responsibility of the owner thereof to promptly remove the roof sign, the company name and vehicle number.

Sec. 12-603 through Sec. 12-604.

No changes.

Sec. 12-605. Conduct of drivers generally.

It shall be the duty of every person driving or operating a taxicab to:

- (1) Be courteous;
- (2) Refrain from swearing, loud talking or boisterous conduct;
- (3) Drive their vehicle carefully and in full compliance with the city traffic regulations and orders of the police officers;
- (4) Promptly answer all court notices, traffic violation notices or police notices; and
- (5) Deal honestly with the public and with their employer.

Sec. 12-606 through 12-608.

No changes.

Sec. 12-609. Taxicab stands.

Only licensed taxicabs, in such number as may be designated on any taxicab stand sign, shall remain at any stand to which such sign refers while waiting for employment, and each vehicle shall be parked in single file. The vehicle standing at the head of such parked line shall not be permitted to refuse to carry any orderly person who offers to hire such taxicab and agrees to pay the proper rate of fare, but any person desiring to hire any taxicab shall be free to select any taxicab they may desire on the stand whether it is at the head of the line or not. As the vehicles leave the stand with

passengers, those in the rear shall move up, and any new vehicle entering such stand shall enter at the rear thereof and shall move up as closely as possible to the last vehicle on the stand.

Sec. 12-610. Obstructing/impeding traffic.

No taxicab, while awaiting employment by passengers, shall interfere with the proper and orderly access to or egress from any theater, hall, hotel, public resort, ferry station or other place of public gathering, or in any other manner obstruct or impede traffic.

Sec. 12-611. Soliciting bus passengers.

No changes.

Sec. 12-612. Special Events.

(a) On the dates each year identified in this section, each company, person or business entity having currently valid taxicab licenses shall be permitted to place additional vehicles into use to provide taxi services without the necessity of such vehicles fully meeting the requirements of this Chapter, under the following conditions:

(1) This section applies only to extra vehicles placed into service as taxicabs for use on the following dates: the date of the Port Huron to Mackinac sailboat race and the day preceding said date; New Year's Eve and morning following said date; the day before Thanksgiving Day and morning following said date; the date of the St. Patrick's Day pub crawl and morning following said date; and on the date of and the morning following the date of any other specific event or special event upon the approval of the City of Port Huron Special Events Committee, which approval must be requested at least thirty (30) days prior to the event.

(2) Vehicles placed into service for use as taxis only on the dates identified in this section shall either meet the requirements of section 12-603 or the Limousine Transportation Act, MCL 257.1901, et seq. and shall be equipped with lighted sign on the roof of the vehicle, temporarily and securely affixed on the roof of the vehicle, which meets the lighting and display requirements of Section 12-602.

(3) Any vehicle placed into service on the dates identified in this section not meeting the identification requirements of section 12-602 of this Code shall have identification in letters not less than three inches in height and reflectorized, identifying the name of the taxicab company, magnetically or otherwise affixed on each side of the vehicle.

(4) Licensee shall, for any vehicle placed into service on the dates identified in this section, comply with the requirements of sections 12-633, 12-634, 12-635 and 12-656.

(5) For vehicles placed into service for use as taxis only on the dates identified in this section that are not equipped with an approved taximeter, licensee shall have established a schedule of fixed rates and fees for such vehicle or vehicles in compliance with section 12-701.

(6) The total number of vehicles in service for each licensee shall not exceed 150 percent of the total number of Port Huron taxi licenses authorized for the licensee.

Secs. 12-613--12-630. Reserved.

Subdivision II. Vehicle License

Sec. 12-631. License Required.

No person shall engage in the business of operating or causing to be operated any taxicab upon the streets, alleys or public ways of the city without first having obtained a license for each such vehicle.

Sec. 12-632 through 12-634.

No changes.

Sec. 12-635. City clerk as applicant's agent for service of process.

No taxicab license shall be issued until the applicant therefor shall file, with the city clerk, an instrument in writing nominating and appointing the city clerk or the person performing the duties of such position the true and lawful agent of such applicant, with full power and authority to accept and acknowledge service of notice or process for and on behalf of the applicant in respect to any matters or suits at law connected with or arising out of such license or the insurance policy or bond given as required by this subdivision or for the performance of any of the conditions of such bond or insurance policy or for any breach thereof. The instrument in writing so nominating and appointing the city clerk as agent shall contain recitals to the effect that the applicant for the license consents and agrees that service of any notice or process may be made upon such agent and when so made shall be taken and held as valid as if personally served upon the person applying for the license and waiving all claim or right of error by reason of such acceptance and acknowledgement of service or manner of service. It shall be the duty of the city clerk to deliver forthwith, by registered mail, a notice of the service of such process or notice to the licensee at the address shown upon their license and to their sureties or insurers in cases where it directly affects their obligations.

Sec. 12-636. Fee; term.

(a) The fee for taxicab licenses shall be as set by resolution of the city council from time to time.

(b) Taxicab licenses shall be issued in one year increments beginning November 1 and expiring October 31 of the following year and shall be renewed on or before the expiration date.

(c) Application for a taxicab license placed into service, pursuant to Section 12-612, must be submitted to the city clerk's office no less than 30 days prior to use during special events. Any temporary permit issued is valid for up to one year for the same period as the licensees' general taxicab licenses as set forth in subsection (b).

Sec. 12-637. Issuance; display.

(a) Taxicab licenses shall be issued by the city clerk's office when all requirements of this division and other applicable sections of this Code have been met.

(b) Licenses issued, either as a decal sticker or in paper form, shall be displayed in plain view, as designated by the police chief, so as to be reasonably viewed by an inspection officer or other person so designated.

Sec. 12-638 through 12-655.

No changes.

Subdivision III. Operator's License**Sec. 12-656. License Required.**

No person shall drive a taxicab on the city streets without first having obtained a taxicab operator's license to be issued by the police department. No licensee shall permit any person not having a taxicab operator's license to operate any taxicab.

Sec. 12-657. Application.

The application for a taxicab operator's license shall be filed with the police department on forms provided for that purpose. Such application shall contain such information as the police department may require and as may be reasonably necessary in order to investigate the background and character of the applicant.

Sec. 12-658. General qualifications of applicant.

Every applicant for a taxicab operator's license shall be at least 18 years of age and maintain a current chauffeur's license.

Sec. 12-659. Certification prerequisite to issuance.

No taxicab operator's license shall be granted, except upon certification of the police chief. Submission of photo(s) of applicant shall be as prescribed by the police department.

Sec. 12-660. Fee.

The annual fee for a taxicab operator's license shall be as set by resolution of the city council from time to time.

Sec. 12-661. Issuance.

A taxicab operator's license shall be issued by the police department, upon the applicant's compliance with the requirements of this division and all other applicable sections of this Code.

Sec. 12-662. Display.

That part of section 12-41 requiring licensees to carry licenses on their persons shall not apply to taxicab drivers. The license issued to a taxicab driver shall be conspicuously displayed on the inside of the taxicab operated by the driver and illuminated at night.

Sec. 12-663. Misuse.

No person having a taxicab operator's license shall allow any other person to use or attempt to use such license or the badge issued in connection therewith, for any purpose. No person shall use or have in their possession, while operating a taxicab in the city, any taxicab operator's license or badge which has been issued to any other person.

Secs. 12-664--12-680. Reserved.**Subdivision IV. Taximeters****Secs. 12-681. Required; inspection and approval.**

(a) No license for a taxicab shall be issued until a taximeter has been installed in the taxicab to be licensed and such taximeter has been inspected, tested and approved by the police department except as provided in section 12-612. After issuance of any license, taximeters shall be inspected, tested and approved at such time and in such manner as shall be prescribed by the city manager by regulation adopted pursuant to the terms of article II of this chapter, provided all taximeters shall be inspected at least once annually by the police department. A record of inspections shall be maintained by the police department traffic bureau.

(b) Upon any rate change made pursuant to article II of this chapter, every taximeter shall be reinspected and tested and approved. No such rate change shall be effective as to any taxicab until the police department approves and reseals the taximeter of such taxicab.

Sec. 12-682. Seal; maintenance in proper working order.

Every taximeter shall be sealed by or under the direction of the police chief. No person shall remove or tamper with the seal of any taximeter. No person shall engage in business with any taxicab when the taximeter affixed thereto is not in proper working order or the seal of such taximeter is broken or has been tampered with except as provided in section 12-612.

Sec. 12-683 through 12-700.

No changes.

Subdivision V. Fares

Sec. 12-701 through Sec. 12-703.

No changes.

Sec. 12-704. Driver shall not deceive.

It shall be unlawful for any person owning or driving any taxicab, to deceive, misinform or mislead any passenger who may ride in such vehicle or who may desire to ride in such vehicle, as to the destination or the price to be charged for conveying such passengers or for other services offered. Any person owning or driving any taxicab who shall overcharge a passenger, or charge a passenger in excess of the rate of fare of fees as indicated on the taximeter or on a schedule of fixed rates and fees for such vehicle, shall be deemed guilty of a violation of this article.

