

**IRON RIVER CITY COUNCIL MINUTES
PUBLIC HEARING/REGULAR MEETING
WEDNESDAY, OCTOBER 18, 2006
2:00 P.M.**

The meeting was called to order at 2:00 p.m. in the Council Room of the Iron River City Hall, with Mayor Charlotte Soderbloom presiding.

The Pledge of Allegiance was recited.

Members present included Councilmen Tom Beber, Ray Coates, Ed Marcell, Roger Zanon, Mayor Charlotte Soderbloom, City Manager John Archocosky, City Attorney Mark Tousignant and City Clerk Peggy Shamion.

Craig Richardson, Don Hebert, Jeff Bal and Rosalie King also attended the meeting.

PUBLIC HEARING ON CDBG GRANT

Jeff Bal of STS Consultants explained that the CDBG Grant is to replace sanitary sewer interceptor and collection system piping along the Iron River between Homer Road and the 4th Ave. Bridge. A Notice of Intent has been submitted for \$782,000. The city was approved to apply for the grant and the first step is to hold a Public Hearing to receive input from the community. The grant is 68% funded and the city would use funds from the rate structure money and wouldn't have to raise rates.

There was no public comment at this time however Mayor Soderbloom said the Public Hearing would be left open until the end of the meeting.

Additions to the agenda included under New Business (g) quotes on tailgate spreader and also (h) Executive Session to discuss litigation. Zanon moved with Coates supporting to approve the amended agenda. All were in favor. Motion carried.

Beber moved with Marcell supporting to approve the minutes of the September 20, 2006 meeting as received. All were in favor. Motion carried.

There was no public comment at this time.

The Consent Agenda was approved on a motion offered by Coates and Beber supporting.

Roll Call: Ayes: 5 Nays: 0 Motion carried.

**PUBLIC
HEARING ON
CDBG
GRANT TO
REPLACE
SANITARY
SEWER
INTERCEP-
TOR ALONG
THE RIVER
HOMER RD
& 4TH AVE.
BRIDGE**

**APPROVAL
OF AGENDA**

**APPROVE
MINUTES**

**CONSENT
AGENDA**

Pay Request #3 to Yalmer Mattila Contracting for \$183,278.89 and Change Order #2 for \$1,053.10 for the Sanitary Sewer Interceptor Replacement were submitted for payment.

**APPROVE
PAY
REQUEST #3
& CHANGE
ORDER #2
FOR THE
SANITARY
SEWER
INTERCEP-
TOR
REPLCMT**

Jeff Bal explained that the only work that needs to be completed is the paving, which will be done at the end of this week. The completion date for the project is 10-22-06.

Beber moved with Coates supporting to approve payment for Pay Request #3 for \$183,278.89 and Change Order #2 for \$1,053.10 for the Sanitary Sewer Interceptor Replacement.

Roll Call: Ayes: 5 Nays: 0 Motion passed.

The board will give their own personal donations to Gifts From Santa, as it is illegal for the city to donate.

REPORTS

Attorney Tousignant informed the board that a city resident is placing personal items on property and in structure owned by the city up in the Hilltop Addition. Tousignant would like to get a court order to remove the junk from city property.

Coates moved with Zanon supporting to authorize the Manager and Attorney to proceed to verify ownership of the parcel of property being occupied and proceed with a court order to remove personal contents on the property.

Roll Call: Ayes: 5 Nays: 0 Motion passed.

Tousignant also reported that Northland Service did remove their billboard sign off of city property.

The Chalet property was discussed next. The deal with the prospective buyer fell through and Tousignant said the board should consider re-advertising the property.

**RE-ADVER-
TISE THE
CHALET**

Soderbloom moved with Coates supporting to put the Chalet back on the market.

Roll Call: Ayes: 5 Nays: 0 Motion carried.

Zanon moved with Coates supporting to accept the Attorney's monthly report. All were in favor. Motion carried.

OLD BUSINESS

Zanon moved with Beber supporting to adopt a Resolution approving the Brownfield Authority By-Laws. All were in favor. Motion passed.

**APPROVE
BROWN-
FIELD
AUTHORITY
BY-LAWS**

Manager Archocosky recommended that the board reappoint Judy Mariani to the Iron River Housing Commission for a five year term;

and appoint Janice Colville to fill the vacancy on the Stambaugh Housing Commission.

Coates moved with Zanon supporting to accept the Manager's recommendation and reappoint Judy Mariani to the Iron River Housing Commission and Janice Colville to fill the vacancy on the Stambaugh Housing commission. All were in favor. Motion carried.

**HOUSING
COMMISS-
SIONS
APPOINT-
MENTS**

Mayor Soderbloom closed the Public Hearing at 2:25 p.m.

NEW BUSINESS

A Resolution for the CDBG Grant application for the sanitary sewer interceptor between Homer Rd & 4th Ave. Bridge was approved on a motion from Beber with Coates supporting.

Roll Call: Ayes: 5 Nays: 0 Motion carried.

**RESOLU-
TION FOR
CDBG
GRANT
SEWER
INTERCEPT
OR
BETWEEN
HOMER RD
& 4TH AVE.
BRIDGE**

Don Hebert from Hebert Construction has a concern about a contract they signed with the city regarding additional work that was added to their original contract on Lalley Rd & Ice Lake Rd Sewers. He received a letter from STS Consultants (on behalf of the city) stating liquidated damages will be imposed until the project is completed.

