

A regular meeting of the Ishpeming City Council was held on Wednesday, August 4, 2010 at the Ishpeming City Hall. Mayor Gary Nelson called the meeting to order at 7:00 p.m.

Present: Mayor Gary Nelson, Council Members Patricia Bureau, Claudia Demarest, Pat Scanlon and John Stone. Present: Five (5). Absent: None (0). Also present were City Manager Jered Ottenwess and City Attorney David Savu.

PUBLIC COMMENT

Mr. Karl Lehmann, resident of 1015 Wabash Street and President of the Ishpeming 4th of July Committee, thanked the City of Ishpeming for 31 years of great cooperation with all of the 4th of July festivities. Mr. Lehmann thanked the Police Department for their assistance throughout this year's 4th of July weekend and thanked the DPW staff for making all the necessary preparations for the events.

Mr. Lehmann commented on this year's 4th of July events. Mr. Lehmann stated that the community picnic was not held this year because the number of committee members has dwindled over the last few years. Mr. Lehmann stated that he is confident that the picnic will be reinstated next year. Mr. Lehmann stated that there will be some changes next year as the committee will no longer provide a beer tent. Mr. Lehmann stated that the beer tent is very labor intensive and they do not have enough committee members. Mr. Lehmann stated that it will be up to the City Council to either permit or prohibit alcohol in the park during the 4th of July picnic.

Mr. Lehmann stated that he understands that there were some complaints regarding the closure of the park this year. Mr. Lehmann stated that the park closure was no different than in previous years. Mr. Lehmann stated that the park closure is absolutely necessary in order to protect the public from vehicular traffic before, during and after the fireworks. Mr. Lehmann stated that if vehicles were permitted in the park, it would create a very dangerous situation in the park for the 5,000 to 10,000 people that attend the fireworks each year.

Mr. Robert Airaudi, Everlast Industries, stated that he intends to purchase a Brownstone building from Mr. Miles Parkkonen. Mr. Airaudi stated that Mr. Parkkonen owns the building but leases the land from the City of Ishpeming. Mr. Airaudi requested that the City of Ishpeming offer him the same terms in his lease as was offered to Mr. Parkkonen. Mr. Airaudi stated that he does not agree with the conditions of the lease that were approved by the City Council at the last Council meeting. Mr. Airaudi stated that he is required to meet local, State and Federal guidelines and must acquire all necessary permits. Mr. Airaudi stated that he is hopeful he can work these details out with the City.

AGENDA COMMENT

None.

CONSENT AGENDA

A motion was made by Councilwoman Demarest and seconded by Councilwoman Bureau to approve the consent agenda as presented:

- a. Minutes of Previous Meetings (July 7 and 14, 2010)
- b. Approval of Disbursements
- c. Monthly financial report
- d. Confirm appointment of Jason Gauthier to fill a vacancy on the Downtown Development Authority
- e. Appoint Corbin Lutz to fill a vacancy on the Parks and Recreation Commission
- f. Special liquor license request for the annual Vietnam Veterans dinner dance
- g. Requests for Ore to Shore Mountain Bike Race
- h. Police surplus guns

Ayes: Five (5). Nays: None (0). Motion carried.

ISHPEMING AREA JOINT WASTEWATER TREATMENT FACILITY DIRECTOR –
NEGAUNEE 30" SEWER MAIN

Mrs. Deborah Pellow, Director of the Ishpeming Area Joint Wastewater Treatment Facility, updated the City Council Members on the status of the improvement project at the Wastewater Treatment Facility. Mrs. Pellow stated that she also wanted to dispel some rumors that have been going on regarding the contracts with the City of Negaunee.

Mrs. Pellow stated that the new clarifier project for Negaunee is about 75% completed. Mrs. Pellow stated that the expected completion date is early September and stated that the project continues to move forward.

Mrs. Pellow stated that the IAJWWTF sent a letter to the City of Negaunee on June 23, 2010 to address the rumors about the sewer project. Mrs. Pellow stated that a petition has been filed in Negaunee regarding the transmission line bonding under the premise that the IAJWWTF would be required to refund Negaunee's sewer project monies. Mrs. Pellow stated that the IAJWWTF has a contract with the City of Negaunee that is separate from the contract that Negaunee has with the City of Ishpeming for the installation of the transmission line. Mrs. Pellow stated that the City of Negaunee had already authorized the project and there will be no refund of money to the City of Negaunee.

Mrs. Pellow reviewed the cost of the expansion project and the funds that have been expended to date.

Mrs. Pellow stated that there is a misunderstanding of the contracts and a misunderstanding that the two contracts are completely separate. Mrs. Pellow stated that the Negaunee City Council has directed their City Attorney to draft a letter to the IAJWWTF stating that Negaunee disagrees with the interpretation of the contract language.