Sec. 12-705. Direct route.

No changes.

Susan M. Child, CMC
City Clerk

ADOPTED: 11/10/08
PUBLISHED: 11/15/08
EFFECTIVE: 11/15/08

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.
- No: Councilmember Byrne.
- Absent: None.

MOTIONS & MISCELLANEOUS BUSINESS

1. Mayor Moeller announced that if any company is interested in purchasing the Water Street Marina that they need to contact City administration as soon as possible as the City has been contacted by a company that is very interested in purchasing the marina.

Bruce Brown, City Manager, stated that he has received a letter of intent from a company that wants to build an 87-room, 3-story hotel with a restaurant on the side and marina facility. The proposal is being looked at internally, and if it all comes together, a purchase agreement will be presented to Council in the next few weeks. If anyone else is interested in purchasing this property, they need to contact the City as soon as possible.

Thanks were also expressed by the Mayor to Acheson Ventures and Mr. Austin for bringing this proposal to the Council's attention.

2. The City Manager stated that the Council has been sent a memo regarding the Fort Gratiot Lighthouse and a report will be placed on the next agenda for discussion.

3. Councilmember Fisher stated that he presented a proclamation to the Marine Corp. in recognition of their anniversary at a ceremony at the American Legion. Councilmember Byrne added that it was their 233rd birthday.

3. Councilmember Lewandowski mentioned the Toys for Tots fundraising event to be held at the Bowl-O-Drome on December 6 at 6:30 p.m. Scott Hatfil is the contact person.

4. Councilmember Stevens mentioned that the McMorran transitional team has been meeting and things are coming along well and they will make a complete presentation with suggestions and recommendations at the next Council meeting.

On motion (8:05 p.m.), Council adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, November 24, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of November 10, 2008, were approved.

PRESENTATIONS

1. Presentation was given by Councilmember Lonnie Stevens, on behalf of the McMorran transitional team, regarding their suggestions and recommendations for McMorran. (See City Clerk File #08-142 for a copy of the PowerPoint presentation.)

2. Presentation was given by Robert E. Clegg, City Engineer, and Dennis Zembala, Port Huron Museum, on the Fort Gratiot Lighthouse restoration project. (See City Clerk File #08-143 for a copy of the PowerPoint Presentation.)

AT THIS TIME, Robert Clegg, City Engineer, also briefed the Council on the status of the 7th Street bridge rehabilitation project and that the operational date is being delayed due to the contractor being unable to get certain equipment.

PUBLIC AUDIENCES

1. Alice O'Neil, Prospect Place, addressed the City Council stating the City cannot afford to continue supporting McMorran, the museum and the marina.

2. Ken Harris, 1521 Wells Street, addressed the City Council and mentioned the Larry Manz High School Hockey Thanksgiving Tournament at McMorran Pavilion this weekend; stated the McMorran resolutions should be delayed; stated personal residences should also be included in Resolution 5; and stated the streetscape resolution should be postponed until after the public hearing is held.

3. Greg Sparling, one of the principals in the existing Holiday Inn Express in Port Huron, addressed the City Council and asked that the sale of the Water Street Marina be delayed so his company could submit a purchase agreement for Council to consider.

4. Trina Avedisian, 15th Street, addressed the City Council requesting that the McMorran items be postponed and that she still supports KMG managing the facility.

CONSENT AGENDA

Councilmember McCulloch offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

- Week of Nov. 24: Last week for large brush/branch pickup. Call 987-6000 to schedule a pickup. Also, this is the last week that yard waste will be collected at the curb in bags or containers.
- Week of Dec. 1: Weather permitting, a final pass through for the leaf vacuuming program will occur.
- Dec. 1: Snow ordinance begins. Parking is prohibited on City streets between the hours of 2:30 a.m. and 6 a.m. each day during the months of December through March.
- Nov. 28: Santa Parade, downtown
- Nov. 29: Miss Lake Huron Shores Pageant, McMorran Auditorium
- Dec. 5-6: Old Newsboys Drive
- Dec. 5-7: Festival of Trees, McMorran
- Dec. 5-7: Miracle on 34th Street, Port Huron Civic Theatre, McMorran Auditorium
- Dec. 6: City Recreation's Santa Breakfast, Thomas Edison Inn, advanced registration required
- Dec. 6: YMCA Jingle Bell 5k Run, 2k Walk
- Dec. 6: Kiwanis Polar Bear Plunge at Lakeside Beach

FROM THE CITY MANAGER

CM-1. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

On November 5, 2008, the City of Port Huron received four (4) unit price bids for 36 tons of anthracite filter media for the Water Filtration Plant:

| | |
|---|-------------|
| Carbonite Filter Corporation (Delano, PA) | \$10,192.27 |
| CEI Anthracite (Hazelton, PA) | \$11,163.10 |
| Anthrafilter Inc. (Niagara Falls, NY) | \$11,220.00 |
| Unifilt Corporation (Fombell, PA) | \$12,199.83 |

It is recommended that the unit price bid of Carbonite Filter Corporation, P. O. Box #1, Delano, PA 18220, in the amount of Ten Thousand One Hundred Ninety-Two and 27/100 Dollars (\$10,192.27) per ton be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Adopted unanimously.

BOARDS & COMMISSIONS

***B&C-1.** We, the Canvass Board of St. Clair County, Michigan, did on November 12, 2008, meet in the County Clerk's Office, 201 McMorran Boulevard, Port Huron, and did publicly canvass the results of the City of Port Huron General Election held on Tuesday, November 4, 2008. The results of the canvass of said election for City propositions are as follows:

CITY PROPOSITION #1

Shall the City of Port Huron be authorized to sell the property known as the Water Street Marina for a minimum of \$300,000?

Yes 7,498

No 3,712

Proposal declared PASSED.

CITY PROPOSITION #2

Shall the Port Huron City Charter be amended to provide for the filling of vacancies on City Council through appointment by City Council from City residents who meet the eligibility requirements of the City Charter? The amendment would also require an election if the City Council does not fill the vacancy within 30 days or if the vacancies on City Council reduce membership below a quorum?

Yes 6,039

No 4,890

Proposal declared PASSED.

CITY PROPOSITION #3

Shall the Port Huron City Charter be amended to require the filling of vacancies on City Council by the next highest vote getter in the most recent City Council election who is willing to accept the appointment? The amendment would also require an election in the event no qualified candidate accepts the appointment or if vacancies on the City Council reduce membership below a quorum?

Yes 8,022

No 2,893

Proposal declared PASSED.

CITY PROPOSITION #4

Shall the City of Port Huron have a general charter revision of the Charter of the City of Port Huron?

Yes 6,926

No 3,676

Proposal declared PASSED.

CITY PROPOSITION #5

Shall the City of Port Huron be authorized to lease City property at the Riverside Boat Launch to construct a cellular communications tower?

Yes 7,224

No 3,446

Proposal declared PASSED.

ST. CLAIR COUNTY BOARD
OF CANVASSERS:

/s/ Loretta Johnson, Chairperson

/s/ William Emery

/s/ Mary Sams

/s/ Yvonne Williams

DATED: November 12, 2008

Adopted.

RESOLUTIONS

R-1. Councilmember Stevens offered and moved the adoption of the following resolution:

WHEREAS, on October 13, 2008, the Port Huron City Council appointed a ten-member Transition Team to review the Henry McMorran Memorial Auditorium Authority Articles of Incorporation; and

WHEREAS, the Transition Team has held review meetings and discussed and agreed to a set of recommendations on the future management and governance of McMorran to present to the Port Huron City Council; and

WHEREAS, outlined below are the McMorran Transitional Team's recommended changes and the rationale for the changes:

ARTICLE I

The name of this authority is the McMorran Civic Center Authority.

Rationale: Refresh name to signify a new start.

ARTICLE III

This authority is incorporated for the purpose: of acquiring, furnishing, equipping, owning, improving, enlarging, operating, and maintaining the Civic Auditorium, Pavilion and Sports Arena (McMorran Civic Center); and determining the best overall operating model for the use and benefit of the citizens the authority serves.

Rationale: Defines what the Incorporation will do and broadens who it serves to real user populations. (Previously Port Huron.)

ARTICLE IV

Section 9: The term of the authority shall be 36 months (January 1, 2009 – December 31, 2011) or until such time as the best operating model has been approved and established for the governance of the Civic Auditorium and Sports Arenas Property (whichever occurs first).

Rationale: Very specifically defines terms and the goal of why it exists. (Previously this is where 50 years was stated.)

ARTICLE V

Section 1. The authority shall be directed and governed by a board of seven commissioners known as the Commission, each to be elected by the City Council of the City of Port Huron, no member of which may be a member of the authority commission.

Rationale: Easier number to work with for communications and quorums. (9 previously)

Section 2. Commission members will serve for a maximum of two, three year terms with a one year absence from the commission prior to subsequent reelection. To establish staggered terms, members of the first commission elected under this amendment will be elected as follows: two members one year, three members two years and two members three years. Initial members may serve for one full three year term following their initial term then again after an absence of one year.

