

**MINUTES OF A REGULAR MEETING  
OF THE  
LAPEER CITY COMMISSION**

**APRIL 6, 2009**

A regular meeting of the Lapeer City Commission was held April 6, 2009 at Lapeer City Hall, 576 Liberty Park, Lapeer, Michigan. The meeting was called to order at 6:30 p.m.

**Present:** Mayor Sprague  
Commissioners Bennett, Marquardt, Robinet, and Farrington.  
City Manager Dale Kerbyson.  
City Attorney Representative Tim Turkelson.

**Absent:** Commissioner Bostick-Tullius (excused – vacation).

Mayor Sprague led the Pledge of Allegiance.

**AGENDA APPROVAL**

**50 2009 04-06**

Moved by Robinet. Seconded by Farrington.

To approve the Agenda for April 6, 2009 with the addition of Item G.2. Request for Byrne Justice Assistance Grant.

MOTION CARRIED.

**MINUTES**

**51 2009 04-06**

Moved by Bennett. Seconded by Marquardt.

To approve the minutes from the Joint Meeting of the Lapeer City Commission and Lapeer City Planning Commission held March 12, 2009 and the Regular Meeting held on March 16, 2009.

MOTION CARRIED.

Minutes from the various Boards and Commissions were received into record.

**CONSENT AGENDA**

**52 2009 04-06**

Moved by Robinet. Seconded by Farrington.

To remove Item B.4. Special Event Request: Lapeer Area Chamber of Commerce and approve the remaining Consent Agenda for April 6, 2009 resulting in the following:

1. Approval of Special Event Request from Classic Cruisers Car Club of Lapeer for a 19<sup>th</sup> Annual Benefit Car Show to be held June 14, 2009.
2. Approval of Special Event Request from Zonta Club of Lapeer Area for Fantasy Forest to be held October 10, 2009 contingent upon receipt of current insurance.
3. Approval of Special Event Request from United Way of Lapeer for Family Fun Day to be held July 15, 2009 contingent upon receipt of current insurance.
5. Approval of Special Event Request from Lapeer Downtown Business Association for Lapeer Cruise to be held on Mondays, May 11 – September 14, 2009 (with holiday exceptions May 25<sup>th</sup> and September 7, 2009).
6. Approval of the Special Event Request from Lapeer County Parks for Wild Lapeer and Elite Feet NBX Invitational to be held April 25, 2009.
7. Approval of the 2009 Spring Clean-Up Agreement with Rick Rhein Disposal for \$22.50 per cubic yard and authorize the City Manager and Director of Public Works to sign the required documents.
8. Approval of the Right-of-Way Licenses for downtown outdoor dining area for:  
Abruzzo's Piano Grille – 315 W. Nepessing Street  
Isola's Bistro – 348 W. Nepessing Street  
Blondie's Sweet Boutique/Dagwood's Deli/After Hours – 193 W. Nepessing Street.
9. Approval of the Budget Adjustment for the National City Bank Project as submitted.

10. Approval of the DeMille Boulevard and Oakdale Grounds Maintenance Agreement with SirCo Scapes LLC/Ryan Siarkowski and authorize the Mayor and City Manager to sign the required documents.

MOTION CARRIED.

Special Event Request: Lapeer Area Chamber of Commerce

Commissioner Robinet commented that he was against charges for Lapeer Days, believes that the charges are inflated, and would like to see accurate charges prior to any consideration of expenses.

**53 2009 04-06**

Moved by Robinet. Seconded by Bennett.

To approve the Special Event Request from Lapeer Area Chamber of Commerce for Lapeer Days Festival to be held August 19-23, 2009 and that the City support Lapeer Days by denying charges for services as a co-sponsor of the event. Commissioner Farrington commented that he understood the request in charging a portion of the services and suggested that the Chamber be contacted for use of volunteers to take some burden off of City employees and to provide the Chamber with information in order to understand reasons behind possible charges. City Manager Kerbyson stated that he was suggesting a 25% charge to the Chamber, that the charges were based on Department estimates of City services, and that the DBA was notified of the request to charge a percentage of costs. Mayor Sprague asked that the City capture any costs, that when a possible 200,000 people visit the City it is considered money well spent, and the investment made in return was worth it. The question was called to a vote.

MOTION CARRIED.

**BILL LISTING FOR APRIL 6, 2009**

**54 2009 04-06**

Moved by Robinet. Seconded by Marquardt.

To approve the Bill Listing for April 6, 2009 in the amount of \$638,144.42.

MOTION CARRIED.

**PUBLIC COMMENTS**

Anita St. Clair, commented on bringing meetings to the public, that it helps citizens understand what is going on, that Community Chat and Crime Scene on local radio station 1530 has been welcomed by the public, that people have commented positively on the content, and that people want to know what is going on in our community.

