

March 24, 2008

Regular meeting of the Ludington City Council held in the Council Chambers of the Municipal Building on Monday, March 24, 2008 at 7:30 o'clock p.m.

Present: His Honor, Mayor John Henderson, Councilors Kaye Holman, Paul Peterson, Greg Dykstra, Brent Scott, Dave Weston, Pete Engblade, and Gary Castonia.

Absent: None

Also present were City Manager John Shay, City Attorney Roger Anderson, Police Chief Mark Barnett, Mayor's Youth Advisory Member Emily Rudnick, and City Clerk Deborah Luskin.

Invocation was pronounced by Councilor Pete Engblade.

Pledge to the Flag was given.

The agenda was corrected to include two additional items under Communication. Item 9 (b) was added to approve a Grant Application for the Loomis Street Breakwater Walkway Project and 9 (c) was added to allow the City Manager to give an update on the Kolfage tax appeal. Moved by Councilor Castonia, seconded by Councilor Holman, that the Agenda be approved. Motion Carried.

The meeting was opened for public comments. After no further comments were received, the regular order of business was resumed.

Moved by Councilor Peterson, seconded by Councilor Scott, that the minutes of the regular meeting held 3/10/08 be approved as printed. Motion Carried.

Moved by Councilor Holman, seconded by Councilor Engblade, to approve the request received from the Ludington and Scottville Chamber of Commerce to hold the 2008 Gus Macker Basketball Tournament on June 28 & 29, 2008, to close several streets including Stearns Drive and Lakeshore Drive, and to display the dates and welcome on the electronic sign. Councilor Peterson questioned what percentage the City will receive of the revenue from the tournament this year. City Manager Shay stated that the DPW and the Police Department provide a report summarizing the expenses incurred for this tournament after the event has passed. The Gus Macker Committee then has typically provided a contribution in the form of assistance on a community project. Last year a contribution was made to the Skate Plaza and a few years ago a contribution was made to add sprinklers to the Stearns Outer Drive. Councilor Castonia asked if this was a yearly contract. It was explained that the City does not have a yearly contract to hold the Gus Macker but rather it is the Ludington and Scottville Chamber of Commerce which holds the contract with the Gus Macker organization. Motion Carried.

Julie VanDyke, President/CEO of the Mason County Growth Alliance, presented a quarterly review of what has been happening in the County in 2008. She summarized the four key goals and presented the strategies to attain these goals for the Mason County Growth Alliance.

His Honor Mayor Henderson asked if the Mason County Growth Alliance and Ed Palsrok of WSCC could attend an upcoming City Council meeting to present the Manufacturing Stats which was recently presented to the Mason County Manufacturing Association. Councilor Engblade asked what the biggest barrier to get business to Mason County was. Julie VanDyke stated having the appropriate building size and space available as well as skilled workforce are two areas of concern for the prospective businesses that the Growth Alliance is courting. She stated that WSCC is well aware of this concern and both the Growth Alliance and the College are working to address this issue. Councilor Peterson asked about the resistance of engineers and other professional people to moving to this area. Julie VanDyke explained that the resistance is not with the engineer or professional but rather with the spouse who would also need to find a position and they are working to address this area of concern as well.

Moved by Councilor Holman, seconded by Councilor Peterson, that the Finance Report with total expenditures in the amount of \$318,457.43 be approved and orders drawn according to City Charter. Motion Carried.

Moved by Councilor Holman, seconded by Councilor Peterson, to approve the Resolution for Changing MERS Benefit for the City of Ludington, Municipality No. 5302, from a B-3 Benefit Multiplier to a B-4 Benefit Multiplier effective June 1, 2008 for all employees covered under the Municipal Employees Retirement System. Motion Carried.

Moved by Councilor Holman, seconded by Councilor Weston, that the low bid received from Blarney Castle for the delivery of fuel at the Municipal Marina for 2008, be accepted as recommended by the Marina Board. It was noted that bid received from Blarney Castle was the same as last year. Motion Carried.

Moved by Councilor Castonia, seconded by Councilor Weston, to approve the following three 2008 Engineering Agreements between the City of Ludington and Prein & Newhof. The language is the same within each agreement and only the total cost and project description of the work is different. The projects are listed as follows.

