

**CITY OF IRON RIVER
REGULAR MEETING
Wednesday, November 11, 2015
2 PM
Minutes**

Mayor Terry Tarsi called the meeting to order at 2 p.m., in the Alfred Perlongo Meeting Room at the West Iron County Fire 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 David Thayer and Clerk Rachel Andreski.

Public in attendance: Bernie Sacheck, John Hull, Jon Wierda, Pam and Leonard Bociek, Willard Olson, Jane Gustafson, Josh Brindle, Bob Black, John LeClair, Craig Richardson (GEI Consultants, Ltd.) and Jerry DeRoche (Iron County Reporter).

SPECIAL PRESENTATIONS

- a) The IronLine – Josh Brindle: Brindle approached the Council looking for support for the 4th Annual IronLine Sled Dog and Fat Bike Race in the amount of \$3,750. The DDA has already pledged that amount and is looking for an equal match from the City. Commenator noted he has looked at the financials and proposed budget in detail and has noted increases in areas such as advertising, awards and fuel. Brindle stated this is a more realistic budget than presented in past years. Thayer asked if the Council would defer this matter until the December meeting as he is conducting research on appropriations and has inconclusive information at this time. No action was taken.

PUBLIC COMMENT

Jon Wierda asked for an update on the current status of this year's financial audit and when the auditor would be available. Thayer responded that a presentation should be conducted in January. Wierda also asked for an update on the Krist Oil tax appeal. Tarsi stated this item will be addressed in the Attorney's Report.

John Hull questioned the time decrease for public comment from five to three minutes. Thayer explained that three minutes is a standard practice across the state with council meetings. Tarsi further explained that at a Committee of the whole meeting was held on November 9, 2015 the general consensus of the Council was to change the time allotment.

Bernie Sacheck explained he met with the DDA in regards to the Golden K flower contract and that finances with the DDA are getting tight. He questioned if the Council would want to join the Iron River Beautification Committee and costs could be split as well as increasing areas such as the parking lot behind City Hall along US-2. Tarsi asked Sacheck to come to the next meeting where it could be addressed under Special Presentations. Sacheck explained he will not be here so Tarsi asked if he would submit something in writing and Sacheck agreed.

Leonard Bociiek wanted to know if David Sankey was given citations for not completing his fence by his business. Andreski stated he was not. Bociiek felt too much lead way was given. He also has concerns with the number of cars that are in Sankey's lot. One car in particular has been there for a year and the for sale sign has been removed. According to the ordinance, it has to be moved in 10 days and he wants to know why nothing is being done. Another car is parked in the cross walk and has been for two days and wants to know how that is legal and if Sankey doesn't have to adhere to the ordinances, why should anyone? Tarsi stated the City Manager has heard the comments and we will take it from there.

Sacheck responded that if Mr. Bociiek is going to complain about a certain area, he should look around other areas as well. If you go to Northland, the same problem is there. If you go to Lindwall's, they have violations so if a complaint is going to be made, it should be made about everybody. Tarsi stated this Council has been on record for almost two years about ordinance violations pertaining to blight. They have tried many times to hire a code enforcement officer and it didn't happen and that's his fault, as he didn't push it hard enough, but when he did push it, there was resentment. Tarsi further explained he volunteered to be the Code Enforcement Officer but they wouldn't allow it. There's a new manager in place and to give him some time and see if there's a difference.

Craig Richardson thanked the City for leaving the compost site open during non-business hours allowing him to dispose of his leaves. Tarsi thanked him.

APPROVE AGENDA

Commenator moved, with support from Baumgartner, to approve the Agenda. All in favor; motion carried.

APPROVE MINUTES

Marcell moved, Fritsche supported, to approve the Amended August 19, 2015 Regular Meeting Minutes, August 27, 2015 Special Meeting Minutes, September 2, 2015 Special Meeting Minutes and September 9, 2015 Special Meeting Minutes. All in favor; motion carried.

CONSENT AGENDA

Commenator requested the Chief and Director's Reports should have copies included in the packet rather than in the Consent Agenda. Fritsche moved; Marcell seconded, all were in favor; to accept as written, the Consent Agenda which included the following:

- a) October, 2015 WICSA Agenda Packet
- b) September 29, 2015 Joint Public Restoration Adm Board Meeting Minutes
- c) October 15, 2015 Joint Public Restoration Adm Board Meeting Minutes
- d) September 29, 2015 Windsor Recreation Authority Meeting Minutes
- e) October 20, 2015 FOWC Meeting Minutes
- f) October 2015 DDA/TIF Financials
- g) September 15, 2015 Iron River Housing Commission Meeting Minutes
- h) DPW Director's Report
- i) IRPD Chief's Report
- j) U.P. Rodeo Inc. Financials

- k) MDEQ Community Public Water Supply Annual Fee
- l) Tousignant's Invoice
- m) MML Worker's Compensation Fund Policy Premium
- n) MML Liability and Property Pool Claim Deductible

Commenator moved that in the future, the entire consent agenda be available as in the past, but the DPW Director's Report, IRPD Chief's Report and Tousignant's Invoice be included on the Agenda and available in the packets. Baumgartner supported. All were in favor; motion carried.

