

**CITY OF MASON
REGULAR CITY COUNCIL MEETING
MINUTES OF OCTOBER 16, 2006**

Clark called the meeting to order at 7:30 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, Coady, Johnson, Mulvany, Naeyaert, Whipple
Also present: Martin Colburn, City Administrator
Kathy Revels, Finance Director/Treasurer
Joe Dean, Public Works Director
Dennis McGinty, City Attorney
Deborah Cwierniewicz, Deputy City Clerk

APPROVAL OF MINUTES - REGULAR COUNCIL MEETING: October 2, 2006

The Minutes of October 2, 2006 were approved as submitted.

APPROVAL OF BILLS

MOTION by Whipple, second by Coady,
to approve the payment of bills in the amount of \$113,079.16 as submitted.
MOTION APPROVED UNANIMOUSLY

PEOPLE FROM THE FLOOR

Onnolee Burton, Friends of the Library Treasurer, and Elaine Ferris, Friends of the Library President, presented a check to Mayor Clark in the amount of \$5,000.00.

PUBLIC HEARING

Clark opened the public hearing at 7:35 p.m. Colburn gave a brief introduction regarding the Industrial Facilities Tax Exemption (IFT) request by Sten Sjoberg, President of Gestamp U.S. HardTech, Inc.

Mr. Sten Sjoberg thanked Council for the cooperation to help his company to grow and strive in Mason. He spoke briefly about the company's product and the interest that has brought delegations of visitors who fly in to see the plant and talk with him. Clark closed the public hearing at 7:45 p.m.

REGULAR BUSINESS

Resolution No. 2006-41 – Approval of Application for Industrial Facilities Exemption Certificate and Industrial Facilities Exemption Agreement with Gestamp U.S. HardTech, Inc.

Resolution No. 2006-41 was introduced by Bruno and seconded by Mulvany.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2006-41
APPROVAL OF APPLICATION FOR
INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE AND
INDUSTRIAL FACILITIES EXEMPTION AGREEMENT
WITH GESTAMP U.S. HARDTECH, INC.**

October 16, 2006

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

WHEREAS, Gestamp U.S. HardTech, Inc. (SSAB) 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 land and building improvements of \$12,000,000 and machinery, equipment, furniture and fixtures of approximately \$47,100,000, with said improvements totaling \$59,100,000 as set forth in the applicant's application to the City Administrator dated September 1, 2006; and

WHEREAS, the City Council has adopted Council Resolution No. 92-37, 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:

BEG AT NW COR OF SEC 16 - S 89-45-58 E 1033.64 FT ALNG N SEC LN - S 24-17-28 E 1459.66 FT ALNG WLY LN OF CONRAIL R/W - SELY ALNG CURVE TO RT 408.57 FT, RAD OF 2861.25 FT, CHD BRG S 20-12-01 E 408.22 FT - CONT SELY ALNG CURVE TO RT 281.39 FT, RAD OF 2861.25 FT, CHD BRG S 13-17-32 E 281.28 FT - ALNG CURVE TO LEFT 468.82 FT, RAD OF 429.28 FT, CHD BRG N 51-54-02 W 445.86 FT - N 89-43-34 W 534.2 FT - S 00-06-19 W 31.32 FT - N 89-43-34 W 197 FT - S 00-06 19 W 386 FT - N 89-53-41 W 754.03 FT ALNG N LN OF TRILLIUM CT - N 00-04-38 W 2128.84 FT ALNG W SEC LN TO POB ON NW 1/4 OF SEC 16 T2N R1W 63.481 AC M/L CITY OF MASON (1997)

WHEREAS, Gestamp U.S. HardTech, Inc., wishes to install a new building improvements and purchase new equipment, machinery, furniture and fixtures on the property legally described above; the value of said personal property to be approximately \$59,100,000; and

WHEREAS, Gestamp U.S. HardTech, Inc., has committed to the establishment of a minimum of fifty additional jobs at their facility as a direct result of the installation of the new building, equipment and machinery; and

WHEREAS, Gestamp U.S. HardTech, Inc., seeks an Industrial Facilities Exemption Certificate on the real and personal property for a term of twelve (12) years, as described in its Application, dated September 1, 2006; and

WHEREAS, the City Council met in public hearing on October 16, 2006, 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 Gestamp U.S. HardTech Inc., 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 Gestamp U.S. HardTech Inc., 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 Gestamp U.S. HardTech, Inc. 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 Gestamp U.S. HardTech, Inc. 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 Gestamp U.S. HardTech, Inc. 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.