Mr. Hebert claims he told Craig Richardson that they wouldn't have time and in the mean time, Hebert Construction picked up additional jobs. Richardson told Hebert that the additional money was available as long as the additional project goes through the original contract. Under that situation, Hebert thought his company could do the job and he was given two additional weeks to complete the work.

**HEBERT
CONST.
ADDITIONAL
WORK ON
LALLEY RD
& ICE LAKE
SEWER**

Hebert was asking to allow his company to do the work in December and not be penalized.

Manager Archocosky said that the original date for the project to be completed was in September. Then he agreed to extend the date to October 15, 2006. He is very concerned as the city made a commitment to spend the money in 2006, and the project has to be closed out at the end of this year with MEDC. If the city is unable to get the project completed on time, he is deeply concerned about receiving funding from MEDC for other projects. In the past couple of years the city has received millions of dollars in funding but all of the projects have been completed. If Hebert does the work in December, the restoration work cannot be completed until spring.

Archocosky stated that if Mr. Hebert would have just declined the additional work he would of advertised for another contractor. Mr. Hebert did however sign the contract. Mr. Hebert commented that he made a mistake by signing the contract.

Manager Archocosky offered some terms for an agreement to the contract. First, no yards are dug up this year; hang onto the retainage until the job is done; new start up date & completion date needs to be established; until Hebert's finish this contract they should not be eligible to be awarded any other contract with the city.

**HEBERT
CONST.
TERMS FOR
AGREEMENT
FOR ADDT'L
WORK ON
LALLEY RD
& ICE LAKE
RD SEWERS**

Archocosky said that if Hebert is willing to accept the terms listed above, Attorney Tousignant would draft a contract between both parties.

Hebert said he would like to speak to his other partners.

Hebert complained that not one payment was made on time. He is currently waiting for the last payment.

Craig Richardson stated that the problem is not the city paying Hebert it's the problem on MEDC paying the city. This is a result of Hebert not furnishing all the paperwork on time.

Archocosky asked if Hebert could complete the project in June. He said yes.

Archocosky recommended to the board that until the city has an agreement with Hebert Construction, liquidated damages (\$400/day) continue to be in place. He stated that he is not looking for the money, he wants the project completed.

After some discussion, Soderbloom moved to follow Manager Archocosky's recommendation on the terms listed above until an agreement is signed. Coates supported the motion
Roll Call: Ayes: 5 Nays: 0 Motion carried.

The meeting date for the November meeting will be changed to Monday, November 13, 2006 at 2:00 p.m., on a motion from Marcell with Coates supporting. All were in favor. Motion carried.

**CITY
MEETING
CHANGE**

Manager Archocosky informed the board that he is getting calls from the private sector to utilize the Attic for various events. He suggested a \$100 deposit, a \$50 rental fee and possibly use the same contract that is used for rental of the Chalet. (the contract will be reviewed first)

**ATTIC
RENTAL**

Coates moved with Zanon supporting to approve rental of the attic to the private sector under the above conditions.
Roll Call: Ayes: 5 Nays: 0 Motion carried.

Two proposals were received for pin & bushing replacement. Coates moved with Beber supporting to accept the low bid from TRAX, Inc. for \$1,810.00.

**PIN &
BUSHING
PROPOSALS**

Roll Call: Ayes: 5 Nays: 0 Motion carried.

Beber moved with Coates supporting to authorize all accounts listed on Ordinance #13 Noxious Weeds List prepared by DPW Foreman Dick Anderson, be paid from the general fund of the city and put the amounts as outlined on the city tax roll.

Roll Call: Ayes: 5 Nays: 0 Motion carried.

**NOXIOUS
WEEDS PUT
ON TAXES**

Proposals were received for a 6" tailgate spreader. Beber moved with Zanon supporting to purchase a 6" tailgate spread from Olson Trailer FOB Iron Mountain for \$2,545.00 (negotiate FOB Iron River)

**6" TAILGATE
SPREADER**

Soderbloom moved with Beber supporting to move into executive session to discuss pending litigation.

Roll Call: Ayes: 5 Nays: 0 Motion carried.

**EXECUTIVE
SESSION**

Meeting adjourned into executive session at 3:10 p.m.

The regular meeting reconvened at 3:32 p.m. on a motion from Coates with Soderbloom supporting. All were in favor. Motion carried.

Manager Archocosky recommended the city engage the services of Geoff Seidlein in the pending upcoming case of Laura Frizzo.

Beber moved with Marcell supporting to approve the Manager's recommendation to engage the services of Geoff Seidlein from the Law Firm of Hubbard, Fox, Thomas, White & Bengston, P.C.

Roll Call: Ayes: 5 Nays: 0 Motion carried.

**MOTION TO
HIRE GEOFF
SEIDLEIN TO
REPRESENT
CITY IN THE
FRIZZO
CASE**

Beber moved with Zanon supporting to adjourn the meeting at 3:35 p.m. All were in favor. Motion passed.

Peggy Shamion, CMC
City Clerk