

**Date:** January 20, 2010

**To:** Mayor and Council Members

**From:** John Archocosky, Manager

**RE:** Monthly Activity Report

I am pleased to report, that 2010 is once again going to be a busy but productive year for the rehabilitation of the City of Iron River infrastructure. Several of projects, which are in the City's Five Year Plan, will be going to the drawing boards or actually begin the construction phase. Fortunately, some of the projects we discussed and planned over the past three years or so have been funded and will move forward.

One of the larger projects to be constructed this year was given the final "green light" this past week. The project is actually two separate jobs; the SRF Sewer Improvement Project, and the Lay Avenue Reconstruction Project. The combined project involves the reconstruction of the sewer lines and roadway under Lay Avenue, west of the Plaza shopping mall. It was important that both work elements occur in the same construction season. The reason is that the contract for the sewer work, (awarded to Hebert Construction last fall), did not include any reconstruction of the portion of Lay Avenue, which would be torn up during the sewer replacement work. The funds for the road work were actually committed about 2 years ago, through our local Task Force. At that time, the estimated cost was based on doing less work. We had not yet secured funding for the sewer work required in that area, and therefore did not anticipate the extent of road work that would actually be required. In addition, the cost of blacktop was less expensive, as the cost of crude oil had still not escalated to the current market values. As a result, when the road work bids were received early this month, the cost exceeded our available budget by almost \$60,000. It was imperative that the City commit to moving forward to award the bid, or alternatively reduce the scope and size of the entire project. Fortunately for us, projects that were planned in other areas of the state did not proceed and therefore we were able, with the help the good people of MDOT, to secure the unused monies from other Task Forces. Although the budget remains tight, we will be able to complete the work as planned. The combined value of these two projects is approximately \$1.4 million, and will further aid in reducing our infiltration and inflow of our sewer mains. This of course, is one of the requirements we must meet to remain in compliance with the City/DEQ Administrative Consent Order.

In addition to the above, we have been working to complete specifications for a new replacement for our oldest snowplow truck, and security equipment for our parks and recreation facilities. The cost of this equipment is being covered with grant and loan funds from the USDA Rural Development. I hope to have bid information completed soon, so the proposal can be received by our next Regular Meeting in February.

So far this winter, our snow removal costs have been slightly less than in the previous year, due to fewer and lighter snowfall amounts. In addition, the warmer weather seems to have minimized the usual water line freezing that has occurred during the past two winters. We have been keeping a close watch on our water wells, tanks and pump houses, even though the temperatures have been relatively mild to date.