

**ESSEXVILLE CITY COUNCIL
REGULAR MEETING
October 13, 2009 7:00 PM
COUNCIL CHAMBERS**

Mayor Tanner called the REGULAR MEETING of the Essexville City Council held on October 13, 2009 to order at 7:00 PM.

Councilmen Graham and Hydorn led the Pledge of Allegiance.

ROLL CALL

The following City Council Members were present at the meeting: Barrow, Chavalía, Connelly, Graham, Hydorn, Link and Tanner.

ABSENT: None

APPROVAL OF AGENDA

Graham, Barrow:

Resolved the agenda be approved as written.

YES: Unanimous

Motion Carried

CONSENT CALENDAR

Connelly, Graham:

A. Resolved; the minutes as prepared by the City Clerk of the City Council's September 8, 2009 regular meeting are approved.

B. Resolved; the City Council establishes 6:00 p.m. to 8:00 p.m. on Saturday, October 31, 2009 as the recommended time for Halloween trick or treat activities in the City of Essexville.

YES: Connelly, Graham, Barrow, Chavalía, Hydorn, Link, Tanner

Motion Carried

CITIZEN INPUT

Mary Monville, 4 Franklin Court, would like to have her penalty waived on her water bill because it was post marked on September 20th but was not entered into the computer system until September 22nd.

Tom Bleau, 1102 Woodside Avenue, brought up his request to see a manger scene displayed in front of City Hall during the holiday season.

Dr. Richard Link, 5 West Sharlear, commented that there was a nice turn out for Kid's Fest and thanked everyone who helped to make it happen. He also thanked Chief Weiler for his role in getting the Garber parking lot lights fixed. He also commented on the windmill recently put up by the DEQ in Bay City.

Tom Rehmus, 611 Third Street, personally thanked Councilman Graham and Hydorn for their time and effort while serving on City Council.

The Mayor asked if any citizens wished to address the Council, hearing none, he continued with the agenda.

COUNTY COMMISSIONER'S REPORT

Mr. Krygier, County Commissioner, informed the Council that Bay County did receive an application from Affordable Green Energy for a tax abatement certificate. Terry Watson, Bill Tacey, Don Tilley, and Mike Duranczyk were appointed on the board for the Land Bank being started by Bay County. There is a human services meeting scheduled for Tuesday, October 27th which will be comprised of all department heads to discuss position realignments and possible service reductions.

COMMITTEE REPORTS

FINANCE COMMITTEE

PAYMENT OF BILLS

Connelly, Link:

Resolved; that expense vouchers 10 through 11 totaling \$174,196.98 and payroll voucher 12 totaling \$87,954.35 for a grand total of \$262,151.33 paid as stated.

YES: Connelly, Link, Barrow, Chavalía, Graham, Hydorn, and Tanner Motion Carried

LEGISLATIVE COMMITTEE

AMENDMENT TO ZONING ORDINANCE

Graham, Connelly:

Resolved; the City Council sets Monday, November 16, 2009 as the date for a public hearing on proposed amendments to the City's Zoning Ordinance said hearing to be held during the regular and organizational meeting of the City Council to be held on that date.

Yes: Unanimous

Motion Carried

WIND ENERGY CONVERSION SYSTEM ORDINANCE

City Attorney Pergande reported that the City is trying to create a proposed wind energy conversion system ordinance. He is looking at other municipalities wind generator ordinances and working with Al Hugo, the building inspector on this matter. The new ordinance will be composed of one section of the zoning ordinance and will require building and electrical permits. It is his recommendation that a small group be comprised, on behalf of the City, in order to conduct its own tests relating to windmills.

MUNICIPAL RELATIONS COMMITTEE

Councilman Link had no report.

PARKS AND RECREATION COMMITTEE

Councilman Hydorn had no report.

PUBLIC IMPROVEMENT COMMITTEE

Councilman Barrow had no report.

PUBLIC RELATIONS COMMITTEE

Councilman Connelly announced that the Citizen of the Year Award is coming up and anyone with nominations should submit them to City Hall staff by the end of October. He also reported on Mayor's Exchange saying that he heard many positive comments from the people visiting

from the City of East Tawas when Essexville hosted. He was disappointed he was not able to go to the City of East Tawas but heard from those that did attend it was an enjoyable and educational trip.

UTILITY AND SPECIAL COMMITTEE

Councilman Chavalia had no report.

PLANNING COMMISSION

Councilman Connelly reported that the Planning Commission will meet this month and a public hearing will take place on Monday, October 26th to discuss the rezoning of properties on Prairie and Smith Streets.

DOWNTOWN DEVELOPMENT AUTHORITY

Councilman Hydorn stated that the DDA did not have a meeting this month, but Kid's Fest went very well and the DDA had paid for Mayor's Exchange.

MAYOR'S REPORT

The Mayor reported on how Mayor's Exchange went with the City of East Tawas. He said that he was very proud and impressed with the City of Essexville when it hosted East Tawas. Mayor Tanner reported that the City of East Tawas's buildings and facilities are unbelievable and that the people were very hospitable. He presented Councilmen Graham and Hydorn with certified proclamations in recognition of their 12 years of service on the Essexville City Council.

ATTORNEY'S REPORT

The City Attorney had no report this month.