Rationale: Keeps the commission fresh and energized. Allows for changes in the initial commission as pieces of change plan may be completed. (Previously six year terms with no limits on number of terms.)

Section 3 (NEW). The City Council shall elect commissioners such that expertise in facilities management, financial management, human resources and law are maintained among the membership. Additionally, the stakeholder groups of the five largest contract holders may select from among themselves, one representative, and submit that person to the City Council for

election. A designated member of the City Council will serve as a non-voting liaison between the commission and the Council.

Rationale: Defines needed skills for transition to long term model. Gives stakeholders a voice that has long been asked for. Liaison establishes communication link just like other city commissions. Leaves two at-large positions.

Current Section 3 becomes new Section 4. The commission shall provide operational oversight of the facility, within the designated management structure determined by the City Council. The commission shall designate one of its members as chairman and may select such agents and employees as it may deem necessary.

Rationale: The City is ultimately responsible for the facility and should determine the basic management structure. The day-to-day operations should be left to the commission.

All continuing sections shall be revised to number appropriately.

Current Section 9 new Section 10. There shall be no compensation for members of the commission.

Rationale: This is just a housekeeping change to formalize the way things have always been done.

Current Section 12 new Section 13. The books and records of the authority shall be open to inspection and audit by the City of Port Huron at all reasonable times. The authority shall submit quarterly and annual reports to the City Council.

A member of the authority must be present at the appropriate City Council meetings to submit quarterly and annual reports and be prepared to respond to questions and comments.

Rationale: Improve communications between the commission and the Council. The concept is to keep them engaged and working together to accomplish the 36 month goal. (Previously only reported annually in written format.)

WHEREAS, the City Council desires to implement the items listed above and it will be necessary to amend the Articles of Incorporation of the authority, pursuant to Act No. 31 of the Public Acts of 1948 (1st Ex. Sess.), as amended, in order to accomplish these objectives; and

WHEREAS, there has been prepared a Certificate of Amendment to the Articles of Incorporation of the Henry McMorran Memorial Auditorium Authority for the purpose of incorporating the above listed changes;

NOW, THEREFORE, BE IT RESOLVED that in consideration of the foregoing, the Articles of Incorporation of the Henry McMorran Memorial Auditorium Authority, as amended, are hereby amended with an effective date of January 1, 2009, as follows:

1. **Article I of the Articles of Incorporation is amended to read as follows:**

The name of this authority is the McMorran Civic Center Authority.

2. **Article III of the Articles of Incorporation is amended to read as follows:**

This authority is incorporated for the purpose: of acquiring, furnishing, equipping, owning, improving, enlarging, operating, and maintaining the Civic Auditorium, Pavilion and Sports Arena (McMorran Civic Center); and determining the best overall operating model for the use and benefit of the citizens the authority serves.

3. **Article IV, Section 9, of the Articles of Incorporation is amended to read as follows:**

Section 9. The term of the authority shall be 36 months (January 1, 2009 – December 31, 2011) or until such time as the best operating model has been approved and established for the governance of the Civic Auditorium and Sports Arenas Property (whichever occurs first).

4. **Article V of the Articles of Incorporation is amended to read as follows:**

Section 1. The authority shall be directed and governed by a board of seven commissioners known as the commission, each to be elected by the City Council of the City of Port Huron, no member of which may be a member of the authority commission.

Section 2. Commission members will serve for a maximum of two, three year terms with a one year absence from the commission prior to subsequent reelection. To establish staggered terms, members of the first commission elected under this amendment will be elected as follows; two members one year, three members two years and two members three years. Initial members may serve for one full three year term following their initial term then again after an absence of one year.

Section 3. The City Council shall elect commissioners such that expertise in facilities management, financial management, human resources and law are maintained among the membership. Additionally, the stakeholder groups of the five largest contract holders may select from among themselves, one representative, and submit that person to the City Council for election. A designated member of the City Council will serve as a non-voting liaison between the commission and the Council.

Section 4. The commission shall provide operational oversight of the facility, within the designated management structure determined by the City Council. The commission shall designate one of its members as chairman and may select such agents and employees as it may deem necessary.

Section 5. The commission shall adopt and may amend by-laws and rules of procedure consonant with the provisions of the enabling act and provide therein for regular meetings of the commission.

Section 6. The commission shall adopt a corporate seal.

Section 7. The chairman shall preside at meetings of the commission and may sign and execute all authorized bonds, contracts, checks, and other obligations in the name of the authority when so authorized by the commission. He shall do and perform such other duties as may be fixed by the by-laws and from time to time assigned to him by the commission.

Section 8. The secretary shall keep the minutes of all meetings of the commission, and of all committees thereof, in books provided for that purpose; he shall attend to the giving, serving and receiving of all notices or process of or against the authority; he may sign with the chairman in the name of the authority all contracts authorized by the commission, and when so ordered, he shall affix the seal of the authority thereto; he shall have charge of all books and records, which shall at all reasonable times be open to inspection and examination by the commission, or any member thereof, and in general perform all of the duties incident to his office. The secretary shall preside at meetings of the commission in the absence of the chairman.

Section 9. The treasurer shall have custody of all the funds and securities of the authority which may come into his hands or possession; when necessary or proper, he shall endorse in behalf of the authority for collection, checks, notes and other obligations, and shall deposit them to the credit of the authority in a bank or depository designated by the authority; he shall sign all receipts and vouchers for payments made to the authority; he shall jointly with such other officer as may be designated by the commission, sign all checks, bonds, promissory notes and other obligations of the authority when so ordered by the commission; he shall render a statement of his accounts when required by the commission; he shall enter regularly in the books of the authority to be kept by him for the purpose, full and accurate account of all moneys received and paid by him on account of the authority, and shall at all reasonable times exhibit his books and accounts to the commission or any member thereof when so required. He shall perform all acts incidental to the position of treasurer fixed by the by-laws and as assigned to him from time to time by the commission. He shall be bonded for the faithful discharge of his duties as treasurer, the bond to be of such character, form and in such amount as the commission may require.

Section 10. There shall be no compensation for members of the commission.

Section 11. Vacancies occurring in the commission shall be filled by the City Council of the City of Port Huron.

Section 12. A commissioner may be removed from office with or without cause by an affirmative majority vote of the City Council.

Section 13. The books and records of the authority shall be open to inspection and audit by the City of Port Huron at all reasonable times. The authority shall submit quarterly and annual reports to the City Council. A member of the authority must be present at the appropriate City Council meetings to submit quarterly and annual reports and be prepared to respond to questions and comments.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the appropriate City officials are duly authorized to execute said Certificate of Amendment to the Articles of Incorporation of the Henry McMorran Memorial Auditorium Authority and to cause same to be published and certified printed copies to be filed as required by the pertinent provisions of Act No. 31 of the Public Acts of 1948 (1st Ex. Sess.), as amended. (See City Clerk File #08-144)

NOTE: **Councilmember Byrne** requested that for clarification purposes, and for future reference, that the Council's intent for Article V, Section 4, be reflected in the minutes as follows: The intent of Article V, Section 4, is that the City Council selects the management structure (e.g. privatizing). The Commission's role is to gather the information (e.g. prepare and send out bids/proposals and rank the proposals). The City Council is then presented this information and makes the final decision.

Adopted unanimously.

R-2. Councilmember Stevens offered and moved the adoption of the following resolution:

WHEREAS, the City Council recently sought privatization of McMorran Place in an effort to institute a new management structure, add a promoter to enhance programming and usage and reduce the ongoing subsidy over three years so that the City would only be responsible for retiree programs and major capital needs; and

WHEREAS, a ten-member Transition Team was appointed on October 13, 2008, to review and recommend modifications to the Henry McMorran Memorial Auditorium Authority Articles of Incorporation and to prepare a plan for the future governance of McMorran; and

WHEREAS, the Transition Team met for several weeks and has prepared a proposed plan that will address all of the issues while focusing on the greatest need – a long term capital solution; and

WHEREAS, the proposed plan encompasses many of the elements of previously acquired surveys and studies and adds the dimension of cost savings through the development of a community-wide commission with specific expertise; and

WHEREAS, by expanding the commission to the broad community, more options can be explored regarding fundraising and revenue enhancing strategies; and

WHEREAS, the Transition Team's recommended plan for McMorran is outlined below and over the next 36-month period (from January 2009 through January 2011) the following will occur:

1. The subsidy provided by the City of Port Huron will be reduced gradually to no more than the cost required annually to support the retiree obligations (no more than \$115,000). This cost should decline over time but constitutes a perpetual subsidy.
2. The facility will be managed with an in-house operational structure until the Commission recommends and/or the City Council approves otherwise.

