CITY OF IRON RIVER  
PUBLIC HEARING  
Wednesday, November 7, 2018  
2 PM  
Minutes

Mayor Terry Tarsi called the hearing to order at 2 p.m., in the Council Chambers of the Iron River City Hall.

Roll Call: Rodney Dood, Jere Fritsche, Tricia Mercier, Dennis Powell and Tarsi. 
Absent: None. 
Also present: Attorney Mark Tousignant, Manager David Thayer and Clerk Rachel Andreski.

Public in attendance: Bill LaRock, Victoria Powell, Darren Mercier, Julie LaMay, Craig Richardson (GEI Consultants) and Jeremy Johnson (Iron County Reporter).

PURPOSE OF PUBLIC HEARING: To receive public comment on the proposed acquisition of a 2016 TYMCO 500X Demo Model Street Sweeper. Thayer stated in order to obtain funding from USDA-Rural Development, a formal hearing must be held. The City could receive a grant up to $50,000.

Darren Mercier asked what the expected life expectancy of these machines is. Thayer stated approximately 20-25 years. Bill LaRock asked if the DPW employees have any input as they are the ones operating it. Thayer responded that they do have input and are very impressed with it. Jim Anderson was very impressed with how it worked as he demo’d it for over two hours.

There being no comment, Fritsche moved to close the Public Hearing at 2:03 p.m. Powell seconded. All in favor; motion carried.

CITY OF IRON RIVER  
REGULAR MEETING  
Wednesday, November 7, 2018  
2 PM  
Minutes

Mayor Terry Tarsi called the meeting to order at 2:03 p.m., in the Council Chambers of the Iron River City Hall. The Pledge of Allegiance was recited.

Roll Call: Rodney Dood, Jere Fritsche, Tricia Mercier, Dennis Powell and Tarsi. 
Absent: None. 
Also present: Attorney Mark Tousignant, Manager David Thayer, and Clerk Rachel Andreski.

Public in attendance: Bill LaRock, Victoria Powell, Darren Mercier, Julie LaMay, Craig Richardson (GEI Consultants) and Jeremy Johnson (Iron County Reporter).
PUBLIC COMMENT
None.

APPROVE AGENDA
Mercier moved, with support from Fritsche, to approve the Agenda as written. All were in favor; Motion carried.

APPROVE MINUTES
Dood moved to approve the October 17, 2018 Public Hearing and Regular Meeting Minutes as written. Mercier supported. All were in favor; Motion carried.

CONSENT AGENDA
Fritsche moved, Mercier seconded, to receive and file, the Consent Agenda which included the following:

   a) DPW Report
   b) Police Report

Roll Call: Ayes – 5: Dood, Powell, Mercier, Fritsche and Tarsi. Nays – 0. Motion carried.

REPORTS
Attorney’s Report: Tousignant added to his written report that the hearing on the City’s motion for summary dismissal was held on October 24, 2018 regarding K&D litigation. The allegations regarding a refund for water billing was dismissed by the Judge, however, the sewer charges are still pending. The Judge would like to see the City of Stambaugh’s Sewer Ordinance from 1997 regarding notice of disconnection.

The Civil Rights Complaint was closed for lack of activity, however, the police department received a request for information from the State of Michigan Civil Rights Department just recently. Chief Bristol is gathering the information.

Powell asked how much we have spent to date regarding the K&D litigation. Thayer stated approximately $5,400. Powell asked how much more are we going to spend? Tousignant explained there’s more at stake than just money, that it’s protecting the integrity of our ordinances. Fritsche added the decision regarding the lawsuit brought forth by Bill Vajk validated our ordinances. Tarsi asked what Tousignant’s opinion is on why the Judge isn’t accepting the fact that the ordinance was governed by the West Iron County Sewer Authority. Tousignant stated that would be considered hearsay, unless someone, like Tarsi, would testify. Terry asked how much do we spend to save the integrity of our ordinances? Tousignant stated that’s up to the Council, however, the burden of proof is on them. Thayer stated we have offered one more settlement prior to going to court, that the issue of dispute is $1,750. Dood moved, Mercier seconded, to approve the Attorney’s Report.
Roll Call: Ayes – 5: Fritsche, Powell, Mercier, Dood and Tarsi. Nays – 0. Motion carried.
Manager’s Report:

- Thayer stated there was an election held at City Hall yesterday where 1,124 registered voters casted their votes. The City’s proposal to amend the Charter did pass in all 4 precincts by 735-326 (65%-35%). He added 1,061 voted the complete ballot, which in his opinion, is remarkable as voters engaged all the way to the end of the ballot. As policy makers, Proposal 1, recreational use of marijuana, was defeated in all 4 precincts. The City will have to make decisions moving forward with policies and implementation. Around December 15<sup>th</sup> the referendum will go into effect. The City will have to take affirmative action to opt out of the recreational use program. Additional guidance will be forthcoming from the state.