A lengthy discussion ensued regarding the Negaunee sewer project. Mayor Nelson questioned what would happen in the event that the citizens of Negaunee voted against funding the bonds this November. Mrs. Pellow stated that there will be a modest increase in electrical costs and stated that the fixed costs would continue to be shared by Ishpeming and Ishpeming Township. Mrs. Pellow stated that should Negaunee choose not to participate, the City of Ishpeming and Ishpeming Township can expect a 2% to 3% annual increase. Mrs. Pellow stated that if

Negaunee does not participate we will have a plant that is much larger than is needed. Mrs. Pellow stated that there are no plans to add staff at the facility.

Councilman Scanlon stated that the new equipment cannot just sit idle. Mrs. Pellow stated that all three clarifiers will be used on a rotation basis.

City Attorney Savu stated that the contracts were prepared by himself, the Negaunee City Attorney and the IAJWWTF Attorney. The City Attorney stated that preparing the contracts was a very lengthy process and there were many drafts and intensive reviews of the contracts. The City Attorney stated that everyone had an opportunity to review the contracts before the documents went to their respective boards for approval.

Councilman Scanlon stated that this expansion project was to be a win-win for all three entities and does not see any reason why Negaunee would want to leave the project.

Mrs. Pellow urged everyone to not listen to all the rumors surrounding this project and to contact the IAJWWTF to get details regarding the plan.

CITY CHARTER AMENDMENT – SECTIONS 7.2(a) and 7.5(c)

City Manager Ottenwess reported that the Ishpeming City Charter currently requires the City Manager to submit a proposed budget to the City Council prior to August 15th and requires the City Council to adopt a final budget by September 30th. The City Manager stated that the City's annual audit report is received by the City Council during the summer months. The City Manager recommended that the dates for budget submittal and approval be changed to October 15th and November 30th, respectively. The City Manager stated that moving the dates back would provide the benefit of having more information for the current fiscal year while drafting the subsequent year's budget. The City Manager stated that there is a 45-day advertising period and other requirements that must be met in order to place the issue on the ballot for the November election.

At the recommendation of the City Manager, a motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to amend the City Charter and approve the *Resolutions to be Submitted to the Ishpeming City Council for Approval at the August 4, 2010, Regular Council Meeting, Regarding Proposed City Charter Amendments*, as presented. Ayes: Five (5). Nays: None (0). Motion carried.

AMENDMENT TO ORDINANCE NO. 2-900, ORDINANCE REGULATING CONDUCT IN PUBLIC PARKS

At the recommendation of the City Manager and the Parks and Recreation Commission, a motion was made by Councilman Stone and seconded by Councilman Scanlon to amend Ordinance No. 2-900, *An Ordinance Regulating Conduct in Public Parks*, as presented, to prohibit golfing in the parks, and to adopt the amendment as an emergency ordinance to be effective immediately upon publication. Ayes: Five (5). Nays: None (0). Motion carried.

PCBM DEVELOPMENT AGREEMENT

City Manager Ottenwess stated that City staff met with PCBM Management to discuss modifications to the Development Agreement. The City Manager stated that the agreement has been amended to the satisfaction of both parties.

At the recommendation of the City Manager, a motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to approve the Development Agreement between the City of Ishpeming and Ishpeming Hills, LLC as presented and including exhibit C, and to authorize the Mayor and the City Clerk to sign the agreement on behalf of the City. Ayes: Five (5). Nays: None (0). Motion carried.

RANK ENGINEERING FIRMS FOR CONTINUING SERVICES

City Manager Ottenwess stated that the Ranking Committee consisted of himself, the City Engineer, and two Council Members. City Manager Ottenwess stated that the ranking process was conducted based on the objective criteria as advertised in the request for qualifications. The City Manager reported that six (6) sets of qualifications were received. City Manager Ottenwess presented the results of the ranking process.

At the recommendation of the City Manager, a motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to adopt the list of four (4) pre-qualified engineering firms and that the City will utilize the services of the four (4) firms as needed when soliciting bids for engineering work. The four firms are as follows:

1. AECOM
2. OHM
3. UPEA (U.P. Engineers and Architects, Inc.)
4. ECI (Engineering Consultants, Inc.)

Ayes: Five (5). Nays: None (0). Motion carried.

At the recommendation of the City Manager, a motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to direct the City Manager to utilize the list of pre-authorized engineering firms for the purpose of obtaining an engineering study of the Fire Department/Police Department building, per the recommendation of the Building Authority. Ayes: Five (5). Nays: None (0). Motion carried.

CODE ENFORCEMENT REPORT

Police Chief Bjorne addressed the City Council to discuss the City's procedure for code enforcement and presented the City's progress for the year.

