

**CITY OF MASON
REGULAR CITY COUNCIL MEETING
MINUTES OF DECEMBER 16, 2013**

Clark called the meeting to order at 7:30 p.m. in the Council Chambers at 201 W. Ash Street, Mason, Michigan. Naeyaert led the Pledge of Allegiance and offered the invocation.

Present: Councilmembers: Brown, Bruno, Clark, Ferris, Mulvany, Naeyaert
Absent: Councilmember: Droscha (excused)
Also present: Martin A. Colburn, City Administrator
Deborah J. Cwiertniewicz, City Clerk
Eric Smith, Finance Director/Treasurer
David Haywood, Zoning & Development Director
John Stressman, Chief of Police
Dennis McGinty, City Attorney

ANNOUNCEMENTS

None.

PEOPLE FROM THE FLOOR

None.

PUBLIC HEARING

Application for a Michigan Economic Development Corporation (MEDC) Community Development Block Grant (CDBG) for 124 and 140 East Ash Street

Mayor Clark opened the public hearing at 7:34 p.m.

Bruce Johnston, City Housing Consultant, spoke regarding the two-year process of bringing together five to six funding sources for the rehabilitation of 124 and 140 East Ash Street, properties that are determinable signs of blight. He thanked staff for their assistance.

Martin Colburn, City Administrator, addressed matters of the process and project requirements as listed on the MEDC application.

Mayor Clark closed the public hearing at 7:42 p.m.

Resolution No. 2013-51 – Resolution Authorizing the Application for a Michigan Economic Development Corporation (MEDC) Community Development Block Grant (CDBG) Designated for the Properties at 124 and 140 East Ash Street, for Removal of the “Slum and Blighted Area”

MOTION by Naeyaert, second by Brown,
to consider Resolution No. 2013-51 read.

MOTION APPROVED UNANIMOUSLY

Resolution No. 2013-51 was introduced by Naeyaert and seconded by Brown.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2013-51
A RESOLUTION AUTHORIZING THE APPLICATION FOR A MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION (MEDC) COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) DESIGNATED FOR THE PROPERTIES AT 124 AND 140 EAST ASH
STREET, FOR REMOVAL OF THE “SLUM AND BLIGHTED AREA”**

December 16, 2013

WHEREAS, the City of Mason is concerned about the economic viability of slum and blighted area within its corporate limits; and

WHEREAS, the slum and blighted area projects a negative visual image of the community, and the proposed project will clearly eliminate objectively determinable signs of blight and will be strictly limited to eliminating specific instances of blight (spot blight); and

WHEREAS, the economic, social, physical, and cultural well-being of the City is adversely affected by the conditions of this slum and blighted area as described in the Community Development Plan in Part II of the MEDC CDBG Application; and

WHEREAS, no project costs, including CDBG and Non-CDBG costs, will be incurred prior to a formal grant award, completion of the environmental review procedures and formal, written authorization to incur costs has been provided by our CDBG Project Manager; and

WHEREAS, this Resolution serves as the City of Mason's local authorization to submit the Michigan CDBG Application; and

WHEREAS, Martin Colburn, Mason City Administrator, will be the person authorized to sign the Part II Application, all its attachments, and to sign the Grant Agreement.

NOW THEREFORE BE IT RESOLVED, that the Mason City Council does hereby authorize the City of Mason to apply for an MEDC CDBG, and gives City Administrator Martin Colburn full signature authority.

RESOLUTION APPROVED UNANIMOUSLY

MOTION by Naeyaert, second by Bruno, to amend the Agenda by moving Items No. 8(C) Mayoral Appointments to City Boards and Commissions, and 8(D) City Council Appointments to City Boards and Commissions, to Items No. 7(D) and 7(E), listing the remaining items accordingly.

MOTION APPROVED UNANIMOUSLY

CONSENT AGENDA

MOTION by Naeyaert, second by Brown, to approve the Consent Agenda as follows:

- A. Motion – Approval of Minutes – Regular Council Meeting: December 2, 2013
- B. Motion – Approval of Bills - \$78,380.26
- C. Motion – Request to be Excused – City Council Member Jon Droscha
 - Excuse the absence of Councilmember Droscha from the December 16, 2013 meeting.
- D. Resolution No. 2013-53 – Mayoral Appointments to City Boards and Commissions

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2013-53
MAYORAL APPOINTMENTS TO CITY BOARDS AND COMMISSIONS
December 16, 2013**

BE IT HEREBY RESOLVED, that the Mayor, with confirmation by the City Council, does hereby make the following appointments/reappointments to the specified boards and commissions of the city and that each term shall commence January 1, 2014 and expire on December 31 of the year noted.

