

CITY OF TECUMSEH  
COUNCIL MEETING  
JUNE 1, 2009  
TECUMSEH CITY HALL  
7:30 P.M.

The meeting was called to order by Mayor Schmidt.

Mayor Schmidt led the Pledge of Allegiance.

Roll call was taken as follows:

PRESENT: Mayor Schmidt, Council members Baker, Housekeeper, Johnson, Naugle,  
VanAlstine and Wright.

ABSENT: None.

Guests were welcomed to the meeting by Mayor Schmidt.

Mayor Schmidt announced that Tecumseh Police Officer Scott Smith would not be present this evening to receive recognition for serving 6-years as member of the Employees Retirement Board of Trustees. City Clerk Laura Caterina will see that Scott receives his framed service appreciation certificate.

TCA Executive Director Johanna Walker gave her Annual Report to Council, as follows: Despite her best efforts, the Tecumseh Center for the Arts is still losing revenues, due primarily to the economic downturn, which has caused a significant decrease in corporate sponsorships and ticket sales as unemployment rises and household budgets curtail discretionary spending. If revenue losses continue, the TCA only has a few operational years left. A portion of the TCA's \$225,000 endowment fund may need to be used at some point during the upcoming fiscal year, in order for the facility to remain operational. Explaining that the arts and live entertainment business is struggling nationwide, Johanna named two dance studios from Dundee that have closed, causing rental cancellations at the TCA, and that a \$15,000 contribution was lost from United Way over the past year. On a positive note, the TCA recently received \$30,000 in gifts and contributions from the Sage and Weatherwax Foundations. In addition to cutting staff, curtailing hours and charging renters for all of the items they use at the TCA, Johanna mentioned that the following ideas to help improve the TCA's financial picture are being considered: (1) begin charging a small ticket transaction fee (like Ticketmaster), which would raise between \$5,000 - \$10,000 annually, depending on how many tickets are purchased; (2) make additional staff cuts; (3) raise rents (another 5 - 10%); (4) bring money in from the outside -(i.e. step up fundraising efforts and/or book exceptional entertainment to sellout crowds, noting that both are difficult tasks), or (5) cut part of the upcoming National Touring Season (3 shows lost revenues last year, and each show costs approximately \$7,500). Council was encouraged to attend the next Advisory Board meeting that will be held 6/10/09 at the TCA beginning at 6:00 p.m., where these and other ideas will be discussed. Joh reviewed the current list of sponsorships, grants that have been received or will be applied for, and described this year's "Flower Power" community fundraiser, noting that this year's auction/fundraising event will be held at the TCA, to increase profitability (last year's Tecumseh Country Club rental was too expensive).

City Manager Kevin Welch concurred with the information presented, noting that he and Johanna are meeting frequently to carefully monitor the TCA's budgetary concerns. Kevin shared

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information he recently read in an article published in *Business Week* that described several big theatres that have gone bankrupt nationwide. Johanna was asked to share information that will be discussed at the upcoming Advisory Board meeting, at our next study session.

No one spoke during the public comment opportunity for items on this evenings agenda.

Motion Baker and seconded VanAlstine, to receive and place on file the report of the City Manager. The following items were added or discussed: (1) A study session will be held on 6/15/09 in Council Chambers at City Hall to discuss the City budget and other issues; (2) Volunteers who helped with this year's Memorial Day Parade and planted flowers citywide will be recognized at the next Council meeting; (3) Lolly Luegge recently began volunteering her time to work at the Tecumseh Center for the Arts, and (4) We are properly licensed under state and federal laws concerning the City's van, and are not competing with local private transportation organizations. Motion carried unanimously.

RESOLUTION

CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES: to adopt the Consent Agenda, approving, receiving and placing on file the following: (1) City Council minutes from the regular meeting held May 18<sup>th</sup>, 2009; (2) Letter from Chad Rodgers; (3) Hearing before the Michigan Public Service Commission, and (4) Report of the Employees' Retirement Board for meeting held February 24, 2009.

RESOLUTION was offered by Council member VanAlstine and supported by Council member Naugle. A roll call vote was taken as follows:

YES: VanAlstine, Wright, Baker, Housekeeper, Johnson, Naugle and Schmidt.

NO: None.

RESOLUTION DECLARED ADOPTED.

Motion Naugle and seconded Wright, to receive Ordinance No. 4-09, an ordinance requiring Permanent, Annual and Seasonal businesses to register with the City to obtain a Business License, for its second reading, by title only. Motion carried unanimously.

RESOLUTION

CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES: to approve the June 1<sup>st</sup>, 2009 list of bills to be paid.

RESOLUTION was offered by Council member Naugle and supported by Council member Wright. A roll call vote was taken as follows:

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YES: Wright, Baker, Housekeeper, Johnson, Naugle, Schmidt and VanAlstine.

NO: None.

RESOLUTION DECLARED ADOPTED.

RESOLUTION

CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES: to support the Tecumseh Center for the Arts request for grant funding from the Michigan Council for Arts and Cultural Affairs in the amount of \$13,000.

RESOLUTION was offered by Council member Housekeeper, and seconded by Council member Johnson. A roll call vote was taken as follows:

YES: Baker, Housekeeper, Johnson, Naugle, Schmidt, VanAlstine and Wright.

NO: None.

RESOLUTION DECLARED ADOPTED.

