

August 3, 2022

CITY COMMISSION  
AGENDA  
WEDNESDAY, AUGUST 3, 2022  
6:00 P.M.

- A. CALL TO ORDER THE REGULAR CITY COMMISSION MEETING, PLEDGE OF ALLEGIANCE, ROLL CALL
- B. PUBLIC COMMENT (non-agenda items)
- C. OLD CITY BUSINESS
  - 1. Harbor Master Monthly Report
- D. NEW CITY BUSINESS
  - 1. Acceptance of Dan Malone's Retirement as Fire Chief
  - 2. Approve Recommendation to Appoint Ryan Anderson as the New Fire Chief
  - 3. Approve Agreement and Resolution with Michigan Department of Natural Resources - Brown's Addition Boat Launch Project
  - 4. Budget Adjustments Regarding the Brown's Addition Boat Launch Project
  - 5. Development Agreement with Base Hospitality Group Land
  - 6. Kleiman Pump & Well Drilling, Inc. Proposal for Tourist Park Pumping Hardware/Installation
  - 7. Recommendations on Spending American Rescue Plan Act Funds
  - 8. Approve City Commission Meeting Minutes of 7-18-2022
  - 9. Approve Check Register/List of Bills
  - 10. City Manager Report
- E. CORRESPONDENCE
- F. PUBLIC COMMENTS (non-agenda items)
- G. ADJOURNMENT

CITY COMMISSION

Official Proceedings

- A. CALL TO ORDER THE REGULAR CITY COMMISSION MEETING, PLEDGE OF ALLEGIANCE, ROLL CALL

The Regular Meeting of the City Commission was duly called and held on Wednesday, **August 3, 2022**, in the City Commission Meeting Room of City Hall. Mayor Nettleton called the meeting to order at 6:00 p.m.

PRESENT: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
ABSENT: Commissioner: Ballas - excused

- B. PUBLIC COMMENT (non-agenda items)

There were no public comments on non-agenda items.

- C. OLD CITY BUSINESS

- 1. Harbor Master Monthly Report

**Motion to amend the agenda.**

**Moved by Commissioner Berry to amend the agenda adding 7A. DDA Revised Bonding Resolution. Support by Commissioner Bogater.**

**Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
Nays: None**

- D. NEW CITY BUSINESS

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1. Acceptance of Dan Malone's Retirement as Fire Chief

Moved by Commissioner Eckert to accept with much regret the retirement of Fire Chief Malone. Support by Commissioner Berry.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
Nays: None

2. Approve Recommendation to Appoint Ryan Anderson as the New Fire Chief

Moved by Commissioner Bogater to approve the recommendation to appoint Ryan Anderson as the new Fire Chief. Support by Commissioner Eckert.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
Nays: None

3. Approve Agreement and Resolution with Michigan Department of Natural Resources - Brown's Addition Boat Launch Project

Moved by Commissioner Berry to approve the Agreement and Resolution with the Michigan Department of Natural Resources for the Brown's Addition Boat Launch project. Support by Commissioner Eckert.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
Nays: None

**RESOLUTION**

Upon motion made by \_\_\_\_\_, seconded by \_\_\_\_\_ the following Resolution was adopted:

"RESOLVED, that the City of Munising, Michigan, accepts the terms of the Agreement as received from the Michigan Department of Natural Resources, and that the City agrees, but not by way of limitation, as follows:

1. To appropriate the sum of four hundred thousand dollars (\$400,000.00) to match the four hundred thousand dollars (\$400,000.00) State grant authorized by the Department.

2. To maintain satisfactory financial accounts, documents, and records, and to make them available to the Department for auditing at reasonable times.

3. To construct the facilities and provide the funds, services, and materials as may be necessary to satisfy the terms of the Agreement.

4. To ensure that all premises, buildings, and equipment related procedures comply with all applicable State and Federal regulations.

5. To establish and appoint the City Manager to regulate the use of the facilities constructed under this Agreement to assure the use thereof by the public on equal and reasonable terms.

6. To enforce all State statutes and local ordinances pertaining to marine safety and to enforce statutes of the State of Michigan within the confines of the City pertaining to the licensing of watercraft. Watercraft not fully complying with the laws of the State of Michigan relative to licensing shall not be permitted to use the facility until full compliance with those laws has been made.

