

June 23, 2008

Regular meeting of the Ludington City Council held in the Council Chambers of the Municipal Building on Monday, June 23, 2008, at 7:30 o'clock p.m.

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

Absent: Councilor Dykstra who was excused as he is on vacation.

Also present were City Manager John Shay, City Attorney Roger Anderson, Police Chief Mark Barnett, Fire Chief Jerry Funk, and City Clerk Deborah Luskin.

Invocation was pronounced by Councilor Pete Engblade.

Pledge to the Flag was given.

Item 7 (b) Public Hearing for the Police Pension Millage along with adopting Ordinance No. 180-08 was removed from this agenda and moved to the July 14, 2008 agenda due to a majority of council members not available to vote on this specific issue. Three of the council members present are retired police officers and cannot vote on this issue. Moved by Councilor Peterson, seconded by Councilor Holman, that the Agenda be approved as corrected. 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 Holman, seconded by Councilor Scott, that the minutes of the regular meeting held 06/09/08 be approved as printed. Motion Carried.

A public hearing was held on the proposed operating millage and garbage and rubbish millage for the City. After no comments were received, the regular order of business was resumed.

ORDINANCE NO. 179-08

Short Title: An Ordinance creating the Appropriation Bill for the City of Ludington, Michigan, for the year January 1, 2009 to December 31, 2009

THE CITY OF LUDINGTON ORDAINS:

Section 1:

That the several sums of money mentioned shall be appropriated to defray the expense of the City of Ludington, Michigan, for the next fiscal year, as estimated and determined by the Ludington City Council, and the City Clerk is directed to certify the same to the Mason County Board of Commissioners.

Revenue generated from the following millages is based on an equivalent Taxable Valuation of \$266,788,423., which includes the IFT Rolls.

General Operating

11.5675 Mills	\$3,086,075.08
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Garbage & Rubbish

2.7762 Mills	\$ 740,658.02
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TOTAL MILLS 14.3437 Mills	\$3,826,733.10
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Section 2:

This Ordinance being necessary to the public health and safety, shall take effect immediately upon publication in accordance with the City Charter.

Moved by Councilor Holman, seconded by Councilor Peterson, that Ordinance No. 179-08 be adopted.

Roll Call: Ayes: Councilors Holman, Castonia, Peterson, Engblade, Weston, and Scott.

Nays: None.

Absent: Councilor Dykstra. Motion Carried.

A public hearing was held on the proposed Downtown Development Authority operating millage. After no comments were received, the regular order of business was resumed.

ORDINANCE NO. 181-08

Short Title: An Ordinance creating the Millage Rate for the Downtown Development Authority for the City of Ludington, Michigan, for the year January 1, 2009 to December 31, 2009

THE CITY OF LUDINGTON ORDAINS:

Section 1:

That the sum of money mentioned shall be levied within the downtown development district to defray the expense of the Downtown Development Authority of the City of Ludington, Michigan, for the next fiscal year, as estimated and determined by the Ludington City Council, and the City Clerk is directed to certify the same to the Mason County Board of Commissioners.

Revenue generated from the following millage is based on an equivalent Taxable Valuation of \$26,112,989.

Operating		
	1.6080 Mills	\$ 41,989.69
TOTAL MILLS	1.6080 Mills	\$41,989.69

Section 2:

This Ordinance being necessary to the public health and safety, shall take effect immediately upon publication in accordance with the City Charter.

Moved by Councilor Scott, seconded by Councilor Holman, that Ordinance No. 181-08 be adopted.

Roll Call: Ayes: Councilors Scott, Weston, Holman, Englade, Castonia, and Peterson.

Absent: Councilor Dykstra.

Nays: None. Motion Carried.

Moved by Councilor Holman, seconded by Councilor Peterson, that the Finance Report with total expenditures in the amount of \$480,972.67 for this period be approved and orders drawn according to the City Charter. Motion Carried.

ORDINANCE NO. 183-08

Short Title: An Ordinance To Approve a Contract or Lease.

THE CITY OF LUDINGTON ORDAINS:

Section 1 Pursuant to Section 8.10 of the Charter of the City of Ludington, the City Council hereby approves the extension of a three year contract with BERTHIAUME & COMPANY, CERTIFIED PUBLIC ACCOUNTANTS, to audit the financial statements of the City of Ludington, at the following costs for services:

	AUDIT
December 31, 2008	\$20,500
December 31, 2009	\$20,500
December 31, 2010	\$20,500

Section 2 Effective Date: This ordinance shall be effective twenty (20) days after its adoption and publication.

Moved by Councilor Holman, seconded by Councilor Peterson, that Ordinance No. 183-08 be adopted.

Roll Call: Ayes: Councilors Peterson, Englade, Castonia, Holman, Scott, and Weston.

Absent: Councilor Dykstra.

Nays: None. Motion Carried.

Ordinance No. 182-08, an ordinance authorizing the City Manager and City Clerk to enter into an agreement with the Charter Business Telephone and Internet Service for three years, was presented for the first reading. A revised spreadsheet was distributed and reflected that the police and fire department would not be able to change to Charter as Verizon has an analog service that is required by these departments and which Charter does not offer. Therefore, the annual savings was reduced from the original \$14,268.29 to \$6,745.64.