1. Provide engineering services for the design and replacement of approximately 1,270 linear feet of sanitary sewer and 925 linear feet of water main on South Madison Street between First and Fourth Streets, including street, curb & gutter, and sidewalk restoration. Total engineering cost of \$57,000.
2. Provide engineering services for the design and replacement of approximately 925 linear feet of sanitary sewer and roadway on Franklin Street between Anderson and Russell Streets, including street widening to include a bus lane, curb & gutter, and sidewalk relocation adjacent to the school. Total engineering cost of \$36,929.
3. Provide engineering services for the design and replacement of approximately 284 linear feet of sanitary sewer and 350 linear feet of water main on North Lewis Street between Fitch and Tinkham Streets, including street, and curb & gutter restoration. Total engineering cost of \$27,625.

Motion Carried.

Moved by Councilor Castonia, seconded by Councilor Scott, to approve the Industrial Pretreatment Supplemental Agreement for Discharge between the City and Harland's Allied Sanitary Landfill. This agreement requires Harland's to deliver a minimum of 100,000 gallons of leachate each month of calendar year 2008 and 130,000 each month beginning January 1, 2009. The price per gallon for the disposal and treatment of leachate will be set at \$25 per 1,000 gallons effective May 1, 2008. Councilor Dykstra asked if Harland's was a Mason County company and it was explained that they were from Manistee. Wastewater Treatment Superintendent Rob Allard explained that we accept such a small amount and he does not expect that we will stop allowing the acceptance of leachate. Rob Allard explained that the City takes leachate from the Mason County Landfill in Scottville and also take some leachate from Consumers Power. Councilor Dykstra asked if we are taking any leachate from across the state and Rob explained that there are no requirements as to who we can accept leachate from but the furthest distance leachate is now hauled is from Manistee. Motion Carried.

Moved by Councilor Castonia, seconded by Councilor Engblade, to approve increasing the rate to accept leachate from \$17 per 1,000 gallons to \$25 per 1,000 gallons. Motion Carried.

Moved by Councilor Castonia, seconded by Councilor Engblade, to approve increasing the rate to accept septage from \$17 per 1,000 gallons to \$35 per 1,000 gallons effective May 1, 2008. Councilor Weston asked if the City's rates were still lower than Muskegon. The City Manager stated that if we move to \$35 we will be at what Muskegon charges other than some analytical fees. He also explained that the City is working toward obtaining a proposal for revamping the existing leachate and septage receiving station in front of the Wastewater Treatment Plant. The leachate is currently being dumped across the street from the DPW building and the City is getting complaints from the local businesses around that location regarding the odor. The additional revenue from the increase in leachate and septage rates will go toward the cost of making the current station acceptable for handling the leachate and septage. Motion Carried.

Moved by Councilor Weston, seconded by Councilor Castonia, authorizing the City Manager and the City Clerk (contingent upon the Western Mason County Fire District Authority approving the purchase of the aerial truck and entering into the Agreement to Transfer Title and Assumption Agreement) to sign a contract with Pierce Manufacturing to purchase an aerial truck in the amount of \$854,223 and Installment Purchase Contract among the City of Ludington, Pierce Manufacturing (or its authorized dealer), and a bank to be determined later; and an Agreement to Transfer Title and Assumption Agreement between the City and the Western Mason County Fire District Authority. Fire Chief Funk explained that a committee consisting of fellow firemen Gary Lange, Andy Larr, Fred Hackert, and Leo Lindbloom interviewed six different vendors who manufacture aerial fire trucks and finally flew to Wisconsin to look at a truck by Pierce Manufacturing. Chief Funk thanked the committee for their commitment to researching the different vehicles. Councilor Engblade asked how many hours the old aerial truck has on it. Chief Funk did not know but explained that the current truck is twenty four years old. He also explained that there is a potential buyer of the old truck for \$75,000. His Honor Mayor Henderson publicly thanked Chief Funk and the committee for their work on selecting this vehicle. Motion Carried.

