

**OFFICIAL PROCEEDINGS  
CITY COUNCIL  
CITY OF ESCANABA, MICHIGAN  
Regular Council Meeting  
Thursday, October 18, 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, Ronald J. Beauchamp, Ralph B. Blasier, Michael R. Sattem, and Peggy O'Connell Schumann.

Absent: None

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

Interim Clerk Weissert led Council in the Pledge of Allegiance.

Blasier moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting minutes from October 4, 2018, as submitted.

**ADJUSTMENTS TO THE AGENDA**

Beauchamp moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to approve the Agenda as submitted.

**CONFLICT OF INTEREST DECLARATION** – None

**BRIEF PUBLIC COMMENT**

William Gasman, Escanaba resident, is concerned about the Delta Plaza Mall property. Mr. Gasman questions if it is in the best of our interest for the community to support.

**PUBLIC HEARINGS** – None

**UNFINISHED BUSINESS** – None

**NEW BUSINESS**

**Setting USDA Grant Application Public Hearing – November 1, 2018 – Public Safety.**

Administration recommended Council set a public hearing date for November 1, 2018.

**NB-1** Blasier moved, Sattlem seconded, **CARRIED UNANIMOUSLY**, set a public hearing date for November 1, 2018, for the USDA Grant Application.

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

Ayes: Blasier, Sattlem, Schumann, Beauchamp, Tall  
Nays: None

**MOTION CARRIED.**

### **Approval – Historic District Commission Term Re-Alignment.**

Administration sought approval to have the Historic District Commission terms be re-aligned to conform to the schedule outlined in the ordinance and based on the original appointment dates.

**NB-2** Schumann moved, Beauchamp seconded, **CARRIED UNANIMOUSLY**, to approve to have the Historic District Commission terms be re-aligned to conform to the schedule outlined in the ordinance and based on the original appointment dates.

### **Approval – Pole Inspection/Treatment Bid – Electric Department.**

Administration sought Council approval to retain Karcz Utility Services, LLC of Pulaski, WI, to do some pole testing, for an amount not to exceed \$15,000.

Electric Superintendent Mike Furmanski gave a brief overview on pole testing inspections.

**NB-3** Schumann moved, Blasier seconded, to approve to retain Karcz Utility Services, LLC of Pulaski, WI, to do some pole testing, for an amount not to exceed \$15,000.

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

Ayes: Schumann, Blaiser, Sattlem, Beauchamp, Tall  
Nays: None

**MOTION CARRIED.**

### **Approval – Swing Set Donation to the Learning Center – Recreation.**

Administration sought approval for the donation of one set of swings be donated to the Learning Center. The Recreation Advisory Board at their October 9, 2018, meeting motioned unanimously to recommend City Council approval.

Recreation Director Kim Peterson gave a brief overview on the swing set donation to the Learning Center.

**NB-4** Beauchamp moved, Sattem seconded, **CARRIED UNANIMOUSLY**, to approve of a donation of one set of swings be donated to the Learning Center as long as there is appropriate documentation stating the City is not responsible for any of the equipment in the future.

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

Ayes: Beauchamp, Sattem, Blasier, Schumann, Tall

Nays: None

**MOTION CARRIED.**

**Setting Obsolete Property Rehabilitation Exemption Public Hearing – November 1, 2018 – 301 North Lincoln Road – District No. 25.**

Dial Escanaba Mall I LLP, owner of 301 North Lincoln Road, has requested to be enrolled in the Obsolete Properties Rehabilitation Act (OPRA) (PA 146, 2000) which allows for partial exemption of property taxes for a specified period of time so that certain types of property improvements can be made. The intent of the legislation is to encourage rehabilitation of underutilized or decaying commercial or commercial/residential properties in certain designated communities. Administration recommend Council set a public hearing date for November 1, 2018, so there is public understanding of the project.

**NB-5** Blasier moved, Schumann seconded, **CARRIED UNANIMOUSLY**, to set a public hearing date for November 1, 2018, for the OPRA District No. 25 – 301 North Lincoln Road exemption so there is public understanding of the project.

