

**CITY OF IRON RIVER
REGULAR MEETING
Wednesday, May 20, 2015
2 PM
Minutes**

Mayor Terry Tarsi called the meeting to order at 2 p.m., in the Council Chambers at the Iron River City Hall. The Pledge of Allegiance was recited.

Roll Call: Daniel Baumgartner, Rick Commenator, Jere Fritsche, Edward Marcell and Tarsi.
Absent: None.

Also present: Attorney Mark Tousignant, Manager Perry Franzoi, Treasurer Suzanne Johnson, and Clerk Rachel Andreski.

Public in attendance: Paul VanMinsel, Nancy Carlson, Chris Piette, Mary McCreary, Michelle Thompson, Dave Sankey, Darren and Tricia Mercier, Wayne Koski, Bernie Sacheck, Jeanne Peterson, Suzanne Johnson (City Treasurer) Laura Frizzo (City Police Chief), Melanie Camps (IC Treasurer), Craig Richardson (GEI Consultants), Ben Smith (Iron County Doings) and Nikki Mitchell (Iron County Reporter).

APPROVE AGENDA

Commenator moved with support from Marcell to approve the agenda with the following addition:
10. Unfinished Business f) Wellhead Protection Ordinance. All in favor; motion carried.

APPROVE MINUTES

Commenator moved, Baumgartner seconded to accept the April 15, 2015 Regular Meeting Minutes and May 7, 2015 Special Meeting Minutes as written. All in favor; motion carried.

PUBLIC COMMENT

Nancy Carlson, who resides on the corner of Blossom and Coolidge, explained that the construction project on Coolidge Avenue left her with culverts 6 feet into her yard and slopes 2 feet deep which she fears is a safety hazard. She doesn't know how the grass is going to be maintained with a slope so steep and doesn't understand the reasoning for the big culverts as there is no wash out there. Craig Richardson, engineer for GEI Consultants, explained that the reason the road was in the condition it was in prior to construction is because there was no drainage in that whole area. The water had nowhere to go but on the road resulting in the deterioration of the blacktop. He also stated that what has been designed and constructed is the standard. Mayor Tarsi is concerned come winter, someone will be going in that ditch. He asked if a guard rail or something could be placed to mark it. Franzoi will work with Richardson to see what can be done.

Paul VanMinsel stated that the street sweeper has not been out on Carlson and Grant Street or Mineral Avenue. They made it to the top of Allen Street but stopped and this is the third year it has not been done. He is also concerned with the new sidewalks on Allen Street. Water that comes down the hill comes down the sidewalks. Richardson noted that the new sidewalks are ADA which means they are sloped to the entry making a ramp. Tarsi asked that Franzoi and Richardson take a

look. VanMinsel would also like the ditch on the corner of Allen Street and East Mineral Avenue be cleaned out and extended.

As Wayne Koski was coming to the meeting, he witnessed a resident on the corner of 7th and Minckler sweeping because the street sweeper has not been through there yet. He also noted it has not been down by his house. He also wanted to know what is going on with the water and if it's safe to drink. Franzoi responded it is safe to drink and that there was bacteria in the Hunter Road tank which has been cleaned and chlorinated by a contractor. The tank has been tested and samples have passed. Richardson clarified that there wasn't bacteria in the tank, but the environment was such that bacteria could develop in the water. Franzoi noted that chlorination will cease on May 29, 2015, and there is no risk to public health but we are following the protocol established by the MDEQ for public water supply.

Koski also questioned the size of the Department of Public Works. At one time, there were 17 employees and now 7 and wants to know if there are any plans to replace those that have retired as there are not enough people to do the work. Franzoi stated that with the current financial condition of the City, there are not any plans at this time and he is trying to be as efficient as possible with the amount of people we have.

Melanie Camps, County Treasurer, thanked the Council for jumping on board when the County converted their software to BS&A. She also updated the Council on other changes taking place now and in the near future.

Darren Mercier asked the Council to consider the option that there is a better candidate for the City Manager position and posting the position when renewing the contract.

Michelle Thompson asked if there was something more that could be done at the skateboard park to deter pedal bikes from entering, and if the City would consider putting a roof over it. Tarsi responded that the park was built mostly by the financial support of Kris Hughes, but is something the Council will look at.

