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: Mathew Sheehan, Richard Sloat, Keith Hamel, Jane Gustafson and Willard Olson (Iron River Housing Commission), Jon Wierda, Vicky Powell, Ben Garcia (3:07 p.m.), Bob Black and Adam Stender (WIKB), Craig Richardson (GEI Consultants) and Jeremy Johnson (Iron County Reporter).

**PURPOSE OF PUBLIC HEARING:** To receive public comment on Opting Out of Michigan Regulation and Taxation Marihuana Act (MTRMA) (Proposed Ordinance 2019-01). Thayer explained last November, the State of Michigan voters enacted the legalization of recreational marihuana. Last month, Council chose to opt out of the commercial aspect of marihuana (production, distribution and sale). Opting out is the trend due to the fact the State Administrative Rules have not been released. Thayer added it is an easy step to opt back in if Council chooses.

Jon Wierda went on record to say he is supporting locally owned businesses adding to the community educational process for the growth and processing side of the marihuana business. It’s good for the community and surrounding townships that will remain opted in and be an effective use of our land.

There being no further comment, Mayor Tarsi closed the Public Hearing at 2:02 p.m.
p.m.), Bob Black and Adam Stender (WIKB), Craig Richardson (GEI Consultants) and Jeremy Johnson (Iron County Reporter).

**PURPOSE OF PUBLIC HEARING:** To receive public comment on the Zoning Restrictions for Marihuana Establishments (Proposed Ordinance 2019-02).

There being no comment, Mayor Tarsi closed the Public Hearing at 2:03 p.m.

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**CITY OF IRON RIVER**  
**REGULAR MEETING**  
**Wednesday, February 20, 2019**  
**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: Joe Parker, Mike Safford, Mathew Sheehan, Richard Sloat, Keith Hamel, Jane Gustafson and Willard Olson (Iron River Housing Commission), Jon Wierda, Vicky Powell, Ben Garcia (3:07 p.m.), Bob Black and Adam Stender (WIKB), Craig Richardson (GEI Consultants) and Jeremy Johnson (Iron County Reporter).

**PUBLIC COMMENT**

Mathew Sheehan of 301 Homer Road stated he doesn’t know why Council wouldn’t allow the commercial aspect of marihuana as this City is dying and something needs to be done for growth.

Richard Sloat of 223 8th Avenue requested the City explore a recycling program. He stated he has contacted Eagle Waste from Eagle River, Wisconsin several times and was informed they initiated a program in Crystal Falls and Bessemer. It is a two cart system, which one is for garbage and one is for recyclables. He was told the cost for the City to implement this would be $1 more a month for curbside service. Thayer noted he has spoken with Sloat and until our agreement expires with GAD, we are locked in.

Wierda requested an update on staffing of the Police Department and recent Shopko closing, if available.

Hamel commended the DPW for the great job they did this year with snow removal, especially after the big storm.
APPROVE AGENDA
Mercier moved, with support from Dood, to approve the Agenda with the following addition: New Business: f) Road Bid Acceptance, g) USDA-RD Financed Street Sweeper and h) Computer System Upgrade. All were in favor; Motion carried.

APPROVE MINUTES
Fritsche moved to approve the February 20, 2019 Regular Meeting Minutes as written. Mercier supported. All were in favor; Motion carried.

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

   a) February 13, 2019 Parks and Recreation Committee Regular Meeting Minutes (draft)
   b) February 14, 2019 Planning Commission Regular Meeting Minutes (draft)
   c) February 25, 2019 DDA Regular Meeting Minutes (draft)
   d) DPW Report
   e) Police Report

Tarsi commended the DPW for working very hard in regards to the snow removal, especially after the big snow storm.
Roll Call: Ayes – 5: Mercier, Powell, Fritsche, Dood and Tarsi. Nays – 0. Motion carried.

REPORTS
Attorney’s Report: Tousignant stated there are no new pending matters at this point.
Mercier moved, Powell seconded, to approve the Attorney’s Report. All were in favor; Motion carried.

Manager’s Report: Thayer reported last month that our local Shopko store is closing and 17 employees will be unemployed. The ICECA is working with employees on displacement. It is difficult to lose a business like this in our community, however, it’s a corporate decision so there is not much we can do.

As for police staffing, Thayer explained one application was received, vetted and we will be making that hire. Other potential applicants were reluctant moving here with the current wage rate, so with the increase, they may want to reconsider. Wierda asked what is considered full staff. Thayer responded three officers and a chief.

Tarsi stated recycling is a hot topic. Thayer responded that he is currently pursuing options, but our contract with GAD doesn’t have curbside recycling pickup however, he can obtain a price. He added there is a new state grant for recycling, with funding for local units. Instead, there is a possibility of utilizing the funds to invest into businesses to accept recycling and finding a way to reuse it. Thayer will continue to monitor, however, he wants to meet with the City of Marquette to see their new program.

