

CITY COUNCIL MEETING MINUTES FROM JUNE 28, 2011

The Regular Meeting was called to order by Mayor Strazdas at 7:30 p.m.

At the request of Mayor Strazdas, Councilmember Urban provided the invocation and the City Council and the audience recited the Pledge of Allegiance

The City Clerk called the roll with the following members present: Councilmembers Cory A. Bailes, Patricia M. Randall, Claudette S. Reid and Terry R. Urban, Mayor Pro Tem Edward J. Sackley and Mayor Peter J. Strazdas. Councilmember Elizabeth A. Campbell was absent with excuse. Also in attendance were City Manager Maurice S. Evans, City Attorney Randy Brown and City Clerk James R. Hudson.

APPROVAL OF MINUTES: Councilmember Reid indicated a change in the June 14, 2011 Regular Meeting Minutes in that she said that citizens who have difficulty meeting financial obligations may go to the Salvation Army for help with financial literacy and because the Salvation Army can point those citizens to the best agency to assist them such as the Michigan Department of Human Services or the Community Action Agency. Motion by Urban, seconded by Reid, to approve the June 14, 2011 Regular Meeting Minutes as amended. Upon a voice vote, motion carried 6 to 0.

* **CONSENT AGENDA:** Mayor Strazdas asked Councilmember Reid to read the Consent Agenda. Councilmember Randall asked that Item F.2, FY 2011-12 Community Development Block Grant Fund and General Fund contracts, be removed from the Consent Agenda. Motion by Reid, seconded by Urban, to approve the Consent Agenda motions as amended. Upon a roll call vote, motion carried 6 to 0.

* **APPROVAL OF ACCOUNTS PAYABLE REGISTER OF JUNE 28, 2011:** Motion by Reid, seconded by Urban, to approve the Accounts Payable Register of June 28, 2011. Upon a roll call vote, motion carried 6 to 0.

PUBLIC HEARING:

TRADE CENTRE WAY RELOCATION PROJECT #997-R – RESOLUTION NO. 5: Mayor Strazdas opened the public hearing and introduced Transportation and Utilities Director Chris Barnes, who reviewed the project description: that the existing Trade Centre Way would be realigned as a through street; that West Fork Crossing would be realigned and improved with curb and gutter, storm sewer, utility relocation, boulevards, first class road landscaping, lighting, fencing and related construction; and, Trade Centre Way will be improved and realigned from South Westnedge Avenue west 900 feet to just west of West Fork Crossing with curb and gutter, storm sewer, utility relocation, boulevards, first class road landscaping, lighting, fencing and related construction. He indicated that these improvements will provide a positive economic impact, increased safety, better access and improve the quality of life in the area.

Mr. Barnes mentioned that this is a part of a Commercial Planned area and that the cost is \$2.23 per square foot for each of the benefiting properties; also, the assessment is proportional to the benefit and the Michigan Tax Tribunal is an option if someone is dissatisfied with the proposed improvement costs. He indicated that since 1986, there have been 33 special assessments for streets and 84 for utility districts for water and sewer. He disclosed that the overall cost of the project is \$1.34 million; that the city-at-large pays nothing; that the property owners pay \$1.34 million; that all of the property owners have been notified; and that construction can begin as early as July.

In response to Councilmember Urban, Mr. Barnes outlined the Special Assessment Roll as follows:

<u>Street Address</u>	<u>Zoning</u>	<u>Square Footage</u>	<u>Assessment</u>
420 Trade Centre Way	CPD	583,665	\$1,301,156.88
226 Trade Centre Way	CPD	8,712	19,421.56
230 Trade Centre Way	CPD	8,712	19,421.56

Discussion followed. Mayor Strazdas opened the public hearing for comment from the public.

Greg Dobson of American Village Builders, Inc. (AVB), 4200 West Centre, on behalf of Joseph Gesmundo and Roger Hinman, thanked City Council for their support of the request and spoke in favor of the enhancements. Mayor Strazdas thanked Mr. Dobson for his efforts.

Motion by Sackley, seconded by Urban, to close the public hearing. Upon a voice vote, motion carried 6 to 0.