Moved by Councilor Engblade, seconded by Councilor Weston, to deny Casmar LLC's request for a second amendment to the Purchase Agreement to extend the timeframe in which Casmar LLC would be eligible to receive a rebate of \$1,300 that was to expire in June 2007 and the \$500 rebate that was to expire on June 4, 2008. Councilor Engblade gave a brief history of the agreement. In 2005, the City signed a purchase agreement in which Casmar LLC purchased the last parcel in the City's industrial park. The City agreed with Casmar LLC to allow a \$1,300 credit for each full time job created within one year of the date that the certificate of occupancy was issued and a \$500 rebate for

every full-time job created in the second year following issuance of the certificate of occupancy, excluding those jobs created in the first year. In June 2006, the Casmar LLC came back and asked the City to extend this agreement with a six month extension due to the poor economy and a change in leadership of the Mason County Growth Alliance. The deadline for Casmar LLC to be eligible to receive the \$1,300 rebates expired in June 2007, and the deadline for Casmar LLC to be eligible to receive the \$500 rebates will expire on June 4, 2008. Motion Carried.

Councilor Enblade, presented the January and February 2008 Monthly Building, Zoning and Enforcement report and he complimented the Building Department for doing a fine job. Motion Carried.

Moved by Councilor Dykstra, seconded by Councilor Weston, to approve the proposed Stearns Park Concession Stands Concession Agreement between the City and West Shore Youth for Christ (WSYC). Councilor Enblade asked if West Shore Youth for Christ had to provide their own equipment and City Manager Shay stated that the City does not have to provide any equipment that it will be up to WSYC to provide their own equipment. The City provides the building, the utilities, the shuffleboard courts, but not the equipment. The City also does not receive monies generated from the operating agreement but does provide a service to the public. Councilor Scott asked if it would be possible to have a sheet in each restroom that indicates that the restrooms have been cleaned every hour. Councilor Dykstra stated that this is a one year agreement, with an option to renew. Motion Carried.

Councilor Dykstra stated that it was the Cemetery, Park, and Recreation Committee's recommendation based on information received from the City's Risk Management Authority that providing a permanent or temporary ice shanty launch and walkway onto PM Lake at Copeyon Park is considered high risk because the City personnel are not qualified to determine or monitor ice conditions for safety. Therefore, it is the Committee's recommendation to deny Patrick Masiwchuk's earlier request to Council to consider installing a permanent ice shanty launch onto PM Lake at Copeyon Park.

RESOLUTION FOR THE CREATION OF A HISTORIC PRESERVATION COMMITTEE

WHEREAS, Preserve America Community distinction requires the creation of a local government body, such as a board or commission, charged with leading historic preservation activities within the community;

WHEREAS, the City of Ludington supports the continued preservation of local history and architectural buildings;

WHEREAS, the City supports the creation of an ad hoc committee, appointed by the mayor charged with leading historic preservation throughout the City of Ludington;

WHEREAS, the Historic Preservation Committee will promote the preservation of the structural and natural historical integrity of the City of Ludington;

THEREFORE, BE IT RESOLVED, that the City Council of the City of Ludington authorizes the creation of a Historical Preservation Committee.

Moved by Councilor Scott, seconded by Councilor Weston, to approve the foregoing Resolution for the Creation of a Historic Preservation Committee.

His Honor Mayor Henderson explained that last year the City of Ludington attempted to get historical designation and from that process it was learned that the City must have a formal Historical Preservation Committee. Mayor Henderson is asking the Council to create a Historic Preservation Committee. He has contacted some people, including Councilor Peterson, regarding establishing an ad hoc committee that will go out and learn how other communities are preserving their heritage in their communities and the ad hoc committee will come back to present how the City can maintain a long term preservation committee. Councilor Dykstra questioned what their function would be. His Honor Mayor Henderson stated that the committee will go out and look at other models in the country and see what a historical preservation committee looks like, what are they charged with, and how do they preserve history in the community. City Manager Shay stated that the primary reason to establish such a committee would be to be eligible for historic grants. City Attorney Anderson questioned if this Committee would mean creating a Historic District, and it was stated that this was not the case. Motion Carried.