At the last Parks and Recreation meeting, representatives from the Menominee Range Gliders discussed The Tailings, which is the disc golf course located behind the Klint Safford Memorial RV
Park. They explained this gem is underutilized and is the best course in the UP. Thayer feels The Tailings could be a major economic driver to our community, and the DDA is in favor of making improvements. Thayer will work with the representatives to help achieve these enhancements.

As for the hanging flower baskets on Genesee Street, the DDA has decided to discontinue the program. Thayer is gathering information and will be working with a committee to implement a system of banners. His goal is to have them installed the beginning of summer.

The Veteran’s campaign to date has a total of $24,429. Thayer received an anonymous pledge of up to a $5,000 match for donations received by other sources. Thayer is trying to schedule time on WIKB’s Telephone Time. Thayer wanted to thank donors and the community for their support in this upgrade.

Per City Ordinance, a review of the City’s water and sewer rates need to be conducted and a recommendation to Council prior to April 1st. Thayer performed his review of operating expenses and debt retirement, and feels the funds are self-sustaining, therefore suggesting we should make no changes at this time.

Thayer also reported he attended an arbitration hearing stemming from a grievance from the DPW pertaining to breaks, in which falls under management rights. He hopes to have a decision from the arbitrator the first week of May. Powell asked if the break schedule is set in the contract. Thayer stated that it’s not in the contract, but rather management has the right to set when and where breaks occur.

Mercier moved, Powell seconded, to approve the Manager’s Report. All were in favor; Motion carried.

FINANCIALS

City Financial Reports – February 2019: Thayer stated the amendments approved from last meeting have been incorporated in these reports. Dood moved to accept the February 2019 Financial Reports. Fritsche seconded.
Roll Call: Ayes–5: Mercier, Powell, Fritsche, Dood and Tarsi. Nays – 0. Motion carried.

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

City Attorney Invoice – February 2019: Mercier moved to accept the City Attorney’s invoice in the amount of $262.50. Dood seconded.
Roll Call: Ayes–5: Fritsche, Powell, Dood, Mercier and Tarsi. Nays – 0. Motion carried.

UNFINISHED BUSINESS
None.
NEW BUSINESS

Re-Appointment – Iron River Housing Commission: Tarsi nominated Willard Olson to the Iron River Housing Commission. He added he has known Olson his whole life and there isn’t a better person for the position:

1) Willard Olson, 5 year term ending 12-31-2024.
   Roll Call: Ayes – 5: Dood, Fritsche, Mercier, Powell and Tarsi. Nays – 0. Motion carried.

Consideration of Ordinance 2019-01 Business Regulations (MRTMA): Powell doesn’t understand why we need to act so fast on this. He suggested we wait until we find out more information from the State. Thayer explained two legal opinions has surfaced, and if we don’t take action to let people know our position, people could start the process, and then we opt out and we could be liable.

Dood said he has performed a lot of research on taxation, and if we opt out, we could lose out on tax revenue. He added Michigan is going to be the lowest taxed State that has been legalized. Dood feels it is an economic draw, however, there are no rules and regulations in place. Until those are established, we can address the issue at that time.

Sheehan stated this is going to be an estimated $50B business in the state and feels that the tourism it will bring to our area will bring in revenue like Colorado. He stated they have new roads and upgrades to their schools. He added the money may not come directly to the City’s account, but would benefit the community. Tarsi doesn’t disagree, however, until the rules are clear, he feels we should wait.

Mercier stated if we opt out, then we are in compliance with federal laws and opportunities for federal funding. A question was raised by a member of the audience asking what the City did with medical dispensaries. Thayer stated that we had to opt in if we wanted to allow, however, the City never did. At the time, there wasn’t discussion in favor of it. He asked if Council will discuss it again. Thayer doesn’t know, but rules are strict dealing with the medical program. Powell stated he thinks only two municipalities in the Upper Peninsula that are allowing it, so there must be some reason why more aren’t staying opted-in. Dood stated the majority of the people in Iron River are not in favor of this from what the polls showed last November.

Dood moved to adopt the proposed Ordinance 2019-01 Business Regulations of the MRTWA. Fritsche supported.

Consideration of Ordinance 2019-02 Zoning Regulations (MRTMA): One member of the audience asked if this proposed ordinance deals with allowing facilities to be constructed within the City to sell marihuana. Thayer stated it is, and the proposed ordinance does not allow for it.

Mercier moved to adopt the proposed Ordinance 2019-02 Zoning Regulations. Dood seconded.
Roll Call: Ayes–5: Fritsche, Powell, Dood, Mercier and Tarsi. Nays – 0. Motion carried.

Dedication of City Park: Thayer has been working with Iron River Soccer Association (IRSA) looking for property where they could construct a complex. A 32.3 acre parcel of property has been located on Kofmehl/Coolidge Road, where a wetlands study has already been conducted. Thayer would like to form a license agreement with the IRSA, to allow them to construct a $1M complex, but in order to start fundraising, the property must be dedicated as a park for that purpose. Thayer
stated the IRSA wants to raise the funds, however, if it doesn’t come to fruition, the City has not lost anything.

