

**OFFICIAL PROCEEDINGS  
CITY COUNCIL  
CITY OF ESCANABA, MICHIGAN  
Regular Council Meeting  
Thursday, June 7, 2018**

The meeting was called to order by the Honorable Mayor Marc D. Tall at 7:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Peggy O. Schumann, Ronald J. Beauchamp, Ralph B. Blasier, and Michael R. Sattem.

Absent: Ralph B. Blasier

Sattem moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to excuse Council Member Blasier.

Also Present: City Manager Patrick S. Jordan, City Clerk Lisa M. Glish, City Department Heads, Delta County Administrator Phil Strom, Delta County Treasurer Tom Sabor, Delta County Equalization Director Juli Kolbe, Bay College President Laura Coleman, media, and members of the public.

Clerk Glish led Council in the Pledge of Allegiance.

**APPROVAL/CORRECTION(S) TO MINUTES**

Beauchamp moved, Sattem seconded, to approve the First Draft of the Regular Meeting minutes from May 17, 2018, which included Council Member Beauchamp's full reading of his "Recollection of and Opinion on the Process of Filling the City Clerk Position".

Upon a call of the roll, the vote was as follows:

Ayes: Beauchamp, Sattem

Nays: Schumann, Tall

**MOTION FAILED.**

After further discussion, Schumann moved, Tall seconded, to approve the Regular Meeting minutes from May 17, 2018, as submitted.

Upon a call of the roll, the vote was as follows:

Ayes: Schumann, Tall

Nays: Sattem, Beauchamp

**MOTION FAILED.**

After further discussion, Tall moved, Schumann seconded to table the May 17, 2018 Meeting Minutes until the next regularly scheduled meeting of the City Council to occur on June 21, 2018.

Upon a call of the roll, the vote was as follows:

Ayes: Tall, Schumann, Sattem, Beauchamp

Nays: None

**MOTION PASSED.**

Sattem moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve Special Meeting minutes from May 23, 2018, as submitted.

**ADJUSTMENTS TO THE AGENDA**

Sattem moved, Schumann seconded, **CARRIED UNANIMOUSLY**, to approve the agenda as submitted.

**CONFLICT OF INTEREST DECLARATION** – None

**BRIEF PUBLIC COMMENT**

Dale Cook from Northern Initiatives requested correction to the Public Hearing #1 explanation stating that the word “construction” should be changed to “hiring”; Mayor Tall accepted the change.

**PUBLIC HEARINGS**

**1. Close-Out Public Hearing - Community Development Block Grant (CDBG) – Northern Machining #1**

The Michigan Economic Development Corporation (MEDC) provided CDBG funding towards the now completed Northern Machining #1 project. With the hiring phase of the project completed, the City needs to undertake close-out activities associated with the CDBG funding. One of the requirements is for the City to conduct a “close-out public hearing”.

This being a public hearing, Mayor Tall asked if there was any public comment.

Hearing no further public comment, Mayor Tall closed the public hearing.

**2. Public Hearing – CDBG Resolution – Northern Initiatives Revolving Loan Fund – Kobasic Creations, LLC.**

A public hearing will be conducted on a proposed CDBG resolution which supports the approval of a \$60,000 loan from Northern Initiatives to Kobasic Creations, LLC of Escanaba, MI. The funds from the loan will be used to purchase new equipment and working capital purchases. The project will result in the hiring of two (2) new employees, 51% low to moderate income persons, the project meets zoning requirements, and is consistent with the City of Escanaba’s Comprehensive Plan.