**PUBLIC PROCLAMATIONS AND RECOGNITIONS**

Arbor Day Proclamation

**55 2009 04-06**

Moved by Robinet. Seconded by Marquardt.

To approve the Arbor Day Proclamation.

CITY OF LAPEER  
ARBOR DAY PROCLAMATION

WHEREAS, In 1872 J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, This holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, Arbor Day is now observed throughout the nation and the world; and

WHEREAS, Trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife; and

WHEREAS, Trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and

WHEREAS, Trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, Trees, wherever they are planted, are a source of joy and spiritual renewal,

THEREFORE, BE IT RESOLVED that I, William J. Sprague, Mayor of the City of Lapeer and the Lapeer City Commission do hereby declare April 24, 2009 as Arbor Day in the City of Lapeer and urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands, and urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

Dated this 6th day of April 2009.

MOTION CARRIED. PROCLAMATION DECLARED ADOPTED.

## **PUBLIC HEARINGS**

### H & H Tool, Inc. Project – First Amendment to Indenture.

Patricia Lucas, Executive Director of Economic Development Corporation, introduced H & H Representatives Jim and Andy Harrington, asked the Commission to approve the First Amendment to Indenture, that the request has been approved by the EDC Board, that the request would allow a different bank to remarket the bonds, that ratings of banks affect the interest rate of the bonds, and that it would extend the term of the bond.

Mayor Sprague opened the public hearing at 6:39 p.m. to hear comments regarding the H & H Tool, Inc. Project First Amendment to Indenture.

Jim Harrington, representative of H & H Tool, Inc., 3200 John Conley Drive, Lapeer, commented that the bank involved was not Lapeer County Bank & Trust.

There being no further comments, Mayor Sprague closed the public hearing at 6:40 p.m.

### **56 2009 04-06**

Moved by Robinet. Seconded by Farrington.

To approve the Resolution regarding the First Amendment To Indenture (H & H Tool, Inc. Project).

### CITY COMMISSION OF THE CITY OF LAPEER

RESOLUTION #56 2009 04-06

IN RE: FIRST AMENDMENT TO INDENTURE  
(H & H TOOL, INC. PROJECT)

WHEREAS, on August 31, 2007, The Economic Development Corporation of the City of Lapeer ("EDC") issued \$9,870,000 principal amount of Variable Rate Demand Development Revenue Bonds, Series 2007 (H & H Tool, Inc. Project) (the "Bonds") for the benefit of H & H Tool, Inc., a manufacturing company doing business in the City of Lapeer (the "Company"); and

WHEREAS, the Bonds were secured by a letter of credit issued by Citizens Bank; and

WHEREAS, because of the precipitous decline in market conditions, the Bonds have been tendered for repurchase by their owners to the Trustee for the Bondholders and were paid for by a draw on the Citizens Bank letter of credit; and

WHEREAS, the Company has reported that the most economic means by which the Bonds can be sold back into the public marketplace is to secure them with a letter of credit to be issued by the Federal Home Loan Bank of Indianapolis ("FHLBI"), whose national rating is "AAA", the highest rating possible; and

WHEREAS, the substitution of the FHLBI letter of credit for the Citizens Bank letter of credit will require certain amendments (collectively, the "First Amendment") to the Indenture of Trust pursuant to which the Bonds were originally issued (the "Indenture") and to the Bond form itself, in each case principally to extend the maturity of the Bonds by over five years, from August 1, 2031, to January 1, 2037; and

WHEREAS, in connection with the First Amendment, a copy of which has been presented to this meeting, the City Commission is required by federal income tax law to hold a public hearing with respect to such First Amendment; and

WHEREAS, the City Commission has held a public hearing regarding the proposed First Amendment to the Indenture;

NOW THEREFORE BE IT RESOLVED that, the proposed First Amendment to the Indenture, substantially in the form presented to this meeting, is hereby approved, including such changes or additions to such form as the officers of the EDC executing the same may deem necessary or advisable, and that the execution of such document by such officers of the EDC shall be conclusive evidence of their determination in that respect; and

BE IT FURTHER RESOLVED that, the City Clerk is hereby directed to provide four certified copies of this resolution to the Secretary of the Board of the EDC.

AYES: Commissioner Robinet, Farrington, Bennett, and Marquardt.

NAYS: None.

ABSTAIN: None.

ABSENT: Commissioner Bostick-Tullius.

MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

IFT: Lapeer Industries, Inc.

