

**CITY OF MASON
REGULAR CITY COUNCIL MEETING
MINUTES OF June 21, 2004**

Whipple called the meeting to order at 7:32 p.m. in the Council Chambers at 201 W. Ash Street, Mason, Michigan. Bruno led the Pledge of Allegiance and offered the invocation.

Present: Councilmembers: Bruno, Clark, Helbig, Johnson, Naeyaert, Whipple
Absent: Councilmember: Preadmore
Also present: Martin Colburn, City Administrator
Kathy Revels, Finance Director
Dennis McGinty, City Attorney
Joe Dean, DPW Director
Deborah Stein, Deputy City Clerk

APPROVAL OF MINUTES - REGULAR COUNCIL MEETING: June 7, 2004

The Regular Meeting Minutes of June 7, 2004 were approved as submitted.

APPROVAL OF BILLS

MOTION by Johnson, seconded by Naeyaert,
To approve the payment of bills in the amount of \$321,890.47 as submitted.
MOTION APPROVED UNANIMOUSLY

PEOPLE FROM THE FLOOR

George Stevenson of 3885 Camperdown Drive, Lansing informed the Council that he is a candidate for 55th District Judgeship.

REGULAR BUSINESS

Public Hearing – IFT - Inco Graphics

Whipple opened the public hearing at 7:45 p.m.

Richard Abood, CEO of Inco Graphics, gave a brief history of his business and spoke to the request for an Industrial Facilities Exemption Certificate.

Whipple closed the public hearing at 7:57 p.m.

Resolution No. 2004-38 IFT for Inco Development Corporation d/b/a/ Inco Graphics

Resolution No. 2004-38 was introduced by Bruno and seconded by Clark.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2004-38**

**APPROVAL OF APPLICATION FOR
INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE AND**

**INDUSTRIAL FACILITIES EXEMPTION AGREEMENT
WITH INCO DEVELOPMENT CORPORATION D/B/A INCO GRAPHICS**

June 21, 2004

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

WHEREAS, Inco Development Corporation, d/b/a Inco Graphics 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 and equipment of approximately \$1,600,000 as set forth in the applicant's application to the City Administrator dated April 24, 2004; and

WHEREAS, the City Council has adopted Council Resolution No. 95-1, after a public hearing on January 3, 1995 duly noticed by publication, to establish an Industrial Development District pursuant to Act 198 to encompass the land and territory within which the Applicant proposes to acquire and maintain machinery and equipment to be acquired by the Applicant; and

WHEREAS, the description of said property is:

THAT PART OF LOTS 1 & 2 IN BLK 44 CITY OF MASON CONSOLIDATED PLAT LYING WLY OF A LINE 110 FT E & PLL TO C/L PCRR ALSO E 5 FT LOT 1 & ENTIRE LOTS 2, 7, 8 & 9 OF BLK 14 ORIG PLAT ALSO ADJ VAC ALLEY TO SD LOTS IN BLK 14, SEC 8 T2N R1W CITY OF MASON, INGHAM CO

WHEREAS, Inco Graphics wishes to update their facility and purchase new equipment and machinery on the property legally described above; the value of said personal property to be approximately \$1,600,000; and

WHEREAS, Inco Graphics has committed to maintaining the existing seventy-five jobs and the creation of five (5) employees by the end of the two (2) year period following the issuance of the Industrial Facilities Exemption Certificate at their facility as a direct result of the improvements and installation of the new equipment and machinery; and

WHEREAS, Inco Graphics seeks an Industrial Facilities Exemption Certificate on the personal property for a term of twelve (12) years, as described in its Application, dated April 24, 2004; and

WHEREAS, the City Council met in public hearing on June 21, 2004, 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 of 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 Inco Graphics will not substantially impede the operations or financial soundness of the City of Mason; 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 Inco Graphics 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 Inco Graphics Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under 1974 PA 198, 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 Inco Graphics for an Industrial Facilities Exemption Certificate for personal property improvements is hereby approved for a period of twelve (12) years; and

RESOLVED FURTHER, the City of Mason and Inco Graphics 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.