Dave Sankey asked if there are any plans for road repair on the top of Stambaugh Hill such as Blossom, Cherry east of Washington Avenue. Tarsi said there are not any plans or list of streets to be repaired as there is no money at this time. Tarsi asked Richardson how much it would cost to fix one block in the former Stambaugh. Richardson answered six figures easy, as there is concrete under most of the streets and bad soil under the concrete which all has to be removed. Once that is done, all new material for a proper base must be installed and you can't just mill and pave what is currently there.

Sankey asked the Council to consider evening meetings as he feels that is when the largest block of citizens will attend. Tarsi doesn't disagree and will consider it.

Chris Piette asked the status of the Tiger Grant. Richardson responded that it was a federally funded grant and that the City was not awarded anything. Piette asked if the City will re-apply where Franzoi responded that the City will not. Richardson added that it is very difficult for the City to compete and as a City taxpayer, feels it's not worth our money to keep trying unless our legislatures in Washington DC can aid.

Bernie Sacheck stated that last year discussions were held on road repairs and the City Council was going to advertise for residents to sit on a committee to prioritize road projects and that it never happened. Tarsi doesn't recall this, nor does Franzoi, but will discuss it further with Sacheck after the meeting.

CONSENT AGENDA

Baumgartner moved; Commenator seconded; all were in favor; to accept as written the Consent Agenda which included the following:

- a) April 28, 2015 WICSA Agenda Packet
- b) April 2015 DDA/TIF Financials
- c) March 5, 2015 Joint Public Building Restoration Admin Board Minutes
- d) April 9, 2015 Windsor Recreation Minutes

REPORTS

Manager's Report: Baumgartner commented on a sewer back-up that occurred on Washington Avenue. He understands that there was a problem with the school system with grease. He feels the City made it worse by jetting the sewer line and that the insurance company states we have immunity. He feels the City should do something. Tarsi asked Tousignant if we are setting a precedent by going over the Insurance Company's determination. Tousignant isn't familiar with this claim, but stated that the Council just can't give away public money. He would like to review the case and come back to the Council as the next meeting. Richardson added that as a homeowner, you can purchase insurance for sewer back-ups.

Commenator moved to accept the Manager's Report. Fritsche seconded. All were in favor; motion carried.

DPW Director's Report: Commenator moved to accept the DPW Director's Report. Marcell seconded. All were in favor; motion carried.

IRPD Chief's Report: Commenator moved, Baumgartner seconded to accept the IRPD Chief's Report. All in favor; motion carried.

Attorney: Commenator moved to accept the Attorney Report. Baumgartner seconded. All in favor; motion carried.

FINANCIALS

April 2015 Financials: Commenator moved with support from Baumgartner to accept the April 2015 Financials.

Roll Call: Ayes – 5: Fritsche, Marcell, Baumgartner, Commenator, and Tarsi. Nays – 0. Motion carried.

April 2015 Check Register: Commenator moved to accept the March 2015 Check Register. Baumgartner seconded.

Roll Call: Ayes – 5: Fritsche, Marcell, Baumgartner, Commenator, and Tarsi. Nays – 0. Motion carried.

Revenue Expenditure Report through April 30, 2015: On record to accept.

Noramco, Inc. Invoice: An invoice in the amount of \$1,039 from Noramco, Inc. was approved by Fritsche and supported by Commenator for garbage bags.

Roll Call: Ayes – 5: Baumgartner, Marcell, Commenator, Fritsche and Tarsi. Nays – 0. Motion carried.

St. Germain Sandblasting, Inc. Invoice: Baumgartner moved, Marcell supported, to approve an invoice from St. Germain Sandblasting, Inc. for cleaning and disinfection of the Hunter Road Tank in the amount of \$2,500.

Roll Call: Ayes – 5: Commenator, Fritsche, Marcell, Baumgartner and Tarsi. Nays – 0. Motion carried.

BS&A Software Invoice: Marcell moved, with support from Commenator, to pay BS&A's invoice in the amount of \$1,663 for annual service and support of the tax and assessing software.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Commenator, Marcell and Tarsi. Nays – 0. Motion carried.

GBS, Inc. Invoice: Marcell moved, with support from Commenator, to pay GBS, Inc. invoice in the amount of \$1,120 for memory card coding for the May 5, 2015 Special Election, which will be reimbursed by the State of Michigan.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Commenator, Marcell and Tarsi. Nays – 0. Motion carried.

Energenecs Invoice: Marcell moved, with support from Commenator, to pay Energenecs invoice in the amount of \$1,497.39 for a new back-up lift station sensor for the sewer system.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Commenator, Marcell and Tarsi. Nays – 0. Motion carried.

