

Regular Meeting of the Common Council, City of Iron Mountain, County of Dickinson, Michigan held on Monday, February 18, 2008 at 6:30 p.m. in the Council Room:

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

The agenda was approved as submitted.

Agenda

The minutes of the Regular Meeting of February 4, 2008 stand approved.

Minutes

Public Comment

Virginia Feleppa – 1136 Crystal Lake Blvd. – would like the divisive comments aimed at the Council to end and allow the Council to move the City forward. She stated the Rental Housing Ordinance and Millie Hill Estates are two examples of issues being resolved through good discussion at the committee level. She feels the bickering at Council meetings may discourage people from moving here.

Dale Alessandrini – 1120 Iron Mountain St. – said the City Manager stated at the last meeting that he was still trying to abate the MIOSHA fines. He said a letter dated January 25th from MISOSHA was a collection notice for the fine and no abatement process was available. He said he received his FOIA of the grant application and it showed the grant was for public safety and code enforcement. He still would like to know who is paying Anne Henricksen and has the City been reimbursed. Mr. Alessandrini said it is not about the \$1,200 but the principle of it and City Manager Marquart and Member Caudell may have violated the charter by hiring Anne Henricksen. He still wants answers on the \$200,000 that was spent on the reassessment.

Ted Corombos – 1115 Wells St. – stated the decision for TIFA not to capture the extra voted County millage had been decided by the TIFA Board two years ago. He said this was the same deal that had been reached after the past few days of discussion. He said the County never planned to have the County operating millage exempt from TIFA capture. He feels this type of miscommunication happens too often. He and others are bothered by not getting correct answers such as the first MIOSHA fine which the City Manager said was reduced from \$6,000 to \$3,000. Mr. Corombos said it was never a \$6,000 fine. He would like open government and the answer to questions without the feeling of being stonewalled.

Old Business

None

New Business

City Manager Marquart stated the City is in need of an Actuarial Analysis and there are quotes from two companies, GRS with a base fee of \$9,300 and Mercer in an amount not to exceed \$25,000. He said the fee from Mercer includes consultation services. He would make the recommendation to enter a contract with GRS for \$9,300. Member Peterson asked if a difference between the companies is that one of the companies would look at pre-funding the liability. CFO Bartolameolli stated that Mercer’s fee was higher and may included consulting such as ways to pre-fund the liability. Member Peterson asked if Mercer’s not to exceed \$25,000 fee included a

OPEB Actuarial Analysis

New Business(cont.)

base fee. CFO Bartolameolli explained that Mercer gives that quote because they are not sure how involved the process will be. Member Tchokreff feels that Mercer will not commit to a number because they will try to add whatever extras the City will pay for. City Manager Marquart believes Mercer's fee is higher because they will have to do more initial ground work for the actuarial analysis than GRS, due to the fact GRS has completed work for the City in the past. CFO Bartolameolli stated that GRS offers a discount on the actuarial analysis because they currently do other work for the City. Member Rosen asked about the value added services on page 5 which related to inflation and interest assumptions. He feels these services could be valuable in determining a true cost and asked if they have been discussed previously. Mayor VanLaanen stated the City should get started on the base analysis and then could add those services at a later time. CFO Bartolameolli clarified that the actuarial analysis may exceed the \$9,300 quoted in the proposal.

It was moved by Rosen and supported by Burke to approve the execution of a contract with Gabriel, Roeder, Smith & Co. for an actuarial analysis of the OPEB liability in the amount of \$9,300.

Motion prevailed unanimously.

City Manager Marquart said that amendment would allow animal hospitals/veterinarian clinics as a special use. Member Peterson asked why a special use permit would be necessary when the business already operates as an animal hospital. City Manager Marquart stated Dr. Nicolas's building is a nonconforming use in the district it operates. He said if expansion takes place the building must conform to the zoning district that applies. City Manager Marquart stated that the Planning Board reviewed the situation and felt that adding an animal hospital as a special use would be the appropriate action. It was moved by Burke and supported by Farragh to introduce a text amendment to the zoning ordinance and set a date for the public hearing to be held on March 3, 2008 at 6:30 p.m.

Motion prevailed unanimously.

**Zoning Ord.
Text Amendment**

Financial Reports

The Council reviewed the Payroll Report for the Month of January with regular wages in the amount of \$265,179.08 and OT in the amount of \$29,789.17. The Council also reviewed Claims in the amount of \$695,285.26.

The Finance Committee reviewed the claims and had no questions at this time.

It was moved by Rosen and supported by Caudell to approve claims and payroll in the amounts noted above.

Motion prevailed unanimously.

**Claims and
Payroll**

Invoice paid through automated clearing \$25,296.31, MERS 02/15/2008

City Manager Report

City Manager Marquart asked for additional input on the possible DNR grants for Crystal Lake or City Park. Member Peterson asked if the DNR grants provided any possibilities to improve the deer pen habitat. City Manager Marquart was unsure if there was a provision for restoring habitat but he will look into it. Member Peterson asked for an explanation of what the DNR grants could be used for. City Manager Marquart said the grants have one component pertaining to active recreational activities and the grants can be used for trails. Member Farragh asked if the City Park master plan contained any plans for expansion of football or soccer fields. The City Manager said there was discussion of modifying the existing field to allow for this. Member Farragh stated it would be possible to log the area between the bocce courts and Harding Ave. for an additional field. He feels something is wrong that the City

City Manager Report(cont.)

pavilion would help with it being rented. Member Rosen would like this discussion to go to the Park and Recreation Committee. Mayor VanLaanen clarified that there has not been a finalized master plan for City Park. Member Peterson thought there was master plan because articles were in the paper discussing a master plan. She would like newspaper notice of the Park and Recreation meeting so resident input can be obtained for City Park. Member Caudell said many ideas were discussed for the future of City Park and nothing was set in stone because the plans kept changing. Member Peterson would like any plans created for City Park, to be available at the meeting.