7. To comply with all terms of the Agreement, including all terms not specifically set forth in the foregoing portions of this Resolution."

The following aye votes were recorded: \_\_\_\_\_

The following nay votes were recorded: \_\_\_\_\_

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COUNTY OF ALGER )  
)

I, Sue Roberts, Clerk of the City of Munising, Michigan, certify that the above is a true and correct copy of the Resolution relative to the Agreement with the Michigan Department of Natural Resources, which was adopted by the City Board at a meeting held August 3<sup>rd</sup>, 2022.

Dated: \_\_\_\_\_ Sue Roberts, City Clerk

4. Budget Adjustments Regarding the Brown's Addition Boat Launch Project

Moved by Commissioner Berry to approve the budget adjustments to accommodate the Brown's Addition Boat Launch project. Support by Commissioner Bogater.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
Nays: None

Department	Account	Current Budget	Amt.Change	Amended	Reason
<u>Capital Projects</u>					
<u>Revenues</u>					
State Grants	402-000-539.000	\$163,223.00	\$400,000.00	\$561,223.00	Recording
Trans from Marina fund	402-000-699.594	\$	\$100,000.00	\$100,000.00	Record Trans
Advance on Leachate	402-000-315.590	\$	\$300,000.00 \$800,000.00	\$300,000.00	Record Interfund loan
<u>Expenditures</u>					
Marina Proj	402-000-970.594	\$	\$800,000.00	\$800,000.00	Record Planned Costs
Positive (Negative) Impact		\$			
<u>Sewer Fund</u>					
<u>Assets</u>					
Advan Cap Proj	590-000-193.402	\$	\$300,000.00	\$300,000.00	Record Interfund loan
Positive (Negative) Impact		\$			
<u>Marina Fund</u>					
<u>Expenditures</u>					
Prof Services	594-691-801.000	\$ 50,000.00	\$ (50,000.00)	\$	Reduce Bud
Capital outlay	591-691-970.000	\$ 50,000.00	\$ (50,000.00)	\$	Bud Reduction
Transfer to Capital outlay	591-966-999.402	\$	\$100,000.00	\$100,000.00	Record Trans
Positive (Negative) Impact on Fund Balance		\$			

5. Development Agreement with Base Hospitality Group Land

Moved by Commissioner Eckert to approve the Development Agreement with Base Hospitality Group Land. Support by Commissioner Berry.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
Nays: None

**REVOCABLE FRANCHISE AGREEMENT**

This Agreement is made the \_\_\_\_\_ day of \_\_\_\_\_, 2022, by the City of Munising, a Michigan municipal corporation, of 301 East Superior Street, Munising, Michigan 49862, hereinafter referred to as "City", and Munising Township, a general law township, of P.O. Box 190, Wetmore, Michigan 49895, hereinafter referred to as "Township", and referred to together hereinafter as "the Parties".

Whereas City owns and operates the Munising Industrial Park, with associated city water and city sanitary sewer services, in Township and has done so under franchise agreement with Township since at least 2001.

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Whereas a landowner/developer that owns land in Township, Base Hospitality Group, a Michigan limited liability company, hereinafter referred to as "BHG", approached City about connecting its developed land to City's water system and sanitary sewer system.

Whereas the City operates a sanitary sewer system capable of serving BHG's development and can extend its water system to serve BHG's development.

Whereas extending the water system to BHG's development will benefit City by adding a fee-paying commercial customer to City's water system and sanitary sewer system.

Whereas extending City's water system to the BHG's development will benefit Township by encouraging the development of a new business located in Township.

Whereas the parties discussed the matter and agree it is appropriate that City obtain a franchise from Township to allow City to extend its water system and utilize its sanitary sewer system to serve BHG's development.

Whereas the parties discussed the matter and agree it is also appropriate to combine the parties' existing franchise agreement with respect to Munising Industrial Park into this agreement.

Whereas the parties wish to document their agreement with respect to both of these matters in this Franchise Agreement.