RESOLUTION APPROVED UNANIMOUSLY

MOTION by Johnson, seconded by Helbig,
To amend the agenda by moving Agenda Item No. 7K before Item No. 7C.
MOTION APPROVED UNANIMOUSLY

Request – Peddler’s Permit – B & B Brain Freeze

Shannon Barker spoke to the request for a peddler’s permit for B & B Brain Freeze to utilize the city streets to sell novelty ice cream.

MOTION by Helbig, seconded by Johnson,
To approve B & B Brain Freeze to utilize the city streets to sell novelty ice cream subject to the partnership providing proof of \$1,000,000 liability insurance and either provide worker’s compensation insurance for all employees or a waiver.
MOTION APPROVED UNANIMOUSLY

Ordinance No. 145 – First Reading – Race Track/Racing Theater Amendments to the Zoning Code

MOTION by Naeyaert, seconded by Johnson,
To consider Ordinance No. 145 read for the first time.
Yes (5) Clark, Helbig, Johnson, Naeyaert, Whipple
No (1) Bruno
Absent (1) Preadmore
MOTION APPROVED

MOTION by Helbig, seconded by Johnson,
To amend Ordinance No. 145 by striking (c) *Building Height* (1), under Section 94-192 *Listed special uses*, (9) *Racetrack and Racing Theatre*.
MOTION APPROVED UNANIMOUSLY

Resolution No. 2004-39 – Designate Authorizing Signatories

Resolution No. 2004-39 was introduced by Bruno and seconded by Clark.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2004-39**

DESIGNATE AUTHORIZING SIGNATORIES

June 21, 2004

RESOLVED, that Mason State Bank and Dart National Bank, as designated depositories of the City of Mason, be, and it is hereby requested, authorized, and directed to honor checks, drafts, or other orders for the payment of money drawn in the City's name, including those payable to the individual order of any persons whose names appear thereon as signers thereof, when bearing or purporting to bear the facsimile signatures of the two following names: Martin A. Colburn, City Administrator; Kathy L. Revels, Finance Director/Treasurer, and the above banks shall be entitled to honor and charge the City of Mason for such checks, drafts, or other orders, regardless of by whom or by what means the actual or purported facsimile signatures thereon may have been affixed thereto, if such signature resembles the facsimile specimens duly certified to or filed with the above banks by the Clerk of the City of Mason.

RESOLUTION APPROVED UNANIMOUSLY

Resolution No. 2004-40 Levy 1% Tax Administration Fee

Resolution No. 2004-40 was introduced by Bruno and seconded by Clark.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2004-40**

LEVY 1% TAX ADMINISTRATION FEE

June 21, 2004

BE IT HEREBY RESOLVED by the City Council of the City of Mason that the City Treasurer is to levy a 1% tax administration fee on all county, school, intermediate school, state education, Capital Area District Library and Lansing Community College taxes levied on the July and December 2004 tax rolls of the City of Mason;

FURTHER RESOLVED, that the City Treasurer is hereby authorized to collect 4% penalty on any taxes that remain unpaid from the July tax roll after August 31, 2004 and 3% penalty from the December tax roll after February 14, 2005.

RESOLUTION APPROVED UNANIMOUSLY

Resolution No. 2004-41 Return Delinquent Water and Sewer Bills to the July 2004 Tax Roll

Resolution No. 2004-41 was introduced by Bruno and seconded by Clark.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2004-41**

RETURN DELINQUENT WATER AND SEWER BILLS TO THE JULY 2004 TAX ROLL

June 21, 2004

BE IT HEREBY RESOLVED by the City Council of the City of Mason that the City Treasurer is hereby authorized to return the attached "Exhibit A" entitled Delinquent Water and Sewer Bills, to the July 2004 Tax Roll, pursuant to Mason City Code Section 82-251 (c).
RESOLUTION APPROVED UNANIMOUSLY

Resolution No. 2004-42 Return Miscellaneous Bills to the July 2004 Tax Roll
Resolution No. 2004-42 was introduced by Bruno and seconded by Clark.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2004-42**