- The MML performed a complete appraisal of our 18 buildings, and increased the City’s replacement value by 18%. Nelson Field Park had a replacement value of $272,000 and has now increased to $919,000 or a 71% increase. He requested a limited replacement cost for the football field, track, pickleball court, basketball court and playground equipment. Thayer would like to reduce the maximum amount to $200,000, however, is requesting Council concurrence. Tarsi stated if we are in a partnership with the WIC Public Schools, what are they providing. Thayer stated the School has liability insurance, but the legal obstacle is providing coverage of something they don’t own. Tarsi stated we have to work something out with the School. Tousignant concurred with Thayer that the School can’t get insurance as they are not the owner of the property, unless there is a landlord/tenant agreement. Tarsi suggested a meeting be held with Thayer, a City Council Member and Chris Thompson of the WIC Public Schools. Dood agreed that a conversation should be held. Thayer stated he did have a conversation with Thompson yesterday, and they both agreed $200,000 would be the maximum, however, no discussions were held regarding financial aid for the premium. Mercier asked if there was another insurance company we could go with. Thayer stated there is one other firm, however, MML is very good, and that when we needed help, such as the water leak in the “Attic”, they were right there so this is the right fit for us.

- Thayer stated two years ago he inherited a problem with the snow plow truck and was able to negotiate a resolution. On October 23<sup>rd</sup>, the new 2019 truck was delivered. USDA-RD transferred the new truck collateral to the existing loan, and the City paid $54,011 for the difference.

- The Veteran’s Memorial Project is moving forward. The campaign goal is $40,000. Various groups have been meeting, and Thayer he is confident we will be able to raise funds in a short amount of time. A $20,000 deposit is required by December 15<sup>th</sup> for the granite, which he feels will be raised in the first month of fundraising. Tarsi stated that WIKB may participate in a Telephone Time marathon.

- Thayer stated three weeks ago, Everstream, a fiber optic cable service, contacted him about installing a line from US-2 to Aspirus Hospital. After research, Thayer concluded they are not part of the Metro Act. Since that discussion, Everstream has filed for membership. Once enrolled, they have the ability to run in the City’s right-of-way without issue. Thayer feels we shouldn’t be giving away our right-of-ways, however, there isn’t much we can do per State Statute. Thayer is requesting guidance from Council of allowing them to join the Metro Act, but feels we should cooperate as this is good service for the community. Powell asked if we receive any tax benefit. Thayer stated the City receives $500 and then they pay
$0.05 per foot that is deposited into a fund which is distributed per the PA51 formula. Thayer stated the City receives approximately $38,000 per year, which is primarily from the AT&T and DTE. Tarsi polled the Council members and all agreed to allow Everstream’s membership.

- Thayer has sat on the West Iron County Sewer Authority’s (WICSA) Board and has performed a thorough review of finances. He has voted against the spending of funds unless it is necessary plant upgrades. A toxicity study must be conducted at a minimum of $100,000. The MERS pension unfunded liability is at 48% and needs to be at 60%. A corrective action plan is required, which could mean paying an additional $2,000 per month. A finance committee meeting was held, and concluded rates should be increased 5% to all members to pay for the toxicity study and additional MERS payment. Thayer explained the City pays 64% of the full bill. Thayer wants to change the voting power of the Authority as he has been turned down 7-1 regularly. Thayer suspects this spring this will come to head and we will have to explore options. Thayer proposes we have a chief executive officer of each entity meet and if they all can’t agree, then bring in a mediator.

- The City has been participating in Great American Disposal’s (GAD) recycling program. It is not addressed in the contract, so there is no language to fall back on. Starting January of 2019, the rates will increase from $400 to $600 per month, and there is no assurance that the items being collected are actually being recycled. Thayer is seeking guidance. Fritsche’s opinion is to let it cease. Mercier asked if GAD is our only option or could we look for another company such as Tru-Recycling? Thayer indicated they don’t recycle these types of materials. Fritsche moved, Powell seconded to cease the recycling program at the end of 2018. All were in favor; motion carried.

- Thayer tried resolving a blight issue on the corner of E. Genesee Street and Washington Avenue with Cottages to Castles’s foundation. Thayer sent a letter in September requesting to have the foundation filled in and gave 30 days to provide a written action plan. Brian Brzozowski, owner of Cottages to Castles did respond, however, felt the area is wetlands. Tarsi stated if they don’t comply, get the attorney involved as he’s been looking at it since 2011. Thayer reported recently that good Samaritans pulled out a deer from there and is concerned that next time it could be a child. Council agreed for Thayer to proceed with taking the necessary steps to have the abandon foundation filled.