Patricia Lucas, Executive Director of Economic Development Corporation introduced Lapeer Industries, Inc. representative Andy Dospil, that the request was sought for new machinery and equipment, requesting a 12 year exemption, encompassed approximately \$2 million in project costs, and the estimation of 8 new jobs.

Mayor Sprague opened the public hearing at 6:41 p.m. to hear comments regarding the Industrial Facility Request submitted by Lapeer Industries, Inc. There being no comments, Mayor Sprague closed the public hearing at 6:41 p.m.

**57 2009 04-06**

Moved by Marquardt. Seconded by Bennett.

To approve the Resolution Approving The Application Of Lapeer Industries, Inc. For An Industrial Facilities Tax Exemption Certificate.

RESOLUTION APPROVING THE APPLICATION OF  
LAPEER INDUSTRIES, INC.  
FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on December 5, 1983, this Commission by resolution established the City of Lapeer Industrial Development District No. A, as requested by the Lapeer City Commission; and

WHEREAS, Lapeer Industries, Inc. has filed an application for an Industrial Facilities Exemption Certificate with respect to building improvements and the purchase of new

machinery and equipment to be acquired and installed within the Industrial Development District No. A; and

WHEREAS, before acting on said application, the City of Lapeer held a hearing on April 6, 2009, at the Lapeer City Hall, 576 Liberty Park, at 6:30 p.m. or as soon thereafter as may be heard, prior to which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, commencement of the installation of new machinery and equipment had not begun earlier than six (6) months before March 9, 2009 the date of the acceptance of the application for the Industrial Facilities Exemption Certificate; and

NOW THEREFORE, BE IT RESOLVED by the Lapeer City Commission that:

1. The Board finds and determines that the granting of the 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 Lapeer, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Lapeer.

2. The application of Lapeer Industries, Inc. for an Industrial Facilities Exemption Certificate with respect to building renovations and the purchase of new machinery and equipment to be installed on the following described parcel of real property situated within the City of Lapeer Industrial Development District No. A, to wit:

Lots 10 & 30 of McCormick Industrial Park No. 3 as recorded in Liber 7, Pages 106-109, Lapeer County Records. More commonly known as: 290 McCormick Drive, Lapeer, MI

be and the same is hereby approved.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of 12 years after completion, provided, however, that said certificate shall be subject to the terms and conditions of the Tax Abatement Agreement between the City of Lapeer and Lapeer Industries, Inc. dated March 9, 2009.

AYES: Commissioners Marquardt, Bennett, Robinet, and Farrington.

NAYS: None.

ABSENT: Commissioner Bostick-Tullius.

ABSTAIN: None.

MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

IFT: Masco Bath Corporation.

Patricia Lucas, Executive Director of Economic Development Corporation introduced Masco Bath Corporation representatives Robert Nagel, Dave Gibbard, and Robert DeWitte, that the request was sought for new machinery, equipment and building improvements, encompassed approximately \$4.6 million in project costs, that this was the first retention project, and to maintain the current level of 154 employees.

Mayor Sprague opened the public hearing at 6:42 p.m. to hear comments regarding the Industrial Facility Request submitted by Masco Bath Corporation. There being no comments, Mayor Sprague closed the public hearing at 6:42 p.m.

Commissioner Marquardt questioned why the 2006, 2007, 2008, and 2009 Industry Questionnaires had not been received. City Assessor Tom Hubbell advised that communication had been established with the company, that the questionnaires had not been received, that a new mailing address had been provided, and surveys have been resent for the years in question.

Moved by Robinet. Seconded by Bennett.

To approve the Resolution Approving The Application Of Masco Bath Corporation For An Industrial Facilities Tax Exemption Certificate.

RESOLUTION APPROVING THE APPLICATION OF  
MASCO BATH COPORATION  
FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on December 5, 1983 this Commission by resolution established the City of Lapeer Industrial Development District No. A, as requested by the Lapeer City Commission; and

WHEREAS, Masco Bath Corporation has filed an application for an Industrial Facilities Exemption Certificate with respect to building improvements and the purchase of new machinery and equipment to be acquired and installed within the Industrial Development District No. A; and

WHEREAS, before acting on said application, the City of Lapeer held a hearing on April 6, 2009 at the Lapeer City Hall, 576 Liberty Park, at 6:30 p.m. or as soon thereafter as may be heard, prior to which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, commencement of the installation of new machinery and equipment had not begun earlier than six (6) months before March 16, 2009, the date of the acceptance of the application for the Industrial Facilities Exemption Certificate; and

NOW THEREFORE, BE IT RESOLVED by the Lapeer City Commission that:

1. The Board finds and determines that the granting of the 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 Lapeer, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Lapeer.