Mayor VanLaanen asked if the City Manager had anything new to add to questions about the Regional Excellence grant. City Manager Marquart stated he had nothing to add and the communities agreed to move toward a regional approach to recreation.

Mayor VanLaanen asked about the MIOSHA fines and for a brief explanation from the City Manager on how the City had to pay the \$20,000 fine. The City Manager said the abatement attempts failed. He said policies are being developed to correct the training issue and 2 in 2 out issue that was part of the fine. Member Rosen feels the Labor Relations committee is making progress towards answering any future MIOSHA fines. He read a statement stating that the MIOSHA fines was a result of inadequate training and non-compliance with the 2 in 2 out standard. He said the Labor Relations Committee is working toward correcting these problems. Member Peterson takes issue with answers given by the City Manager for her questions pertaining to MIOSHA, ISO and Regional Excellence. She said the MIOSHA fine dated back to October 13-31, 2007 and answers about ISO were not the truth. Member Peterson said the Regional Excellence grant still has \$1,200 being paid and follow up paper work for the grant was never filed. She is trying to understand when she can put faith in an answer for a question that is asked of the City Manager.

Member Caudell puts faith in the Committees and realizes mistakes were made but the Council must move forward.

Member Farragh reiterated that there was no way the Regional Excellence grant could be used for parks.

Member Peterson can't look at things that were lied about [two weeks ago] as the past. She feels that she must do her own research to get truthful answers. Member Peterson feels the information has been hidden for years. Mayor VanLaanen suggested that these concerns could be discussed at the City Manager's evaluation on Thursday, February 28th at 6:30 p.m. Member Caudell would like to stick to the business on the agenda and move forward.

City Attorney Reports

City Attorney Pirkola stated he was at the Finance Committee meeting to review the legal framework for the water and sewer rate structure. City Attorney Pirkola said that based on the numbers the revenue is inline with the cost of operating the system. He felt that the rates were legal as he was asked to determine by the Council.

Member Rosen asked for an update if there was an abridgement of the City Charter based on the employment of Ms. Anne Henriksen. City Attorney Pirkola stated he did not have time to review this but will try to have it for the next meeting.

Committee Reports

Parks and Recreation

Member Caudell said that Dr. Auer and the MTU students made a presentation on the progress of their project to study Crystal Lake. She feels that there will be new data and sound ideas to move Crystal Lake forward. Member Burke thinks cleaning Crystal Lake is exciting for all of Iron Mountain. Member Peterson was impressed that Dr. Auer was opened to using high school students during the project. Mayor VanLaanen was impressed with the students and their enthusiasm. Mayor VanLaanen discussed the possibility of dredging the lake. Member Peterson had asked if there are grants available for lakes that are considered infrastructure.

Public Comment

Bob Moraska – 224 West D St. – commended the Streets/Utilities Committee on their decision of the work to be done on East A St. He stated he called Member Burke to voice concerns and had criminal charges filed against him by Member Burke. The charges were dismissed by the Prosecutor's Office.

Kay Pascoe – Dickinson County Executive – was relieved the TIFA capture disagreement was solved quickly. She is glad that the Library, Health Department and Senior Center will receive the money that had been budgeted.

Council Member Privilege

Member Caudell made a statement about the qualifications of her mother, Ms. Anne Henriksen, pertaining to the position she held for the Regional Excellence grant. She will get the answers to any questions that remain. Member Caudell addressed the open dialogue concept and the Council needs to stick to the agenda and complete business for the City. Member Caudell felt there could be additional meetings for the public to address the Council. She would not vote for open dialogue and she is always available to anyone who has questions.

Member Rosen distributed his proposed rules for changing Public Comment to an Open Dialogue Forum. He would like this voted on at the next Regular City Council Meeting.

Member Burke stated that Mr. Moraska called him and told him to vote with the new Council Members or Member Burke would be recalled. Member Burke felt that this was intimidation and decided to file a complaint.

Member Farragh was contacted by veterans who have asked to have the flag pole painted in front of the Timbers Motor Lodge. City Manager Marquart will make the necessary arrangements for this to be accomplished. Member Farragh complimented the street department on keeping up with the snow this winter.

Member Tchokreff agreed with the street department comments made by Member Farragh.

Member Peterson said she had a call from someone who felt intimidated about approaching the Council because of the open dialogue discussions the past few weeks. She felt the press release on the TIFA issue was not entirely accurate. Member Peterson does not feel she can take the information from the City Manager as the only information she needs to look at. Member Peterson said she was working to get the City back on track.

Meeting adjourned at 8:35 p.m.



Jordan Stanchina
Clerk-Treasurer