3. The Commission will develop a solution that will address long-term capital and operational needs which may include:
 - a. Maintaining and operating the facility under a Building Authority,
 - b. Maintaining and operating the facility under a Regional Recreational Authority,
 - c. Privatizing the facility,
 - d. Closing the facility, or
 - e. An as yet unknown model.
4. Any time within the 36 months that a solution is determined, it may be put into practice. The 36 months is intended to be a deadline not a decided starting point; and

WHEREAS, during the early transitional period, various meetings will be scheduled to prepare for a smooth transition, with the following three-stages being implemented as follows:

McMORRAN GOVERNANCE PLAN

**Operational Transition Period
(from January 1, 2009 – July 1, 2009)**

- The Management Structure will change to include Promoter and Facilities Management Mechanisms.
- A review of all operations will occur with a focus on identifying cost savings and revenue enhancements.
- A review of the 36-month capital needs plan provided by the Transition Team will be prioritized and actions begun within budget and funding solutions identified for maintenance.
- A budget will be presented for Fiscal Year 2009-2010 with a decrease in the subsidy.

**Short-Term Operations Period
(from July 1, 2009 – December 2011)**

- The Commissioners will act as ambassadors throughout the region gathering information and data to be used in the development of long-term solutions to capital and operational needs.
- The Commissioners and City Council will actively work together to implement a long-term solution.
- The Commissioners will provide governance and oversight to the operational structure implemented.

**Long-Term Operations Model
(will be the result of the work during the above periods)**

Expectations of Commissioners:

1. Commitment and dedication to the goal of finding a long-term solution to the operational and capital needs of the McMorrان Civic Center Facility that eliminates the need for City subsidy within 36 months.
2. Commitment to necessary meetings of at least two per month.
3. Commitment to dedicating the time necessary to fulfill the role of Community Ambassador within their own individual communities. This may include presentations at meetings or discussions with community leaders.
4. Commitment to donate their own individual expertise as plans are developed and implemented.

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby approves the above plan for the McMorrان Civic Center Authority (f/k/a Henry McMorrان Memorial Auditorium Authority); and

BE IT FURTHER RESOLVED that the current nine members serving on the McMorrان Authority are hereby replaced effective January 1, 2009, with the seven Commissioners listed below, who are hereby elected to the McMorrان Civic Center Authority, as follows:

| <u>Name</u> | <u>Term Length</u> | <u>Dates of Term</u> |
|---|--------------------|----------------------------|
| Keith Zick (Legal) | 3-years | Jan. 1, 2009-Dec. 31, 2011 |
| Mark Bessette (Facilities Management) | 3-years | Jan. 1, 2009-Dec. 31, 2011 |
| Kirk Kramer (Financial Management) | 2-years | Jan. 1, 2009-Dec. 31, 2010 |
| Don Stoner (Human Resources) | 2-years | Jan. 1, 2009-Dec. 31, 2010 |
| Jim McPhee (Stakeholder Representative) | 1-years | Jan. 1, 2009-Dec. 31, 2009 |
| Laura Charron (Member At Large) | 1-years | Jan. 1, 2009-Dec. 31, 2009 |
| Patti Samar (Member At Large) | 2-years | Jan. 1, 2009-Dec. 31, 2010 |

See City Clerk File #08-145 (Attachment "A") for a copy of the Transition Team's recommendation for Commission member appointments.

Adopted unanimously.

R-3. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, changes have been made to the City of Port Huron's health insurance program to include increases in employee deductibles/co-pays and office visit co-pays, as well as higher prescription drug co-payments; and

WHEREAS, these changes have been applied to non-union employees and to Collective Bargaining agreements for the Fire Fighters and Police Clerical groups; and

WHEREAS, it is our intention to attempt to include these healthcare benefit changes for those unsettled Collective Bargaining agreements; and

WHEREAS, the Collective Bargaining agreements that have been settled provide for a Flexible Benefit Plan being instituted for interested employees; and

WHEREAS, the City of Port Huron wishes to extend the Flexible Benefit Plan to all full-time employees who may be interested; and

WHEREAS, it is necessary to enter into a Service Agreement with a third party to administer the plan; and

WHEREAS, a Third Party Administrator (TPA) Services Agreement has been prepared with JFP Benefit Management, Inc., commencing January 1, 2009;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached Third Party Administrator Services Agreement with JFP Benefit Management, Inc. (see City Clerk File #08-146)

Adopted unanimously.

R-4. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, it is necessary to perform professional engineering design and construction inspection services for the Wastewater Treatment Plant system improvements consisting of the aeration blowers/diffusers, makeup furnaces and raw sewage pump; and

WHEREAS, it is expected that these system improvements will be completed over three fiscal years; and

WHEREAS, Tetra Tech MPS is the appropriate engineering firm to provide these services based upon an evaluation of competitive proposals submitted; and

WHEREAS, there has been prepared an agreement between the City of Port Huron and Tetra Tech MPS for professional engineering services for the Wastewater Treatment Plant system improvements consisting of the aeration blowers/diffusers, make-up furnaces and raw sewage pump; and

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Tetra Tech MPS for professional engineering services for the Wastewater Treatment Plant system improvements consisting of the aeration blowers/diffusers, make-up furnaces and raw sewage pump and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-147).

Adopted unanimously.

R-5. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron wishes to improve its competitive position for attracting and retaining employers in the city of Port Huron; and

WHEREAS, neighboring communities such as Fort Gratiot allow businesses to install a second meter for the purpose of tracking water used in such a way that it does not enter the water treatment system and is not therefore charged sewer rates on that portion of the water consumed; and

WHEREAS, the current charging of both water and sewer rates for water used to make cement, chemicals or other products makes Port Huron less competitive;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Port Huron hereby directs that the City Manager shall:

1. Prepare the necessary changes to ordinances and other documents to allow businesses to install or have installed separate meters for tracking water not returned to the water treatment system.

2. Prepare a means for the City to bill such businesses accordingly and to verify such water is not returning to the water treatment system by December 31, 2008.

Councilmember McCulloch moved to *table* the resolution. Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.

No: Councilmember Byrne.

Absent: None.

***R-6.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$2,819.50 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors. (See City Clerk File #08-148)

Adopted.

***R-7.** WHEREAS, Jeanne Ellin Healy has submitted an application to the Michigan Liquor Control Commission for a new Small Wine Maker License and new Micro Brewer License to be located at 213 Huron Avenue, Port Huron, Michigan;

NOW, THEREFORE, BE IT RESOLVED that it is the consensus of the Port Huron City Council that the application from Jeanne Ellin Healy for a new Small Wine Maker License and a new Micro Brewer License to be located at 213 Huron Avenue, Port Huron, Michigan, be recommended for issuance by the Michigan Liquor Control Commission.

Adopted.

R-8. Councilmember Doorn offered and moved the adoption of the following resolution:

R-8(a) WHEREAS, the City Council of the City of Port Huron determines that it is necessary to specially assess the cost of maintenance for the streetscape project described as follows:

Along Military Street from the south side of Black River to the north side of Court Street; and

WHEREAS, the City Council determines that the cost of maintaining such project should be paid by special assessment levied against the lots and parcels of land benefitted by such improvements;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Manager shall make an investigation of the cost of maintaining the project and prepare a report which shall include a budget for maintaining the project for the balance of the 2008-2009 fiscal year, a description of the assessment district, and his recommendation as to what portion of the cost should be paid by special assessment and what portion, if any, should be a general expense of the City, and the lands which should be included in the special assessment district.

2. The foregoing special report, as soon as completed, shall be presented to the City Council.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

R-8(b) WHEREAS, in accordance with the City Council resolution dated November 24, 2008, the following is a report of the City Manager regarding the proposed special assessment of the cost of maintaining certain public improvements:

1. The maintenance for the streetscape improvements for which all of the maintenance costs are to be specially assessed are described as follows:

Along Military Street from the south side of Black River to the north side of Court Street.

2. The estimated cost of maintaining streetscape improvements for the balance of the 2008-2009 fiscal year is \$30,000.00.

3. Said special assessment district is tentatively designated as all of the lots and parcels of land described as follows:

Along Military Street from the south side of Black River to the north side of Court Street (See Appendix A - See City Clerk File #08-149).

NOW, THEREFORE, IT IS RECOMMENDED THAT:

1. The City Council tentatively declare the special assessment of the maintenance costs of the streetscape improvements to be of public necessity and proceed with necessary procedures to make such special assessment.

2. Said special assessment district be designated as all of the lots and parcels of land described as follows:

Along Military Street from the south side of Black River to the north side of Court Street (See Appendix A).

3. The cost of maintaining said public improvements for the balance of the 2008-2009 fiscal year is estimated to be \$30,000.00, of which \$17,500 shall be spread over the special assessment district as hereinafter described, \$12,500 will be provided from accumulated funds and none of which shall be paid as a general expense of the City.

R-8(c) WHEREAS, the City Council of the City of Port Huron tentatively determines that it is necessary to specially assess the cost of maintaining streetscape improvements in the City of Port Huron, more particularly hereinafter described in this resolution; and

WHEREAS, the City Manager has prepared a report concerning the maintenance costs of the streetscape improvements, which includes all the information required to be included by the Special Assessment Ordinance of the City; and

WHEREAS, the City Council has reviewed that report;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby tentatively determines the necessity for and further determines to proceed with special assessment of the cost of the streetscape improvements described as follows:

Along Military Street from the south side of Black River to the north side of Court Street.