Pitlik & Wick, Inc. Invoice: Marcell moved, with support from Commenator, to pay an invoice from Pitlik & Wick, Inc. in the amount of \$1,850 for coldpatch.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Commenator, Marcell and Tarsi. Nays – 0. Motion carried.

Iron County Alliance, Inc. Invoice: Marcell moved, with support from Commenator, to pay Iron County Alliance, Inc.'s invoice in the amount of \$1,000 for the 2015 Annual Membership Dues for the annual publication of the visitor's guide.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Commenator, Marcell and Tarsi. Nays – 0. Motion carried.

Tousignant's Invoice: Marcell moved, with support from Commenator, to pay Tousignant's Invoice in the amount of \$4,252.50 for attorney's fees through April 30, 2015.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Commenator, Marcell and Tarsi. Nays – 0. Motion carried.

UNFINISHED BUSINESS

Solid Waste Relief from Service/Billing – B. Vajk: Commenator moved, with support from Marcell, based on Franzoi's recommendation, to reject the request for solid waste relief.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Commenator, Marcell and Tarsi. Nays – 0. Motion carried.

DS Rostagno, CPA, P.C. – Audit Proposals: Commenator moved that the City continues with DS Rostagno and accept the five (5) year auditing proposal. Baumgartner seconded. Tarsi's concern is that five (5) years is a long time and what if she sells, and there is another new business in the City and if they offer auditing services we are locked in. Tarsi means no disrespect to Diane, but is fearful of 5 year contracts. Commenator changed his motion to accept the three (3) year proposal. Baumgartner seconded.

Roll Call: Ayes – 5: Fritsche, Marcell, Baumgartner, Commenator and Tarsi. Nays – 0. Motion carried.

Former Coast to Coast Building Demolition Pay Request No. 1: Richardson informed the Council that this is for work completed through April 30, 2015 in the amount of \$150,374.08. Baumgartner moved with support from Fritsche to pay Associated Constructors, LLC for Pay Request No. 1 in the amount of \$150,374.08. Richardson added that it appears there will be a significant cost savings on landfill disposal. His concern is the outer wall that it won't be aesthetically pleasing and has gotten some quotes from Associated to possibly apply some metal siding to go over the brick or apply stucco type material. This will not put the final number over the \$250,000.

Roll Call: Ayes – 5: Commenator, Marcell, Fritsche, Baumgartner, and Tarsi. Nays – 0. Motion carried.

Spruce Street Alley Sanitary Sewer Pay Request and Change Order No. 1: Pay Request No. 1 was submitted by Hebert Construction Company in the amount of \$45,056.82 for work completed through May 13, 2015 along with Change Order No. 1 in the amount of \$185.13 for balancing of contract quantities explained Richardson. Commenator moved with support from Marcell to approved Pay Request No. 1 in the amount of \$45,056.82 and Change Order No. 1 in the amount of \$185.13.

Roll Call: Ayes – 4: Fritsche, Marcell, Commenator and Tarsi. Nays – 0. Abstain – 1: Baumgartner. Motion carried.

2015-16 Proposed Budget: A Public Hearing is scheduled for May 27, 2015 at 10 a.m. with a Special Meeting at 10:15. No action was taken.

Wellhead Protection Ordinance: Commenator moved, with support from Marcell, to adopt the proposed Wellhead Protection Ordinance.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Marcell, Commenator and Tarsi. Nays – 0. Motion passed.

NEW BUSINESS

GEI Proposal – City Hall Roof Replacement: Franzoi informed the Council the leaks plaguing the Attic and City offices are because the existing membrane are being punctured by nails and screws from the wood underneath. The roof drains are higher in some places. It is included in the budget for next year. Commenator moved to approve GEI's proposal for engineering services for the City Hall roof replacement for \$3,500 which includes design engineering, bidding services and construction administration. Fritsche supported.

Roll Call: Ayes – 5: Baumgartner, Marcell, Fritsche, Commenator and Tarsi. Nays – 0. Motion carried.

2015 Michigan Blight Elimination Program: Franzoi explained there is a State program that has a maximum award of \$250,000 to aid in the demolition of blighted buildings or residential structures. There is a matching fund requirement of \$52,500 to score 2 points. GEI will aid in the grant submittal. Commenator asked if the reserves could be used rather than Franzoi's proposed \$60,000 from the parks budget. Franzoi doesn't want to reduce the fund balance but will if the Council chooses. Fritsche moved with support from Commenator to apply for the 2015 Michigan Blight Elimination Program Grant Application with \$52,500 match coming from the General Fund fund balance.