CITY MANAGER'S REPORT

The City Manager reported on his miscellaneous communication to the City Council. **Water Issues.** Mr. Majerczyk has a meeting scheduled for Monday, October 26 with Ken Miller, Terry Spegal and Robert Belleman to continue discussions on water issues. **Problem Properties:** The City recently served notices to four residents regarding unsafe garage structures. A hearing before the Housing Hearing Officer has been scheduled for October 28th for the owners of 1500 Borton Avenue who have failed to comply with the order to obtain permits to repair or demolish the garage. Chemical Bank is in the process of obtaining title to a small lot along the west boundary that is not included in the foreclosure of Gateway Place. **Woodside Avenue Redevelopment Project:** Nothing new to report. **NPDES Permit:** Mr. Majerczyk said that he meets regularly with Ken Miller and Terry Spegal regarding the WWTP project. He informed the Council that there are Build America Bonds, which would reimburse the City for 35% of interest paid on the USDA loan. He is still looking into the idea, as this they allow the City to repay it's debt in 20 years instead of 40 years. **Industrial Development Projects** Affordable Green Energy submitted an application for an Industrial Facilities Tax Exemption. **Financial/Strategic Planning** Nothing new to report. **Other Reports and Matters:** Mr. Majerczyk expects to have a Grade Inspection Meeting pertaining to the Borton Avenue Project. Due to Center Avenue being closed the City's Average Daily Traffic ("A.D.T.") has gone up on some streets. The last year an A.D.T. was conducted was in 2007. The comparison between 2007 and 2009 are the following: Nebobish railroad crossing 2007: 1,000 cars per day 2009: 7,000 cars per day. Borton railroad crossing 2007: 4,000 cars per day 2009: 11,500 per day. The City may lose up to 33% of its statutory revenue sharing amounting to \$40,000-50,000 per year based on the State of Michigan's recently adopted budget. The City Manager is working on a 5-10 year financial assessment and strategic plan for the City.

UNFINISHED BUSINESS

PUBLIC HEARING – AFFORDABLE GREEN ENERGY, LLC APPLICATION FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE

The Mayor opened the Public Hearing at 8:24 P.M.

Tom Rehmus, 611 Third Street, said a few years ago when Carbone of America came to the City for a tax abatement he thought that it was wrong to do, but seeing what Mr. Fonzi has done through, the process he went through, and looking at the dollars and sense of the situation if he was still sitting at the council table he would support it.

John Freel, 2200 Tackle Street, said he is particularly impressed with the investment put in by the developer. Essexville has been begging for this for the past 12 years and he certainly will support this.

Robert Mantei, 406 Main Street, said he supports the tax abatement. Mr. Fonzi is taking a huge risk himself and we owe this to him for what he has done in Essexville.

Tom Bleu, 1102 Woodside Avenue, said that half the taxes are better than none.

Glenn Fonzi, 1801 Jarman Street, updated the Council on the progress of the building for Affordable Green Energy. A couple of townships he works with have a rule that that the windmill should not give off more than 55 decibels from any property line. He said that 99% of Essexville would be small wind, and that there is not enough room in Essexville to put up a large wind generator.

Tom Rehmus, 611 Third Street, said that a while back the City had a problem with smoke from wood stoves interfering with people's asthma. Take this in effect when drafting the wind ordinance so that all the bases are covered.

John Freel, 2200 Tackle Street, said there is going to be a problem when manufacturers start putting out the same size product but with different decibels.

Glenn Fonzi, 1801 Jarman Street, said the City could set a decibel range but make a special certain period of time (15 seconds) that the generator can exceed the set decibels for times when the wind picks up.

The Mayor closed the Public Hearing at 8:50 P.M.

CONSIDERATION OF AFFORDABLE GREEN ENERGY, LLC APPLICATION FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE

Graham, Hydorn:

Whereas Affordable Green Energy, LLC located at 1801 Jarman Street, submitted an application for an Industrial Facilities Tax Exemption Certificate ("IFT") in the actual amount of \$650,000 for the cost of constructing a new manufacturing facility and related machinery and equipment pursuant to Act 198, Michigan Public Acts of 1974, as amended; and

Whereas the Essexville City Council, by resolution passed at its regular meeting of March 14, 2000, declared an "Industrial Development District" for the property upon which the facility will be located as required by Act 198 of the Michigan Public Acts of 1974, as amended; and

Whereas the Essexville City Council specifically finds that the granting of this IFT is in the public interest and when considered together with the aggregate amount of all certificates presently in force issued pursuant to the above Act is less than one percent (1%) of the state equalized valuation of the City; it is herewith determined that approving said IFT shall not have the effect of substantially impeding the operation of the local governmental unit or impairing the financial soundness of a taxing unit which levies ad valorem property tax in the local governmental unit in which the facility is to be located; and

Whereas all requirements of Act 198 of the Michigan Public Acts of 1974, as amended, have been complied with and therefore the facility is eligible to receive an IFT;

Now, Therefore Be It Resolved; the application of Affordable Green Energy, LLC is approved for a period of twelve (12) years for the cost of constructing a new manufacturing facility and new machinery and equipment in the actual aggregate amount of \$650,000; and

Be It Further Resolved; the Mayor and the City Clerk are authorized to execute a letter of agreement with Affordable Green Energy, LLC setting forth the terms and conditions under which the application for the IFT is being approved said authorization subject to approval of the agreement by the City Manager as to substance and the City Attorney as to form.

YES: Graham, Hydorn, Barrow, Chavalía, Connelly, Link, Tanner Motion Carried

NEW BUSINESS

NONE

INFORMATIONAL COMMUNICATIONS

Miscellaneous Informational Communications were received for the Council's review.

CITIZEN INPUT

Tom Bleau, 1102 Woodside Avenue, brought up his request to see a manger scene displayed in front of City Hall during the holiday season.

The Mayor asked if any other citizen wished to address the Council, hearing none, he continued with the agenda.

ADJOURNMENT

Hydorn, Graham:

Resolved; that the meeting be adjourned.

YES: Unanimous voice vote

Motion Carried

The meeting adjourned at 9:00 PM

Russell Tanner
Mayor

Sarah J. Wilcox
City Clerk