Building Code	Ken Brown	2016
	Eric Harter	2016
Board of Ethics	Kathleen Dean	2016
	William H. Noud, Jr.	2016
Dangerous Buildings Hearing Officer	Bruce Johnston	2016
Downtown Development Authority	Michelle Wall	2017

Historic District Commission	Loren Shattuck	2016
	Mark Cummings	2016
Planning Commission	Seth Waxman	2016
	Tim Fisher	2016
Traffic Commission	Jeff Haueter	2016
	Joe Ghinelli (DDA	2016
	Representative)	2014
	Roger Bauer	2016
Tree Commission	Jim Duthie	2016

E. Resolution No. 2013-54 – City Council Appointments to City Boards and Commissions

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2013-54
CITY COUNCIL APPOINTMENTS TO CITY BOARDS AND COMMISSIONS
December 16, 2013**

BE IT HEREBY RESOLVED, that the City Council of the City of Mason does hereby make the following appointments/reappointments to the specified boards and commissions of the City and that each term shall commence January 1, 2014 and expire on December 31 of the year noted:

Board of Review	Larry Briggs	2016
Building Authority	Mark Howe	2016
Cemetery Board	Scott Shattuck	2016
Election Commission	Elaine Ferris	2015
Local Development Finance Authority	Mark Howe (<i>filling unexpired term</i>)	2015
Utility Rate Study Committee	Angela Newton	2016
	Shirley Richards	2016
Zoning Board of Appeals	Douglas Crips	2016
	Bob McCormick	2016
	Harry Spenny	2016

Yes (5) Brown, Clark, Ferris, Mulvany, Naeyaert

No (1) Bruno

Absent (1) Droscha

MOTION APPROVED

REGULAR BUSINESS

Resolution No. 2013-38A – Approval of Application for Industrial Facilities Tax Exemption Certificate and Industrial Facilities Exemption Agreement with Efficiency Production, Inc.

City Council granted a twelve year tax abatement to Efficiency Production, Inc. (EPI) September 16, 2013, by Resolution No. 2013-38. The resolution was submitted with the IFT application to the State of Michigan Tax Commission for its consideration and approval. Staff was informed by the Tax Commission that required language for an IFT resolution was updated two years ago, which must be inserted and approved by City Council for its consideration of the tax abatement request. McGinty reported to Council regarding the language and action that needed to be taken.

MOTION by Naeyaert, second by Brown,
to consider Resolution No. 2013-38A read.

MOTION APPROVED UNANIMOUSLY

Resolution No. 2013-38A was introduced by Naeyaert, seconded by Brown.

CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2013-38A
APPROVAL OF APPLICATION FOR INDUSTRIAL FACILITIES
EXEMPTION CERTIFICATE AND INDUSTRIAL FACILITIES
EXEMPTION AGREEMENT WITH EFFICIENCY PRODUCTION, INC.
December 16, 2013

WHEREAS, the State of Michigan has enacted 1974 PA 198 allowing industrial property owners property tax abatement under certain conditions; and

WHEREAS, Efficiency Production, Inc. ("EPI") has submitted an application to the City for tax abatement pursuant to Act 198, whereby property taxes would be abated or reduced on new industrial facilities to be acquired by the applicant consisting of machinery, equipment, and fixtures of approximately \$180,445 and real property improvements and additions of approximately \$775,000, as set forth in the applicant's application to the City Clerk dated July 16, 2013; and

WHEREAS, the City Council has adopted Council Resolution No. 1992-37, after a public hearing on July 6, 1992, duly noticed by publication, to establish Industrial Development District No. 3 pursuant to Act 198 to encompass the land and territory within which the Applicant proposes to acquire and maintain the building, land improvements, machinery and equipment to be acquired by the Applicant; and

WHEREAS, the description of said property is:

PART OF NW1/4 OF SEC 16 T2NR1W CITY OF MASON PA 425 AGREEMENT
DESC AS: COM AT W 1/4 COR OF SEC 16 - S89N53'41" E ALNG EW 1/4 LN
1161.25 FT TO POB - S89N53'41"E ALNG SD 1/4 LN 762.51 FT TO WLY R/W
LN OF CONRAIL RR - N07N08'04"W ALNG SD R/W LN 498.7 FT - ALNG SD
R/W LN 157.14 FT ON CURVE TO LEFT, RAD 2861.25 FT, DELTA 03N08'48",
CHD BRG N08N41'01"W 157.12 FT - N89N53'41"W 673.73 FT - S000N4'38"E
109.89 FT - SELY 32.98 FT ALNG CURVE TO RT, RAD 75 FT TO R/W LN OF
TRILLIUM DR, SWLY ALNG SD R/W LN 44 FT ON CURVE TO RT, RAD 75 FT
CHD BRG S29N38'29"W 43.37 FT - S00N04'38"E 474.8 FT TO POB 10.742 AC.
Commonly known as 685 Hull Road, Mason, Michigan
TIN 33-19-10-16-100-017

and

WHEREAS, EPI wishes to install a new linear CNC drilling machine and support equipment to its facility on the property legally described above, the value of said personal property to be approximately \$180,445 and to construct a building addition of approximately 14,000 square feet at a cost of approximately \$775,000 for real property improvements; and

