

Regular Meeting of the Common Council, City of Iron Mountain, County of Dickinson, Michigan held on Monday, July 7, 2008 at 6:30 p.m. in the Council Room:

Presiding: Mayor VanLaanen
Present: Council Members Tchokreff, Peterson, Caudell, Rosen, and Farragh
Absent: Council Member Burke
Also Present: City Attorney Pirkola

Agenda

It was moved by Farragh and supported by Tchokreff to approve the agenda as submitted.

Minutes

The minutes of the Regular Meeting of June 16, 2008 was approved as submitted. The Special Meeting of June 11, 2008, was approved as submitted with the addition of the following:

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New Business

Member Caudell [dis]agrees with a pass-through because this could be used for a development that could increase the future tax base.

Public Comment

Mike Laydon – 824 East A St. – addressed concerns of the neighborhood about the proposed Medallion Management development of a subsidized housing complex. He would like community input before the City moves to step one of selling the property. He asked the Council to reconsider their stance on this project. He is concerned about an increase of traffic on East A St. Mr. Laydon thanked the City for their participation with the fireworks display. Additionally, he felt it may be better to expand the existing low income housing area on the north side. He would like the neighborhood to be part of the discussion if this project moves forward.

Mary Eldridge – 508 West H St. – on behalf of Virginia Feleppa, thanked the City for replacing missing boards at the storm drain and the bird watch areas of Crystal Lake.

Public Hearing

Mayor VanLaanen opened the public hearing for amending the B-1 Zoning District to include greenhouses by special use permit.

No one came forward to address the City Council.

Mayor VanLaanen closed the public hearing.

Old Business

B-1 Zoning District Amendment

Member Peterson asked if this amendment addressed temporary vs. permanent. City Attorney Pirkola stated the amendment as written affords the City Council the flexibility to address temporary vs. permanent.

It was moved by Rosen and supported by Caudell to approve the text amendment to the B-1 Zoning District adding Greenhouses by a special use permit.

Motion prevailed unanimously.

Old Business(cont.)

East A St. Water Tank

Member Farragh stated that one bid was received to seal coat the inside of the East A St. water tank. Spectrum Contracting was the lone bid in the amount of \$122,500. Member Farragh stated the DPW Director Becotte and Mr. Jim Rice(DEQ) agreed that the bid specs are acceptable and hope it will lead to elimination of chlorine in the water.

It was moved by Farragh and supported by Rosen to award the East A St. water tank seal coat bid to Spectrum Contracting in the amount of \$122,500.

Member Peterson asked about the cost of the additional in house work. Member Farragh stated the additional work should be about \$16,000 to \$17,000 for pipe work.

Motion prevailed unanimously.

New Business

Italian Fest Street Closure

It was moved by Tchokreff and supported by Peterson to approve closure of East A Street parking lot from 5:00 p.m. Friday, August 15th through 12:00 noon on Sunday, August 17, 2008. Also, closure of East A Street from Stephenson Ave. to Iron Mountain St. on Saturday, August 15, 2008 for the entire day and a waiver of the Noise Ordinance on Saturday, August 16, 2008, until 12:00 a.m. for the 2nd annual Italian Fest.

Motion prevailed unanimously.

Just Cruizin Car Club Show Street Closure

It was moved Farragh and supported by Tchokreff to approve closure of the two parking lots on East A Street and East A Street from Stephenson Avenue to Iron Mountain Street on Saturday, September 6, 2008, from 6:00 a.m. to 5:00 p.m. for the annual auto show.

Motion prevailed unanimously.