2. The cost of operating improvements for the 2008-2009 fiscal year is estimated to be \$30,000.00, of which \$17,500 shall be spread over the special assessment district as hereinafter described, \$12,500 will be provided from accumulated funds and none of which shall be paid as a general expense of the City, and the aforesaid report of the City Manager is hereby approved.

3. Said special assessment district is tentatively designated as all of the lots and parcels of land described as follows:

Along Military Street from the south side of Black River to the north side of Court Street.

4. The report of the City Manager shall be placed on file in the office of the City Clerk where the same shall be available for public examination.

5. The City Assessor shall prepare a special assessment roll spreading that portion of the cost of maintaining the aforesaid streetscape improvements to be borne by the special assessment district against said district according to the benefits received, in conformity with the provisions of the Special Assessment Ordinance of the City and the City Charter. As soon as said roll is prepared, the City Assessor shall file the same with the City Council.

6. All resolutions and parts of resolutions insofar as they conflict with the provision of this resolution be and the same hereby are rescinded.

R-8(d) WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of maintaining streetscape improvements more particularly hereinafter described to the properties specially benefitted by the operation of said public improvements, and the same has been presented to the Council;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll shall be filed in the office of the City Clerk for public examination and shall be open to public inspection for a period of seven (7) days before the hearing hereinafter provided for.

2. The City Council shall meet at the Municipal Office Center, Port Huron, Michigan, at 7:00 p.m. on December 8, 2008, for the purpose of hearing all persons interested in the operation of said streetscape improvements and said special assessment roll and reviewing the same.

3. The City Clerk is directed to publish the notice of said hearing once in the Port Huron Times Herald, a newspaper of general circulation in the City of Port Huron, not less than ten (10) full days prior to the date of the said hearing and shall further cause notice of the meeting to be sent by first class mail to each owner of or person in interest in property subject to assessment as indicated by the records in the City Assessor's office as shown on the current assessment rolls of the City, at least ten (10) full days before the time of said hearing, said notice to be mailed to the addresses shown on said current assessment rolls of the City.

4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF SPECIAL ASSESSMENT HEARING
City of Port Huron
County of St. Clair, Michigan

TAKE NOTICE that the City Council of the City of Port Huron, St. Clair County, Michigan, has determined it to be necessary to specially assess the cost of maintaining streetscape improvements in the City of Port Huron as follows:

The City Council has determined that all the costs of the above described public improvements shall be assessed against each of the following lots and parcels of land:

Along Military Street from the south side of Black River to the north side of Court Street.

Take Further Notice that the City Council has caused a report concerning said public improvements to be prepared, which report includes estimates of cost of such public improvements for the balance of the 2008-2009 fiscal year, a descriptions of the assessment districts and other pertinent information and has caused a special assessment roll to be prepared and this report and special assessment roll are on file in the office of the City Clerk and are available for public examination.

Take Further Notice that the City Council will meet on December 8, 2008, at 7:00 p.m., at the Municipal Office Center in the City of Port Huron for the purpose of hearing interested persons on the maintenance costs of the streetscape improvements, the composition of said district and for the purpose of reviewing said special assessment roll.

Take Further Notice that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if any appeal should be desired. A property owner or party in interest, or his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter delivered to the Clerk by 4:30 p.m. on December 8, 2008, and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty (30) days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

This Notice is given by order of the City Council of the City of Port Huron, St. Clair County, Michigan.

Susan M. Child, CMC
City Clerk

5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Resolutions 8 (a) through (d) adopted unanimously.

R-9. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron owns property at 2021 Water Street which is commonly known as the Water Street Marina; and

WHEREAS, voter approval to sell the Water Street Marina to any purchaser for a minimum of \$300,000 was received at the November 4, 2008 election; and

WHEREAS, an agreement between the City of Port Huron and Hotel Development Services, LLC, has been prepared;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached purchase agreement with Hotel Development Services, LLC, for the sale of the Water Street Marina and authorizes the appropriate City officials to execute said agreement. (See City Clerk File #08-150).

Councilmember McCulloch moved to *postpone* the resolution until the next meeting. Motion *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski.

Yes: Councilmember Byrne, McCulloch and Stevens.

Absent: None.

Councilmember Fisher moved to authorize additional language to be inserted which would allow the City to have buy back rights. Motion was adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski, McCulloch and Stevens.

No: Councilmember Byrne.

Absent: None.

Motion to adopt the resolution, as amended, adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and Stevens.

No: Councilmember McCulloch.

Absent: None.

MOTIONS & MISCELLANEOUS BUSINESS

1. For information purposes only, an update on the nominating petitions for the election of Charter Commission members was provided to Council (see City Clerk File #08-151).

2. For information purposes only, an update on the status of 2402 Pine Grove Avenue was provided to Council (see City Clerk File #08-152).

3. **Mayor Moeller** asked if other Councilmembers could help attend several of the DARE graduations in December. Mayor Moeller will attend St. Mary's Academy (Dec. 4) and Garfield School (Dec. 8) and Councilmember Lewandowski will attend the Roosevelt School (Dec. 9) and Woodrow Wilson (Dec. 10) graduation ceremonies.

4. **Bruce Brown**, City Manager, mentioned that Councilmember Stevens will be attending a MML Training Seminar on January 14, 2009, in Traverse City on "Essential Skills for Elected Officials" and if anyone else is interested in attending he believes he has funding available in his budget.

3. **Councilmember Lewandowski** mentioned the Toys for Tots fundraising event will be held at the Bowl-O-Drome on December 6 at 6:30 p.m. Scott Hatfil is the contact person.

4. **Councilmember McCulloch** asked about the status of the leaf pickup collection program and Robert Clegg, Public Works Director, stated that the contractor is on schedule and should be completing Zones 8 and 9 this week.

5. **Councilmember Fisher** urged citizens to pull petitions to be a candidate on the ballot for the Charter Commission stating it is a great opportunity to serve and have an impact on local government.

On motion (9:45 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, December 8, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.

Absent: Councilmember Stevens.

The minutes of the regular meeting of November 24, 2008, were approved.

PRESENTATIONS

1. Richard L. Niemetz, Black River Raft-Off, gave a brief presentation on the Black River Raft-Off event and asked for an extension of the alcohol ordinance to the south shore of the Black River.

PUBLIC HEARINGS

1. **The Mayor** announced that this was the time to hear comments from all persons interested in the maintenance costs of the Military Street streetscape project (from the south side of Black River to the north side of Court Street) and for the purpose of reviewing said special assessment roll.

Attorney David R. Heyboer, who represents William and Gayle Kettlewell/GRAB, Inc., sent a letter and appeared in person to state his clients' objections to this special assessment (see City Clerk File #08-153).

The Mayor declared the hearing closed and the following resolution was offered and moved by **Councilmember Fisher**:

WHEREAS, the City Council has met after due and legal notice and heard all persons to be affected by the maintenance for the streetscape project and reviewed the special assessment roll prepared for the purpose of defraying the special assessment district's share of the maintenance for the streetscape project described as follows:

Along Military Street from the south side of Black River to the north side of Court Street; and

WHEREAS, after hearing all persons interested therein and after carefully reviewing said special assessment roll, the Council deems it advisable to proceed with said assessment and deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the benefits to be derived by the parcels of land assessed; and

WHEREAS, the Council has not received written objection by owners of more than one-half (1/2) of the property to be assessed;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to defray the cost of maintaining the streetscape project by special assessment upon the property specially benefitted in proportion to the benefits to be derived.

2. The City Council hereby approves the estimates of cost of maintaining the aforesaid streetscape project for the 2008-2009 fiscal year, determines the estimated cost of maintaining said streetscape project to be \$30,000.00, of which \$17,500 shall be specially assessed, \$12,500 will be provided from accumulated funds and none to be paid as a general expense of the City.

3. The City Council hereby designates the following lots and parcels of land as the property to comprise the special assessment district upon which the special assessment shall be levied.

4. Said revised special assessment roll as prepared by the City Assessor in the amount of \$17,500.00 is hereby confirmed and shall be known as Special Assessment Roll No. S-0002 (See City Clerk File #08-149).

5. Payments on said special assessment roll shall be due and payable on or before February 1, 2009.

6. The City Clerk be and is hereby directed to endorse the date of confirmation on the roll.

7. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Doorn, Fisher, Lewandowski and McCulloch.

No: Councilmember Byrne.

Absent: Councilmember Stevens.

PUBLIC AUDIENCES

1. David Everitt addressed the City Council and gave an explanation of his business UNeedUs.

2. Joanne Rumford, 3540 Parkway Drive, addressed the City Council regarding her water bill.

3. John Gillis addressed the City Council regarding clarification of the "no overnight camping" sign in Pine Grove Park as he fishes and puts up a barrier to block the weather and has been asked to remove the barrier.