Yes (7) Bruno, Clark, Coady, Johnson, Mulvany, Naeyaert, Whipple
No (0)

Clerk's Certification: The undersigned, duly qualified Clerk of the City of Mason, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by said Council at a regular meeting held on Monday, October 16, 2006 the original of which is part of the City Council Minutes. The undersigned further certifies that notice of the meeting was given to the public pursuant to the provisions of the Michigan Open Meetings Act (1976 PA 267, as amended).

Martin A. Colburn, Clerk
City of Mason
Ingham County, Michigan

RESOLUTION APPROVED UNANIMOUSLY

Ordinance No. 157 – First Reading

MOTION by Whipple, second by Naeyaert,
to consider Ordinance No. 157 read for the first time.

McGinty suggested amendments to the proposed ordinance.

MOTION by Whipple, second by Johnson,
to amend proposed Ordinance No. 157 by striking *local unit of government* and
inserting *city* in Section 1-2, fourth paragraph; by deleting the comma in
Section 94-101 (2)(c) following the word decision and (d) following the word
~~amendment~~ *[insert] decision*.

MOTION APPROVED UNANIMOUSLY

MOTION by Whipple, second by Naeyaert,
to amend Ordinance No. 157 by striking the designation of (a) in Section 50-35
MOTION APPROVED UNANIMOUSLY

VOTE ON THE MAIN MOTION:
MOTION APPROVED UNANIMOUSLY

Presentation – MDOT M-36 Enhancement Grant

Colburn gave a brief report regarding the progress of pursuing an enhancement grant through Michigan Department of Transportation (MDOT) to beautify highway commercial areas, including decorative street lights and trees to line North Cedar Street. Rod Leppala, MDOT Supervisor, and Scott Cook of Capital Consultants addressed Council regarding enhancements to M-36. Rod Leppala, MDOT Supervisor, stated that MDOT contracted Capital Consultants as the design consultants for the M-36 roadway project through the city of Mason that is scheduled for 2008. Scott Cook of Capital Consultants stated that the Lansing Transportation Service Center has been working

with Colburn and Dean toward a Transportation Enhancement Grant to provide improvements for the gateway entrance into the city off of US-127 and M-36. Mr. Lappala stated that MDOT is willing to look at putting in curb and gutter at Temple and Steele Streets, within their budget.

Resolution No. 2006-42 – A Resolution Authorizing the City Of Mason to Participate with the Michigan Department of Transportation on a Matching Transportation Enhancement Grant

Resolution No. 2006-42 was introduced by Mulvany and seconded by Bruno.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2006-42
October 16, 2006**

**A RESOLUTION AUTHORIZING THE CITY OF MASON TO PARTICIPATE
WITH THE MICHIGAN DEPARTMENT OF TRANSPORTATION ON A
MATCHING TRANSPORTATION ENHANCEMENT GRANT**

WHEREAS, the Michigan Department of Transportation has included street improvements for M-36 through the city during the summer of 2008; and

WHEREAS, the City of Mason is eligible to participate with the Michigan Department of Transportation with a transportation enhancement grant; and

WHEREAS, the City of Mason Master Plan goals and objectives calls for; "Encourage a greater sense of community identity and character by streetscape improvements to commercial and other activity centers, and provide attractive entranceways into the City."; and

WHEREAS, after following the Michigan Department of Transportation process of project consideration and cost analysis, the City of Mason and the Department of Transportation have provided a project concept which includes improvements of street trees and shrubs, decorative street lighting and a city welcome sign along the northern portion of M-36 in Mason also known as Cedar Street; and

WHEREAS, the city will pursue the enhancement grant, with the understanding that it is a matching grant; and

WHEREAS, the city understands the requirement of providing future maintenance to the enhancements made through the enhancement grant program.

NOW, THEREFORE BE IT RESOLVED, that the Mason City Council endorses the city application for funding of a Michigan Department of Transportation Enhancement Grant to enhance the northern entry way of the city along Cedar Street, also know as M-36, and provide matching grant funding.

Yes (6) Clark, Coady, Johnson, Mulvany, Naeyaert, Whipple
No (1) Bruno

CLERK'S CERTIFICATION: I hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the City Council at its regular meeting held Monday, October 16, 2006 the original of which is part of the City Council minutes.