Police Chief Bjorne stated that in May 2009, the City Council approved amendments to Ordinance No. 2-700, *An Ordinance to Regulate the Parking of Inoperable Motor Vehicles*, and Ordinance No. 4-500, *An Ordinance Regulating Noxious Weeds, Tall Grass and Miscellaneous Debris*. Police Chief Bjorne stated that the amendments criminalized violations to ordinances and reduced the amount of time that a property owner has to comply with the notice of violation.

In an effort to clear up any misconceptions, Police Chief Bjorne explained the steps that are taken from the time a complaint is received through the time when a warrant may be issued to a property owner.

Police Chief Bjorne reported that from March 25 through June 28, 2010, the Code Enforcement Officer issued 42 notices for inoperable vehicles, 30 vehicles have been removed and 1 warrant has been issued. Police Chief Bjorne reported that 155 notices for miscellaneous debris have been issued, 99 properties have been cleaned up and 6 warrants have been issued. Police Chief Bjorne reported that 98 notices for long grass have been issued, 48 of the properties were cut by the owners and 5 warrants for long grass have been issued. Police Chief Bjorne stated that in addition to these code violations, the Code Enforcement Officer also inspects the unsafe buildings. Police Chief Bjorne stated that there is a lengthy list of unsafe buildings. Police Chief Bjorne stated that we are making considerable progress and commended the Code Enforcement Officer for her work.

OLD BUSINESS

Mayor Nelson reported that at the last meeting of the City Council, a motion was approved to transfer a property lease in the Brownstone from Mr. Parkkonen to Mr. Airaudi. Mayor Nelson stated that the property lease was approved with additional conditions regarding the type of products that Mr. Airaudi could use and/or produce at his facility.

Mayor Nelson stated that the Brownstone area is a former mining site. Mayor Nelson stated that the lease agreement between the City and Mr. Parkkonen had no restrictive conditions. Mayor Nelson recommended that the lease with Mr. Airaudi be consistent with the terms that were offered to Mr. Parkkonen.

Councilman Scanlon stated that he agrees with Mayor Nelson. Councilman Scanlon stated that we need to move forward. Councilman Scanlon stated that Mr. Airaudi must comply with State and Federal regulations and stated that the City does not need to get involved in those regulations.

City Attorney Savu questioned the ownership of the building. City Attorney Savu stated that if Mr. Parkkonen is still the owner, then Mr. Parkkonen should be contacting the City to terminate his lease and have it assigned to Mr. Airaudi. City Attorney Savu stated that if Mr. Airaudi is the owner, he would need to review the purchase agreement before a new lease could be prepared.

Mr. Airaudi stated that he needs some assurance from the City Council that if he purchases the building from Mr. Parkkonen, he will have a lease from the City that is similar to Mr. Parkkonen's; a lease without restrictions.

A motion was made by Mayor Nelson and seconded by Councilman Scanlon that the City Council would be willing to work with Mr. Airaudi once he and Mr. Parkkonen have put the City on notice that they are working on an agreement to purchase the building and terminate the existing lease. The City Attorney would then draft a new lease agreement for Mr. Airaudi similar to Mr. Parkkonen's lease so that Mr. Airaudi can proceed with his business project at the Brownstone property. Roll Call Vote: Ayes: Councilwoman Bureau, Councilwoman Demarest,

Councilman Scanlon and Mayor Nelson. Four (4). Nays: Councilman Stone. One (1). Motion carried.

Councilwoman Bureau stated that she is not comfortable with the idea that the lease for Mr. Airaudi would be the same as Mr. Parkkonen's lease.

Councilman Stone stated that the language in Mr. Airaudi's original lease was designed to protect the homeowners in the neighborhood near the facility. Councilman Stone stated that the same language should be in the new lease to protect the residents in the neighborhoods surrounding the Brownstone property. Councilman Stone stated that he wants to protect the residents. Councilman Stone stated that the City has invested over \$80,000 in this project and we have not seen any progress.

Mayor Nelson stated that he does not agree with the inconsistencies between the two agreements. Mayor Nelson stated that we need the jobs and the City needs to support economic growth.

NEW BUSINESS

Councilwoman Demarest reported that she was appointed to the EMS Board after she was elected to the City Council. Councilwoman Demarest stated that she does not see the need for the City of Ishpeming to have representation on the EMS Board because the City no longer operates the ambulance service. Councilwoman Demarest requested that she be removed from the EMS Board.

Councilman Scanlon stated that he was not in favor of terminating Ishpeming's seat on the EMS Board. Councilman Scanlon stated that it is very important for the City of Ishpeming to maintain representation on the EMS Board.