4. Ken Harris addressed the City Council stating support of allowing businesses and individuals to be able to install separate water/sewer meters and feels there is a disparity in that a majority of the new McMorran Authority members are not City residents.

5. Alice O'Neil, Prospect Place, addressed the City Council stating support of allowing businesses and residential accounts to install separate water/sewer meters, the removal of signs at closed businesses and the removal of snow from downtown sidewalks.

CONSENT AGENDA

Councilmember McCulloch offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.

No: None.

Absent: Councilmember Stevens.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

Dec. through March - The snow ordinance has begun and parking is prohibited on City streets between the hours of 2:30 a.m. and 6 a.m.

Dec. 9, 16 and 19: Icehawk hockey games at McMorran Arena

Dec. 11: Holiday Special Concert at noon at the SC4 Fine Arts Theatre

Dec. 12-14: The Nutcracker showing at various times at McMorran Auditorium

Dec. 13: YMCA has Christmas Crafts with Santa

Dec. 24-25: City offices closed for the holidays

Dec. 31: First Night Port Huron 2009

Jan. 1: City offices closed for New Year's

Jan 17: The Stanley Cup will be on display at McMorran Arena

COMMUNICATIONS & PETITIONS

C-1. Councilmember Fisher moved to receive and file the following communication:

From Richard L. Niemietz asking the Council to extend the alcohol ordinance to the south shore of the Black River for the 2009 Black River Raft-Off to draw in other boating activities.

Motion to receive and file adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher and McCulloch.

No: Councilmember Doorn and Lewandowski.

Absent: Councilmember Stevens.

UNFINISHED BUSINESS

1. Councilmember McCulloch moved to remove the following resolution from the table (tabled at the November 24, 2008, regular meeting):

WHEREAS, the City of Port Huron wishes to improve its competitive position for attracting and retaining employers in the City of Port Huron; and

WHEREAS, neighboring communities such as Fort Gratiot allow businesses to install a second meter for the purpose of tracking water used in such a way that it does not enter the water treatment system and is not therefore charged sewer rates on that portion of the water consumed; and

WHEREAS, the current charging of both water and sewer rates for water used to make cement, chemicals or other products makes Port Huron less competitive;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Port Huron hereby directs that the City Manager shall:

1. Prepare the necessary changes to ordinances and other documents to allow businesses to install or have installed separate meters for tracking water not returned to the water treatment system.

2. Prepare a means for the City to bill such businesses accordingly and to verify such water is not returning to the water treatment system by December 31, 2008.

Motion to remove the resolution from the table adopted by the following vote:

Yes: Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.

No: Mayor Moeller.

Absent: Councilmember Stevens.

Councilmember Byrne moved to amend the resolution by removing items "1" and "2" from the current proposal and adding the following language in its place:

3. Include language limiting this to those using less than 700,000 cubic feet or using a 3" water line or less whichever is easiest to administer.

4. Prepare an estimate of potential lost revenue.

5. Propose budget cuts to offset lost revenue.

6. Estimate the revenue that could be replaced by charging sewer rates on the tank wagons that fill up with water at the water plant in Pine Grove Park. If possible, estimate where this water is going in terms of use and percentage to customers inside or outside the City of Port Huron.

7. Estimate the revenue-costs if Port Huron Fire Department begins billing insurance companies for medical runs similar to Marysville Fire Department currently does.

Motion to amend *rejected* by the following vote:

No: Mayor Moeller; Councilmembers Doorn and Lewandowski.

Yes: Councilmembers Byrne, Fisher and McCulloch.

Absent: Councilmember Stevens.

Councilmember Fisher moved to postpone the resolution until the February 23, 2009, regular meeting to give staff time to prepare a report and answers to the items listed above in the rejected motion (items 3 through 7):

Motion to *postpone* adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Fisher and McCulloch.

No: Councilmembers Doorn and Lewandowski.

Absent: Councilmember Stevens.

FROM THE CITY MANAGER

CM-1. Councilmember Fisher offered and moved the adoption of the following City Manager's recommendation:

It is stated in the City Ordinance Code, Chapter 2, Administration, Article III, Division 3, Section 2-457 and 2-458, concerning the Port Huron Housing Commission:

“The housing commission shall consist of five members to be appointed by the city manager. Each member of the housing commission shall be, at the time of his appointment, and shall remain during this term of office a bona fide resident of the city...Members...shall be appointed for staggered terms of five years...”

NOW, THEREFORE, I hereby re-appoint Richard Pack to the Port Huron Housing Commission for a five-year term to expire December 19, 2013.

NOTE: Thanks were expressed to Mr. Pack and his wife for the many things they do in the community and their volunteer work.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
- No: None.
- Absent: Councilmember Stevens.

CM-2. Councilmember Byrne offered and moved the adoption of the following City Manager's recommendation:

On November 26, 2008, the City of Port Huron received ten (10) bids for the demolition of 1301 Lapeer Avenue, Code Case #08-004:

| | |
|------------------------------|-------------|
| Carrigan Development | \$ 7,400.00 |
| L & J Construction | 8,000.00 |
| S. A. Torello Trucking | 9,100.00 |
| Jerry Hall Trucking | 12,055.00 |
| Hammers Contracting | 12,200.00 |
| D.L.F. Trucking, Inc. | 13,623.00 |
| Blue Star Demolition | 16,250.00 |
| Briolat Construction | 18,074.00 |
| Boddy Construction Co., Inc. | 18,852.98 |
| Sheldon Construction | 29,140.00 |

It is recommended that the bid of Carrigan Development, 2896 St. Helens, Kimball Township, Michigan 48074 in the amount of Seven Thousand Four Hundred and 00/100 Dollars (\$7,400.00) be accepted and that the appropriate City officials be authorized to execute the necessary documents.

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
- No: None.
- Absent: Councilmember Stevens.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

BE IT RESOLVED that the Finance Director is hereby authorized to pay the attached payments. (See City Clerk File #08-01)

Motion adopted by the following vote:

- Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
- No: None.
- Absent: Councilmember Stevens.

***R-2.** WHEREAS, ALD Thermal Treatment, Inc., 2656 - 24th Street, Port Huron, Michigan, has applied for Industrial Facilities Exemption Certificates for machinery, equipment, furniture and fixtures for 12 years with the first two years being a 100% abatement as authorized by Act No. 328, P. A. of 1998 as amended by virtue of Act 20 of 1999; and

WHEREAS, as provided by Act No. 198, P. A. 1974 as amended by virtue of Act 302 of 1975 and Act 224 of 1976, and Act No. 328, P. A. of 1998 as amended by virtue of Act 20 of 1999, a public hearing is to be held on the applications; and

WHEREAS, Act No. 198 and Act 328 both state that the City Assessor and Legislative Body of each unit which levies taxes shall be notified of the public hearing;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for December 22, 2008, in order to hear comments on the applications of ALD Thermal Treatment, Inc., for Industrial Facilities Exemption Certificates; and

BE IT FURTHER RESOLVED that the City Clerk shall send notices of said public hearing to the following Legislative Bodies:

- City Assessor - Port Huron
- County Board of Commissioners - St. Clair County
- Port Huron Area School Board
- St. Clair County Community College
- St. Clair County Regional Educational Service Agency
- Downtown Development Authority

Adopted.

***R-3.** WHEREAS, the City Manager has issued Temporary Traffic Control Order No. 1222 effective October 23, 2008, pursuant to Chapter 46, Article II, of the 2004 Port Huron City Code:

VARNEY STREET - There shall be “NO PARKING” on the north side of the street from 10th Street to 13th Street.

NOW, THEREFORE, BE IT RESOLVED that said Traffic Control Order be and hereby is made permanent until such time as it is modified or repealed;

BE IT FURTHER RESOLVED that said Traffic Control Order be filed and enforced in keeping with the appropriate laws as contained in the Statues of this State, as well as the Charter, Ordinances, and Resolutions of the City of Port Huron.

Adopted.

***R-4.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup in the right-of-way; and

WHEREAS, the cost for trash pickup in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot special assessments in the total amount of \$1,195.56 for special trash pickup in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-154).

Adopted.

R-5. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, it is necessary to perform professional engineering services for the Municipal Office Center parking garage rehabilitation phase II which will include structural and water proofing repairs to the north upper parking area of the plaza; and

WHEREAS, Walker Parking Consultants is the appropriate engineering firm to provide these services based upon an evaluation of competitive proposals submitted; and

WHEREAS, there has been prepared an agreement between the City of Port Huron and Walker Parking Consultants for professional engineering services for the Municipal Office Center parking garage rehabilitation phase II project;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the agreement with Walker Parking Consultants for professional engineering services for the Municipal Office Center parking garage rehabilitation phase II project and authorizes the appropriate City officials to execute the agreement (see City Clerk File #08-155).

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
No: None.
Absent: Councilmember Stevens.

