

**CITY COUNCIL  
121 N. Church Street, Hudson, MI  
PUBLIC HEARING  
August 6, 2013 at 7:00 p.m.**

**745462:**

The public hearing was called to order by Mayor Dennis Smoke at 7:00 p.m. in the Council Chambers.

ROLL CALL: PRESENT: Dennis Smoke, Carmel Camp, Namrata Carolan, Lee Daugherty, Lee Ann Minton, Rick Moreno and Jim Steele

ABSENT:

ALSO PRESENT: Dan Cherry, Wes Boyd, Mike Shadbolt, Chief Charlie Weir, Craig Shumaker, Ed Engle, Jed Engle, City Manager Steve Hartsel, and Deputy Clerk Jeaniene McClellan.

**ORDERS OF THE DAY:****Tax Abatement Request: Rima Manufacturing Co in the amount of \$280,574 for 12 Years:**

There was no public comment.

*Adjourn Sine Die*

**CITY COUNCIL  
121 N CHURCH STREET, HUDSON, MI  
REGULAR MEETING  
August 6, 2013 (Immediately Following Public Hearing)**

**745463:**

The regular meeting was called to order by Mayor Dennis Smoke at 7:02 p.m. in the Council Chambers.

ROLL CALL: PRESENT: Dennis Smoke Carmel Camp, Namrata Carolan, Lee Ann Minton, Lee Daugherty, Rick Moreno and Jim Steele

ABSENT:

ALSO PRESENT: Dan Cherry, Wes Boyd, Mike Shadbolt, Chief Charlie Weir, Craig Shumaker, Ed Engle, City Manager Steve Hartsel, and Deputy Clerk Jeaniene McClellan.

**ORDERS OF THE DAY:****745464:**

Motion by Lee Daugherty, seconded by Namrata Carolan to **add Item E, under New Business – Approval: Change Order 3, Murdock Trail CMAQ Project. Also add Item F – Authorize: Purchase of former Tiger’s Den Property at 115 N. Church St.,** CARRIED: 6-0 by roll call vote.

**Approval of Minutes:****745465:**

Motion by Namrata Carolan, seconded by Rick Moreno to **approve the Minutes of July 16, 2013, and place on file**, CARRIED: 6-0 by roll call vote.

**PUBLIC COMMENT:****NEW BUSINESS:****20 Year Service Award**

On behalf of the citizens of Hudson, the Hudson City Council extends its appreciation for Michael Shadbolt's twenty (20) years of dedicated service in the City of Hudson from July 2, 1993 to July 26, 2013.

Pursuant to the Service Award statement found under tab 7 of the City of Hudson General Information Handbook employees are to receive \$500.00 for 20 years of service.

**745466:**

Motion by Lee Daugherty, seconded by Lee Ann Minton to **Present 20-Year Service Award to Michael Shadbolt**, CARRIED: 6-0 by roll call vote.

**Authorize: Seek Bids to Replace Roof on WWTP Admin/Lab Building**

During the budget process, City Council approved funds to replace the shingles on the Administration/Lab building. Superintendent Michael Shadbolt would like to proceed with this process.

**745467:**

Motion by Namrata Carolan, seconded by Jim Steele to **allow WWTP personnel to solicit bids for the material, installation, and disposal old roof material. Funds are available in Capital Improvement line item 590.561.995.200, Roof Replacement, in the amount of \$8,500.00**, CARRIED: 6-0 by roll call vote.

**Approve IFT for Rima Manufacturing Co**

The City received an IFT Application from Rima Manufacturing Co in the amount of \$280,574 for personal property only. This is for new property that they will own as opposed to lease. If approved for the full 12 years this IFT would begin December 31, 2013 and expire December 30, 2025.

This covers the purchase and installation of a new lathe machine and other peripheral equipment. Although page 1 of the application says that the project should be completed by June 25, 2015 (see page 1 section 7), the Information for Tax Abatement sheet attached indicates that all machinery should be in-service by June 30, 2013.

The application also state that 105 existing jobs a the plant will be retained as a result of this project, but that no new jobs will be created (Section 9 page 1). Despite the fact that no new jobs will be created, granting this IFT should have a positive impact on our community, assuring continued employment that might otherwise be lost.