2. The application of Masco Bath Corporation, Inc. for an Industrial Facilities Exemption Certificate with respect to building improvements and the purchase of new machinery and equipment to be installed on the following described parcel of real property situated within the City of Lapeer Industrial Development District NO. A, to wit:

Tax Roll Parcel Number 21-31-104-040-00  
City of Lapeer, Lapeer Industrial Complex Lot 1

Tax Roll Parcel Number 21-31-108-040-00  
City of Lapeer, Lapeer Industrial Complex Lot 8

be and the same is hereby approved.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of 12 years after completion, provided, however, that said certificate shall be subject to the terms and conditions of the Tax Abatement Agreement between the City of Lapeer and Lapeer Industries, Inc. dated March 16, 2009.

AYES: Commissioners Robinet, Bennett, Marquardt, and Farrington.

NAYS: None.

ABSENT: Commissioner Bostick-Tullius.

ABSTAIN: None.

MOTION CARRIED. RESOLUTION DECLARED ADOPTED.

## **ADMINISTRATIVE REPORTS**

Mayor Sprague excused himself from the meeting to attend the going away ceremony for the National Guard and turned over the meeting to Mayor Pro-Tem Robinet at 6:44 p.m.

Wastewater Treatment Plant Expansion & Rehabilitation Project: State Revolving Fund  
City Manager Dale Kerbyson commented that the City was poised to file a State Revolving Loan to fund the Wastewater Treatment Plant expansion, possibility of project being approved within the 1<sup>st</sup> quarter funding for stimulus monies, the offering of a 23% forgiveness on principal by MDEQ, and that it would be worthwhile to take advantage of the opportunity.

### **59 2009 04-06**

Moved by Bennett. Seconded by Farrington.

To set a public hearing for May 18, 2009 at 6:30 p.m. or as soon thereafter as may be heard to discuss the City of Lapeer Wastewater Treatment Plant Expansion & Rehabilitation Project using the State Revolving Fund Loan process.

MOTION CARRIED.

### **Request for Byrne Justice Assistance Grant**

Police Chief Todd Alexander reviewed the request with the Commission. Discussion was held regarding the placement of City portion within the FY Budget for a new patrol car and that no other strings were attached to the grant.

### **60 2009 04-06**

Moved by Farrington. Seconded by Bennett.

To approve to apply for and receive the Federal Edward Byrne Memorial Justice Assistance Grant, to put the public on notice of this application, and authorize the Chief of Police to sign required documents after review by the City Manager.

MOTION CARRIED.

## **CITY MANAGER'S REPORT**

City Manager Dale Kerbyson requested that Police Chief Alexander comment on information he had read. Police Chief Todd Alexander commented that he had read in the County Minutes within the agenda that the County had placed a charge for use of the Court House in the amount of \$250 and to post a \$500 bond; however, he did not know when the County had begun such a charge. Police Chief Alexander advised that staff tries very hard to bring to the Commission's attention costs involved with events and to know that charges are now being requested by the County.

City Manager Dale Kerbyson informed that two informational items were placed at Commission seats regarding Housing Grants and that Housing Grant Administrator Denise Soldenski was available should there be any questions. Discussion was held regarding receipt of reports earlier in order to review them properly or placement on next agenda, issues with giving away of grant monies, grant requirements with match-to-match or a percentage of funding, targeting of new home buyers, to review old versus new territory with the Cramton grant, review of home purchases in Lapeer County for unpaid taxes, continual development of homes in the Lapeer City area, and pursuit of grant dollars.

## **CITY ATTORNEY'S REPORT**

City Attorney Representative Tim Turkelson commented that they were going to review with Department Heads changes in the law regarding the use of medical marijuana and subsequent changes to the City Policy Book.

## **UNFINISHED BUSINESS**

There were no board appointments made.

## **DEPARTMENTAL COMMUNICATIONS**

The Monthly Financial Report for January 2009 was received into record.

## **MAYOR/COMMISSIONER COMMENTS**

Commissioner Farrington commented that the Easter Egg hunt is moving to Attica and if this was due to the County charging a fee.

Commissioner Bennett welcomed interest in starting a public access station and improvements to the government channel and that the Cable Board would meet at a special meeting tomorrow at 7:00 p.m. in the Commission Chambers.

Commissioner Marquardt commented that she understands the charges by the County, that a good job was done regarding the snow removal, and that Denise was doing a great job in the Housing Department.

Commissioner Robinet commented on issues with late items brought before the Commission.

## **ADJOURNMENT**

### **61 2009 04-06**

Moved by Bennett. Seconded by Marquardt.

To adjourn the meeting.

MOTION CARRIED.

The meeting adjourned at 6:59 p.m.

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William J. Sprague, Mayor

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Donna L. Cronce, CMC, City Clerk