Medallion Management Land Purchase

Mayor VanLaanen said Medallion Management constructs subsidized housing and they require tax abatement with a payment in lieu of tax arrangement. He said they have been looking to build in Iron Mountain and are interested in a property east of the East Side Baseball Field. He stated that the steps to purchase the City property would have to follow the City Real Estate Purchase Policy. Member Peterson asked why the City would allow them to proceed with a survey and appraisal when there was a request for public input. Member Caudell clarified that this would be to allow Medallion to survey and appraise the land at their cost, to determine if it is suitable for their need. Mayor VanLaanen agreed that this was his understanding. Member Farragh thought that the City would like to keep that for future expansion of the sports complex. Mayor VanLaanen said the property was near the alley of the homes on East A St. Member Rosen doesn't have an interest of transferring land for this project and sees negatives for low income housing. He believes this type of development would be better aligned with low income housing already on the north side. Mayor VanLaanen said the housing is subsidized and special needs. Member Caudell would like to see their plans and believes we should allow them to find if the site is suitable to them. Member Peterson feels before the company spends money on surveys and appraisals we should listen to public input before proceeding. Mayor VanLaanen said there could be a special meeting to discuss Medallion's plan. Member Rosen asked for the length of the tax abatement. Mayor VanLaanen stated Medallion looks for a fifty year tax abatement. Member Farragh said there are neighbors that are not happy with this. Mayor VanLaanen feels at this point we should consider this housing and not differentiate between subsidized and non-subsidized. Member Rosen asked if Medallion looked for a site near the current low income housing area. City Manager Marquart did not know if there was the acreage available there but they have looked at other sites. He stated the site proposed tonight was what they identified as their best fit. Mayor VanLaanen asked if the Council would be interested in allowing Medallion to do a survey and appraisal. Member Rosen would like them to answer some of the questions before they expend

New Business(cont.)

any funds. Member Peterson asked City Attorney Pirkola about the steps of the real estate purchase policy. City Attorney Pirkola described the steps of the real estate purchase policy. City Attorney Pirkola feels that the City is at the first three steps of the policy. Member Tchokreff said the policy is very clear and he does not care how much money Medallion wants to spend to see if the site will work. He said at this point he is not interested in this project.

It was moved by Tchokreff and supported by VanLaanen to authorize Medallion Manager to proceed with the Real Estate Purchase Policy.

Member Caudell reiterated she sees the concerns but is interested in getting more information. Member Rosen asked about the tax abatement and City Manager Marquart said they receive an abatement but MISHDA requires a payment in lieu of taxes to the City. He said this could be equivalent to the full millage or a fraction of it. Mayor VanLaanen does not feel he has enough information to say no at this point and he is in support of allowing them to proceed. Member Tchokreff said his constituents are against it but he made the motion to hear what they have to offer. Member Rosen stated he does disagree with hearing more from Medallion. City Attorney Pirkola wanted to clarify that this is about the first three steps of the policy and it doesn't really require Council action.

Roll call vote taken:

Rosen	Yes
VanLaanen	Yes
Caudell	Yes
Peterson	No
Farragh	No
Tchokreff	Yes

Motion carried. (4 Yes, 2 No)

Introduce the Amended Rental Housing Ordinance

Member Peterson asked when the landlords received the final copy. City Manager Marquart thought it was late last week or even today. Member Peterson thinks the Landlord Association needs time to look at it and vote on it. Member Farragh thinks that language drafted by Mr. Toedter needs to be added to 8.6-60. City Manager Marquart feels this language is scattered throughout the Ordinance and does not need to be added. He said the City would have any received problems reported to the landlords prior to the City inspecting. Member Farragh would like to see this exact language in the Ordinance as agreed to with Mr. Toedter. Mayor VanLaanen said the City made a big effort to compromise on this Ordinance. Member Caudell said City and landlords have each made concessions on this Ordinance.

It was moved by Caudell and supported by Tchokreff to introduce the Amended Rental Housing Ordinance and set a date and time of Monday, July 21, 2008 at 6:30 p.m. for a public hearing.

Roll call vote taken:

Tchokreff	Yes
Peterson	Yes
VanLaanen	Yes
Caudell	Yes
Farragh	Yes
Rosen	Abstain

Motion carried. (5 Yes, 0 No, 1 Abstain)

TIFA Board Appointments

It was moved by Farragh and supported by Rosen to reappoint Mr. Bob Haglund to a 3 year term on the Tax Increment Finance Authority Board.

Motion prevailed unanimously.

New Business(cont.)

It was moved by Farragh and supported by Caudell to reappoint Mr. James Brinker to a 3 year term on the Tax Increment Finance Authority Board.

Motion prevailed unanimously.

DDA Appointments

It was moved by Rosen and supported by Caudell to appoint Mr. Bruce Ortenburger to fill Ms. Margaret Johnson's unexpired term on the Downtown Development Authority.

Motion prevailed unanimously.

