

**IRON RIVER CITY COUNCIL
REGULAR MEETING
WEDNESDAY, AUGUST 6, 2003
6:00 P.M.**

The meeting was called to order at 6:00 p.m. in the Legion Room of the Iron River City Hall, with Mayor Pro-tem Ray Coates presiding.

The Pledge of Allegiance was recited.

Members present included Klint Safford, Tom Beber, Virgil Thompson, Ray Coates, City Manager Rick Commenator, City Attorney Mark Tousignant and City Clerk Peggy Shamion. (Mayor Charlotte Soderbloom absent – ill)

Also attending the meeting was Bernie St. Germain, Richard Nielsen, Alfred Perlongo, Lily Thompson, Arthur Sacheck, Roger Zanon, Mark Gasperini, Ann Grahn, Pete Korach, Jan Huizing, Wayne Wales, Craig Tarsi, Mary Dexter, Steve Gagnea, Lt. Karen Provost, Tom Mayo, Mike Gatzow and Jeff Bal.

Amendments to the agenda included under New Business (d) City Manager Evaluation; under Financials (c) STS invoice for 7th Ave. and (d) MML Property Liability Insurance invoice and (e) City attorney invoice.

**APPROVAL
OF AGENDA**

Beber moved with Safford supporting to approve the amended agenda as listed above.

Roll Call: Ayes: 4 Nays: 0 Motion carried.

Thompson moved with Beber supporting to approve the minutes of the 7-16-03 regular meeting.

**APPROVAL
OF MINUTES**

Roll Call: Ayes: 4 Nays: 0 Motion passed.

PUBLIC COMMENT

Steve Gagnea was present on behalf of the 911 Committee, to answer any questions or concerns the board may have regarding the upcoming special election on 911.

**SUPPORT
FOR 911
BALLOT
PROPOSAL**

Lt. Karen Provost of the Michigan State Police was also present to rally everyone to support the 911 cause. She explained how her department and other areas have been impacted by the 911 services. She was looking for support from the board for the 911 proposal.

Coates moved with Beber supporting, that a resolution be adopted by the City Council in support of the 911 proposal.

Roll Call: Ayes: 4 Nays: 0 Motion carried.

PUBLIC HEARING – 6:05 p.m.

Manager Commenator explained that the consent agreement with MDEQ requires that we adjust the reserve portion of our sewer rates by an annual increase and the construction cost of living index. The minimal increase will be \$0.16 – from \$5.84 to \$6.00 and the commodity charge will be \$0.03 – from \$3.17 to \$3.20 per 1,000 gallons over the 5,000 minimum.

Wayne Wales commented about the recent sewer bill he received where an increase took place and will cost him \$1,400/year. He felt the city is taxing him out of business and that he can't afford to pay the high rates. He asked that the board consider this before approving the proposed amendments.

Mary Dexter said she has a summer home in Iron River South and she pays more here than in the city, for her water bill. She felt that if the city keeps increasing their rates, they won't get people to move to the area to retire.

Craig Tarsi was concerned with his bill increasing \$20/month. He pointed out that the city is calling their system a meter based system, but felt they don't bill accordingly, because of the way they charge (0 to 5,000 gallons is \$21.00 but he is being billed \$90 for using 3,600 gallons). He also questioned where the per unit billing for sewer came from because he doesn't remember anything being discussed regarding it. Tarsi felt the charges should be spread fairly through out the city. He said he doesn't understand why the business people have to "pick up the tab".

Manager Commenator explained that when we combined the definition of user for both water and sewer, prior to the recent changes that were made, multiple users apply to the total bill (OMR and SP-sewer plant). He also noted that he was sure the council was not aware of that change.

Coates added that he was not aware of the change.

Pete Korach then commented that he wants an accounting of the money that the former Mineral Hills is paying (which is supposed to be put into a reserve account) from the time of conception.

Manager Commenator assured Korach that he will be given the figures when the City Treasurer gets back from vacation.

Wales then asked where the board stands on the issue, if they weren't aware of the extra charges. He also asked if they will be reimbursed for all the money that they have been overcharged.

Coates told Wayne Wales that the board will either have a special meeting or it will be put on the next agenda.

Manager Commenator asked the City Attorney, if the council determines that the change on the sewer bills was in error, could they direct the staff not to bill any longer, while waiting to amend the ordinance. Attorney Tousignant said yes.

The public hearing will be held open in conjunction with the regular city meeting.

PUBLIC COMMENT

Peter Korach brought up some issues he was concerned about. First he said that Iron River North residents were promised that their water rates wouldn't be increased until new lines were installed. He felt that the \$2.50 increase should be put into a special fund for improvements to their water system.

**WATER
RATE
INCREASE
TO I.R.
NORTH**

Secondly, Korach complained about grass growing through the cracks in the road in Iron River North and nobody does anything up there.