City Assessor, Kyt Hoover attached a layout of the effect that granting this IFT would have on the city and other taxing authorities. Bottom line is the city will receive an additional \$4,628 over the next 12 years if this IFT is approved for the full twelve-year period. Additionally it appears that existing jobs will be retained.

**745468:**

Motion by Namrata Carolan, seconded by Lee Ann Minton to **approve this IFT application as forwarded by the City of Hudson IFT Review Committee**, CARRIED: 6-0 by roll call vote.

**Discussion: Future Street Improvement Projects**

A PASER (Pavement Surface Evaluation and Rating) map for the City was recently completed, and indicates the relative conditions of City streets. The map does not include the two state trunklines of M-34 and US-127. By combining the PASER ratings with relative street importance, as well as whether the streets have curbs, a prioritized ordering of streets requiring improvements was developed, including the type of rehabilitation involved (i.e., full reconstruction, pavement overlay, chip and seal, etc.) By adding an estimated cost dimension to the results, a draft listing of short-term street improvement projects was completed and provided to Council. This list could form the basis for beginning the process of budgeting a comprehensive street improvement program for the City.

**745469:**

Motion by Lee Ann Minton, seconded by Jim Steele to **receive the attached PASER rating map and list of short-term street improvements**, CARRIED: 6-0 by roll call vote.

**Approval: Change Order 3, Murdock Trail CMAQ Project**

On Feb 5th, Council approved Change Order 1 for the Murdock Trail CMAQ Project, changing the contract price from \$220,765.16 to \$187,674.16. Federal grant funds for this project totaled \$140,563.00. Change Order 2 was approved on May 21st, which added \$10,267.50 to the project, for a total of \$197,941.66. This final change order (Change Order 3) lowers the contract price by \$6,686.30, primarily to reflect the actual quantities of project materials, including the use of a less-than-expected amount of asphalt. The final contract value with this reduced cost is \$191,255.36. \$1900 increase in the project cost from the start of construction was \$1681.20.

**745470:**

Motion by Lee Ann Minton, seconded by Namrata Carolan to **approve Change Order 3 for the Murdock Trail CMAQ Project, changing the contract price from \$197,941.66 to \$191,255.36 .**, CARRIED: 6-0 by roll call vote.

**Authorize: Purchase of former Tiger's Den Property at 115 N. Church St.**

The City Attorney has succeeded in contacting a representative of the current owner of the former Tiger's Den restaurant, 327 Beecher, LLC. This is pursuant to the City's efforts to have the unsafe structure either repaired or demolished. The owner has offered to sell the property to the City for the price he paid for it at tax auction (\$1500.00). If the City purchased the property, the building could be razed, the land would add about 24 parking spaces to the adjacent lot (which is imperative with the increase in downtown rental properties expected as a result of the rental rehab program), and the parking lot entrance could be relocated directly across from the entrance to the lot on the west side of N. Church St.

**745471:**

Motion by Lee Ann Minton, seconded by Jim Steele to **Authorize the purchase of the property at 15 N Church Street for \$1500, and authorize City Manager Steven W. Hartsel and City Attorney Denis Jodis to prepare and sign all required documents to complete the sale,** DENIED: 2-5 by roll call vote.

**745472:**

Motion by Lee Daugherty, seconded by Namrata Carolan for the **city manager Steve Hartsel to negotiate the acquisition of the property at 115 N Church St.,** CARRIED: 6-0 by roll call vote.

**UNFINISHED BUSINESS:****Approve: Selection of Third-Party Grant Administrator for Rental Rehab Program.**

On June 18th, Council authorized issuing a Request for Proposals from firms qualified to serve as Third Party Grant Administrators for the City, in order for the City to move ahead with a Community Development Block Grant through the Michigan State Housing Development Authority (MSHDA) to rehabilitate upstairs dwellings downtown as part of the Rental Rehab Community Development Block Grant Program, This would be at no cost to the City. MSHDA requires 3rd parties to administer this grant.

