

Regular Meeting of the Common Council, City of Iron Mountain, County of Dickinson, Michigan held on Monday, January 5, 2009 at 6:30 p.m. in the Council Room:

Presiding: Mayor VanLaanen

Present: Council Members Burke, Peterson, Alessandrini, Corombos, Rosen and Farragh

Also Present: City Attorney Pirkola

Agenda

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

Minutes

The Minutes of the Regular Meeting of December 15, 2008 were approved as submitted.

Public Comment

Richard Abraham – W8965 Frei Dr. Breitung – informed the Council of an organization he founded named Americans for Constitutional Enforcement. Also, he stated that it would be a good idea to extend Bellagamba Rd. to Stephenson Ave.

Old Business

S2 Milestone Schedule

Acting City Manager Stanchina stated that the Milestone Schedule for the S2 needed to be approved.

It was moved by Alessandrini and supported by Farragh to approve the State Revolving Loan Fund Project Milestone Schedule.

Motion prevailed unanimously.

New Business

MDNR Trust Fund Bat Cave Trail

Acting City Manager Stanchina stated that in order for the project to possibly be completed in 2009, the City needs to make a request from the MDNR to incur engineering costs prior to the grant award. He said that all engineering costs will be covered under the grant.

It was moved by Rosen and supported by Burke to authorize a letter requesting the MDNR to allow engineering costs on the Bat Cave Trail to be incurred prior to the receipt of grant funds for the project.

Motion prevailed unanimously.

It was moved by Rosen and supported by Burke to approve Coleman Engineering as the engineer for the Bat Cave Trail. Coleman Engineering participated in the grant application process.

Motion prevailed unanimously.

Part-time FF Wage Rate

Acting City Manager Stanchina stated that the Council had previously discussed a \$10 p/hour rate for the part-time firefighters. The part-time firefighters would receive no benefits. He asked that 18 part-time positions be created per the Fire Chief's recommendation. Member Rosen felt a maximum number of positions were not necessary.

New Business (cont.)

It was moved by Farragh and supported by Rosen to establish a maximum of 18 part time fire fighter positions.

Motion prevailed unanimously.

It was moved by Rosen and supported by Alessandrini to establish a wage rate of \$10 p/hour with no benefits for the part time fire fighters.

Motion prevailed unanimously.

Water Bill Rate Increases/Decreases

Member Rosen stated that the Finance Committee met and would recommend the Council lowers the water fixed charge rate by \$3 bi-monthly for all meter sizes. Also, the sewer fixed rate charge for the 5/8" 3/4" and 1" will be \$12 bi-monthly. The fixed charge on the sewer bill was already set to increase \$2 effective January 1, 2009. Acting City Manager Stanchina stated that the garbage fee on the water bill will increase due to the Transfer Station raising there tipping fees \$3 per ton January 1, 2009 and an additional \$4 per ton July 1, 2009. The Transfer Station increased rates because the current rate does not cover the cost of disposal.

It was moved by Rosen and supported by Corombos to lower the water rate fixed charge by \$3 bi-monthly on all meter sizes.

Motion prevailed unanimously.

It was moved by Rosen and supported by Farragh to establish a rate of \$12 bi-monthly for the sewer fixed charge on the 5/8" 3/4" and 1" meter sizes.

Motion prevailed unanimously.

It was moved by Rosen and supported by Farragh to increase the garbage fee on the water bill by \$1 bi-monthly to \$9.10.

Motion prevailed unanimously.

Fraud Policy

Acting City Manager Stanchina explained that the Fraud Policy is being presented to the Council as a result of the past years audits stating that it is necessary for the City to have an adopted Fraud Policy. Member Peterson was glad to see that a policy was finally being adopted.

It was moved by Alessandrini and supported by Burke to approve the Fraud Policy as submitted contingent on a review by the City Attorney.

Motion prevailed unanimously.