Last, Mr. Korach asked about getting the grass cut along Forbes Road and sweeping the sidewalks, in Iron River North.

Lillian Thompson spoke and was concerned about no warning signs put on the corner of Franklin St. and Homer Road, where construction from the water project has taken place and there is a large hole in the road.

Mrs. Thompson had concerns about the tall grass at 1600 Collins St. and Manager Commenator will address her concerns.

CONSENT AGENDA

Thompson moved with Beber supporting to receive and file the Consent Agenda which consisted of: DDA minutes of 6-16-03; DDA special minutes of 6-30-03; Zoning/Planning Board minutes of 6-26-03, WICSA minutes of 6-30-03; Watershed Council minutes of 7-7-03 and the July check register. All were in favor. Motion carried.

**CONSENT
AGENDA**

REPORTS

Manager Commenator reported that he received an estimate from Gary Pisoni to survey the alley south of Franklin St. for \$1,350.00.

**SURVEY
ALLEY
NORTH OF
FRANKLIN
ST.
(HILLTOP
ADD)**

Thompson moved with Beber supporting to proceed with the survey of the alley south of Franklin St. and hire Gary Pisoni for \$1,350.00.
Roll Call: Ayes: 4 Nays: 0 Motion passed.

Manager Commenator reported to the board that he is waiting for contractors to get back to him this week in reference to the tennis courts and the skateboard pad.

Attorney Tousignant informed the board that the quiet title action on property in Iron River North is proceeding and the final hearing was held.

**UP
COMPUTER
CONNECTIO
NS-
CONTRACT**

UP Computer Connections has signed a contract and paid the \$1,500/yr to utilize the city water tank to use for high speed internet connections.

Tousignant reported on the Stambaugh Township Maple View sewer situation. He stated that an agreement has been drafted and will be submitted to the township board at their meeting tonight. This agreement is similar to the Iron River Township agreement.

**STMBO TWP
SEWER
AGREEMENT
REACHED**

A contract with 3-Point Development was signed with a couple of modifications on it. The DDA will hold a regular meeting on August 18 for approval and Tousignant sees no problem with changes.

Beber moved with Thompson supporting to receive and file all reports. All were in favor. Motion carried.

FINANCIALS

Invoice #245520 to STS Consultants for engineering for the River St/ Allen St. design was approved for payment of \$1,043.31 on a motion from Beber and Thompson supporting.

**APPROVE
INVOICE STS
CONSULT-
ANTS**

Roll Call: Ayes: 4 Nays: 0 Motion passed.

Tom Mayo of STS Consultants gave an update on the water project. He said there is two weeks of existing work left. The only remaining area left to complete the project is an area on 6th & U.S. 2, section at Cedar and U.S. 2, one block in an alley in the Burns Addition and three streets in the Hilltop Addition. There is approximately 10% of work remaining.

**UPDATE ON
I.R. WATER
PROJECT**

Thompson questioned the status of the Foreman for the project as there is some rumor of his departure.

Mayo has been assured by the Construction Company that the Foreman will stay until the project is completed.

The deadline for the project has been extended to September 30, 2003, because of the change orders.

Everything south and east of U.S. 2 is completely done regarding services. Everything in the Virgil Location is complete; the central part of Iron River is completed. An area by the Fairgrounds except for 9th Ave. will be completed by the beginning of next week.

Mayo reported that on Saturday, there will be a full crew coming in to do all sod, seeding and topsoil tomorrow, while paving will take place next week. The schedule for paving is E. Hemlock St. first; Franklin St. from 4th to 9th, 3rd, River St. all the way out through the lower half of the Virgil Location and out on Mineral Ave.

**UPDATED
I.R. WATER
PROJECT**

Thompson moved to approve pay estimate #19 and follow Tom Mayo's suggestion of submitting reimbursement to Rural Development and put into the city water fund. Have a meeting 8-15-03 to see if the scheduling for seeding restoration and paving have been met. (before issuing payment to contractor)

**APPROVE
PAY
ESTIMATE
#19**

Thompson moved with Beber supporting to approve payment for STS Consultants invoice #245806 totaling \$1057.25 for 7th St. Improvements.

Roll Call: Ayes: 4 Nays: 0 Motion carried.

As data was being assembled and mailed to insurance companies for to receive quotes for liability insurance coverage for a year, but were advised that there was not enough of a time period to process the quotation, and therefore if the city wanted coverage for the next year, we need to pay the renewal invoice of \$57,216.00.

**APPROVE
LIABILITY
INSURANCE
COVERAGE
FOR
ANOTHER
YEAR**

Safford moved with Beber supporting to pay the Michigan Municipal League Liability and Property Pool insurance \$57,216.00 for coverage through 7-1-04.

Roll Call: Ayes: 4 Nays: 0 Motion passed

Thompson moved with Beber supporting to approve payment of the attorney bill for \$2,220.44.