The proposal received from Eriksen Development Company (attached) fully meets the Michigan State Housing Development Authority guidelines and capabilities, and it is the city manager's recommendation that they be approved as the Third Party Grant Administrators for the Downtown Rental Rehab Program.

**745473:**

Motion by Lee Ann Minton, seconded by Jim Steele to **approve the selection of Eriksen Development Company to be the city's 3rd-Party Grant Administrator for the Downtown Rental Rehabilitation CDBG Program.,** CARRIED: 5-0-1 by roll call vote. Major Dennis Smoke abstain from vote.

**Bills:****Bills to be Approved for Payment: \$103,442.64**

Hudson Collision	\$1,006.15	Police Car Repair Due to Dumpster Incident
Lenawee County Equalization	\$3,484.75	Property Tax Roll Service Contract
Borton's Sand & Gravel	\$5,000.00	Annual Charge for Brush Removal
Zoll Medical Corporation	\$27,312.74	Monitor/Defibrillator for new ALS Unit
Berends Hendricks Stuit	\$66,639.00	Annual Insurance Premium

**Bills to be Confirmed: \$97,088.85**

Consumer Energy	\$1,037.29	Community Ctr Electricity JUL 2013
Consumer Energy	\$1,048.00	City Hall/Fire Dept Electricity JUL 2013
Midwest Collaborative Svc's	\$1,416.00	Library Annual RIDES Contract renewal
Consumer Energy	\$2,621.69	WTP/DPW Electricity JUL 2013
Consumer Energy	\$4,085.26	WWTP Electricity JUL 2013
Modern Waste Systems	\$8,003.94	July 2013 Refuse Statement
Fleis & Vandenbrink	\$31,765.37	S2 Flow Monitoring for APR 2013
Michigan Dept of Transportation	\$47,111.30	Murdock Trail Expense for APR 2013

**745474:**

Motion by Namrata Carolan, seconded by Lee Daugherty to **pay the bills,** CARRIED 6-0 by roll call vote.

**745475:**

Motion by Lee Ann Minton, seconded by Carmel Camp to **accept the minutes from the other boards with corrections and place on file.**, CARRIED 6-0 by roll call vote.

**CITY MANAGER’S REPORT:**

- Pleasant Street paving is complete. Last week the manholes were installed. The grass seeding largely failed and will be redone. There will be minor sidewalk and driveway touchup work on a few of the properties next week.
- The LDFA has chosen to move ahead with streetlights, tree planting, and an aeration fountain on the retention pond. Sidewalks were not included in the motion, and could be pursued later. A lengthy discussion was held regarding the possibility of ending the Tax Capture upon completion of this year’s industrial park facility projects. There is no clear consensus on ending the tax capture, although there was acknowledgment that Council determines when the tax capture for the Industrial Park development ends.
- The City Attorney has not yet filed the show cause motion on demolition of the Tiger’s Den- he expects it to be done within the next two weeks.
- The Sunrise Meadows Trail is ahead of schedule. Paving of this trail is scheduled for August 14th, but may be completed by August 9th. Hudson Area Schools personnel have decided to allow paving of the entire trail, ending the requirement that a rubber-type material be installed at the 2 places where the trail and the cross-country course overlap.
- MDOT has certified our annual mileage report per Act 51 for 2012. We have 5.7 miles of major roads and 10.21 miles of local roads within the City.
- The City has received an additional ISO rating which may be of benefit to residences and businesses in the City. The Building Code Effectiveness Grading Schedule, or BCEGS, assesses the effectiveness of building codes and their enforcement. On a 1 to 10 scale (with 1 being best), Hudson received a Class 3 for commercial and industrial properties, and a Class 4 for one- and two-family residential properties.
- In its most-recent issue, Lenawee Magazine has recognized some attractions in Hudson.

**ADJOURNMENT:**

**745476:**

Motion by Lee Ann Minton, seconded by Rick Moreno to **adjourn the meeting at 8:35 p.m.**

APPROVED: \_\_\_\_\_  
Dennis Smoke, Mayor

ATTEST: \_\_\_\_\_  
Jeaniene McClellan, Deputy Clerk

REVIEWED BY: \_\_\_\_\_  
Denis F. Jodis, City Attorney  
Dated: \_\_\_\_\_