

City of Iron Mountain

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Regular Meeting of the Common Council, City of Iron Mountain, County of Dickinson, Michigan to be held on Monday, February 15, 2010 at 6:30 p.m. in the Council Room.

Presiding: Mayor Rosen

Present: Council Members Jacobetti, Peterson, Alessandrini, Corombos, Villa, & Farragh

Absent: None

Also Present: City Manager Stanchina, CFO Bartolameolli & City Attorney Pirkola

Approval of Agenda

Stanchina asked that agenda item "Request for Proposal Opening Re: MEDC Infrastructure Capacity Enhancement Project" be moved from the fourth item of New Business to the first item of Old Business; shifting the remaining items as needed.

Stanchina asked that "MEDC Infrastructure Capacity Enhancement Grant Notice of Intent Re: Norway Street Project" be added to the Agenda as item one of New Business.

Stanchina asked that "Discussion of right-of-way designation Re: Millie Hill Estates Plat" be added to the agenda as item six of New Business.

It was moved by Alessandrini and supported by Farragh to approve the Agenda as amended.

Motion Prevailed Unanimously

Approval of Minutes

Minutes of the Regular Meeting of January 18, 2010

It was moved by Jacobetti and supported by Corombos to approve the minutes as prepared.

Motion Prevailed Unanimously

Minutes of the Regular Meeting of February 1, 2010

Peterson asked that additional details be added to her comments during Committee Reports.

Peterson alluded to ~~the fact that land acquisition is a significant part of the grant awarding calculations~~ other grant opportunities that are available.

It was moved by Villa and supported by Alessandrini to approve the minutes as amended.

Motion Prevailed Unanimously

Public Comment

Linnea Marchetti - 614 W Ludington

Marchetti made notice of the Main Street Program's Organizational Report that was included in the Council Packets. She relayed that a Mission Statement, history of the program, messages from key individuals in the Main Street Program and Return on Investment calculations were included in the Organizational Report. Marchetti detailed the Return on Investment statistics that the main street program had calculated. She then relayed her appreciation for the city's support of the Main Street Program.

Old Business

Request for Proposal Opening Re: MEDC Infrastructure Capacity Enhancement Project

Stanchina noted that the engineering project, related to the current bid opening, is for the MEDC Infrastructure Capacity Enhance Project on 5th Street. He relayed that all the bids will be analyzed and that he will report the results to the City Council.

Coleman Engineering	\$34,996.00
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AECOM	\$48,201.00
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CITY OF IRON MOUNTAIN*COMMON COUNCIL*FEBRUARY 15, 2010

OHM (previously Hitch) \$48,150.00
UP Engineers and Architects \$35,630.00

No action was taken

Approval of Policy and Application Re: Public Act 198 of 1974 and Public Act 328 of 198

Stanchina conveyed the opinion that it is preferable to establish a Tax Abatement Policy before utilizing tax abatements. He relayed that the proposed policy would only address industrial areas, as to encourage growth in the Industrial Sector. Stanchina noted that 2 full time jobs would need to be created in order to qualify for tax abatements. He communicated that a deposit would be required at the time of a request, allowing the city to subtract its actual costs and return the remainder to the business. Stanchina relayed that tax abatements on real property would have a maximum time period of 12 years, with a maximum of 6 years issued at one time. He proceeded to detail the components of the application

Peterson conveyed her support for reviewing the existing tax abatements every 2 years. She asked who would be responsible for conducting the reviews. Stanchina noted that the city would manage the review process. Peterson asked who would have the authority to revoke tax abatements. Stanchina relayed the opinion that the City Council would.

Rosen asked if there is a revocation clause in the tax abatement policy. Stanchina noted that there is and he detailed it.

It was moved by Alessandrini and supported by Peterson to approve the Industrial Facilities Exemptions Policy.

Motion Prevailed Unanimously

New Business

MEDC Infrastructure Capacity Enhancement Grant Notice of Intent Re: Norway Street Project

Stanchina noted that there is a connection point in the sewer lines, located under Norway Street, where the line drops down to a 12" diameter. He communicated the idea that the reduced size of this junction could lower the sewer lines capacity. Stanchina relayed that the above mention sewer line carries all the sewage from the northern part of town. He reassured the council that demonstrating intent does not obligate the city to engage in this project.

Stanchina conveyed that the proposed project would install a 24" sanitary main, replace the existing water lines and rebuild the road surface. He relayed that the cost of the proposed project would be approximately \$403,000.00 and that he would recommend the city offer a 15% match, since Water and Sewer Funds could be utilized.

