

**Date:** February 16, 2011

**To:** Mayor and Council Members

**From:** John Archocosky, Manager

**RE:** Monthly Activity Report

Following last month's report, I traveled to Lansing to meet with our newly elected State representatives so I could share with them our concerns regarding the legislature's recent proposal to cut Revenue Sharing. I was able to meet with Senator Casperson at which time I conveyed to him the impact the loss of Revenue Sharing would have on our City's commitment to the public safety of our citizens. I advised him that Revenue Sharing Funds account for almost 60% of the moneys needed to operate our Police Department and our share of the costs for the West Iron County Fire Department. I explained the fact the City of Iron River is the only police agency in the county that provides 24 hour protection 365 days a year and that neither the Sheriff's Department nor the State Police have similar schedules. Senator Casperson said he recognized the need for such funds and although the State is considering cutting out Revenue Sharing, he is hoping that those funds can be made up with other savings the State is planning to recover from other programs. We discussed various other issues of concern to the City. I have also made various attempts to meet with Representative Hukki both during and following my Lansing trip but have not been able to get a meeting arranged. Representative Hukki left a phone message last week that he will try to get something scheduled soon. I hope to be able to meet with the Representative while I am in Lansing during the first week of March.

With regard to the most recent case of "William Vajk v City of Iron River, et al.," the Court has granted the attorney's motions and has dismissed the case as to all the defendants. This is the second time that Mr. Vajk has sued the City in as many years. Although both of these suits have been dismissed, the costs of defending these actions will likely reach our deductible amount of \$5,000 per occurrence for a total of \$10,000. It is possible that our insurance provider may file a motion to recover the costs from Mr. Vajk and request that sanctions are placed against the Plaintiff for filing so many frivolous motions.

January 31, 2010 was the last official day of Department of Public Works Director Richard Anderson's employment with the City. Richard has spent 38 years serving the public. He started with the City of Caspian, later transferring to the former City of Stambaugh, and finishing his career in the newly consolidated City of Iron River. Richard's knowledge and expertise will be missed. I will begin seeking a replacement for that position in the near future.

Negotiations with the Police Department appear to be completed and we are now waiting for the final document to be printed and signed. This three year agreement will replace the previous 5 year contract. Negotiations with the Department of Public Works will be scheduled soon and should be able to be completed quite quickly.

So far this winter we have had very few residential lines, and no main lines freeze, which has helped keep the Water Fund within budget. Snow removal costs have been slightly less than normal, but could climb depending on how long it takes spring to arrive.