

**Date:** March 24, 2010

**To:** Mayor and Council Members

**From:** John Archocosky, Manager

**RE:** Monthly Activity Report

Another busy month has taken place since our last meeting. Three of our construction projects have been moving forward quickly, and will begin as soon as the road restrictions permit the trucks to roll. It will be good to get some of these projects under construction soon so they then can be finished by late summer or early fall. It seems that we have been able to move about half of our total planned projects forward in any given year. With so many on the list, the next three to five years will be consumed with infrastructure improvements. Much to the credit of our insightful City Council and the hard work of our consultants at AECOM, we have been able to get these projects funded and under construction without an added burden on our taxpayers.

Following last month's approval by the Council, the City DPW has been working on the plan to eliminate excess equipment and to consolidate the remaining assets and inventory into fewer locations. By doing so, I anticipate that the City will be able to sell two or three of its current storage facilities, saving both on maintenance and insurance costs. Further, when these properties are sold, the real estate can be placed on the tax roll. The recent auction that was conducted for the City by Nitke Auctions produced about \$14,000 in sales of equipment that no longer was of use to our DPW. The miscellaneous revenue that was generated by the auction will be reinvested in upgrades and repairs to our existing fleet.

As I indicated in last month's report, the City did in fact receive a disbursement from the County Treasurer for the recently voted Road Millage. The Treasurer made the distribution according to a formula established by statute barring any other forms of agreement by the eligible recipients. As such, it appears that we will actually receive about \$10,000 less this year than we collected from the City of Iron River's taxpayers. The other Act 51 recipients will also see similar reductions in their receipts. The difference between what we collect and received from the County has been reallocated to the Iron County Road Commission. I do not believe the Road Commission had any knowledge or anticipation that they would be receiving tax dollars from the Cities when the voted millage was proposed. When the millage proposal was explained by the proponents, we were told that all the dollars collected within the various Act 51 jurisdictions would be returned to each of them respectively. When the actual ballot language was drafted however, it did not include the specifics of how the distribution was to be made. As a result, the State's statute on this issue governed and the County Treasurer was obligated to disperse accordingly. In the near future, I will be contacting each of the affected taxing units and the Road Commission to determine if an intergovernmental agreement can be developed, consistent with the original Road Millage proposal as it was presented to each unit of government for their support. If an agreement can be reached it will supersede the State's statute and allow the four Cities and Village of Alpha to receive in full, the road millage they now collect.