Martin A. Colburn, City Clerk
City of Mason
Ingham County, Michigan

RESOLUTION APPROVED

Resolution No. 2006-43 –Five-Year Street Program

Dean spoke briefly regarding the five-year street program and a brief discussion ensued. Resolution No. 2006-43 was introduced by Coady and seconded by Naeyaert.

CITY OF MASON

CITY COUNCIL RESOLUTION NO. 2006- 43
FIVE-YEAR STREET PROGRAM
October 16, 2006

WHEREAS, a revised five year street reconstruction program was prepared and presented; and

WHEREAS, it was based on a street prioritization study conducted by the Public Works Director and reviewed by the City Engineer; and

WHEREAS, preliminary costs and revenue estimates for the projects have been made; and

WHEREAS, the City Council will review the project list annually to make appropriate allowances or changes to priorities and estimates;

NOW THEREFORE BE IT RESOLVED, that a Five Year Street Construction Program has been accepted by the Mason City Council for project planning and budgetary considerations.

Yes (7) Bruno, Clark, Coady, Johnson, Mulvany, Naeyaert, Whipple

No (0)

CLERK'S CERTIFICATION: I hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the City Council at its regular meeting held Monday, October 16, 2006 the original of which is part of the City Council minutes.

City of Mason
Ingham County, Michigan

RESOLUTION APPROVED UNANIMOUSLY

Motion – Directory of Changes

Revels explained how staff worked with the Maximus to develop a cost analysis for services provided by the city.

MOTION by Whipple, second by Coady,
to approve the Directory of Charges

A brief discussion ensued.

MOTION by Whipple, second by Mulvany,
to amend the proposed Directory of Charges by striking *per team* on page (3).

Yes (7) Bruno, Clark, Coady, Johnson, Naeyaert, Mulvany, Whipple

No (0)

MOTION APPROVED UNANIMOUSLY

VOTE ON MAIN MOTION

MOTION APPROVED UNANIMOUSLY

It was the consensus of the Council to have staff review the tournament fee and provide a recommendation whether a fee should be charged for preparing and maintaining the softball fields.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

CORRESPONDENCE

All correspondence was distributed and a brief discussion ensued. A card was received from Joan Colligan thanking City Council for their generous donation to her four daughters. City employee, Chris Colligan, Building Inspector/ Code Enforcement Officer, was hit by a drunk driver on the evening of September 23rd and killed instantly. A Memorial Golf Outing was held October 15th where more than 140 golfers attended. Clark stated that he is organizing a benefit for the Colligan family. A bowl-a-thon is planned with live music, etc. An invitation to the Community Mental Health Authority's luncheons was received.

LIAISON REPORTS

- Coady informed Council that the Planning Commission met October 10 and the Sign Committee met October 11; they will meet again October 13.
- Clark informed Council regarding the Downtown Development Authority (DDA) meeting held October 12. He expressed that he would like to schedule a work session with the DDA and City Council. It was discussed that a meeting could be scheduled, if there are issues that the DDA feels there is a need for discussion after reviewing the legal opinion.

ADMINISTRATOR'S REPORT

Colburn informed the Council regarding current city business. In response to auto thefts the police department captured two individuals. Subsequently, a search warrant was obtained; upon entering the building, a home-made bomb was identified immediately. They contacted the State Police Bomb Squad and evacuated several buildings in the area. The State Police deployed a robot and detonated and disposed of the bomb on the north side of town. Colburn commended Sgt. Ed Hude, Sgt. Don Hanson, Mason Police Department, the State Police, Mason Fire Department, Mason Public Works Department, and the Ingham County Sheriff's Office Emergency Operations.

Improvements have been made to the City Administrator's offices to accommodate staff. Although meeting space has been impacted, it is working well and meeting the need. He thanked Council for the support they have given to city staff and the community for the Golf Outing in memory of Chris Colligan.

PEOPLE FROM THE FLOOR

Elaine Ferris, Farmer's Market Director, informed Council that the market concluded for the year last Saturday with 150 customers. She commended volunteer Don Jacot for setting up and clearing barricades and signs every Saturday.

ADJOURNMENT

Being that there was no further business the meeting adjourned at 9:20 p.m.

Martin A. Colburn, City Clerk

Leon Clark, Mayor