Peterson asked how the percentage match would be distributed. Stanchina relayed that the match would most likely be proportionate to the work that is being performed. Corombos confirmed that there would not have to be a general fund component to this project's match. Peterson asked if the city would pay for the preliminary engineering. Stanchina noted that the city would submit a budget and pay the predetermined match. He relayed that the city would be responsible for unprotected project costs. He communicated that the city must pay the out of pocket cost to get the grant application completed. Peterson asked who pays for the work as it is being performed. Stanchina relayed that the state reimburses the city for its expenses. Rosen asked how long the grant process would be. Stanchina communicated that the award for this project would be in April 2010 with work being projected for the coming year.

It was moved by Farragh and supported by Alessandrini to submit a Notice of Intent for the MEDC Infrastructure Capacity Enhancement Grant offering a 15% match.

Motion Prevailed Unanimously

Appointment of Part-time Firefighters to the Iron Mountain Fire Department

Stanchina noted that the Part-time Firefighters need to be appointed so they can participate in trainings with our Fire Department.

It was moved by Corombos and supported by Villa to approve the Part-time Fire Fighters as mentioned in Chief Johnson's Memo.

Motion Prevailed Unanimously

Approval of no charge Park Pavilion Rental Re: Menominee Range Historical Foundation

Stanchina noted that the Menominee Range Historical Foundation has requested the use of the City Park Pavilion, at no charge, for June 20, 2010 from 11:00-3:00 P.M. He relayed that the date is available and tentatively assigned to the Menominee Range Historical Foundation pending City Council approval. Stanchina communicated that the Historical Foundation would be required to supply a fully refundable security deposit.

CITY OF IRON MOUNTAIN*COMMON COUNCIL*FEBRUARY 15, 2010

It was moved by Alessandrini and supported by Villa to allow the Menominee Range Historical Foundation use of the Park Pavilion at no charge on June 20, 2010.

Motion Prevailed Unanimously

Authorization to solicit bids Re: 2 Storm Water Pumps J Street Pump Station

Stanchina noted that there is currently a lift station at the intersection of West J and Prospect that pumps water into Crystal Lake. He relayed that the lift station currently has three 8" pumps and that two of them are not operational. He communicated that an engineering study has verified that two 4" pumps can handle the required load, as they are more efficient given their level of technology. Stanchina recommended that the city request bids for two 4" non-clog sewage pumps.

Corombos relayed the opinion that the current pumps have solved a big problem and are needed. Farragh noted that the current pumps are the old pumps that were previously located in the midtown mall. Stanchina conveyed that it would cost more to repair the current pumps than it would to replace them.

It was moved by Farragh and supported by Corombos to request bids for two 4" non-clog sewer pumps for the J Street Lift Station.

Motion Prevailed Unanimously

Discussion of Five Year Financial Forecast

Stanchina noted that next years budget is being prepared and the trends are being analyzed. He relayed that between the increase in electrical cost and the decreases in Revenue Sharing, The city has realized a loose of almost \$200,000.00. Stanchina communicated that the budget was just amended and that the budget amendment is reflected in the chart as presented. Stanchina proceeded to detail the Financial Forecast Chart.

Peterson asked if the trend would change if revenue sharing was to stay flat. Stanchina communicated that the city would still have a short fall but the situation may improve. Peterson asked how the sun set of TIFA would affect the budget trend. Stanchina relayed that the projections are already based on TIFA passing through all these funds.

Rosen noted that General Tax Revenues seem to be constant. Corombos asked how much would be in the Undesignated and Unreserved Fund Balance if the TIFA pass through had not occurred. He conveyed the importance of the city's General Fund not dropping to an unrecoverable level.

Rosen noted that Budget Hearings will be taking place in the near future. Stanchina clarified that they will be taking place at the end of March or the beginning of April.

No Action Taken

Discussion of Police and Fire Services Study

Rosen communicated the opinion that the discussion of this subject should be brief in nature, as there is a lot of discussion that is yet to take place between the cities of Iron Mountain and Kingsford. Stanchina conveyed the importance of taking with Kingsford about the study before too much is said. Peterson noted that she does not see where Kingsford is saving money through the utilization of Public Safety. Stanchina relayed the opinion that the comparables are meant to show possible cost savings. A discussion pertaining to cost savings ensued.

Peterson asked Rosen if he had a pre-conceived idea of how he would like to see the Police and Fire Service Study implemented. Rosen confirmed that he has no pre-conceived ideas at this time. Stanchina relayed the importance of reviewing every option and developing a case as to why a given solution should be utilized.