DROP Policy

Acting City Manager presented an actuarial report and proposed Deferred Retirement Option Program Policy which could be available for the Police Lieutenants, Two Chiefs and Fire Department. The DROP would allow full retirement eligible employees the ability to continue working at their regular wages and benefits, while accumulating 80% of their monthly pension benefit. He stated that this program would provide an additional retirement option for employees with a goal of remaining cost neutral to both parties. Member Rosen stated that 5 years is the maximum length of time to take advantage of the DROP. He said the City saves the cost of an additional employee health insurance by keeping an employee for an additional five years. Acting City Manager Stanchina stated that the employee receives 100% of their monthly pension benefit upon separation of employment with the City. He said that the attorney Michael VanOverbeek was in the process of reviewing the terms of the policy. Member Peterson was concerned that the job duties of the Chiefs and Police Lieutenants are different than the fire fighters and may need to alter the DROP Policy to take that into consideration. Acting City Manager Stanchina will bring this back to the Council one he has the reviewed agreement.

No action taken.

Financial Reports

Invoice paid through automated clearing, MERS \$27,492.76, 12/15/2008.

City Manager Report

Acting City Manager Stanchina reported that Mr. Jeff Aronoff from Miller Canfield wrote an opinion that stated the Council can approve a TIFA pass through prior to the TIFA Boards approval. Mayor VanLaanen would like to look into the possibility of passing through money to the local taxing units but keep the passed through capture that would be returned to the State of MI. Members Peterson and Rosen feel that a pass through is needed now to start repairing roads and set aside money for retiree health insurance. Mayor VanLaanen stated that CFO Bartolameo would get an opinion from Miller Canfield on whether revising the tax sharing agreements would be an option for the pass through.

City Attorney Reports

City Attorney Pirkola stated that he does not see any issues with the consulting contract of Mr. Urbany. City Attorney Pirkola said the key part of the contract was Mr. Urbany being covered under the City's errors and omissions liability insurance.

The Council discussed having a Special Meeting on Saturday, January 9, 2009 at 8:00 a.m. for the purpose of interviewing City Manager candidates.

Committee Reports

Park and Recreation Committee

Member Rosen stated the committee discussed the Bat Cave Trail as mentioned early. He said the committee had an in depth conversation in regards to City Park. He said that Kevin Trevillian will put together a rough draft of the ideas for City Park. Member Rosen would like to apply for up to a \$500,000 grant for City Park.

Technology Committee

Mayor VanLaanen stated the Committee met and discussed the phone system. The phone system discussion included establishing a fiber optic network that would connect the Police and Fire Building, DPW Building and City Hall. Also, the Committee discussed the tower leases and will have City Attorney Pirkola review

Public Comment

Bob Moraska - 224 West D St. - asked if the Special Meeting for interviews would be available to the public. Acting City Manager Stanchina stated it was open to the public. Mr. Moraska offered to help with any projects at City Park.

Bob Haglund - 726 East H St. - 726 East H St. - stated that the extension of Bellagamba Rd. could be a good project. He said TIFA would like to pave streets in the district that are in disrepair. He would like to plan for ways that TIFA could spend their funds for economic development.

Barb Kramer - 135 Bradley St. - commented on the need for recycling. Member Rosen would like to have a recycling center at City Park.

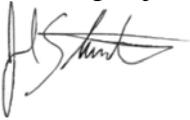
Council Member Privilege

Member Peterson respects TIFA Board Member Haglund's position on the TIFA Board but would like to pave streets outside of the TIFA District. She feels it is important for the City to take care of the streets.

Member Rosen expressed the importance of a street reparations program.

Member Farragh would like the Infrastructure Committee to look at getting a handle on the composite piles behind City Hall and the Spring rubbish pick up.

Meeting adjourned at 8:35 p.m.

A handwritten signature in black ink, appearing to read 'J Stanchina', written over a horizontal line.

Jordan Stanchina
Clerk-Treasurer