RETURN MISCELLANEOUS BILLS TO THE JULY 2004 TAX ROLL

June 21, 2004

BE IT HEREBY RESOLVED by the City Council of the City of Mason that the City Treasurer is hereby authorized to return the attached "Exhibit A" entitled Miscellaneous Bills, to the July 2004 Tax Roll.
RESOLUTION APPROVED UNANIMOUSLY

Resolution No. 2004-43 Amend the 2003-2004 Fiscal Year Budget
Resolution No. 2004-43 was introduced by Bruno and seconded by Clark.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2004-43**

AMEND THE 2003-2004 FISCAL YEAR BUDGET

June 21, 2004

BE IT HEREBY RESOLVED by the City Council of the City of Mason that the 2003-2004 fiscal year Budget is hereby amended as per the attached "Exhibit A."
RESOLUTION APPROVED UNANIMOUSLY

Resolution No. 2004-44 Reserve for Retirement
Resolution No. 2004-44 was introduced by Clark and seconded by Bruno.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2004-44**

INCREASE OF RESERVED RETIREMENT FUNDS

June 21, 2004

WHEREAS, the City Council of the City of Mason is contractually obligated to pay for certain

benefits upon retirement; and

WHEREAS, the City Administrator recommends that the reserved funds established within the General Fund for the purpose of using the principle and interest of said reserved funds to pay for said benefits be increased in order to meet anticipated and unanticipated retirement payment commitments;

NOW, THEREFORE, BE IT RESOLVED, that the Finance Director/Treasurer is hereby directed to increase the amount of reserved funds in the General Fund set aside for payment of sick leave and vacation benefits at the time of retirement of eligible full time retirees; and

BE IT FURTHER RESOLVED, by the City Council of the City of Mason that it hereby authorizes the Finance Director/Treasurer to remove \$128,000 from the General Fund Equity balance and place it in the reserved fund balance.

Yes (5) Clark, Helbig, Johnson, Naeyaert, Whipple

No (1) Bruno

Absent (1) Preadmore

Motion – Utility Rates Adjustment

DPW Director Dean spoke to his recommendation to increase utility rates; the Utility Rate Study Commission did not have a quorum present for the June 16, 2004.

MOTION by Naeyaert, seconded by Bruno,

To defer consideration for Utility Rates Adjustment to the first meeting in July.

Yes (0)

No (6) Bruno, Clark, Helbig, Johnson, Naeyaert, Whipple

Absent (1) Preadmore

MOTION FAILED

MOTION by Johnson, seconded by Bruno,

To accept the recommendation of the DPW Director to increase the water use rates by 3.8% and the sewer use rates by 4%, effective January 1, 2005.

Yes (5) Bruno, Helbig, Johnson, Naeyaert, Whipple

No (1) Clark

Absent (1) Preadmore

MOTION APPROVED

Motion – Utility Rates Adjustment

Discussion was held regarding the recommendation of the Finance Director concerning the billing procedure for rental properties. The Directory of Charges will be on next meeting agenda and will include establishing the deposit amounts.

UNFINISHED BUSINESS

None.

NEW BUSINESS

Discussion was held regarding the lack of a quorum for several board and commission meetings recently.

MOTION by Helbig, seconded by Johnson,
To excuse the absence of Scott Preadmore for the June 21, 2004 meeting.
MOTION APPROVED UNANIMOUSLY

CORRESPONDENCE

All correspondence was distributed.

LIAISON REPORTS

Colburn informed the Council on current Planning Commission business. Helbig informed the Council regarding the Cable Communications Commission meeting date. Whipple stated that at the 6:30 p.m. workshop an ad hoc committee was formed to consider the meter charge and capital improvement charge as well as other related matters.

ADMINISTRATOR'S REPORT

Colburn informed the Council on current city issues.

PEOPLE FROM THE FLOOR

None.

ADJOURNMENT

The meeting adjourned at 10:13 pm.

Martin A. Colburn, City Clerk

Russell W. Whipple, Mayor