Roll Call: Ayes: 4 Nays: 0 Motion passed.

**APPROVE
ATTORNEY
BILL**

OLD BUSINESS

A resolution was adopted for designating two officials authorized to sign the MDOT contracts for the River/Allen St. Project, on a motion from Safford and support from Beber.

Roll Call: Ayes: 4 Nays: 0 Motion carried.

**AUTHORIZA
TION TO
SIGN MDOT
CONTRACTS
FOR RIVER/
ALLEN
PROJECT**

The Iron River Election Commission presented it's plan to the Iron River City Council for redistricting in the city. (see attached new legal descriptions)

Beber moved with Thompson supporting to accept the new redistricting in the city, as outlined by the Election Commission.

Roll Call: Ayes: 4 Nays: 0 Motion passed.

**APPROVAL
FOR
REDISTRICT-
ING VOTING
PRECINCTS
IN CITY**

The Public Hearing was closed at 7:22 p.m.

**PUBLIC
HEARING
CLOSES**

Beber moved with Safford supporting to adopt the new sewer rates which would adjust the reserve portion of our existing sewer rates by an annual increase and the construction cost of living index. The minimal increase will be \$0.16 (from \$5.84 to \$6.00) and the commodity charge will be \$0.03 (from \$3.17 to \$3.20/per 1,000 gallons over the 5,000 minimum).

MOTION TO INCREASE SEWER RATES BY \$0.19

Roll Call: Ayes: 4 Nays: 0 Motion passed.

Safford moved with Beber supporting to authorize STS Consultants to complete and submit a sewer application to USDA Rural Development for grant/loan funding of the total proposed project \$6,660,000, plus \$120,000 for a Vector Machine to maintain the new system.

APPROVAL TO SUBMIT APPLICTN TO USDA RURAL DEV FOR GRANT/ LOAN APPLCTN FOR SEWER PROJECT

Roll Call: Ayes: 4 Nays: 0 Motion carried.

(for clarification, the city is only committing to see if grant/loan funding is available for a project)

NEW BUSINESS

Safford moved with Beber supporting to advertise 2 lots (15 &16) of Block 12 in the Minckler Addition. (minimum bid \$300- \$350)

ADVERTISE LOTS

Roll Call: Ayes: 4 Nays: 0 Motion passed.

A Resolution of Appreciation was approved for presentation to the WICFD, on a motion offered by Safford and Beber supporting.

RESOLUTION OF APPRECA-TION TO WICFD

Roll Call: Ayes: 4 Nays: 0 Motion carried.

Commenator told the board that when the bids for the water project came in, Alliance was much lower than the estimates. This resulted in a large “contingency” of uncommitted funds that can be used for “extras”. Alliance will not install any extra water main or do any extra work.

Engineers have been in contact with Rural Development and they seem agreeable to allow the city to package a “contingency project” for bidding this winter and completion next year.

APPROVAL TO PROCEED WITH RURAL DEV W/CONFER- ENCE CALL TO LANSING FOR CON- TINGENCY PROJECT

Beber moved to proceed and meet with Rural Development representatives for a conference call to Lansing to obtain USDA’s approval for the “contingency project”. Safford supported the motion.

Roll Call: Ayes: 4 Nays: 0 Motion carried.

Safford asked that the City Manager evaluation be put on the next agenda.

COMMISSIONER COMMENTS

Safford moved to issue a citation to Ben Smith for a trailer on his property in which he has previously been warned about. Beber supported the Motion.

MOTION TO ISSUE CITATION TO BEN SMITH

Roll Call: Ayes: 4 Nays: 0 Motion carried.

Safford then moved to issue a warning ticket to Parker's at 900 – 16th Ave. for a trailer in the yard and what ever other violations there may be; also home at 1600 Collins St. Thompson supported the motion.
Roll Call: Ayes: 4 Nays: 0 Motion passed.

**MOTION TO
ISSUE
WARNING
TICKET TO
PARKERS
AT 900 – 16TH**

Ann Grahn was present at the meeting and complained about the house located at 230 Blossom St. and asked for something to be done.

Mary Dexter complained about a house at 209 Lilac St. which burned and is still standing, but nothing is being done.

Safford moved to start the process to issue a warning ticket to both 230 Blossom St. and 209 Lilac St. Coates supported the motion. All were in favor. Motion carried.

**MOTION TO
ISSUE
WARNING
TICKETS TO
230
BLOSSOM
AND 209
LILAC ST.**

Manager Commenator said the warnings will go out tomorrow and we will wait 15 days from today. If nothing is done at that time, he will direct the Public Works Dept. to secure the buildings.

Beber moved with Thompson supporting to adjourn the meeting. All were in favor. Motion carried.

The meeting adjourned at 7:55 p.m.

Peggy Shamion, CMC
City Clerk