***R-6.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for sidewalk replacement; and

WHEREAS, the costs of sidewalk replacement shall be assessed to the property owner(s) pursuant to City Ordinance 42-57; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares a single lot special assessment in the total amount of \$10,003.50 for sidewalk replacement upon the lots and premises described in the attached special assessment report (see City Clerk File #08-156).

Adopted.

R-7. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the Port Huron City Council in 2006 designated the area at the southwest corner of Quay Street and Huron Avenue as "Heritage Park on the Quay" and also adopted a process for plaques to be installed along the walkway walls in the park to honor someone in one of these categories:

- Deceased citizens who have been community benefactors or civic leaders;
- Deceased historical figures or events from or in Port Huron; and
- Community heritage;

WHEREAS, plaques placed in the park are purchased and installed through the City's Parks Department with the cost of purchasing the plaque and any dedication ceremony being paid for entirely with private donations; and

WHEREAS, if an individual or group desires to have a plaque placed in the park in honor of a citizen, the first step in the process is that City Council must consider and recommend approval to the request; and

WHEREAS, a request for City Council consideration has been received for a plaque in recognition of John Wismer;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby approves the request to have a plaque installed in Heritage Park on the Quay with all funds being raised by private donations for the purchase of the plaque and any dedication ceremony that may be subsequently planned.

Motion adopted by the following vote:

Yes: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski and McCulloch.
No: None.
Absent: Councilmember Stevens.

MOTIONS & MISCELLANEOUS BUSINESS

1. City Manager Bruce Brown acknowledged that today is the City Engineer, Bob Clegg's, birthday and Fire Chief Bob Eick was celebrating 30 years of employment with the City this week.

2. Mayor Moeller mentioned that retired Police Department Juvenile Officer Robert Rock fell off a ladder recently and fractured his skull and he is still in the hospital. Bob and his wife took in 30 to 50 foster kids over the years and adopted several of them. The family would appreciate prayers to help with his recovery.

On motion (8:15 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

Special meeting of the City Council of the City of Port Huron, Michigan, held jointly with the St. Clair County Board of Commissioners on Wednesday, December 17, 2008, at 7:00 p.m. in the Donald Dodge Auditorium, St. Clair County Administration Building, 200 Grand River Avenue.

The meeting was called to order by County Chairperson Wallace Evans, followed by the pledge of allegiance and the roll call for each board.

Port Huron City Council Present: Mayor Moeller; Councilmember Doorn, Fisher (arrived at 7:25 p.m.), McCulloch and Stevens.

Port Huron City Council Absent: Councilmembers Byrne and Lewandowski.

St. Clair County Board of Commissioners Present: Chairman Evans; Commissioners Bohm, Heidemann, Kearns, Quain and Wall.

St. Clair County Board of Commissioners Absent: Commissioner Simasko.

PUBLIC AUDIENCE

1. James Ribbron, County Extension Director, addressed the boards and spoke in support of the establishment of a business incubator facility in this county.

MISCELLANEOUS BUSINESS

Doug Alexander, Executive Director, Economic Development Alliance of St. Clair County, began the meeting and gave a PowerPoint presentation on establishing an incubator facility in St. Clair County. Study consultant Jim Greenwood, President, Greenwood Consulting Group, Inc., who prepared the incubator feasibility study also assisted with this presentation via telephone. See City Clerk File #08-157 for a copy of the presentation.

The proposed incubator will focus on technology oriented, white collar businesses that diversify the local economy and have the ability to export goods and services. The former Community Mental Health building at Military and Pine Streets in the City of Port Huron has been selected as the preferred location for the incubator.

Grant dollars are available through the federal government with St. Clair County being the applicant and owner of the facility. Local funding commitments are needed by January 15, 2009, and the full application submitted to the federal government by January 23, 2009. The approximate cost is \$1.6 to \$2.5 million using 70% in federal EDA grant dollars and a local match of 30% or approximately \$550,000.

Various questions asked by the City and County boards included operations of the facility, success/failure rate of incubators run by the government versus the private sector, advantages/disadvantages for City taxpayers and the funding amount being asked of from the City.

Discussion was also held concerning why this participation and funding request was brought to the local elected officials' attention with just over thirty days to make a decision.

On motion (8:45 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk

(Page intentionally left blank)

Regular meeting of the City Council of the City of Port Huron, Michigan, held Monday, December 22, 2008, at 7:00 p.m. in the Public Meeting Room of the Municipal Office Center.

The meeting was called to order by Mayor Moeller.

Present: Mayor Moeller; Councilmembers Byrne, Doorn, Fisher, Lewandowski, McCulloch and Stevens.

The minutes of the regular meeting of December 8, 2008, and the special meeting of December 17, 2008, were approved.

PRESENTATIONS

1. Mark Hurst and Lisa Manetta, Certified Public Accountants, Plante & Moran, will give a presentation on the completion of the City's annual audit. (See City Clerk File #08-158 for a copy of a letter from the auditors to the City.)

PUBLIC HEARINGS

1. The public hearing on the application of ALD Thermal Treatment, Inc., for an Industrial Facilities Exemption Certificate was removed from the agenda and will be rescheduled in the future.

PUBLIC AUDIENCES

1. Anthony America addressed the City Council regarding various police issues.

2. Ken Harris, 1521 Wells Street, addressed the City Council stating any appropriation should be subject to a prior budget session with public input similar to the previous roundtable sessions and stated that property owners need to be reminded to clear their sidewalks of snow.

3. Kathleen McCready, 414 - 14th Street, addressed the City Council stating she does not want to see Harrison School closed and urged Council to contact the school district to encourage them to not close the building. She also stated that the homes on Lapeer Avenue are a disgrace and that they do not present a nice welcome to people coming to our community.

CONSENT AGENDA

Councilmember Fisher offered and moved to adopt the Consent Agenda. (Items indicated with an asterisk.)

Adopted unanimously.

AT THIS POINT, the Mayor announced the following, as well as relevant items adopted under the consent agenda:

Upcoming events:

Dec. 24 and 25 & Jan. 1: City offices closed for the holidays
Trash pickup this week and next week will be delayed one day for Thursday customers due to the holidays
Dec. 26 and 27 & Jan. 2 and 3: Icehawks home hockey games
Dec. 31: First Night Port Huron 2009
Jan. 8-11: 47th annual Silver Stick International Finals, McMorran
Jan. 17: The Stanley Cup will be at McMorran Arena for viewing from noon to 4:30 p.m.

COMMUNICATIONS & PETITIONS

C-1. Councilmember Fisher moved to receive and file the following communication and to grant the request:

From Blue Water Habitat for Humanity requesting that all permits and fees associated with the rehabilitation of a Habitat home at 1324 Oak Street be waived.

Adopted unanimously.

FROM THE CITY MANAGER

CM-1. Councilmember McCulloch offered and moved to receive and file the following report:

In accordance with the requirements of Section 63 of the City Charter, the City's Comprehensive Annual Financial Report for the year ended June 30, 2008, is transmitted herewith (see City Clerk File #08-159).

Adopted unanimously.

RESOLUTIONS

R-1. Councilmember Fisher offered and moved the adoption of the following resolution:

WHEREAS, in October 2005, the City received notification from the federal government that our application to receive ownership of the Fort Gratiot Light Station property and various buildings on site, the subsequent restoration and the planned use of the property was accepted; and

WHEREAS, the City has communicated with the U.S. General Services Administration (GSA) in Boston, Massachusetts, to coordinate the potential requirements of a transfer of the lighthouse property from the federal government to the City; and

WHEREAS, the City has been advised by the GSA that the deed transfer documents will include requirements that the improvements outlined in the original application must be performed and that the City will not be able to change the intended use of the property or its improvements without approval of the U. S. Parks Service Agency and the State Historic Preservation Officer; and

WHEREAS, the City has been further advised by the GSA that should the City fail to make the improvements within a reasonable period of time that the U.S. Parks Service Agency could recommend the property be returned to the federal government for safekeeping; and

WHEREAS, it is, therefore, in the City's best interest to conduct a baseline environmental assessment of the lighthouse property prior to acceptance to become fully aware of the property conditions and to protect the City from liability for the actions of previous property owners should the transfer occur; and

WHEREAS, the City requested proposals from four engineering firms who could provide this environmental assessment, and after review of the proposals, it is the staff's recommendation that Integrated Environmental, Inc., be selected;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached agreement with Integrated Environmental, Inc., for professional engineering services for the preparation of a baseline environmental assessment for the property located at the Fort Gratiot Light Station site and authorizes the appropriate City officials to execute the agreement.

Councilmember Stevens moved to *table* the resolution. Motion adopted unanimously.