Now, therefore, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. Township hereby affirms City has a franchise to own and operate Munising Industrial Park, with its associated city water and city sanitary sewer services. This franchise shall continue for an additional thirty-year term beginning at the effective date of this Agreement, subject to the remaining provisions of this Agreement and applicable Michigan law.
2. Township hereby grants City a franchise to extend, as necessary, and maintain and operate both its water system and sanitary sewer system to and from BHG's development. The legal description of the land where BHG's development located is attached hereto as Exhibit A.
3. Owners of properties other than BHG's development in the Township, including the Township Board on behalf of Township, may request delivery, by City, of water services and/or sanitary sewer services for the benefit of property located in the Township other than the BHG's development. City, in its sole discretion, may grant or deny such a request. If City wishes to grant such a request the Township resident making the request

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shall approach Township and obtain Township's approval, by written Resolution, of the resulting expansion of City's water service and/or sanitary sewer service that would result. Absent approval by Township, the expansion shall not occur, regardless of City's wishes. All costs associated with an expansion City wishes to make pursuant to this paragraph, and to which Township will have agreed, shall be subject to negotiation between City and the Township property owner requesting the expansion. Except where the request comes from the Township Board on behalf of Township, Township shall have no part to play in these negotiations. The Parties understand that in the vast majority of cases, if not all, where expansion will occur the Township property owner requesting the expansion will pay all costs associated with the expansion.

4. All recipients of water and/or sanitary sewer services from City in the Township will be charged 150 % of the fees charged to city customers for these services. The Parties understand and agree costs associated with connecting Township entities with the service are not "charges" as used in this subparagraph.

5. All revenue derived by City for delivery of water services and sanitary sewer services in Township shall be the sole revenue of City, and City shall not be required to share any portion of that revenue with Township.

6. City shall provide Township with written evidence, in the form of copies of maps and/or correspondence from the City engineer, identifying the location of all water and sewer lines and pipes located within Township, as those lines are completed. City's provision of these maps and/or correspondence is for Township's information only and Township has no role to play in determining where those lines and pipes are or will be located.

7. By this Agreement, Township grants City the right to use the highways, streets, and other places open to the public to lay pipes and transact the business of providing water services and sanitary sewer services within Township. All costs for highway, street, or other public places repair and similar "cleanup work" will be completed at no cost to the Township.

8. The Parties understand and agree all water lines and all sanitary sewer lines are and shall remain the sole property of City, and City shall be solely responsible for maintaining those lines and pipes without contribution from Township.

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9. City acknowledges Township does not have an ordinance requiring structures to be connected to a sanitary sewer system. Township represents, and City acknowledges, Township does not intend to enact such an ordinance in the foreseeable future. Both entities acknowledge that, other than the property referred to in Paragraph 1, there are no structures within 200 feet of the sewer collection main to be installed to serve those properties, agree that neither party may unilaterally require a structure located within Township to be connected to any sewer system, and agree any connection may only occur upon the mutual consent of both entities. The parties acknowledge the existence of MCLA 333.12753 and hereby agree, to the extent they can lawfully do so, that City's sewer system is not "available", as that word is used in Sections 1 and 2 of the statute, to residents of Township, other than the owner of the property referred to in paragraph 1, absent an agreement by the parties to this agreement to allow connections, on a case by case basis.

10. This Agreement resolves any issues that may exist between the Parties with respect to the need for and existence of a franchise agreement for Munising Industrial Park and for delivery of water services and sanitary sewer services by City in Township.

11. The Parties acknowledge each Party needs approval from its governing body to enter into this Agreement. Approval by the governing body shall be evidenced by a written Resolution that specifically incorporates this Agreement by reference. The Resolution shall also identify the official or officials authorized to sign the Agreement on its behalf. Each Party shall provide the other with a certified copy of its Resolution adopted in accord with this subparagraph. Immediately thereafter, duplicate originals of this Agreement, with Exhibit A and with copies of both resolutions attached thereto, shall be executed by the Parties and each Party shall retain one original of the fully executed Agreement.