**PH-2** By Council Member Beauchamp, seconded by Council Member Sattem;

**RESOLUTION**  
**APPLICATION FOR FUNDING THROUGH THE CITY OF ESCANABA**  
**STATE OF MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**  
**REVOLVING LOAN FUND (RLF) PROGRAM FOR KOBASIC CREATIONS, LLC.**

**WHEREAS**, Kobasic Creation, LLC has made application through Northern Initiatives, Inc. for the City of Escanaba CDBG Revolving Loan Funds in the amount of \$60,000 to aid with equipment and working capital purchases within the City of Escanaba, and

**WHEREAS**, the project location meets zoning requirement is consistent with the City of Escanaba's Comprehensive Plan, the project will employ at least 51% low to moderate income persons, and

**WHEREAS**, The City of Escanaba participates in the Regional RLF Model, has executed a Subrecipient Agreement with Northern Initiatives and has designated The City Treasurer and the Escanaba Economic Development Corporation Chair as its representatives on its Regional Funds Approval Committee, and

**WHEREAS**, the Regional Fund Approval Committee has reviewed and approved said application submitted by Kobasic Creations, LLC on 4/26/2018 and

**WHEREAS**, no project costs (CDBG and non-CDBG) will be incurred prior to the formal loan award, completion of the environmental review procedures and formal, written authorization to incur costs has been provided by your CDBG Project Manager, and

**WHEREAS**, The City of Escanaba has advertised in the Daily Press newspaper and has held a public informational hearing in regard to the CDBG Revolving Loan Fund application on June 7, 2018.

**THEREFORE BE IT FURTHER RESOLVED** that The City of Escanaba acknowledges that it has held a public informational meeting on June 7, 2018 in regard to the CDBG Revolving Loan Fund Application by Kobasic Creations, LLC. in the amount of \$60,000 for equipment for its business within the City of Escanaba, that the project will employ at least 51% low to moderate income persons and the project meets zoning requirements and is consistent with the City of Escanaba's Comprehensive Plan and authorizes the Mayor Marc Tall to sign the part 2 Application and all attachments.

Upon a call of the roll, the vote was as follows:

Ayes: Beauchamp, Sattem, Schumann, Tall

Nays: None

**RESOLUTION DECLARED ADOPTED.**

**UNFINISHED BUSINESS** – None

**NEW BUSINESS**

**1. Approval – Resolution Authorizing The Waterways Grant Agreement – Marina.**

Administration is seeking Council approval of a resolution authorizing the Waterways Grant.

**NB-1** By Council Member Schumann, seconded by Council Member Sattem;

**RESOLUTION**

RESOLVED, that the City of Escanaba, Michigan, accepts the terms of the Agreement as received from the Michigan Department of Natural Resources, and that the City agrees, but not by way of limitation, as follows:

1. To appropriate the sum of Two Hundred Eighty Thousand dollars (\$280,000.00) to match the Two Hundred Eighty Thousand dollars (\$280,000.00) State 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 facilities and provide the funds, services, and materials as may be necessary to satisfy the terms of the Agreement.
4. To ensure that all premises, buildings, and equipment related procedures comply with all applicable State and Federal regulations.
5. To establish and appoint the City of Escanaba 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 this Resolution.

Upon a call of the roll, the vote was as follows:

Ayes: Schumann, Sattem, Beauchamp, Tall  
Nays: None

**RESOLUTION DECLARED ADOPTED**

## **2. Approval – Fire Hydrant Painting Bid – Water Department.**

Administration is seeking Council approval to accept the Fire Hydrant Painting bid received from Bosk Corporation of Escanaba, MI to paint ninety (90) fire hydrants as written in the Fire Hydrant Bid Package, at a cost not to exceed \$45,000. Money is budgeted in the 2018/2019 FY Budget.

**NB-2** Sattem moved, Schumann seconded, to retain Bosk Corporation of Escanaba, MI to paint ninety (90) fire hydrants as written in the Fire Hydrant Bid Package at a cost not-to-exceed \$45,000.

Upon a call of the roll, the vote was as follows:

Ayes: Sattem, Schumann, Beauchamp, Tall  
Nays: None

**MOTION CARRIED.**

## **3. Approval – Lead Service Line (LSL) Replacement Grant Work – Water Department.**

Administration is seeking Council approval to retain Oberstar, Inc. of Marquette, MI to conduct the work as written in the LSL Replacement bid, to utilize all available money (\$295,000) allotted for the construction aspect of this Grant (\*contingent upon receiving the LSL Grant from the State). In addition, Administration is requesting Council approval to have the ability to utilize up to \$5,000 to cover any overages occurred during the final billing. Money is not budgeted for this type of work, but can be made available if needed.