Motion by Sackley, seconded by Bailes, to adopt Resolution No. 5 for the Trade Centre Way Relocation Project #997-R, confirming the Special Assessment Roll. Upon a roll call vote, motion carried 6 to 0. Resolution recorded on page 249 of City of Portage Resolution Book No. 44.

PETITIONS AND STATEMENTS OF CITIZENS: City Council received a written communication from Cyrus Mallinson, 1311 Manor Street, Kalamazoo Township, regarding his proposed Constitutional Support Tax for the United States Federal Government without comment.

REPORTS FROM THE ADMINISTRATION:

2011 AMENDED TAX INCREMENT FINANCING PLAN/2011 AMENDED DEVELOPMENT PLAN: Mayor Strazdas introduced Community Development Director Jeffrey Erickson, who reminded City Council that at the April 26, 2011 City Council meeting, an economic initiative was introduced to facilitate economic expansion in the City of Portage Downtown Development Authority (DDA) along Trade Centre Way, north of I-94 and west of South Westnedge Avenue.

He said that the Michigan Downtown Development Authority Act specifies the requirements that must be fulfilled to utilize this financing method in that the Act requires that City Council receive the 2011 Amended Plan, notify affected parties, including local units of government, and schedule a public hearing on the amended plan subsequent to approval by the DDA Board of Directors. He pointed out that this approval was accomplished by the Board of Directors at the April 13, 2011 DDA meeting.

He indicated that as part of the financing framework for this \$1.34 million DDA program of public improvements, the City Council initiated the special assessment process in response to a petition received from the owners of property in the DDA at the April 26, 2011 City Council meeting; and, Item D.1, the earlier public hearing regarding the Trade Centre Way Relocation Project #997-R, with confirmation of the special assessment roll, and Item L.1, to award the construction contract later in the meeting, allows for the implementation of this economic initiative.

He projected that final action on this economic initiative is scheduled to occur over the next several weeks: the DDA Board of Directors is scheduled to meet on June 29, 2011 to consider adoption of resolutions to implement the 2011 Amended Plan and approve the Phase III Development Agreement between the City of Portage and the principal property owners, Trade Centre Holdings, LLC and H&G 2, LLC; and, City Council will subsequently consider similar resolutions to implement the 2011 amended plan, approve the Phase III Development Agreement, approve and award the special assessment bonds and approve related matters to successfully complete this initiative.

He summarized the action recommendation of the City Manager that City Council approve the ordinance regarding the 2011 Amended Plan, adopt the bond resolutions and authorize the Mayor and City Clerk to execute the documents on behalf of the city. Discussion followed.

Motion by Urban, seconded by Reid, to approve the ordinance amendment to approve the 2011 Amended Development Plan and the 2011 Amended Tax Increment Financing Plan for the development area within the Downtown Development Authority District; adopt the City of Portage Bond Resolution for Special Assessment Bonds, Series 2011, in the not-to-exceed amount of \$1,340,000; adopt the Resolution Approving Undertaking to Provide Continuing Disclosure by the City of Portage for the Special Assessment Bonds, Series 2011; and authorize the Mayor and City Clerk to execute the documents related to this action on behalf of the city. Upon a roll call vote, motion carried 6 to 0. Ordinance recorded on page 171 of City of Portage Ordinance Book No. 12. Resolutions recorded on pages 253 and 265 of City of Portage Resolution Book No. 44.

FY 2011-12 COMMUNITY DEVELOPMENT BLOCK GRANT FUND AND GENERAL FUND CONTRACTS: Councilmember Randall indicated that she asked that this item be removed from the Consent Agenda on the advice of the City Attorney in order to have the record reflect that she wished to recuse herself from the Catholic Family Services Contract portion of the recommendation. Discussion followed.

Motion by Sackley, seconded by Bailes, to approve the Fiscal Year 2011-12 Community Development Block Grant Fund contracts and General Fund human/public services contracts and authorize the City Manager to execute all documents on behalf of the city. Upon a roll call vote, motion carried 6 to 0 with Councilmember Randall recused from the Catholic Family Services Contract portion of the recommendation.

* **PERMIT TO CONDUCT A FIREWORKS DISPLAY:** Motion by Reid, seconded by Urban, to approve a permit for a proposed fireworks display on July 4, 2011, sponsored by the Portage Rotary Club. Upon a roll call vote, motion carried 6 to 0.