It was moved by Tchokreff and supported by Rosen to appoint Ms. Jinx Brew to fill Ms. Suzzi Creed's unexpired term on the Downtown Development Authority.

Motion prevailed unanimously.

It was moved by Tchokreff and supported by Rosen to appoint Ms. Debbie Gursky to fill Mr. Aaron Harper's unexpired term on the Downtown Development Authority.

Motion prevailed unanimously.

CUPPAD Renewal

It was moved by Rosen and supported by Tchokreff to renew the membership with CUPPAD for the 2008-2009 FY.

Motion prevailed unanimously.

USDA Fire Truck Public Hearing

City Manager Marquart stated the City has submitted paperwork to the USDA Rural Development Office for assistance in purchasing a fire truck but the City is in no way obligated to anything at this point. He said a public hearing is needed as part of the application process.

It was moved Tchokreff and supported by Farragh to hold a public hearing on Monday, July 21st at 6:30 for consideration of purchasing a fire truck with assistance through USDA Rural Development.

Motion prevailed unanimously.

Change of FNB Signatories

It was moved by Tchokreff and supported by Rosen to remove Ms. Jeanne Berdinner and add Ms. Sarah Chandler as an approved signatory for City accounts at First National Bank.

Motion prevailed unanimously.

Water Leak Detection Proposals

Member Farragh stated that the water distribution system has leaks that cannot be found. He said the City solicited proposals for water leak detection services and received four proposals. Member Farragh stated it is the recommendation of the Streets Committee to award the contract to Water Leak Locators, LLC.

It was moved by Tchokreff and supported by Farragh to approve the water leak detection proposal of Water Leak Locators, LLC in the amount of \$4,500.

Motion prevailed unanimously.

Financial Reports

Invoice Paid Through Automated Clearing \$32,455,25, MERS 06/17/08.

City Manager Report

Mayor VanLaanen asked about the cost of the spring rubbish collection and how it compares to last year. City Manager Marquart said it cost more than last year. He said they will review what to do for next year. Member Farragh is concerned with private contractors charging to cut down trees and then taking to the City's brush pile, leading to the taxpayer's paying for the trees removal. He would like this situation addressed. Member Farragh would like Mr. Becotte to look at repairing F St. between Walgreens and the Elks.

City Manger Report(cont.)

Member Peterson asked when the meeting of TIFA members and Council members would take place to find a compromise for repair of the downtown City parking lots. She would like another joint TIFA and City Council meeting.

Member Rosen asked if the City Manager takes direction from the Council and City Manager Marquart responded that he takes direction from the Council. Member Rosen stated he has repeatedly requested the City Manager to set a meeting between the Fire and Police Departments but when this did not happen he set a meeting up on his own. Member Rosen feels that the two departments must communicate to resolve the various issues facing the departments.

It was moved by Rosen and supported Farragh to have a Council as a Whole meeting between the Fire and Police Chiefs and representatives from each department, to have a discussion with an end goal of fixing the problem.

Member Peterson would agree with this and thinks discussions could resolve the issues. Member Rosen would like to find the points of contention between the departments. Mayor VanLaanen was concerned about mediating between the City Manager and his employees. Member Rosen feels that the City has set the departments up to be at odds with each other and this must be fixed. Member Peterson feels cost does not match the level of service. Member Caudell is not against a meeting but concerned with the way we are going about it. Member Rosen stated he felt his requests for the meeting were ignored, that is why he set up the meeting. City Manager Marquart said he is in contact with the collective bargaining units and felt it was inappropriate for Member Rosen to set up a meeting. He stated that the entire Council is his supervisors and he puts their collective decisions into practice. He said that the City Manager reports to the Council, Department Heads report to the City Manager. Mayor VanLaanen felt the Labor Relations Committee would be an appropriate place to discuss the issue and make a recommendation to establish a meeting. Member Peterson feels this would not jeopardize collective bargaining issues. She stated that Department Heads were also recently told not to attend a Budget Workshop Session. Member Caudell would be in favor of a meeting if the recommendation came from the City Manager or the Labor Relations Committee, not an individual Council Member. Mayor VanLaanen feels the proper place for the discussion is at the Committee level.