City Manager Kevin Welch referred to the rendering of the proposed final site plan for the Tecumseh Business and Technology Campus submitted to Council, noting that the Planning Commission is scheduled to approve same on 6/9/09, with MDOT approval to follow. The existing house will need to be removed, the existing driveway will be utilized as part of the road, and one retention pond is planned. Bids will be sought for this project within the next 30 days, and given the current state of the economy, will more than likely come in under budget. Construction may begin as early as August, 2009.

RESOLUTION

CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES: to approve the final site plan for Phase 1 development of the Tecumseh Business and Technology Campus, and to submit the plans to the Tecumseh Planning Commission for consideration at their June 9, 2009 meeting.

RESOLUTION was offered by Council member VanAlstine and seconded by Council member Naugle. A roll call vote was taken as follows:

YES: Housekeeper, Johnson, Naugle, Schmidt, VanAlstine, Wright and Baker.

NO: None.

RESOLUTION DECLARED ADOPTED.

City Manager Kevin Welch explained that our engineer and staff came up with the proposed name for the primary road to be built during Phase 1 development of the Tecumseh Business & Technology Campus, noting that the entire campus will have only a few roads total.

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RESOLUTION

CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES: to adopt "Campus Parkway" as the name of the primary road in Phase 1 development of the Tecumseh Business & Technology Campus.

RESOLUTION was offered by Council member Wright, and seconded by Council member Johnson.

YES: Baker, Housekeeper, Johnson, Naugle, Schmidt, VanAlstine and Wright.

NO: None.

RESOLUTION DECLARED ADOPTED.

RESOLUTION

CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES: to approve the Special Event Permit for a 5K Run/2Mile Walk for NewSong Church, beginning and ending at Family Frosty, on Saturday, June 27<sup>th</sup>, 2009, between 9:00 am and 10:00 am.

RESOLUTION was offered by Council member Naugle and supported by Council member Wright.

YES: Baker, Housekeeper, Johnson, Naugle, Schmidt, VanAlstine and Wright.

NO: None.

RESOLUTION DECLARED ADOPTED.

Motion VanAlstine and seconded Naugle, to adopt Ordinance #4-09, an ordinance requiring Permanent, Annual and Seasonal businesses to register with the City to obtain a Business License. A roll call vote was taken as follows:

YES: Johnson, Naugle, Schmidt, VanAlstine, Wright, Baker and Housekeeper.

NO: None.

ORDINANCE DECLARED ADOPTED.

Motion VanAlstine and seconded Housekeeper, to adopt the resolution setting business license fees for Permanent, Annual and Seasonal businesses, effective 6/15/09. A roll call vote was taken as follows:

YES: Naugle, Schmidt, VanAlstine, Wright, Baker, Housekeeper and Johnson

NO: None.

RESOLUTION DECLARED ADOPTED.

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City Manager Kevin Welch explained his recommendation to recoup Retirement Fund losses over a 30- year period, to avoid having to increase the City's contribution from 23% to 26%. This will simply allow the City to recoup investment losses over a 30-year time span (instead of an 18-year time span), and if the market turns around, the City can buy it back. On a positive note, Mayor Schmidt reported that at the close of business last Friday, funds rose to a little over \$13,000,000 and are slowly coming back.

RESOLUTION

CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES: to concur with the Tecumseh Retirement Board's decision to revise the 2009-2010 Actuarial Report and amortization of the unfunded liability from a closed 18-year amortization, to a closed 30-year amortization, as recommended by the City Manager.

RESOLUTION was offered by Council member Johnson and seconded by Council member VanAlstine. A roll call vote was taken as follows:

YES: Schmidt, VanAlstine, Wright, Baker, Housekeeper, Johnson and Naugle

NO: None.

RESOLUTION DECLARED ADOPTED.

City Manager Kevin Welch noted that the MML is asking municipalities statewide to adopt the following resolution that supports the use of Federal stimulus funds ("American Recovery and Reinvestment Act of 2009" or ARRA funds) to be used to assist local governments with their budgets.

Motion Housekeeper and seconded Naugle, to adopt the resolution requesting that Vice-President Biden direct the State of Michigan to use ARRA funding to stabilize local government budgets, in accordance with the Act. A roll call vote was taken as follows:

YES: VanAlstine, Wright, Baker, Housekeeper, Johnson, Naugle and Schmidt

NO: None.

RESOLUTION DECLARED ADOPTED.

RESOLUTION

CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES: to authorize City Manager Kevin Welch and City Clerk Laura Caterina to sign the five (5)- year State Trunkline Maintenance Contract No. 2009-0389 for M-50/Chicago Blvd., on behalf of the City.

RESOLUTION was offered by Council member Naugle and seconded by Council member VanAlstine. A roll call vote was taken as follows:

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YES: Wright, Baker, Housekeeper, Johnson, Naugle, Schmidt and VanAlstine.

NO: None.

RESOLUTION DECLARED ADOPTED.

During the public comment opportunity for items not on these evenings' agenda, Lolly Luegge, 1015 River Acres Dr., shared concerns regarding a neighbor discharging pool water on her property. City Manager Kevin Welch said that he would have Development Services Director Brad Raymond contact her tomorrow regarding this matter.

Mayor Schmidt remarked that he was moved by union employees (police, utilities and front office staff) concerning their decision to give up their pay raises this year. Council members Housekeeper and Naugle concurred.

Motion VanAlstine and seconded Wright, to adjourn the meeting at 8:09 pm. Motion carried unanimously.

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Harvey E. Schmidt, Mayor

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Laura Caterina, City Clerk