**Approval – Resolution - MERS Uniform 457 Supplemental Retirement Program Plan – Treasurer.**

Administration sought approval of a resolution to open an additional 457 Plan through MERS.

City Treasurer Robert Valentine gave a brief over on the MERS Uniform 457 Supplemental Retirement Program Plan.

**NB-6** Resolved by Council Member Schumann, seconded by Council Member Blasier;

**MERS Uniform 457 Supplemental Retirement Program Resolution**

This Resolution, together with the MERS 457 Supplemental Retirement Program and Trust Master Plan Document and the MERS 457 Supplemental Retirement Program

Participation Agreement and any Addendum thereto, constitute the entire MERS 457 Deferred Compensation Plan Document.

**WHEREAS**, the Municipal Employees Retirement Act of 1984, Section 36(2)(a), MCL 38.1536(2)(a) (MERS Plan Document (Section 36(2)(a)) authorizes the Municipal Employees' Retirement Board (the "Board") to "establish additional programs including but not limited to defined benefit, defined contribution, ancillary benefits, health and welfare benefits, and other postemployment benefit programs," and on November 8, 2011, the Municipal Employees' Retirement Board adopted the MERS 457 Deferred Compensation Plan.

**WHEREAS**, this Uniform Resolution has been approved by the Board under the authority of Section 36(2)(a), and the Board has authorized the MERS 457 Deferred Compensation Plan, which shall not be implemented unless in strict compliance with the terms and conditions of this Resolution.

**WHEREAS**, the Participating Employer, a participating "municipality" (as defined in Section 2b(2) in the Municipal Employees Retirement Act of 1984; MCL 38.1502b(2); Plan Document Section 2b(4)) or participating "court" (circuit, district or probate court as defined in Section 2a(4) – (6) of the Act, MCL 38.1502a(4) – (6); Plan Document Section 2a(4) – (6)) within the State of Michigan has determined that in the interest of attracting and retaining qualified employees, it wishes to offer a deferred compensation plan;

**WHEREAS**, the Participating Employer has also determined that it wishes to encourage employees' saving for retirement by offering salary reduction contributions;

**WHEREAS**, the Participating Employer has reviewed the MERS 457 Supplemental Retirement Program ("Plan");

**WHEREAS**, the Participating Employer wishes to participate in the Plan to provide certain benefits to its employees, reduce overall administrative costs, and afford attractive investment opportunities;

**WHEREAS**, the Participating Employer is an Employer as defined in the Plan;

**WHEREAS**, concurrent with this Resolution, and as a continuing obligation, this Governing Body has completed and approved, and submitted to MERS and the Board documents necessary for adoption and implementation of the Plan; and

**WHEREAS**, the Governing Body for and on behalf of the Participating Employer is authorized by law to adopt this Resolution approving the Participation Agreement on behalf of the Participating Employer. In the event any alteration of the terms or conditions stated in this Resolution is made or occurs, it is expressly recognized that MERS and the Retirement Board, as sole trustee and fiduciary of the Plan and its trust reserves, and whose authority is nondelegable, shall have no obligation or duty to continue to administer (or to have administered) the MERS 457 Supplemental Retirement Program for the Participating Employer.

**NOW, THEREFORE, BE IT RESOLVED** that the Governing Body adopts the MERS 457 Supplemental Retirement Program as provided below.