No Action Taken

Discussion of right-of-way designation Re: Millie Hill Estates Plat

Stanchina noted that the rear portion of Mr. LaFave's property adjoins city property. Stanchina relayed that the State of Michigan has requested that LeFave receive a declaration from the city that would allow him to build a road on the adjoining city property as his lots develop. Lafave communicated that the proposed street was included in the original plan; however the State of Michigan is requesting a more formal commitment from the city. Pirkola relayed the opinion that it would be adequate for the city to declare its intent. Lafave communicated the opinion that the State of Michigan is trying to avoid future road access issues. Rosen confirmed that Lefave must receive a declaration from the city to proceed. Corombos asked what the process is for the city to create a road. Pirkola suggested that the council put a contingency clause in the motion

CITY OF IRON MOUNTAIN*COMMON COUNCIL*FEBRUARY 15, 2010

requiring verification that the road creation was done correctly. A discussion on the best course of action ensued. It was concluded that it would be best to research this issue and address it at the next regular council meeting.

No Action Taken

Reports

Financial Reports

Claims and Payroll

Corombos recommended that the claims, in the amount of \$802,018.75, and payroll, in the amount of \$352,832.40 be paid.

Peterson inquired about the Listen Only Surveillance Kit that was ordered by the Police Department.

Rosen abstained from voting on this issue as he owns Standard Printing and it appears on the Claims Report. It was moved by Corombos and supported by Farragh to approve the Claims and Payroll for the month of January 2010.

Rosen	Abstained
Corombos	Aye
Peterson	Aye
Alessandrini	Aye
Farragh	Aye
Jacobetti	Aye
Villa	Aye

Motion Prevailed (Aye-6, Nay-0, Abstain-1)

City Manager Report

Stanchina noted that the new signs at City Park are being actively enforced by the Police Department.

Stanchina relayed that the city’s Department of Labor and Economic Growth grant application for new HVAC systems was rejected.

Stanchina noted that he had included some non-agenda items in the council packets that could be pertinent to the city’s financial situation.

Peterson asked if there was any further discussion on the possibility of business licenses. She also noted that the Code Enforcement and Police Department Monthly Reports were not in the council packet. Stanchina communicated that he will check into the matter. Peterson asked about the letter of support for a Hospice program. Stanchina noted that the letter is in the final stages of its preparation.

City Attorney Report

Pirkola noted that SBA did not care for the Termination Clause that is currently in the proposed tower lease. He relayed that SBA was agreeable to making the lease retroactive if the termination language was removed. Corombos asked why the Termination Clause was originally included. Pirkola conveyed that the Termination Clause would allow the city additional flexibility. Pirkola voiced his support for removing the Termination Clause, in lieu of making the lease retroactive.

It was moved by Corombos and supported by Farragh to authorize the SBA contract and all its contingencies as submitted by City Attorney Pirkola.

Motion Prevailed Unanimously

Committee Reports

Land Use and Economic Development

Peterson relayed that many good ideas were discussed at the first meeting of the committee. She noted that the ideas which were discussed in the meeting will not duplicate what the Dickinson Area Partnership is already working on.

Parks and recreation

Peterson noted that the public can express their opinions about the DNR Trust Fund Grant at the upcoming Public Hearing. She relayed that previous financial commitments by private parties will have to be re-approved for the grant’s second submission. Peterson also voiced her support for maintaining all of Iron Mountain’s parks.

CITY OF IRON MOUNTAIN*COMMON COUNCIL*FEBRUARY 15, 2010

Public Comment

Kevin Pirlot – 601 W. Fleshiem St.

Pirlot expressed his support for a consolidated Police Department and Fire Department. He communicated the opinion that consolidation is the key to the future of Iron Mountain and Kingsford. Pirlot offered his assistance during the researching process. He noted that the employees have a lot of useful information that they can offer to the consolidation discussions.

Council Member Privilege

Peterson noted that she had attended a DDA meeting earlier in the day and commented on how diligently they are working on their budget and becoming self-sufficient. She relayed the idea that an ice fishing derby would be beneficial to the community. Peterson updated the council on the status of the development of a Hospice Program in Iron Mountain.

Corombos asked why there were so many Planning Board Minutes included in the most recent Council Packet. Stanchina noted that a back log of uncompleted minutes was completed. Corombos clarified his position on the size of a business and their financial ability as it relates to planning. He communicated the opinion that larger businesses might more readily include certain items that would be a hardship for a smaller business.

Rosen noted that a Parks and Recreation Meeting will take place tomorrow night at 6:00 P.M.

Alessandrini noted that he will be absent from council meetings for the next month, due to business. Peterson clarified that Alessandrini will be unavailable for his Committee Meetings.

Peterson was appointed as an alternate for the Operations and Management Committee.

Villa was appointed as an alternate for the Consolidated Services Committee.

Mayor Rosen appointed the above members

It was moved by Farragh and supported by Jacobetti to excuse Member Alessandrini for two meetings.

Motion Prevailed Unanimously

Adjournment

It was moved by Farragh and supported by Peterson to adjourn.

Motion Prevailed Unanimously

Meeting adjourned at 8:17 p.m.


Isaac Micheau
Clerk-Treasurer