

Special Meeting of the Common Council, City of Iron Mountain, County of Dickinson, Michigan held on Monday, August 25, 2008 at 6:00 p.m. in the Council Room:

Presiding: Mayor VanLaanen
Present: Council Members Burke, Peterson, Rosen, and Farragh
Also Present: City Attorney Pirkola and CFO Bartolameo

Public Comment

None

Old Business

Downtown Parking Lot Committee

Mayor VanLaanen stated that the TIFA Board has appointed members to a downtown parking lot committee and would request members of the Council to meet for discussions. Member Peterson asked if this is moving forward as originally planned and budgeted or will it start from scratch. Mayor VanLaanen felt it will start from scratch with some consideration for prior ideas. Mayor VanLaanen, Member Peterson and Member Farragh expressed interest in being on the committee. Member Rosen was concerned about 3 Council Members being on a committee because that constitutes a quorum of the current Council. Mayor VanLaanen stated it takes four Council Members to initiate any action and feels three Council Members can be on a committee. Member Rosen would like an opinion from the City Attorney.

No action taken.

MML City Manager Search

Mayor VanLaanen thinks we should get started on creating an ad so we can run the ad. Member Peterson asked how the Council will agree to the ad. Mayor VanLaanen suggested starting with one ad, picking it apart and emailing thoughts between Council Members. Acting Manager Stanchina will e-mail the previously run ad for the Council Members to modify.

No action taken.

Discussion of Fee Schedule

Mayor VanLaanen discussed the need to approve the Rental Housing fee section of the Fee Schedule. Member Farragh said the Finance Committee was researching other communities' fees and for one reason or another, never finished a proposed fee schedule. It was moved by Farragh and supported by Burke to approve the fees related to the Rental Housing Ordinance. The registration is \$5 online, \$10 paper, an inspection is \$25 reduce to \$15 if the property is vacant. The first re-inspection of a property is free, with all subsequent inspections incurring an additional \$25 charge.

Ayes: 4 (Peterson, Farragh, VanLaanen and Burke)

Nays: 0

Abstain: 1 (Rosen)

Motion carried.

Budget Discussion

Member Rosen stated that he has concerns with the state of the budget. He stated that the Rental Housing fees will fall short of the amount budgeted. He said the back pay amount for the DPW and Fire

Old Business(cont.)

Department is approximately \$28,000. Member Rosen said a reduction in the cable franchise fee could cause another shortfall. He stated that he wanted to make the Council aware that a budget amendment will be needed. Mayor VanLaanen asked if Member Rosen considered cost savings with not paying a permanent manager. Member Rosen felt the savings will be minimal. Member Burke asked CFO Bartolameolli for an estimate of the savings. CFO Bartolameolli said she doesn't know at this time but will look at the numbers and come up with an estimate. Mayor VanLaanen asked about budgeted help to finish the reassessment. Member Rosen said another budget shortfall is Fire Department overtime, which \$20,000 of the budgeted \$65,000 has already been used this fiscal year. Member Rosen said that there are tower lease negotiations that were budgeted for a \$25,000 increase and the leases have yet to be renegotiated.

Member Peterson discussed the street repair program that was implemented in the City of Escanaba. She said the City involved the residents through information on their website and public hearings to make them aware of the costs involved and options available. Member Peterson believes that the City proposed a two mill increase that would allow for \$500,000 of street paving per year. She would like the City of Iron Mountain to start something similar to this. Mayor VanLaanen feels a necessary part of this is showing the residents the total cost of bringing all streets up to an acceptable grade. Member Peterson said the PACER rating system grades the roads and prioritizes which need to be repair. Mayor VanLaanen thinks the expiration of TIFA needs to be part of the equation in fixing the bigger problems. Member Rosen stated that we don't have a total cost estimate of what would be necessary to repair all the roads. He thinks the Streets Committee should contact local paving companies to get an idea on cost of road repair.

CFO Bartolameolli said that the resignation of the City Manager would result in a yearly savings of \$29,000 to the General Fund. The Council moved into a discussion of how to finish the reassessment. CFO Bartolameolli stated that there is \$20,000 budgeted for additional help to finish the reassessment. Member Rosen and Peterson thought \$40,000 was the budgeted amount. Member Rosen suggests speaking with City Assessor Esch and discussing if there is a plan in place to finish the reassessment. Mayor VanLaanen recommended the Finance Committee discuss the possibilities.

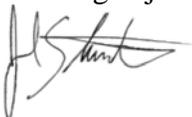
CFO Bartolameolli asked if the Council is interested in setting up a meeting with the Blue Cross representative, Mr. Vince Rose. Mayor VanLaanen would like to have the meeting with the Employees and Retirees. The Council discussed possibilities for savings on the health insurance plans. Mayor VanLaanen feels the meeting wouldn't end with conclusions but would kick around the different options.

Public Comment

Suzanne Khoury – 518 W. Fleshiem St. – stated that she liked Member Peterson's road repair suggestion.

Lorraine Kelly – 615 East B St. – would like to know why there is so much overtime in the Police and Fire Departments.

Meeting adjourned at 6:59 p.m.



Jordan Stanchina
Clerk-Treasurer