R-2. Councilmember Stevens moved to *table* the following resolution:

WHEREAS, if ownership of the Fort Gratiot Light Station property is transferred to the City, it would be in our best interest to be aware of any potential environmental issues; and

WHEREAS, it is believed that materials containing asbestos were used to maintain the existing buildings at the Fort Gratiot Light Station, and it will be necessary for the health and safety of those visiting or working in these buildings to identify and remove any asbestos prior to workers making repairs to these structures; and

WHEREAS, staff has recommended that a baseline environmental assessment of the property take place prior to taking ownership of the property and has recommended that Integrated Environmental, Inc., perform this work; and

WHEREAS, prior to acceptance of the lighthouse property, it would also be important to be fully aware of any asbestos conditions within the buildings prior to acceptance of the property; and

WHEREAS, the City has requested a quote from Integrated Environmental, Inc., to include additional work to identify any asbestos barring materials located within the structures while performing the baseline environmental assessment;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the additional expense and attached agreement with Integrated Environmental, Inc., to identify asbestos barring materials located within the Fort Gratiot Light Station buildings while performing the baseline environment assessment and authorizes the appropriate City officials to execute the agreement.

Motion to *table* adopted unanimously.

R-3. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS the Water Reclamation Facility operates under a National Pollutant Discharge Elimination System (NPDES) Discharge Permit required by the United States Environmental Protection Agency (EPA) and approved by the Michigan Department of Environmental Quality (MDEQ); and

WHEREAS, facilities operating under a NPDES permit are required to pay MDEQ an annual permit fee based upon a discharge authorized by the facility's permit; and

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the payment of \$13,000.00 to the Michigan Department of Environmental Quality for the annual NPDES Discharge permit fee.

Adopted unanimously.

***R-4.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for special trash pickup in the right-of-way; and

WHEREAS, the cost for trash pickup in the right-of-way shall be assessed to the property owner(s) pursuant to City ordinances, Sections 38-11, 40-19, and 42-17; and

WHEREAS, the attached special assessment report has been certified by the City Engineer and reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot special assessments in the total amount of \$764.62 for special trash pickup in the right-of-way upon the lots and premises described in the attached special assessment report (see City Clerk File #08-160).

Adopted.

***R-5.** WHEREAS, the United States Department of Housing and Urban Development (HUD) requires entitlement communities to conduct a public hearing regarding the views and comments of citizens as to the housing and community development needs within the City for the next program's fiscal year beginning April 1, 2009; and

WHEREAS, a preliminary Annual Action Plan for the expenditure of Community Development Block Grant (CDBG) funds and HOME funds is established after receiving comments at that public hearing; and

WHEREAS, a second public hearing is required to receive comments on the proposed Annual Action Plan; and

WHEREAS, the purpose of the Annual Action Plan is to develop and continue programs that will help eliminate slums or blighting influences and to benefit very low- to moderate-income individuals;

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby schedules a public hearing for Monday, January 12, 2009, to hear views of citizens on the general needs in community development, housing and special services, utilizing CDBG and HOME funds for the program's fiscal year beginning April 1, 2009;

BE IT FURTHER RESOLVED that the City Council hereby schedules a second public hearing for February 9, 2009, to hear comments on the proposed 2009 Annual Action Plan.

Adopted.

***R-6.** WHEREAS, a report has been submitted for costs incurred by the City of Port Huron for removal of noxious weeds or unlawful growths or blighting factors; and

WHEREAS, the costs for removing noxious weeds or unlawful growths or blighting factors shall be assessed to the property owners pursuant to Chapter 22, Sections 22-83 and 22-108, City of Port Huron Code of Ordinances; and

WHEREAS, the attached special assessment report has been certified by the Planning and Community Development Director and reviewed by the City Council in accordance with the procedures set forth in Chapter 40, Section 40-19, City of Port Huron Code of Ordinances;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby confirms and declares single lot assessments in the total amount of \$85.00 upon the lots and premises described in the attached special assessment report for the cost of removing noxious weeds or unlawful growths or blighting factors (see City Clerk File #08-161).

Adopted.

R-7. Councilmember Lewandowski offered and moved the adoption of the following resolution:

WHEREAS, the City of Port Huron entered into an Agreement through which Grandview Tower 2007 Limited Dividend Housing Association L.L.C., a Michigan limited liability company, purchased the Grandview Tower building and leased the real property upon which the building sits for a period of 75 years; and

WHEREAS, not having title to the real estate has created some difficulties for Grandview Tower 2007 Limited Dividend Housing Association L.L.C. in dealing with the U.S. Department of Housing and Urban Development in their improvements to the Grandview Tower facilities for senior housing; and

WHEREAS, Grandview Tower 2007 Limited Dividend Housing Association L.L.C. wishes to purchase the real property and the City is willing to sell said property; and

WHEREAS, an agreement between the City of Port Huron and Grandview Tower 2007 Limited Dividend Housing Association L.L.C. for the sale of real property upon which the Grandview Tower facility is located has been negotiated;

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby approves the attached agreement with Grandview Tower 2007 Limited Dividend Housing Association L.L.C. for the sale of real property upon which the Grandview Tower facility is located in the amount of \$175,000.00 and authorizes and directs the proper City Officials to execute said agreement. (See City Clerk File #08-162)

Adopted unanimously.

R-8. Councilmember Stevens offered and moved the adoption of the following resolution:

WHEREAS, on September 29, 2008, the City Council approved the work agreement with Bruce C. Brown to be the Interim City Manager until a full-time City Manager could be hired; and

WHEREAS, it is the desire of the City Council to discontinue the City Manager search and instead hire Bruce Brown as the permanent, full-time City Manager;

NOW, THEREFORE, BE IT RESOLVED that Mayor Moeller, Mayor Pro-tem Fisher and Corporation Counsel are hereby directed to negotiate a work agreement with Bruce C. Brown for the permanent, full-time position of City Manager.

Adopted unanimously.

R-9. Councilmember Byrne offered and moved the adoption of the following resolution:

WHEREAS, SEMCO Energy Gas Company, a Division of SEMCO Energy, Inc., a Michigan Corporation, currently holds a City of Port Huron franchise pursuant to Ordinance No. 726 adopted January 29, 1979; and

WHEREAS, said Ordinance No. 726 was confirmed by a three-fifths vote of the electors at an election held on March 14, 1979; and

WHEREAS, said franchise will expire on March 12, 2009, thirty years from the date of its confirmation; and

WHEREAS, SEMCO Energy Gas Company, a Division of SEMCO Energy, Inc., a Michigan Corporation, seeks a non-exclusive public utility franchise to conduct a gas manufacture, transmission and distribution business and to conduct a local gas power business in the City of Port Huron, Michigan, and

WHEREAS, the City of Port Huron, St. Clair County, Michigan is empowered pursuant to the Michigan Constitution of 1963, and City Charter Chapter XI section 92a, to grant public utility franchises by ordinance, and

WHEREAS, the City Charter Chapter XI section 92a provides that no such ordinance shall be adopted until a full public hearing has been held thereon;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby schedules a public hearing for January 26, 2009, in order to hear comments on the request of SEMCO Energy Gas Company for a renewal of their franchise and the adoption of an ordinance therefore.

Adopted unanimously.

R-10. Councilmember McCulloch offered and moved the adoption of the following resolution:

WHEREAS, the Port Huron City Council in 2006 designated the area at the southwest corner of Quay Street and Huron Avenue as "Heritage Park on the Quay" and also adopted a process for plaques to be installed along the walkway walls in the park to honor someone in one of these categories:

- Deceased citizens who have been community benefactors or civic leaders;
- Deceased historical figures or events from or in Port Huron; and
- Community heritage;

WHEREAS, plaques placed in the park are purchased and installed through the City's Parks Department with the cost of purchasing the plaque and any dedication ceremony being paid for entirely with private donations; and

WHEREAS, if an individual or group desires to have a plaque placed in the park in honor of a citizen, the first step in the process is that City Council must consider and recommend approval to the request; and

WHEREAS, a request for City Council consideration has been received for a plaque in recognition of Rev. John Portis;

NOW, THEREFORE, BE IT RESOLVED that the Port Huron City Council hereby approves the request to have a plaque installed in Heritage Park on the Quay for Rev. John Portis, with all funds being raised by private donations for the purchase of the plaque and any dedication ceremony that may be subsequently planned.

Adopted unanimously.

MOTIONS & MISCELLANEOUS BUSINESS

1. **Councilmember Fisher** wished everyone a Merry Christmas. He also stated that a group of 30 carolers dressed in Victorian attire visited various downtown businesses and homes to sing Christmas Carols. A video of the event can be found on the Times Herald web site.

2. **Councilmember Byrne** stated that the carolers did a great job. He also asked when the Comprehensive Annual Finance Report would be available on the City's web site. John Ogden, Finance Director, stated that the report should be available tomorrow.

3. **Councilmember Stevens** stated that an informational meeting was held with the new members of the McMorran Civic Center Authority. The election of officers will take place at their first official meeting on January 6, 2009, at 8 a.m.

4. **Councilmember Moeller** stated that grant funding will be available after January 20 for alternative power sources such as wind mills which can be used to run our sewer plant and the governmental offices. He also wished everyone a Merry Christmas and a Happy New Year.

On motion (8:10 p.m.), meeting adjourned.

SUSAN M. CHILD, CMC
City Clerk