RESOLUTION TO SUBMIT AN APPLICATION TO THE MICHIGAN NATURAL RESOURCE TRUST FUND FOR LOOMIS STREET BREAKWALL EXTENSION WALKWAY

WHEREAS, the City of Ludington has received grant funding for the construction of a breakwall extension located at the Loomis St. Boat Launch facility; and

WHEREAS, the city of Ludington desires to construct a walkway atop the new breakwall in order to provide a universally accessible walkway and fishing pier for residents and visitors; and

WHEREAS, the City of Ludington has received preliminary engineering estimates for the walkway from Prein & Newhoff of \$167,100; and

WHEREAS, the City of Ludington has actively engaged the public in the concept and design of the West End Ludington Development plan of which the breakwall is a part through several public meetings and updates at regularly scheduled meetings of the City Council, the most recent meeting being October 8, 2007, with an additional public comment being held on March 27, 2008, prior to the submission of the grant,

THEREFORE, BE IT RESOLVED, that the City of Ludington authorizes the submission of a grant application to The Michigan Natural Resources Trust Fund for the Universally Accessible Walkway & Fishing Pier in the amount of \$167,100 with a 25% maximum match requirement of \$41,800 so long as no unforeseen comments and obstacles are received at the additional public comment session scheduled for March 27, 2008.

Moved by Councilor Dykstra, seconded by Councilor Peterson, to approve the foregoing Resolution to Submit Application to the Michigan Natural Resource Trust Fund for Loomis Street Breakwall Extension Walkway. City Manager Shay explained that in 2008 the City of Ludington received a grant for \$172,000 to install a breakwater that will attach to the north end of the existing breakwater and run at an angle to the shoreline as part of the west end of Ludington Avenue project. This grant pays for the actual breakwater itself. The City would like to apply for another grant that is due April 1, 2008, to install a concrete walkway and railing on top of the breakwater for public access. The estimated cost of the walkway and railing including construction costs, construction contingencies, and engineering is approximately \$167,100. The grant through the Michigan Natural Resources Trust Fund has a maximum local match of 25%. The City is trying to design the project and structure the grant application to make the walkway universally accessible to people of all abilities and if this is accepted then the local match will be reduced from 25% to 12.5%. The time frame for this grant is 12 to 18 months and so the budgetary impact of the match would not happen until 2009. Councilor Holman questioned the public comment session and City Manager Shay explained that there would be a public comment period on March 27th specifically on this walkway. He explained that if the resolution is approved the meeting will be publicized. Councilor Scott asked if this project would be coordinated with the marina project and City Manager Shay explained that the coordination of the new transient dock at the municipal marina and the new breakwater at Loomis Street will happen in 2008. The concrete walkway will happen in the future through grant funding. Motion Carried.

City Manger Shay presented an update on the Kolfage tax appeal update. The decision from the Michigan Tax Tribunal on the Kolfage tax appeal ruled in the City's favor for 2003-2006. An offer to settle had been made in the past, but was not accepted. In pursuing the appeal, the Tax Tribunal has lessened the City's offer and His Honor Mayor Henderson explained that the City does try to work with the taxpayer to make sure the taxes are fair and just.

Councilor Holman questioned whether the City was charging \$7 to use the dog park. It was explained that there was no fee for this park. It was her understanding if a person were to just use the dog park there would be no charge to use the Loomis Street Boat Ramp parking lot. She is asking that clarification be made to those involved that this is a free dog park.

Councilor Holman also thanked Mayor Henderson for delivering meals on wheels.

Councilor Peterson stated that several years ago the Council passed a motion to deliver the Council meeting packets on the Thursday evening before the Monday Council meeting. He stated that he would like Council to consider moving the delivery of these packets to Friday evening to alleviate the stress on the office to rush to get the materials out. His Honor Mayor Henderson stated that Council will address this issue in the future.

Councilor Castonia presented an update on the recent WMSRDC meeting.

Councilor Castonia asked to be excused from the next Council meeting.

Mayor Henderson reminded all that the WMOM lake jump is scheduled for Saturday, March 29th, at 11:30 a.m.

Moved by Councilor Engblade, seconded by Councilor Holman, that the meeting be adjourned. So carried at 8:45 p.m.

Deborah L. Luskin, City Clerk