12. This agreement and the associated added infrastructure shall in no way be used as justification for Annexation of any portion of Munising Township by the City of Munising, and this agreement will continue for thirty years, unless changed or terminated by mutual written agreement of the parties or pursuant to those revocation powers granted to the Township pursuant to Article VII, Section 19 of the Michigan Constitution of 1963, and MCL 460.602. Nothing in this

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Agreement shall prohibit the Parties from extending this Agreement for additional terms of up to thirty years, as may be permitted under applicable Michigan law in effect at that time.

13. In the event of unpaid utility fees by water and sewer customers located in Township, Township shall add the unpaid fees to the annual taxes for collection and payment to the City of Munising.

This Agreement is executed on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Dated: \_\_\_\_\_ City of Munising, By Devin Olson, Munising City Manager

Dated: \_\_\_\_\_ City of Munising, By Sue Roberts, Munising City Clerk

Dated: \_\_\_\_\_ Munising Township, By Lisa Howard, Township Supervisor

Dated: \_\_\_\_\_ Munising Township, By Patty Willson, Township Clerk

6. Kleiman Pump & Well Drilling, Inc. Proposal for Tourist Park Pumping Hardware/Installation

Moved by Commissioner Berry to approve the pumping hardware and installation from Kleiman Pump & Well Drilling, Inc. in the amount of \$36,890.00. Support by Commissioner Bogater.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton Nays: None

7. Recommendations on Spending American Rescue Plan Act Funds

Moved by Commissioner Berry to approve the recommendations for spending some of the American Rescue Plan Act funds to the following: Community Development-Mather Elementary Playground \$5,000.00, Alger Parks and Recreation \$2,500.00, Alger County Fair \$585.00. City infrastructure in the amount of \$20,000.00. Support by Mayor Nettleton.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton Nays: None

**Agenda Amended**

**7A. DDA Revised Bonding Resolution**

Moved by Commissioner Eckert to approve the revised DDA Bonding resolution with corrections. Support by Commissioner Bogater.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton Nays: None

8. Approve City Commission Meeting Minutes of 7-18-2022

Moved by Commissioner Berry to approve the City Commission meeting minutes of 7-18-2022 as presented. Support by Commissioner Eckert.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton Nays: None

9. Approve Check Register/List of Bills

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Moved by Commissioner Bogater to approve and pay the check register/list of bills as presented. Support by Commissioner Berry.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
Nays: None

10. City Manager Report

Progress continues on numerous projects across the City as we are now roughly half way through construction season. The City of Munising/MDOT H-58 project will be substantially complete this week. With the final restoration occurring throughout the remainder of the season. This will bookend a nine-year undertaking to rebuild or rehabilitate all of H-58 within the City Limits. We are currently working on pricing to have all of H-58 restriped as well as adding another radar sign near the H-58/Foster St. intersection.

The M-28 project is nearing the home stretch as well. The final water main connection should be done this week that should tie all of browns addition into the distribution line leading up to the West tank. This last major tie in will allow the City to cease operations of the old M-28 main and potentially see a decrease in our water loss on the system. The sanitary sewer is complete and all new laterals and collections mains are now in service. Concrete and paving should begin in the next couple of weeks as final grades still need to be placed. Once this stretch is complete, BACCO will move on to their "punch list" items such as restoration, addressing the slipping pavement, and rehabbing sections of the concrete curb and gutter.

Oberstar is beginning to install the infrastructure needed to extend the water main Eastbound toward the Alger Falls development. They installing all of the infrastructure at this time as they are under a deadline from MDOT on their utility crossing. The final hook up will not occur until the development agreement and franchise agreement are complete.

Lastly, the August primary is Tuesday, August 2<sup>nd</sup>, and the polls will be open from 7:00 AM to 8:00 PM. Although there is no City races involved, we do expect a large turnout and a very busy day at City Hall.

City Manager Olson also stated that the line painting on H-58 has started and a quote requested for the rest of H-58.

Commissioner Berry made comment that the Recreation Plan would need to be looked at later this year and would have to be approved before going forward.

E. CORRESPONDENCE

There was no new correspondence.

F. PUBLIC COMMENTS (non-agenda items)

Brice Burge was pleased that the ARPA funds passed. A lot of work went into it and he was glad they will continue to do research for the remaining monies.