Tousignant would like to see a legal description tied to the agreement. Powell questioned why the need for so much acreage. Thayer stated they are proposing nine fields, building for storage, concession stand, parking lot, and fencing. Powell asked why a license agreement is needed. Thayer stated an agreement is necessary to give them exclusive rights to use and who is responsible for maintenance. Insurance would fall under the City’s umbrella, but Thayer doesn’t believe the premium would not increase much, and IRSA would have to have their own insurance as well.

Joe Parker stated his wife is a coach for the soccer program and his children are involved. Their family goes to Eagle River, who has a 40 acre parcel and that’s not big enough. He stated many people go there and they spend money so this is a great idea for the City to get involved to help our community.

Upon Thayer’s recommendation, Dood moved, Mercier supported, to dedicate the 32.3 acres on Kofmehl/COolidge as a City park to develop a soccer field complex
Roll Call: Ayes–5: Fritsche, Powell, Mercier, Dood and Tarsi. Nays – 0. Motion carried.

**UP Championship Rodeo Partnership:** Thayer explained the sponsorship doubled since last year and suggested tabling the partnership until the DDA acts. Dood asked if there was a deadline. Thayer stated we will have plenty of time. No action was taken.

**Road Bid Acceptance:** Tarsi stated Payne and Dolan, Inc. was the only bidder for the asphalt paving contract and was $40,000 over the engineer’s estimate and questioned why there is such a difference. Craig Richardson of GEI Consultants explained that when they put together their estimate, they use the price from last year as a base point. He added a major component is there is outstanding work from last summer that didn’t get completed due to the labor strike. Tarsi asked if we can afford it. Thayer stated we set aside funds in our local streets and was also included in the Capital Improvements Plan.

Mercier moved, with support from Fritsche, to award the 2019 Street Improvements Project Asphalt Paving Contract to Payne and Dolan, Inc. in the amount of $189,705.
Roll Call: Ayes–5: Dood, Powell, Fritsche, Mercier and Tarsi. Nays – 0. Motion carried.

Thayer stated two bids were received for the chip seal contract. Fahrner Asphalt Sealers, LLC was almost $39,000 under the engineer’s estimate and almost $14,000 less than Pitlik and Wick, Inc. Powell asked if we can put suspend these projects until next year to see if we can get a better price. Thayer stated Jefferson Street is probably the worst street in town, has drainage issues, and doesn’t recommend delay. Powell wants Forbes Road blacktopped because it was that way prior, not double chip sealed.

Dood moved, Mercier seconded, to award the 2019 Street Improvements Project Chip Seal Contract to Fahrner Asphalt Sealers, LLC in the amount of $143,404.45.

**USDA-RD Financed Street Sweeper Resolution:** Thayer has been working since last spring on obtaining a new street sweeper since ours caught fire. The insurance settlement was minimal. A 2016 TYMCO was demo’d, we secured it, and have been trying to obtain financing thru USDA-Rural Development. Funding was finally released to the State in February. Thayer has been
working with a representative from USDA in Gladstone filing the necessary paperwork, and hired Miller, Canfield, Paddock and Stone as Bond Counsel. One component of the funding application is this resolution. Thayer estimates closing will occur in May, which the City will borrow $200,000 with a 15 year loan at 4% interest. Powell moved to adopt the Resolution approving installment purchase agreement, note agreement and related matters. Mercier supported the motion.
Roll Call: Ayes–5: Dood, Fritsche, Mercier, Powell and Tarsi. Nays – 0. Motion carried.

**Computer System Upgrade:** Thayer explained that the Michigan Department of Police performed an audit as part of the LIEN System. Our server is currently shared with the police department, and according to LIEN regulations, we must have an independent server. Thayer added that in 2020, Windows 8 will be void, so we have to update to Windows 10. After obtaining a proposal from PC Tech, the computer system upgrade should not exceed $22,000. Thayer would like to get this done before the busy time (by April or May). Dood asked if we can obtain a second bid. Thayer stated our IT contractor is putting this together and we don’t have much in the way of options for computer technicians.

Powell moved, Fritsche seconded to approve the computer system upgrades for a not-to-exceed fee of $22,000.
Roll Call: Ayes–5: Dood, Mercier, Fritsche, Powell and Tarsi. Nays – 0. Motion carried.

**PUBLIC COMMENT**
Sloat informed Council that Eagle Waste has buyers for all of their recyclable products. The glass that they collect is crushed and used in roads. He provided their phone number and requested they be contacted. Tarsi stated he has contacted people that live in the Tipler area and they are happy with their services, however, at this time, we are still under contract with GAD.

Ben Garcia would like to perform a clean-up on Apple Blossom Trail as a project. He has discovered tires and shingles, and asked if the City could dispose of those items, after he has retrieved them. Tarsi stated it was a good idea and to make arrangements with Thayer. Mercier thanked him for undertaking this project.

**COUNCIL MEMBER COMMENTS**
None.

**ADJOURNMENT**
Mercier moved to adjourn at 3:10 p.m. Dood seconded. All in favor; Motion carried.

Rachel Andreski, City Clerk