- Thayer stated Chris Nordang, owner of Northland Services, has retained Roy Polich as his legal counsel as he tries to resolve issues of operating a non-permitted auto storage yard on 14th Avenue on the Iron River. Polich has requested a 60 day extension before we commence with future enforce-ments efforts. Tarsi feels we need to shut down the business until compliant with City Ordinances. Fritsche added his garage on Genessee Street has items all over on City sidewalks and disabled vehicles and trailers littering the street. Dood feels K&D needs to be included in this conversation. Tarsi added 35 vehicles are currently sitting next to the river. All agreed to have Thayer move forward to achieve compliance.

- Thayer is proposing a Special Council Meeting on November 28th to handle the evaluation of the City Manager. At the same time, there most likely will be a Zoning Board of a Appeals Meeting at 1:30. Tarsi asked if November 28th was okay with everyone and the group concurred. Thayer will be on vacation from November 13th through the 26th.
Dood moved, Mercier supported, to accept the Manager’s Report. All in favor; Motion carried.

FINANCIALS
Roll Call: Ayes–5: Mercier, Powell, Dood, Fritsche and Tarsi. Nays – 0. Motion carried.

Accounts Payable Report – October, 2018: Powell asked what the check written to Nicolet Sign was for. Thayer explained they are Downtown Development Authority (DDA) welcome signs. Fritsche went on record to thank the DDA for their financial help and all they do. Fritsche moved to accept the October 2018 Accounts Payable Report. Dood seconded.
Roll Call: Ayes–5: Mercier, Powell, Dood, Fritsche and Tarsi. Nays – 0. Motion carried.

City Attorney Invoice – October, 2018: Powell moved to approve payment of the City Attorney’s invoice in the amount of $3,071.25. Mercier seconded.
Roll Call: Ayes–5: Dood, Fritsche, Mercier, Powell and Tarsi. Nays – 0. Motion carried.

UNFINISHED BUSINESS
December Meeting Postponement: Tarsi requested this be table until the November 28th meeting. No action was taken.

Street Sweeper Purchase Authorization: Thayer stated we are not able to purchase this until such time our grant/loan application is approved. He has met with the State and UP Director to help speed up the process. The company we are purchasing it from needs to know our intent, and we can’t make a payment yet as our application is not yet approved. Tousignant asked if we could do a lease/purchase agreement. Thayer stated that would work great, however, it is not an option with USDA-RD. Dood moved, Mercier seconded, to enter into a funding agreement for the purchase of the TYMCO Street Sweeper.
Roll Call: Ayes–5: Fritsche, Powell, Mercier, Dood and Tarsi. Nays – 0. Motion carried.

City Banking Partner – Flagstar: Thayer explained steps have been taken to move the City’s banking accounts from Wells Fargo to Flagstar. Initially, it was thought a Resolution from Council was needed to into a partnership, however, one is not needed. Thayer did say the set-up of our six accounts will be completed by the end of the week.

NEW BUSINESS
UPSET Partnership/Contribution: Thayer provided a summary of our partnership history and recommends $1,500 to help cover our current staffing shortfall.
Dood moved, Mercier seconded, to contribute $1,500 for the 2019 UPSET Partnership.
Roll Call: Ayes–5: Fritsche, Powell, Mercier, Dood and Tarsi. Nays – 0. Motion carried.

Appointment to Housing Commission: Tarsi nominated David Kososki to the Housing Commission:

1) David Kososki, term ending 3-31-2023.
   Roll Call: Ayes – 5: Dood, Fritsche, Mercier, Powell and Tarsi. Nays – 0. Motion carried.
GEI Consultant’s Engineering Contract – Cedar Avenue Improvements: Thayer stated a preliminary contract to perform basic investigative work for the Cedar Avenue Project was received by GEI Consultant’s. He added funds have not yet been identified, however, he would like the specific study to be performed so we have the education to make decisions on how to proceed. Powell asked if this includes bidding, and Richardson stated yes. Fritsche moved to approve GEI Consultant’s Engineering Contract for the Cedar Avenue Improvements Project for a total not-to-exceed fee of $14,250. Dood supported.
Roll Call: Ayes–5: Mercier, Powell, Dood, Fritsche and Tarsi. Nays – 0. Motion carried.

PUBLIC COMMENT
Darren Mercier asked what the City’s stance on the marijuana proposal is. Thayer responded at this time, we aren’t doing anything, however, he would like to opt out, which means we will not allow any facilities/commerce to take place in the City. Mercier asked if the City will be exempted from receiving the tax windfall. Thayer stated that it is a very low amount the City could be receiving. Thayer stated the bigger implication is the State Revenue Sharing could be taken away if don’t participate. Tousignant stated the courts are battling this issue already. Richardson asked this if this pertains to the commercial aspect and Thayer stated yes, not for the recreational use.

COUNCIL MEMBER COMMENTS
None.

ADJOURMENT
Fritsche moved to adjourn at 3:30 p.m. Mercier seconded. All in favor; Motion carried.

Rachel Andreski, City Clerk