REPORTS

Manager's Report: Thayer is conducting an in depth review of the financials and with the knowledge gathered thus far, would like to do a re-write of the fiscal year 2016 Budget and have available in January. Although it's an unusual step to take, there have been some clerical errors, entry errors and calculations without justification that will throw the budget so far off when we get to closure, we wouldn't be able to make heads or tails of it. The end product will be a substitution budget in its entirety. Tarsi is concerned that panic will be caused in the City so he wanted clarification that Thayer doesn't see the City having financial problems, but where funds have been put or not put is the problem. His fear is people will think the City is broke and wants to make sure anyone who leaves this room doesn't feel the City is in financial straits. Thayer said that is not the case, however, the budget the Council adopted and the financials entered into the computer are different numbers. The budget adopted is way overstated from what is seen and has to be reconciled. The changes are so dramatic it would be more efficient and correct to start from the beginning and work out. Commenator asked for clarification purposes that clerical adjustments will be needed. Thayer responded that's one big step. Tarsi added the City lost their Treasurer due to retirement and a new Treasurer was brought in, the City was without a City Manager which put a burden on both the ladies in the office, and he believes being here the past four years watching the budget brought questions with this budget. Thayer will also work with the Auditor to make the changes.

Thayer has received a number of phone calls in regard to blight. Some of the issues have been resolved and he has met with Chief Frizzo and they are going to aggressively pursue the repeat offenders. Solutions are also being pursued to make the availability of trash disposal to help curb blight issues.

Thayer is making small changes to City Hall to reduce heating costs such as making door adjustments, addition of insulation to door's not used in the garage area and second story and with the new roof.

After the completion of the recent black top project on Blossom Street, gravel was purchased to build the shoulders of the road. It was mentioned in the discussion for the authorization of blacktopping, but was not included in the cost. Thayer approved the cost for the gravel as it was an emergency, meaning if it wasn't done, the frost that comes would have damaged the new blacktop in the spring.

Repairs from the water damage are nearly complete and next month's meeting should be held at City Hall.

In 1975, a grant was applied for to make improvements to Ice Lake Park. Moving the clock forward, a piece of that property was sold. When the recent application for a grant for improvements to that park was applied for, it was noticed by the MDNR that the land was not the same as 1975. They are looking at whether there was a conversion which would be a violation of the 1975 year grant. The grant we are applying for now wouldn't be affected, however, if there was a conversion, the City will need to purchase property for park purposes equal in value and recreational value. We will not be penalized this time around, however, if they feel there was conversion, we will not be able to apply for more grants until this is settled. Richardson said we can still apply, but a point penalty of 50 points would be given. Tousignant has been doing research on this as well.

The City's current health insurance carrier, Consumer's Mutual, is going out of business and a new health care provider is being sought coverage ceases the end of the year.

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

Attorney: Tousignant gave a verbal account of his Report. An update on the Krist Oil Tax Tribunal was given. If the City loses the case, it would mean an approximately \$15,000 loss in tax revenue. As for the Maule property, there has been very little movement. As for blight, three properties are still being looked at, Howard Eldridge is still operating under a demolition permit due in December, Carrie Flaska (MapCo), owner of the former Wardo's building is avoiding service. Commenator moved to accept the Attorney Report. Marcell seconded. All in favor; motion carried.

FINANCIALS

October 2015 Financials: Commenator moved to accept the October 2015 Financials. Baumgartner seconded.

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

October 2015 Check Register/Revenue Expenditure Report: Commenator moved to accept the October 2015 Check Register/Revenue Expenditure Report. Baumgartner seconded.

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

UNFINISHED BUSINESS

2015 Sanitary Sewer Repairs – Pay Request No. 1 and Change Order No. 1: Commenator moved to approve Pay Request No. 1 in the amount of \$46,447.61 and Change Order No. 1 in the amount of (\$14.95). Marcell supported.

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

NEW BUSINESS

Iron County Chamber of Commerce Membership: Commenator moved to pay the membership dues to the Iron County Chamber of Commerce in the amount of \$1,067.25. Fritsche seconded.

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

Iron River Housing Commission Appointment: Jane Gustafson, Executive Director of the Iron River Housing Commission, is pleased to have interest in the position. The position was advertised by the City, and their members were asking individuals. Brian Brzoznowski has been attending meetings and would like the appointment. It is her recommendation to appoint Brzoznowski to fill the term vacated by George Brunswick expiring March 31, 2017. Tarsi thanked Brunswick for his years of service. One other application was received by Peter Djupe. Commenator moved to appoint Djupe to the Iron River Housing Commission. Baumgartner seconded.

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

PUBLIC COMMENT

Bociek wanted to respond to Sacheck's comments that Sankey had harassed them for over three years and has directly affected them and their lives.

Wierda asked Thayer if there will be significant impacts on revenue on the budget re-write. Thayer cannot give an estimate at this time. There are no notes as to how the numbers were generated and discussions will need to be held with the auditor to see how this can be done.

Wierda asked what the current situation is with the possibility of hiring another public safety officer and if it's budgeted. Thayer stated it would be better to run the department with five officers, however, the budget may not allow for it. It is a high priority if new monies are found to bring on another member. Tarsi interjected he would like a part-time code enforcement officer and part-time police officer.

Sacheck asked if the State is no longer going to take over abandoned properties. Tousignant responded the County has taken that over and is unsure how they are going to deal with it yet.

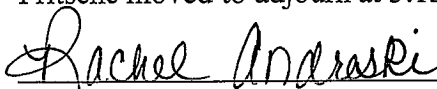
COUNCIL MEMBER COMMENTS

Baumgartner asked if a motion was necessary for a written Manager's Report. Thayer responded he will have one available for next meeting. Commenator agreed that he would like one in print as well.

Andreski reminded the Council that the next regular meeting is a night meeting, which is December 16, 2015 at 6 p.m. and will be held at City Hall.

ADJOURNMENT

Fritsche moved to adjourn at 3:13 p.m. Commenator seconded. All in favor; motion carried.



Rachel Andreski, City Clerk