Roll call vote taken:

Farragh	Yes
VanLaanen	No
Peterson	Yes
Tchokreff	No
Rosen	Yes
Caudell	No

Motion fails. (3 Yes, 3 No)

City Attorney Reports

City Attorney Pirkola asked if there were any questions pertaining to his memo on Council member attendance at Committee meetings. Member Peterson asked if a Committee Meeting could be changed to a Special Meeting if a Council Member knew they wanted attend. City Attorney Pirkola said that was a possibility but would be cumbersome. Member Caudell feels that every Committee Meeting does not have to have input from every Council Member.

Member Rosen read a memo dated August 26, 2003 that the City Attorney rendered an opinion that stated TIFA could purchase property but recommends amending the TIFA Plan to acquire property. City Attorney Pirkola stated he wrote that memo.

Committee Reports

Streets and Utilities Committee

Member Farragh would like DPW Director Becotte to do another cost estimate on the removal of the north side water tank. He feels the City will need to secure easements from adjacent property owners to get access to the tank.

Finance Committee

Member Caudell stated the Committee began reviewing the current fee schedule and will gather more information. Member Farragh would like the City Park Pavilion to get more use. He feels the main issues for the decrease in rentals are the fee and the lack of restrooms. Member Caudell would like to actively encourage use of the pavilion.

Public Comment

Dan Johnson – Fire Chief. – stated the Fire Department cannot meet a volunteer departments response time due to language in the Police Departments contract. He has requested, through the proper chain of command, for the Council to set the service levels for the Fire Department. He asked why the City is spending \$800,000 on a Fire Department that cannot achieve volunteer staffing and response levels.

William Toedter – 633 East C St. – said he does not agree with 8.6-60 of the Rental Housing Ordinance. He would like this section to include a statement that tenants must first contact the landlord with concerns prior to contacting the City inspector.

Barb Kramer – 135 Bradley St. – would recommend eliminating the spring rubbish pickup and would like to see curbside recycling added.

Don Christy – 1310 East Grant St. – stated the Landlord Association was supposed to have the amended ordinance by last Wednesday but they did not receive it. They voted to accept the ordinance as long as everything agreed upon was in writing. Mr. Christy would also like a statement that the landlord should be notified first, prior to the tenant contacting the City. He offered the help of the Landlord Association to help clean up some of the run down housing.

George Trujillo – Medallion Management – stated they have been looking to build in the City for approximately five years. He hopes the Council would welcome them into the area they have selected to build. He stated that he has packets for the Council to review.

Kevin Pirlot – 603 W. Fleshier – said the joint meeting between the FD and PD was a lost opportunity. He stated the FD is looking for a solution to the problems and realizes that the Fire Department will never be what it was. Mr. Pirlot said significant changes are needed by September 11th to show the ISO that progress is being made. He said the pension fund has been severely impacted by the changes in the last four years.

Council Member Privilege

Member Caudell thanked Magee Johnson for the brick and sidewalk project downtown. She stated that the City needs economic development to increase tax base to help pay for things such as health care and streets.

Member Rosen feels we could not grow the tax base enough to repair the streets. He feels the streets are a core issue and we should start repair this year.

Council Member Privilege (cont.)

Member Farragh stated that rocks were hanging from a retaining wall on the 800 block of Ludington St. He said it needs serious maintenance work. Member Farragh asked if the City Manager had made contact with Mike Premo about the MDOT testing in Ironwood and Bessemer. City Manager said contact has been made.

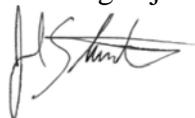
Member Rosen would still like a joint meeting between the Fire and Police Departments. He feels that public safety expenditures need to be addressed. He noted that the Badini's traffic flow problem with the Catholic School was solved.

Member Caudell welcomed the new members to the DDA. She would agree with a joint meeting between the Fire and Police Departments but would like it set up through the proper channels. Member Caudell feels the Council needs to listen to each other and make decisions that are best for the community.

Member Peterson felt the joint meeting was not about making a point but saving money. She would like to look at the structure of Committee meetings to allow everyone to participate.

Mayor VanLaanen would like the labor relations committee to make the case to the City Manager to hold a joint meeting between the Fire and Police Departments.

Meeting adjourned at 9:13 p.m.



Jordan Stanchina
Clerk-Treasurer