WHEREAS, EPI seeks an Industrial Facilities Exemption Certificate on the personal property for a term of twelve (12) years, as described in its Application, dated July 16, 2013; and

WHEREAS, the City Council met in public hearing on September 16, 2013, as heretofore resolved and noticed, for the purpose of considering approval of said application; and

WHEREAS, the City Council has afforded the applicant, the public, the Assessor, and all of the affected taxing units notice and an opportunity for all persons desiring to be heard, either orally or in writing, with respect to the approval of an Industrial Facilities Exemption Certificate for the applicant; and

WHEREAS, the granting of an Industrial Facilities Exemption Certificate to EPI will not substantially impede the operations or financial soundness of the City of Mason; and

WHEREAS, the aggregate SEV of real and personal property exempt from *ad valorem* taxes within the city of Mason after granting this certificate will not exceed five percent (5%) of an amount equal to the sum of the SEV of the city of Mason plus the SEV of personal and real property thus exempted; and

WHEREAS, the City Council has received and considered a proposed written agreement as required by Section 22 of Act 198 to be entered into between the City and EPI containing the requirements for approval and the terms and conditions under which the Industrial Exemption Facilities Agreement shall be issued and retained;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Mason finds and determines that the granting of the EPI Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Mason, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Mason; and

BE IT HEREBY RESOLVED, that the application of EPI for an Industrial Facilities Exemption Certificate for real and personal property improvements of \$775,000 and \$180,445, respectively, on the applicant's property located at 685 Hull Road, Mason, Michigan, as legally described above, is hereby approved for a period of twelve (12) years; and

RESOLVED FURTHER, the City of Mason and EPI shall enter into the written Agreement containing the requirement for approval and issuance of the Industrial Facilities Exemption Certificate and allowing for the revocation of the Certificate if conditions imposed by the City of Mason are not met.

RESOLVED FURTHER, that this Resolution amends and replaces the City of Mason City Council Resolution No. 2013-38, adopted September 16, 2013.

RESOLUTION APPROVED UNANIMOUSLY

Resolution 2013-52 – Approval of Cable Franchise Agreement with Comlink

Colburn informed Council regarding the proposed cable franchise agreement submitted by Comlink, who is proposing to initially serve Ingham County government.

MOTION by Naeyaert, second by Brown,
to consider Resolution No. 2013-52 read.

MOTION APPROVED UNANIMOUSLY

Resolution No. 2013-52 was introduced by Naeyaert, seconded by Brown.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2013-52
A RESOLUTION APPROVING UNIFORM VIDEO
FRANCHISE AGREEMENT SUBMITTED BY COMLINK, LLC
December 16, 2013**

WHEREAS, the Uniform Video Services Local Franchise Act, 2006 PA 480 ("Act 480"), adopted by the Michigan legislature effective January 1, 2007, required the Michigan Public Service Commission to issue an order establishing a standardized form for the uniform video services local franchise agreement to use by all franchising entities in Michigan; and

WHEREAS, on December 2, 2013, the Mason City Clerk received an application from Westphalia Broadband, Inc., d/b/a Comlink, dated November 26, 2013, submitting a proposed Uniform Video Service Local Franchise Agreement to the City Clerk in the form published by the MPSC; and

WHEREAS, the City Clerk, upon the advice and recommendation of the City Attorney, has advised the applicant that the proposed franchise agreement is complete in the form required by Act 480 and the uniform franchise published by the MPSC; and

WHEREAS, the submitted franchise leaves the amount of the local franchise fee to be paid pursuant to paragraph VI - Fees, subparagraph A(ii) of the proposed franchise agreement to be an amount as established by the City as franchise entity and leaves the amount of local gross revenues to be paid as support for PEG pursuant to paragraph VIII, subparagraph A-2 of the proposed franchise agreement to be an amount as established by the City as the franchise entity; and

WHEREAS, the Mason City Council, by City Council Resolution No. 2007-35, adopted June 18, 2007, received and placed on file a Uniform Video Service Local Franchise Agreement with Millennium Digital Media Systems, LLC, a Delaware corporation, which provided an annual video service provider fee to be paid to the City of Mason at paragraph VI, subparagraphs A(ii) thereof in the amount of 3.5% of gross revenues and PEG fees to the City of Mason as support for the cost of PEG access facilities and services at paragraph VI, subparagraphs A(ii) thereof in the amount of 0%; and