- I. The Participating Employer adopts the Plan for its Employees.
- II. The Participating Employer hereby adopts the terms of the Participation Agreement, which is attached hereto and made a part of this Resolution. The Participation Agreement sets forth the Employees to be covered by the Plan, the benefits to be provided by the Participating Employer under the Plan, and any conditions imposed by the Participating Employer with respect to, but not inconsistent with, the Plan. The Participating Employer reserves the right to amend its elections under the Participation Agreement, so long as the amendment is not inconsistent with the Plan or the Internal Revenue Code or other applicable law and is approved by the Board.
- III. The Participating Employer shall abide by the terms of the Plan, including amendments to the Plan made by the Board, all investment, administrative, and other service agreements of the Plan and the Trust, and all applicable provisions of the Internal Revenue Code and other applicable law.
- IV. The Participating Employer acknowledges that the Board is only responsible for the Plan and any other plans of the Employer administered by MERS and that the Board has no responsibility for other employee benefit plans maintained by the Employer that are not part of MERS.
- V. The Participating Employer accepts the administrative services to be provided by MERS and any services provided by a Service Manager as delegated by the Board. The Participating Employer acknowledges that fees will be imposed with respect to the services provided and that such fees may be deducted from the Participants' accounts.
- VI. The Participating Employer acknowledges that the Plan contains provisions for involuntary Plan termination.
- VII. The Participating Employer acknowledges that all assets held in connection with the Plan, including all contributions to the Plan, all property and rights acquired or purchased with such amounts and all income attributable to such amounts, property or rights shall be held in trust for the exclusive benefit of Participants and their Beneficiaries under the Plan. No part of the assets and income of the Plan shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries and for defraying reasonable expenses of the Plan. All amounts of compensation deferred pursuant to the Plan, all property and rights acquired or purchased with such amounts and all income attributable to such amounts, property or rights held as part of the Plan, shall be transferred to the Board to be held, managed, invested and distributed as part of the Trust Fund in accordance with the provisions of the Plan. All contributions to the Plan must be transferred by the Participating Employer to the Trust Fund. All benefits under the Plan shall be distributed solely from the Trust

Fund pursuant to the Plan.

- VIII. This Resolution and the Participation Agreement shall be submitted to the Board for its approval. The Board shall determine whether the Resolution complies with the Plan, and, if it does, shall provide appropriate forms to the Participating Employer to implement participation in the Plan. The Board may refuse to approve a Participation Agreement by an Employer that does not possess State statutory authority to participate in the Plan. The Governing Body hereby acknowledges that it is responsible to assure that this Resolution and the Participation Agreement are adopted and executed in accordance with the requirements of applicable law.

**BE IT FINALLY RESOLVED:** This Resolution shall have no legal effect under the Plan until a certified copy of this adopting Resolution is filed with MERS, and MERS determines that all necessary requirements under the 457 Supplemental Retirement Program Plan and Trust, the Participation Agreement, and this Resolution have been met. All dates for implementation of the Plan shall be determined by MERS from the date of filing with MERS of this Resolution in proper form and content. Upon MERS determination that all necessary documents have been submitted to MERS, MERS shall record its formal approval upon this Resolution, and return a copy to the Employer.

Ayes: Schumann, Blasier, Sattlem, Beauchamp, Tall  
Nays: None

**RESOLUTION DECLARED ADOPTED.**

**Discussion/Update – United Impact Group, LLC FOIA.**

Heard legal counsel opinion on destruction date.

City Attorney Ralph B.K. Peterson stated the 2016 Election ballots could legally be destroyed but advised that the city retain the ballots for another six months. Mr. Peterson also advised the citizens to have no fear that there is no way that any of these ballots can be matched up with the voter. Mr. Peterson stated there was no cost for the city to retain the ballots and it would show the City of Escanaba was transparent and had no hidden agenda if a future FOIA request was made. Also, the city was advised by the Michigan Attorney General and the Michigan Municipal League to keep the ballots for another six months.

**NB-7** Blasier moved, Schumann seconded, to approve to destroy the 2016 Election ballots on October 19, 2018, the day after the Council Meeting.

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

Ayes: Blasier, Tall  
Nays: Schumann, Sattlem, Beauchamp

**MOTION FAILED.**

**Setting a Public Hearing for CDBG RLF Program for Northern Machining & Repair, Inc. – November 1, 2018 – Treasurer.**

Administration recommended Council set a public hearing date for November 1, 2018.

**NB-8** Blasier moved, Sattem seconded, to set a public hearing date for November 1, 2018, for the CDBG RLF Program for Northern Machining & Repair, Inc.

The vote was as follows:

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

**MOTION CARRIED.**

**Brownfield Redevelopment 381 Plan – 301 North Lincoln Road, Escanaba, Michigan.**

Council was requested to amend the City of Escanaba's Brownfield Redevelopment Act 381 Plan by including the Brownfield Redevelopment 381 Plan for property located at 301 North Lincoln Road, Escanaba, Michigan. The plan includes eligible activities, costs and estimated tax capture for reimbursement of eligible expenses under Public Act 381, of the Brownfield Redevelopment Financing Act. On October 17, 2018, the Escanaba Brownfield Redevelopment Authority conducted a public hearing and has recommended Council approval.