**NB-3** After discussion, Beauchamp moved, Schumann seconded, to retain Oberstar, Inc. of Marquette, MI to conduct all lead service line replacements as written in the Lead Service Line Replacement Bid Package.

Upon a call of the roll, the vote was as follows:

Ayes: Beauchamp, Schumann, Sattem, Tall  
Nays: None

## **4. Discussion and Possible Direction – Use of Ludington Street Sidewalks.**

Administration is seeking a discussion to take place concerning the use of bicycle and merchandise displays on Ludington Street sidewalks.

After discussion, Mayor Tall suggested each Council Member consider their views on the use of bicycles and merchandise on Ludington Street sidewalks, and be prepared to share those views at the next Council meeting, scheduled for June 21, 2018 where a public meeting will take place.

## **5. Closed Session – Consult with Legal Counsel**

Administration is seeking to go into Closed Session to consult with Legal Counsel concerning the Dark Store issue.

Schumann moved, Beauchamp seconded, to go into Closed Session.

Upon a call of the Roll, the vote was as follows:

Ayes: Schumann, Beauchamp, Sattem, Tall

Nays: None

### **MOTION CARRIED.**

The time was 8:28 p.m.

Beauchamp moved, Schumann seconded, to come back into open session.

Upon a call of the Roll, the vote was as follows:

Ayes: Beauchamp, Schumann, Sattem, Tall

Nays: None

### **MOTION CARRIED.**

The time was 9:08 p.m.

No Council Action was made while in Closed Session.

## **APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES**

Mayor Tall, with Council consensus, made the following appointments:

Appointed City Clerk Lisa Glish to the roll of FOIA Coordinator.

Appointed Public Works Director and City Engineer Robert Becotte to the Delta County Solid Waste Authority

Reappointed the following individuals to their first complete terms:

Brian Thorsen – Board of Appeals

Alex Sundstrom – Harbor Advisory Committee

Gary Lark – Traffic Safety Advisory Committee

Reappointed the following individuals to their second terms:

Mark Hannemann – Board of Appeals

Sandra Bennett – Housing Commission

Anthony LaPlant – Public Safety Retirement Board

Karen Moore – Recreation Advisory Board

Joe Kaplan – Recreation Advisory Board

Reappointed the following individuals whose second terms expired June 1, 2018, and wished to be reappointed to their first extended one-year appointment.

Elizabeth Keller – Board of Library Trustees  
Jeanine Dagenais – Loan Administration Board  
Chris Economos – Loan Administration Board  
Brian Black – Planning Commission  
Kelvin Smyth – Planning Commission

Reappointed the following individual whose first extended one-year appointment expired June 1, 2018, and wished to be reappointed to their second extended one-year appointment.

Wayne Hardwick – Traffic Safety Advisory Committee

Reappointed the following individual whose third extended one-year appointment expired June 1, 2018 and wished to be reappointed to their fourth extended one-year appointment.

Jon Liss – Board of Appeals

Reappointed the following individuals whose fourth extended one-year appointment expired April 1, 2018 and wished to be reappointed to their fifth extended one-year appointment.

Randy Godlewski – Brownfield Redevelopment Authority  
Roni Beaudoin – Loan Administration Board

Reappointed Patrick Jordan to the Escanaba Building Authority for a term now ending August 1, 2021.

**BOARD, COMMISSION, AND COMMITTEE REPORTS** – None

**GENERAL PUBLIC COMMENT** – None

### **ANNOUNCEMENTS**

Member Schumann stated that the MML Conference she attended June 6<sup>th</sup> and 7<sup>th</sup> in Houghton, MI was informative and helpful

Hearing no further public comment, the Council adjourned at 9:14 p.m.

Respectfully submitted

Lisa M. Glish  
City Clerk

Approved: \_\_\_\_\_  
Marc D. Tall, Mayor