

**OFFICIAL PROCEEDINGS
CITY COUNCIL
CITY OF ESCANABA, MICHIGAN
Regular Council Meeting
Thursday, October 17, 2019**

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, Ronald J. Beauchamp, Ralph B. Blasier, Peggy O'Connell, and Michael R. Sattem

Absent: None

Also Present: City Manager Patrick S. Jordan, City Clerk Phil DeMay, Department Heads, media, and members of the public.

City Clerk DeMay led Council in the Pledge of Allegiance.

Sattem moved, O'Connell seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting minutes from October 3, 2019, as submitted.

ADJUSTMENTS TO THE AGENDA

Council Member O'Connell added to move "A discussion about the landfill odor problem" to **NB-5** and move "Discussion – City Manager Search" to **NB-6**.

Mayor Tall added "City Manager brief Council on labor and union negotiations" to **NB-7**.

Blasier moved, O'Connell seconded, **CARRIED UNANIMOUSLY**, to approve the City Council Agenda as amended.

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT

Steve Coble – Plant Manager at Delta Wheel Truing Solutions discussed the odor coming from the landfill.

Bob Chaillier – Service Center Supervisor for Great Lakes Home Medical discussed the odor coming from the landfill and how it's making its way towards Danforth Road.

PUBLIC HEARINGS – None

UNFINISHED BUSINESS – None

NEW BUSINESS

NB-1 Approval - Michigan Electric Cooperative Association Energy Optimization Program Agreement.

Administration sought approval to extend the Michigan Electric Cooperative Association program through 2022.

NB-1 Sattem moved, Blasier seconded, **CARRIED UNANIMOUSLY**, to approve to extend the Michigan Electric Cooperative Association program through 2022.

NB-2 Approval – Resolution - Wastewater Bonds Series 2019.

Administration requested City Council to consider passing a resolution to authorize the publication of a Notice of Intent relating to City of Escanaba’s bonds to be issued through the Michigan Finance Authority’s (MFA”) State Revolving Fund Program.

NB-2 “By Council Member Blasier, seconded by Council Member O’Connell;

RESOLUTION NO. 19-19

**NOTICE OF INTENT RESOLUTION
WASTE WATER SYSTEM REVENUE BONDS, SERIES 2019
(STATE REVOLVING FUND PROJECT)**

WHEREAS, the City of Escanaba, County of Delta, State of Michigan (the “City”), has determined that it is necessary for the public health, safety and welfare of the City to acquire, construct, furnish and equip improvements to the Waste Water System of the City (the “System”), including Waste Water Treatment Plant improvements, together with all related appurtenances and attachments (the “Project”); and

WHEREAS, the City has been advised by the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”) that financial assistance to accomplish the acquisition and construction of all or a portion of the Project is available through the State Revolving Fund (“SRF”) loan program administered by EGLE and the Michigan Finance Authority; and

WHEREAS, the City has made application for participation in the SRF loan program; and

WHEREAS, the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended (“Act 94”), provides a means for financing the purchase, acquisition, construction, improvement, enlargement, extension and repair of public improvements such as the Project through the issuance of revenue bonds; and

WHEREAS, the issuance of bonds payable from revenues of the System under Act 94 in a total amount not to exceed Fourteen Million Dollars (\$14,000,000) (the “Bonds”) for the purpose of financing all or part of the Project represents the most practical means to that end; and

WHEREAS, a notice of intent to issue revenue bonds must be published before the issuance of the Bonds in order to comply with the requirements of Section 33 of Act 94; and

WHEREAS, the City intends at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the City for the Project prior to issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is authorized and directed to publish a notice of intent to issue bonds in *The Daily Press*, a newspaper of general circulation in the City.
2. The notice of intent shall be published as a display advertisement not less than one quarter (1/4) page in size in substantially the form attached to this resolution as Exhibit A.
3. The City Council does hereby determine that the foregoing form of Notice of Intent to Issue Bonds, and the manner of publication directed, is adequate notice to the electors of the City and users of the System, and is the method best calculated to give them notice of the City’s intent to issue the Bonds, the purpose of the Bonds, the security for the Bonds, and the right of referendum of the electors with respect thereto, and that the provision of forty-five (45) days within which to file a referendum petition is adequate to insure that the City’s electors may exercise their legal rights of referendum, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.
4. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:
 - (a) As of the date hereof, the City reasonably expects to reimburse itself for the expenditures described in (b) below with proceeds of debt to be incurred by the City.
 - (b) The expenditures described in this paragraph (b) are for the costs of acquiring the Project which were paid or will be paid subsequent to sixty (60) days prior to the date hereof from the Waste Water System funds of the City.
 - (c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$14,000,000.

