

**IRON RIVER CITY COUNCIL  
SPECIAL MEETING  
Monday, April 11, 2022  
10:30 PM  
Minutes**

Mayor Dennis Powell called the meeting to order at 10:30 a.m., in the Council Chambers of Iron River City Hall. The Pledge of Allegiance was recited.

Roll Call – Rodney Dood, Anthony Clements, Ronjo Leonoff and Powell.  
Absent – Benjamin Garcia.

Also Present – City Manager Rachel Andreski, Attorney Mark Tousignant and City Clerk Bernadette Coates.

Public in Attendance – Donn Atanasoff, Alex Atanasoff and Shawn Phenow.

**PUBLIC COMMENT**

Donn Atanasoff of AA Budz said there were defective items in the process since they appeared before Council the last time, regarding Rocky North moving up on the approved marihuana license list. He said he doesn't know much about the situation except for the fact that he has seen a building sitting untouched for the last two months. He said the process has some problems from the old ordinance to the new ordinance along with various other items. He said it is their desire as local residents who have lived here all their lives, to help the City resolve the lawsuits that are presently occurring. He said they want the City to look at going with an unlimited quota to eliminate all of the problems of litigation. He said as taxpayers, the City Council represents the assets of the people and are charged with using them wisely and it is nonsensical to employ them in this manner. If Council is truly interested in doing it right, making it an unlimited quota to make the litigation go away is the way to do it. He did question if making the quota unlimited or another way other than unlimited would be a better way to go, but he said the reality is to fix the problem and make it go away for the benefit of the community. He said they are interested in and want a license. He said there are two ways to get their license and they prefer not to have to go to court to get it.

Alex Atanasoff of AA Budz said he would just add that he has spoken to a lot of residents, and they all said there was no good reason not to have more than the two licenses. He said if the City wants to restrict where the licenses would go, they could redo the zoning ordinances. More licenses would only bring more investment and jobs. He said to stop throwing money away on lawsuits because there would be more following suit if the City doesn't allow for more licenses.

Shawn Phenow said he wants an equal opportunity and that is why he originally applied for a license. He said as he sees companies building around him, he is hearing that the same people applied under multiple different names and one of the first licenses awarded to the KFC location opted out because they didn't want to spend the \$600,000 therefore, granting the license to the Beef A Roo location. He said when people hear about the under the table deals going on, they get frustrated. To limit it, and then to not have the businesses working on their facilities is not in the City's best interest. Local people are here and want to invest local he said, everyone should have that opportunity and the market will figure itself out in the long run.

## **NEW BUSINESS**

### **Marihuana License Litigation (Executive Session):**

#### **Rize vs City of Iron River**

#### **AA Budz vs City of Iron River**

Clements moved with support from Dood to go into Executive Session at 10:41 a.m. for the reasons of discussions with the Attorney for the pending lawsuits filed by Rize and AA Budz.

Roll call: Ayes – 4: Leonoff, Dood, Clements, and Powell. Nays – 0: Absent – 1: Garcia. Motion carried.

The Regular Meeting resumed at 10:58 a.m.

Roll Call: Dood, Clements, Leonoff and Powell.

Absent: Garcia.

Also Present: Andreski, Tousignant and Coates

Public in Attendance – Alex Atanasoff, Donn Atanasoff and Shawn Phenow.

### **Rize vs City of Iron River Litigation:**

Dood moved with support Clements to proceed with litigation vs Rize.

Roll call: Ayes – 4: Leonoff, Clements, Dood and Powell. Nays – 0: Absent – 1: Garcia. Motion carried.

### **AA Budz vs City of Iron River Litigation:**

Dood moved with support from Leonoff to not allow Tousignant to stipulate to the amendment of their complaint.

Roll call: Ayes – 4: Clements, Leonoff, Dood, and Powell. Nays – 0: Absent – 1: Garcia. Motion carried.

### **Marihuana License Regulations:**

Dood moved with support from Leonoff to table the Marihuana License Regulations at this time.

Roll call: Ayes – 4: Clements, Leonoff, Dood, and Powell. Nays – 0: Absent – 1: Garcia. Motion carried.

### **Sewer Camera:**

Dood moved with support from Leonoff to accept the United Rentals proposal to purchase the used 2018 General SL-SDN-B Sewer Camera with 200' of cable in the amount of \$6,646 plus delivery.

Roll call: Ayes – 4: Clements, Leonoff, Dood, and Powell. Nays – 0: Absent – 1: Garcia. Motion carried.

## **PUBLIC COMMENT -**

Donn Atanasoff said he again renews his request regarding the quota and expand the licenses to resolve the litigation problem. He said the second item is, based on the current ordinance, Rocky North should not have gotten the last retail license. He said everyone should have been notified of the vacancy and the process started over. He said there is no indication in his research that residents only wanted two licenses, he doesn't know where that information came from.

Shawn Phenow said the only comment from the public regarding licenses came from Mr. Fritsche because he did not want any marihuana businesses in town. Phenow quoted another gentleman that said, enough with the smoke and mirrors, whoever wants to open a marihuana business, let them come here and do it.

**COUNCIL MEMBER COMMENTS:**

None.

**ADJOURN**

Mayor Powell adjourned the meeting at 11:13 a.m.

  
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Bernadette Coates, City Clerk