G. ADJOURNMENT

Moved by Commissioner Bogater to adjourn the Regular Meeting of the City Commission. Support by Commissioner Eckert.

Approved: Yeas: Commissioners: Berry, Bogater, Eckert and Mayor Nettleton  
Nays: None

The Regular Meeting of the City Commission adjourned at 6:39 p.m.

\_\_\_\_\_  
D.M. Nettleton, Mayor

\_\_\_\_\_  
Sue Roberts, City Clerk

LIST OF BILLS

37788)	BERGER CHEVROLET	43123.00
37789)	VISION SERVICE PLAN	477.65
37790)	HOLIDAY-WEX BANK	4600.73
37791)	UPPER PENINSULA RECREATION INC.	3681.15
37792)	UPEA ENGINEERS & ARCHITECTS	1995.00
37793)	BLUE CROSS BLUE SHIELD OF MICHIGAN	31490.86
37794)	MUNISING TOWNSHIP TREASURER	467.63



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37795)	SUPERIORLAND SERVICES, INC.	12.99
37796)	HIAWATHA ELECTRIC CO.	187.00
37797)	O'DEA, NORDEEN AND PICKENS P.C.	1520.00
37798)	GREATER MUNISING BAY	2500.00
37799)	UPPER PENINSULA RECREATION INC.	3875.19
37800)	DELTA DENTAL	1891.26
37801)	HIAWATHA TELEPHONE COMPANY	40.56
37802)	GREATER MUNISING BAY	2500.00
37803)	UPPER PENINSULA RECREATION INC.	1230.77
37804)	UPPER PENINSULA RECREATION INC.	3576.98
37805)	DTE ENERGY	411.77
37806)	UPPER PENINSULA POWER COMPANY	21735.13
37807)	VOID	VOID
37808)	VOID	VOID
37809)	VOID	VOID
37810)	VOID	VOID
37811)	VOID	VOID
37812)	VOID	VOID
37813)	VOID	VOID
37814)	VOID	VOID
37815)	VOID	VOID
37816)	VOID	VOID
37817)	VOID	VOID
37818)	VOID	VOID
37819)	VOID	VOID
37820)	VOID	VOID
37821)	VOID	VOID
37822)	VOID	VOID
37823)	VOID	VOID
37824)	VOID	VOID
37825)	VOID	VOID
37826)	VOID	VOID
37827)	VOID	VOID
37828)	VOID	VOID
37829)	VOID	VOID
37830)	VOID	VOID
37831)	VOID	VOID
37832)	VOID	VOID
37833)	VOID	VOID
37834)	JACK DOHENEY COMPANIES, INC.	608.51
37835)	U.P. PROPANE	345.43
37836)	PARAGON LABORATORIES, INC.	292.00
37837)	NORTH CENTRAL LABORATORIES	1017.67
37838)	CHARTER COMMUNICATIONS	113.73
37839)	LASCO	507.82
37840)	MANISTIQUE OIL COMPANY, INC.	16636.18
37841)	FOX MARQUETTE	289.06
37842)	CITY OF MUNISING-WATER	595.47
37843)	MUNETRIX, LLC-ACCOUNTS PAYABLE	2723.00
37844)	US BANK EQUIPMENT FINANCE	169.99
37845)	ALGER COUNTY TREASURER	692.54
37846)	ANSER SERVICES	180.00
37847)	HOME CITY ICE COMPANY	132.85
37848)	QUILL CORPORATION	261.15
37849)	ALL-PHASE ELECTRIC SUPPLY COMPANY	1250.00
37850)	UPPER PENINSULA RECREATION INC.	3371.06
37851)	SPECTRUM PRINTERS INC.	180.00
37852)	TRI-COUNTY SEPTIC & SONS LLC	525.00
37853)	KCI	646.99
37854)	HILLSIDE PARTY STORE LLC	92.19
37855)	INTEGRIS-COMPUDYNE, LLC	80.00
37856)	STANDARD INSURANCE COMPANY	524.56
37857)	STANDARD INSURANCE COMPANY	333.30
37858)	WILLIAM/REID	408.00
37859)	TERRENCE VIAU	3500.00