Ordinance No. 182-08 shall be presented for adoption on 7/14/08 and is available for public inspection in the City Clerk's office during regular business hours.

Mark Lee from Prein & Newhof, explained that the initial estimate of the South Madison Avenue Project included road improvements, water, and sewer between First Street and Fourth Street. This included pulverizing and reshaping the existing bituminous surface along with the gravel base. When the contractor began to do the pulverizing they encountered a concrete road between First Street and Second Street and a rock ballast material between Second Street and Fourth Street, which they were unable to pulverize. Due to the contractor's schedule, Prein & Newhof worked with the City of Ludington to come up with a solution to keep this project on schedule with a reasonable solution of removing the material to avoid claims for damages from delays. Therefore, Change Order #1 included the work items related with the removal of the paved surface, concrete, and rock ballast, trucking the material to Towns Trucking for recycling, and replacing the aggregate base. The Change Order also included the replacement of more sidewalk that was determined to be in bad shape. Moved by Councilor Castonia, seconded by Councilor Scott, to approve Change Order No. 1 for the South Madison Avenue Project to allow for the additional cost of \$68,853.01. Councilor Holman questioned if these changes should be on two separate change orders as they were handled in two

separate processes. City Manager John Shay explained that change orders have been combined in the past. Motion Carried.

The date of 07/14/2008 was set for a public hearing to establish an Obsolete Property Rehabilitation District at 107 N. Franklin and 717 E. Ludington Avenue.

The date of 7/14/2008 was set for a public hearing to obtain the public's input on the proposed amendment to the DDA TIF Plan. The purpose of the Plan Amendment is to provide an opportunity to assist in the overall revitalization of downtown Ludington. His Honor Mayor Henderson stated that the TIF District will capture 12% of the taxable dollars in the DDA District.

City Manager John Shay presented an update on the 6/12/2008 storm damage. 10" of rain fell and this caused the water in the Creamery Corners drain to rise rapidly. When the culvert became plugged the water went around the culvert and undermined the dirt collapsing the road on South Madison which caused damage to the sewer force main that carries 90% of the City's sewage, a water main, a sanitary sewer main, storm sewer, and a power pole. Hallack Contracting responded to our request for help and water was restored to Whitehall Industries on Friday. The force main was repaired by Sunday and the sanitary sewer main was temporarily repaired by Monday afternoon. City Manager Shay commended the city employees on the incredible job they did during this storm effort along with the team effort with the county. The estimated cost of repairs is just under \$400,000, including repairs to the culvert, the force main, the sanitary sewer, the storm sewer, the water main, the road surface, the overtime of City employees, removal of trash and debris, as well as removing the cost of material deposited in the bayou. His Honor Mayor Henderson also commended the City employees as well as recognized the City residents' efforts to help each other. Councilor Scott expressed thanks to the Council on taking City Manager Shay and Wastewater Superintendent Allard's advice earlier in the year to make improvements on the Rath Avenue lift station at the time they did rather than waiting to go out on bid. This was a great service to the City.

RESOLUTION OF SUPPORT FOR THE GEO GROUP EXPANSION OF THE NORTH LAKE CORRECTIONAL FACILITY

WHEREAS, the City of Ludington and Michigan Works! West Central support economic development, which will result in employment for the residents of west central Michigan; and

WHEREAS, the GEO Group, Inc. plans to invest over \$60 million in a 1,225 bed expansion of the 500-bed North Lake Correctional Facility located in Lake County; and

WHEREAS, that expansion should result in jobs supporting families and thus provide economic growth and stability to this region in Michigan; and

WHEREAS, a number of those jobs may be held by residents of west central Michigan; and

WHEREAS, the creation of a number of new jobs held by residents of west central Michigan will improve the economic conditions within the region, stimulate economic growth and improve the quality of life.

THEREFORE, BE IT RESOLVED, that the Ludington City Council supports the GEO Group, Inc.'s plan to expand the North Lake Correctional Facility.

Moved by Councilor Scott, seconded by Councilor Holman, to adopt the foregoing resolution. Motion Carried.

His Honor Mayor Henderson reminded the City of Gus Macker this weekend.

Councilor Peterson asked about the MDOT pedestrian countdown signals at Rath Ave., James Street, and Ludington Avenue. City Manager Shay explained that at a Public Safety Public Utilities meeting in the fall 2007, these signals were discussed and that MDOT would install them with the intention that the signals would literally countdown from a designated number to allow for pedestrian traffic flow.

Councilor Peterson also asked whether a public comment brought to Council at the 6/9/08 meeting had been resolved. Police Chief Mark Barnett explained that the man who made the comment will be in the police station on Tuesday to continue the discussion.

Police Chief Mark Barnett commented that July 2 at 5:30 p.m. is opening day at the Ludington Skate Park.

His Honor Mayor Henderson encouraged everyone to take time with their families to enjoy the 4th of July.

Moved by Councilor Engblade, seconded by Councilor Weston, that the meeting be adjourned. So carried at 8:10p.m.