Myron Berry gave a brief overview on the Brownfield Redevelopment 381 Plan located at 301 North Lincoln Road.

**NB-9** Resolved by Council Member Blasier, seconded by Council Member Schumann;

**Resolution by the Escanaba City Council  
Approving a Brownfield Plan**

**Delta Plaza Mall and Outlots Brownfield Plan**

**Pursuant to and in accordance with the provisions of Act 381  
of the Public Acts of the State of Michigan 1996, as amended**

**WHEREAS**, the City of Escanaba Brownfield Redevelopment Authority ("Authority"), pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Act 381 of the Public Acts of the State of Michigan of 1996, as amended, has prepared a Brownfield Plan for Delta Plaza and Outlots ("Plan"), pursuant to and in accordance with Section 13 of the Act; and,

**WHEREAS**, the Authority conducted a Public Hearing pursuant to Section 14 of the Plan with proper notice given to the public and to taxing jurisdictions that levy taxes subject to capture as a result of this Plan; and,

**WHEREAS**, the Authority has recommended for approval by the Escanaba City Council the Brownfield Plan for Delta Plaza Mall and Outlots; and,

**WHEREAS**, as a result of its review of the Plan, the City Council desires to proceed with approval of the Plan;

**NOW THEREFORE, BE IT RESOLVED THAT:**

1. FINDINGS. The City Council makes the following determinations and findings:
  - A. The Plan constitutes a public purpose under the Act;
  - B. The Plan meets all of the requirements for a Brownfield Plan set forth in Sections 13 and 13b of the Act;
  - C. The proposed method of financing the costs of eligible activities by Dial Escanaba Mall LLP as described in the Plan is feasible.
  - D. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the act; and,
  - E. The amount of captured taxable value estimated to result from adoption of the Plan is reasonable.
  
2. PLAN APPROVED. Pursuant to the authority vested in the Authority by the Act, and pursuant to and in accordance with the provisions of Section 14 of the Act, the Act 381 Combined Brownfield Plan for Delta Plaza Mall and Outlots dated September 18, 2018 is approved for a period of 30 years beginning 2019 and adopts the Act 381 Combined Brownfield Plan for Delta Plaza Mall and Outlots as Site 19 in the City of Escanaba Brownfield Plan.

The vote was as follows:

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

**RESOLUTION DECLARED ADOPTED.**

**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**



Bonnie Heikkla, Escanaba resident, filed a Freedom of Information Act (FOIA) requesting emails and other documents related to the proposal. She went on to state City Code Official, Blaine DeGrave, who serves as the Administrative Liaison on the Board of Appeals, had stated he had not received the letter from Delta County Airport Manager TJ Reid opposing the tower. Ms. Heikkla believes there was lack of transparency.

Manager Jordan stated earlier in the project he had been in contact with TJ Reid, but does not remember receiving the letter.

There was discussion regarding once a decision is made by the Board of Appeals, the decision is final, but may appeal to the Delta County Circuit Court.

Dan Phalen, Escanaba resident, stated by allowing this cell phone tower the city is putting his life and everybody in the neighborhood at risk.

Schumann moved Tall seconded, approved a request to have the Board of Appeals review and relook at the decision with the additional information that has been brought to Council's attention.

The vote was as follows:

Ayes: Schumann, Tall, Beauchamp

Nays: Sattem

Abstain: Blasier

**MOTION CARRIED.**

William Gasman, Escanaba resident, expressed his concerns again regarding the Delta Plaza Mall property.

**ANNOUNCEMENTS**

- Annual Delta Animal Shelter Fundraiser will be held at the Island Resort & Casino;
- Trunk or Treat, will be held Saturday, October 27, 2018, 2:00 p.m. to 4:00 p.m., and are also looking for sponsors;
- Black Friday will be held Tuesday, November 20, 2018.

Hearing no further public comment, the Council adjourned at 8:10 p.m.

Respectfully submitted

Tammy A. Weissert, CMC  
Interim City Clerk

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