WHEREAS, subsection 6(1)(a) of Act 480 stipulates that a video service provider shall pay to the franchising entity an annual video service provider fee in an amount equal to the percentage of gross revenues paid to the franchising entity by the incumbent video provider; and
WHEREAS, subsection 6(8) of Act 480 allows the franchising entity to establish a fee to be paid for PEG services in the community in an amount not to exceed the fees currently paid by the incumbent provider, not to exceed 2% of gross revenues; and

WHEREAS, pursuant to paragraph II of the Uniform Video Local Service Franchise Agreement, subsection (M), if the provider is not an incumbent video provider, the provider must note in Attachment 1 to its proposed Uniform Video Local Service Franchise Agreement, the date on which the provider expects to provide video services in the area identified under section 2(3)(e) of the Act as the City of Mason Video Service Area; and

NOW, THEREFORE, BE IT RESOLVED that:

1. The Uniform Video Service Local Franchise Agreement filed with the Clerk on December 2, 2013, by Comlink, LLC, is hereby received and placed on file.
2. Paragraph VI - Fees - on page 4 of the submitted franchise agreement shall be completed by inserting "3.5%" at subparagraph A(ii), which number shall be the percentage of gross revenues to be paid by the provider to the City of Mason during the term of the franchise agreement and that page 4 attached hereto shall be substituted for page 4 of the submitted agreement.
3. Paragraph VIII - PEG Fees - on page 6 of the submitted franchise agreement, shall be completed by inserting 0.0% as the percentage of gross revenues to be paid as support for the cost of PEG access facilities on services. Page 6 attached hereto shall be substituted for page 6 of the submitted agreement.
4. The City Administrator shall transmit to Comlink a copy of this resolution and the completed pages 4 and 6 of the franchise agreement, finding the submitted franchise agreement complete upon the provider noting on Attachment 1, page 2, the date it expects to provide video service in the designated service area.
5. Upon the applicant completing page 1 of Attachment 1 of its proposed Uniform Video Service Local Franchise Agreement by noting the date on which it expects to provide video services in the area identified on Attachment 1 as its video service area footprint, the City Administrator is authorized to execute page 9 of the Video Service Franchise Agreement and page 2 of Attachment 1 to the franchise agreement on behalf of the City of Mason and deliver executed copies to the provider.

RESOLUTION APPROVED UNANIMOUSLY

Discussion — City Hall Landscaping Proposals

Haywood spoke briefly regarding the Landscape Services at Mason City Hall Request for Proposals submitted. A brief discussion was held regarding the proposals. The matter will be incorporated in budget discussions for 2014. It was stated that Council could resume discussion of the matter in February, 2014.

UNFINISHED BUSINESS

None.

NEW BUSINESS

It was the consensus of Council to broadcast special meetings where business requiring action is on the agenda.

It was stated that the police department should be provided with a means of visually viewing those who are requesting service after hours at the door to City Hall.

CORRESPONDENCE

All correspondence was distributed. Discussion was held regarding a letter received from American Water Resources of Michigan informing Mason residents of their services. A special notice will be placed on the city website informing residents that the City of Mason has no association with them and no agreements.

LIAISON REPORTS

Naeyaert informed Council regarding the Planning Commission special meeting, December 19, 2013, to hold a public hearing regarding a special use permit for Phases II and III of the Landings at Rayner Ponds.

COUNCILMEMBER REPORTS

Clark informed Council that he attended the Annual New Covenant Christian School Fund Raising Banquet. They are appreciative of the city for participating with them by allowing their students to annually provide service to the City of Mason on Make a Difference Day.

ADMINISTRATOR'S REPORT

Colburn informed Council regarding city business.

EXECUTIVE SESSION - PERSONNEL - CITY ADMINISTRATOR'S EVALUATION

MOTION by Naeyaert,
to adjourn to executive session to discuss the City Administrator's evaluation.
Yes (6) Brown, Bruno, Ferris, Mulvany, Naeyaert, Clark
No (0)
Absent (1) Droscha
MOTION APPROVED UNANIMOUSLY

The meeting adjourned to executive session at 8:35 p.m. and reconvened at 8:59 p.m.

MOTION by Naeyaert, second by Brown,
to approve the City Administrator's performance evaluation and place it on file.
MOTION APPROVED UNANIMOUSLY

ADJOURNMENT

The meeting adjourned at 9:00 p.m.

Deborah J. Cwiertniewicz, City Clerk

Leon R. Clark, Mayor