Roll Call: Ayes -5: Baumgartner, Marcell, Commenator, Fritsche and Tarsi. Nays – 0. Motion carried.

MML Liability & Property Pool: Commenator moved to renew the City's Liability and Property Pool from MML in the amount of \$48,555. Baumgartner seconded.

Roll Call: Ayes -5: Fritsche, Marcell, Baumgartner, Commenator and Tarsi. Nays – 0. Motion carried.

Former Cloverland Motel Lot: The City has received the deed for the former Coverland property with restriction removed. Commenator moved, with support from Marcell, to sell the lot for what the assessor deems cost pursuant to the statute plus costs incurred by the DDA. All in favor; Motion carried.

Joint Public Building Restoration Administration Board: Commenator, City Representative on the Joint Public Building Restoration Administration Board, is looking for direction from the Council with the request of the WIC School Board eliminating the reverter clause based on an article from the Iron County Reporter. The school board has not made a formal request at this time. No action was taken seeing as there is no formal request.

Budget Amendments: Franzoi explained the administration budgets have been reduced to off-set expenses in other areas. Large variances such as the demolition of the former Coast to Coast building, Nelson Field Grant project and the purchase of the street sweeper just to mention a few. Commenator moved to accept the 2014-15 Budget Amendments dated May 20, 2015. Fritsche seconded.

Roll Call: Ayes -5: Baumgartner, Marcell, Fritsche, Commenator and Tarsi. Nays – 0. Motion carried.

Cost Sharing Agreement: DDA attorney Ron Basso has prepared a Cost Sharing Agreement between the City and the DDA for principal and interest payments for the former Coast to Coast building demolition bond. Commenator moved, with support from Fritsche, to enter into the Cost Sharing Agreement with the DDA for the former Coast to Coast building demolition bond. All in favor; Motion carried.

Police Car – Municipal Lease/Purchase Plan: Chief Frizzo is looking to purchase a new police car. Funds have been budgeted for the upcoming year. Her plan is to enter into a three year lease so after the third year, it can be turned in for a new one. Total payment for the three years is \$33,461.04 and is offered through MI Deal (State purchasing program). Marcell is concerned about getting a vehicle that only gets 18 miles per gallon. Commenator moved to accept the Chief's

recommendation and purchase the Dodge Charger patrol vehicle with special equipment. Baumgartner supported.

Roll Call: Ayes – 4: Fritsche, Baumgartner, Commenator and Tarsi. Nays – 1: Marcell. Motion carried.

FA Enterprise, Inc. – Homer Road Gravel Pit: A request from James Storti of FA Enterprise, Inc. was received to purchase the Homer Road gravel pit. Franzoi would like to look into the request further. Item was tabled.

Project Graduation Sponsorship: Tarsi moved to sponsor the 2015 Project Graduation party in the amount of \$250 with support from Commenator.

Roll Call: Ayes – 5: Baumgartner, Fritsche, Marcell, Commenator and Tarsi. Nays – 0. Motion carried.

Sidewalk Request: A request from a resident was received to share the cost of sidewalk replacement. According to Tousignant, in the past there was a program where the City advertised, interested individuals come in and obtained an application and committed to it. Based on how much money the City has budgeted, a lottery is set to keep it fair selecting the individuals. Quotes were obtained from contractors and all sidewalks were taken care of at once. Fritsche moved to review the ordinance and advertise. Baumgartner seconded. All in favor; Motion carried.

FOIA Changes: Commenator moved to go on record to start preparing documents and City Policy implementing changes to the Freedom of Information Act as revised by the State of Michigan that must be implemented by July 1, 2015. Baumgartner supported. All in favor; Motion carried.

Miner's State Bank vs. Iron River/Franzoi and City Manager Contract – Executive Session:

Commenator moved to enter into Executive Session at 4:02 p.m. to discuss the Miner's State Bank vs. Iron River/Franzoi and City Manager's contract. Marcell seconded.

Roll Call: Ayes -5: Baumgartner, Fritsche, Marcell, Commenator and Tarsi. Nays – 0. Motion carried.

The Regular Meeting resumed at 4:25 p.m.

Roll Call: Baumgartner, Commenator, Fritsche, Marcell and Tarsi.

Absent: None.

Also present: Franzoi and Andreski.

Public Present: None.

Council Member Comments:

None.

Adjournment: Marcell moved to adjourn at 4:26 p.m. Fritsche seconded. All in favor; motion carried.



Rachel Andreski, Clerk