- (d) A reimbursement allocation of the expenditures described in (b) above with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the related Project are placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the debt to be issued for the Project to reimburse the City for a capital expenditure made pursuant to this resolution.
5. Miller, Canfield, Paddock and Stone, P.L.C. is hereby confirmed as Bond Counsel to the City in connection with the issuance of the Bonds.
 6. Baker Tilly is hereby confirmed as the registered municipal advisor to the City in connection with the issuance of the Bonds.
 7. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

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

Ayes: Blasier, O'Connell, Beauchamp, Sattlem, Mayor Tall

Nays: None

RESOLUTION DECLARED ADOPTED."

NB-3 Purchase - A New Sewer Truck - Wastewater

Administration sought authorization to purchase a new Sewer Truck. The cost was not to exceed \$436,360.24. Money was available for this purchase within current approved budget, due to other Capital Improvement projects no longer being required.

NB-3 O'Connell moved, Beauchamp seconded, to approve to purchase a new Sewer Truck at a cost not to exceed \$436,360.24.

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

Ayes: O'Connell, Beauchamp, Blasier, Sattlem, Mayor Tall

Nays: None

MOTION CARRIED.

NB-4 Approval – Construction – New Garage at Wastewater Plant

Administration requested approval to retain the services of Cleary Building Corp, of Escanaba, MI to procure all materials (including the Electrical Wiring, Modine

Heaters, and HVAC) at a cost not to exceed \$196,792.00. Also, to approve for 10% of construction costs for necessary contingencies of other items such as a natural gas service, hauling of sand for fill, and the construction of an asphalt approach, in an amount of \$19,679.00.

NB-4 Blasier moved, Sattem seconded, to approve to retain the services of Cleary Building Corp, of Escanaba, MI to procure all materials (including the Electrical Wiring, Modine Heaters, and HVAC) at a cost not to exceed \$196,792.00. Also, to approve for 10% of construction costs for necessary contingencies of other items such as a natural gas service, hauling of sand for fill, and the construction of an asphalt approach, in an amount of \$19,679.00.

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

Ayes: Blasier, Sattem, Beauchamp, O’Connell, Mayor Tall
Nays: None

MOTION CARRIED.

NB-5 Discussion – Landfill Odor Problem.

Water/Wastewater Superintendent Jeff Lampi provided an update concerning the landfill odor problem.

Council directed Mr. Lampi to take the necessary steps to bring in experts to find a solution to this issue and to work in tandem with the County.

NB-6 Discussion – City Manager Search.

Human Resource Director, Kim Gustafson, gave an update on the City Manager job opening.

Blasier moved, O’Connell seconded, **CARRIED UNANIMOUSLY**, to direct Human Resources to provide weekly updates with a cumulative log of applicants.

NB-7 Discussion- City Manager brief Council on Labor and Union Negotiations.

Council, along with City Manager Patrick Jordan, elected to go into closed session to hold a discussion on Labor and Union Negotiations.

Blasier moved, O’Connell seconded, to go into Closed Session.

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

Ayes: Blasier, O'Connell, Beauchamp, Sattem, Mayor Tall
Nays: None

MOTION CARRIED.

The time was 7:50 p.m.

Blasier moved, O'Connell seconded, to come back into open session.

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

Ayes: Blasier, O'Connell, Beauchamp, Sattem, Mayor Tall
Nays: None

MOTION CARRIED.

The time was 8:12 p.m.

No Council actions were taken.

APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES – None

BOARD, COMMISSION, AND COMMITTEE REPORTS

Council Members reviewed City Board and Commission meetings each attended since the last City Council Meeting.

GENERAL PUBLIC COMMENT

Steve Coble - discussed the landfill gases associated with the smell.

Brenda LeBoeuf - discussed the landfill smell and claimed the smell has been a big problem for her business on North 30th Street.

ANNOUNCEMENTS

- Escanaba Head Start Month Proclamation, October 2019;
- Fur Raiser October 24, 2019 at the Island Resort and Casino. Money raised to help the Animal Shelter;
- Trunk or Treat on October 26, 2019, downtown Escanaba.

Hearing no further public comment, Sattem moved the Council adjourned at 8:13 p.m.

Respectfully submitted

Phil DeMay
City Clerk

Approved: _____
Marc D. Tall, Mayor