

Special Meeting of the Common Council, City of Iron Mountain, County of Dickinson, Michigan held on Monday, December 10, 2007 at 3:00 p.m. in the Council Room:

Presiding: Mayor Tousignant  
Present: Council Members Burke, Tchokreff, Rigoni, VanLaanen and Jacobs  
Excused: Council Member Caudell  
Also Present: City Attorney Pirkola.

## Public Comment

Dale Alessandrini – 1120 Iron Mountain St. – would like to know if the City Attorney had an opportunity to review this agreement and does Mr. Pirkola feel that it protects the City.

## Old Business

Council Member Rigoni asked the City Attorney if he was comfortable with the language in the agreement. City Attorney Pirkola feels more comfortable with the draft he revised but would have liked more time to review the agreement. He felt the agreement was for 125,000 gallons per/day and that is all this agreement should allow. Mayor Tousignant asked if the City sells the Township 125,000 gallons, would the Township have an argument to obtain additional water from the precedent set. City Attorney Pirkola stated his revised draft allows for 125,000 gallons and that is it. He stated that at 90,000 gallons the City is under an obligation to negotiate but not compelled to sell more water even if the City has the capacity. Member Tchokreff asked if the City still has control of our assets. City Attorney Pirkola feels that this agreement keeps control except for the 125,000 gallons. Council Member VanLaanen is concerned about giving the Township open ended development opportunities. He is concerned that all development for the next 20 years would happen in the Township. Member VanLaanen proposes a much smaller area that still allows for commercial development. A smaller area now would allow future City Councils to negotiate additional area. Mayor Tousignant said the Township is limited to the 125,000 gallons no matter the service area. He said the north end is mostly residential and there is not very much area on south US2 available for development. Member VanLaanen stated that commercial development does not use a lot of water and that is why the City needs to reduce the service area. Member Rigoni discussed the map he created that showed Area I and II 425 Agreement areas and the area he would propose for the Utility Services Agreement. He said his map shows the Utility Services Agreement ending at the M95 junction and that the Township originally wanted it to end at Pine Mountain Rd. He estimated the Township's original request would include 2,800 acres. His map reduces this to 1,400 acres but still includes the developable corridors. He said the Township will get some commercial development along the highway but that is a good thing for the City of Iron Mountain. Mayor Tousignant stated that Iron Mountain is getting the better commercial development area in this deal. Member VanLaanen stated that the water and sewer service areas were much smaller when the 425 Agreements were first being negotiated. Mayor Tousignant thinks that this agreement creates cooperation which is necessary for the County to thrive. Member VanLaanen is concerned about the forever

## Utility Service Agreement

### Old Business (cont.)

potential of losing tax base with this agreement. Member Burke stated he liked the service area of the second page of Member Rigoni's maps. Member VanLaanen feels the Township received a great deal with the 425 Agreements that pay the Township their full millage. He stated the water and sewer agreements are something extra. He stated his smaller area still provides the Township with valuable and likely developable area. Mayor Tousignant reiterated the cooperation this agreement provides between the communities. Member Rigoni felt that his map with the 1,400 acres is a good compromise. Member VanLaanen stated that the Township said they were looking at developing the north side of US2 going into Quinnesec. Member VanLaanen thinks that is the area that should be in the agreement with future Councils having the ability to negotiate additional area. Member Rigoni stated that a bigger area initially would help the Township better plan for the installation of a water and sewer system for future development. Member Burke would like to send the second map created by Member Rigoni to the Township. Member Tchokreff likes the second map and agrees with leaving discretion for expansion to future Councils. Member Rigoni stated on page 2 of the agreement letter C, he would like property owners removed and changed to Township when referencing tapping into the system. City Attorney Pirkola agreed that this should be changed. Member Rigoni wanted to be sure that the COLA increase language doesn't prevent the City from a larger future increase if needed. City Attorney Pirkola did not believe it would prevent the City from implementing a larger increase.

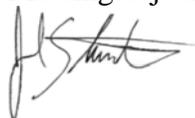
It was moved by Burke and supported by Rigoni to approve the City Attorney's Utility Service Agreement Draft in concept to include Member Rigoni's second map outlining the service area.

**Ayes:** (5) Burke, Rigoni, Tousignant, Jacobs and Tchokreff

**Nays:** (1) VanLaanen

**Motion carried.**

Meeting adjourned at 3:50 p.m.



Jordan Stanchina  
Clerk-Treasurer