* **MAY 2011 SUMMARY ENVIRONMENTAL ACTIVITY REPORT – INFORMATION ONLY:** Motion by Reid, seconded by Urban, to receive the communication from the City Manager regarding the May 2011 Summary Environmental Activity Report as information only. Upon a roll call vote, motion carried 6 to 0.

* **DEPARTMENT MONTHLY REPORTS:** Motion by Reid, seconded by Urban, to receive the Department Monthly Reports. Upon a roll call vote, motion carried 6 to 0.

* **MINUTES OF BOARDS AND COMMISSIONS:** City Council received the minutes for the following boards and commissions:

Portage Board of Education Special of April 25, Special and Committee of the Whole of May 9, Special of May 19, Special and Regular of May 23, Special of May 31, Special of June 1, Special and Committee of the Whole Work Session of June 6, Special of June 8, Special of June 9 and Specials of June 13, 2011.
Portage Senior Citizen Advisory Board of May 18, 2011.

BID TABULATIONS:

SOUTH WESTNEDGE AVENUE/TRADE CENTRE WAY REALIGNMENT: As a point of order, Mr. Barnes explained that the construction contract could not be awarded prior to the approval of Items D.1, Trade Centre Way Relocation Project #997-R - Resolution No. 5, and Item F.1, 2011 Amended Tax Increment Financing Plan/2011 Amended Development Plan. He also noted that the recommended motion is subject to City Council action on July 12, 2011 on the adoption of a resolution approving the agreement to implement the 2011 Amended Plan with the Downtown

Development Authority, and the adoption of a Resolution approving the Phase III Development Agreement. Discussion followed.

Motion by Urban, seconded by Sackley, to award a construction contract to the low bidder Kamminga & Roodvoets, Incorporated, of Grand Rapids, Michigan, for the Trade Centre Way Relocation project in the not-to-exceed amount of \$585,443.75 and authorize the City Manager to execute all documents related to the contract on behalf of the city, subject to City Council action on the adoption of a resolution approving the agreement to implement the 2011 Amended Plan with the Downtown Development Authority; and adoption of a Resolution approving the Phase III Development Agreement on July 12, 2011. Discussion followed. Upon a roll call vote, motion carried 6 to 0.

* **LOVERS LANE RECONSTRUCTION PROJECT:** Motion by Reid, seconded by Urban, to award a contract to the low bidder, Michigan Paving and Materials Company of Kalamazoo, Michigan, for the reconstruction of Lovers Lane (Forest Drive to East Centre Avenue) in the not-to-exceed amount of \$277,869.84 and authorize the City Manager to execute all documents on behalf of the city. Upon a roll call vote, motion carried 6 to 0.

* **CITY HALL PARKING LOT IMPROVEMENTS – BID RECOMMENDATION:** Motion by Reid, seconded by Urban, to accept the low bid submitted by Wyoming Asphalt Paving Company in the amount of \$59,987.80 for City Hall parking lot improvements and authorize the City Manager to execute all documents related to this action on behalf of the city. Upon a roll call vote, motion carried 6 to 0.

OTHER CITY MATTERS:

STATEMENTS OF CITY COUNCIL AND CITY MANAGER: Mayor Strazdas, City Council and City Manager Evans thanked Community Development Director Jeffrey Erickson for his service and dedication to the City of Portage, complimented him on his legacy and wished him a long and happy retirement.

City Manager Evans announced that the Portage Senior Center would be holding an Accreditation Celebration for receiving an unprecedented third consecutive accreditation beginning at 9:45 a.m. on Thursday, July 28, 2011. He also announced that the new City of Portage website received the Apex Award and recognized Chief Information Officer Devin Mackinder for his efforts.

Mayor Strazdas recognized Taste of Portage held Friday, June 24, 2011, at the Overlander Bandshell as a great event and fun for all who attended and complimented Councilmember Campbell for her efforts with the 4th of July Fireworks. He also announced his candidacy for Mayor and reminded everyone of the filing deadline of Tuesday, August 16, 2011, at 4 p.m. to file for Mayor or City Council of Portage.

ADJOURNMENT: Mayor Strazdas adjourned the meeting at 8:19 p.m.

James R. Hudson, City Clerk

*Indicates items included on the Consent Agenda.