Mayor Nelson stated that new committee assignments will be made after the election in November and recommended that this issue be referred to the new City Council for their consideration.

Councilman Scanlon reported that he has had several calls about the changes to the timing of the stoplights on US41/2nd Street and US41/Lakeshore Drive. Councilman Scanlon requested Public Works Director Kangas to contact MDOT and inquire about the changes. Public Works Director Kangas stated that traffic at US41/Lakeshore has increased significantly because of the construction and street closure at the Greenwood Street Bridge.

At the recommendation of the City Manager and the Police Chief, a motion was made by Councilman Scanlon and seconded by Councilwoman Bureau to approve the request to close Barnum Street between Pine Street and Lake Street on Friday, August 6, 2010 from 5:30 p.m. to 9:30 p.m. for a neighborhood National Night Out event. Ayes: Five (5). Nays: None (0). Motion carried.

COUNCILMAN SCANLON

Councilman Scanlon reported that earlier this evening, he attended the Empire Street National Night Out party hosted by Mr. and Mrs. Waters. Councilman Scanlon stated that the Empire Street party is the longest running National Night Out event in Ishpeming.

A motion was made by Councilman Scanlon and seconded by Councilwoman Bureau to authorize the City Manager and the Police Chief to either approve or disapprove at their discretion, all future street closure requests for National Night Out events. Ayes: Five (5). Nays: None (0). Motion carried.

COUNCILMAN STONE

Councilman Stone stated that there was a major water main break on South Pine Street last week. Councilman Stone stated that several residents were without water for several hours. Councilman Stone thanked John Jilbert and Dave Vernier for helping to provide drinking water to the residents at the Bluff Street Apartments.

A motion was made by Councilman Stone and seconded by Councilman Scanlon to authorize the City Manager to write thank you letters to Mr. John Jilbert and Mr. Dave Vernier for their help and cooperation in providing drinking water to the residents of the Bluff Street Apartments during the recent water main break. Ayes: Five (5). Nays: None (0). Motion carried.

Councilman Stone stated that the DPW worked many hours to repair the South Pine Street water main break. Councilman Stone stated that the water system is aging and the crews had a difficult time shutting off the valves. Councilman Stone stated that we need to address this situation and develop a plan for improving the water system.

Councilman Stone stated that he attended the Parks and Recreation Commission meeting. Councilman Stone stated that the YMCA's request to have the park fees waived for their disc golf clinic/tournament was denied. Councilman Stone stated that the Parks and Recreation Commission feels that the City cannot afford to waive fees because of the costs associated with operating the park system.

Councilman Stone stated that the Parks and Recreation Committee approved a request from UPSAIL to use the Al Quaal ski trails for an adaptive ski program this winter. Councilman Stone stated that UPSAIL will pay all necessary rental fees for the park facilities.

COUNCILWOMAN BUREAU

Councilwoman Bureau reported that she attended the Michigan Municipal League Retreat last month. Councilwoman Bureau reported that Michigan State Treasurer Robert Kline was the keynote speaker for the event. Councilwoman Bureau summarized the content of Mr. Kline's presentation.

Councilwoman Bureau reported that she attended a CUPPAD meeting in Munising. Councilwoman Bureau stated that they heard a presentation from Mr. Ed Price regarding the importance of community collaboration and regionalism.

Councilwoman Bureau reported that she attended the Ishpeming Business Association meeting and stated that the Festival of Treasurers event was very successful.

Councilwoman Bureau reported that the new Heritage Trails horse riding business is doing very well. Councilwoman Bureau stated that the Gleason's success shows that there are successful new businesses in Ishpeming and that businesses do have the support of the City.

Councilwoman Bureau announced that the annual Renaissance Festival and Art Faire will be held on Saturday, August 7, 2010 at the Bancroft Lake Park.

COUNCILWOMAN DEMAREST

Councilwoman Demarest reported that she was unable to attend the Cemetery Board meeting last month because she was attending a union negotiation session.

Councilwoman Demarest commended the DPW staff for their work on the recent Pine Street water main break.

MAYOR NELSON

Mayor Nelson reported that he attended the DDA meeting. Mayor Nelson stated that the DDA is considering another bond issue. Mayor Nelson stated that the \$5 million bond would be used for special projects within the City. Mayor Nelson stated that there are four (4) years remaining on the current bond. Mayor Nelson stated that some of these funds could be used to help the City with the Partridge Creek project. Mayor Nelson stated that he is strongly encouraging the DDA to pursue the bond measure because of the low interest rates. Mayor Nelson stated that the bonds would not affect the millage rates.

Mayor Nelson reported that he attended the ACT 345 meeting. Mayor Nelson stated that the fund continues to make some recovery, however the City will be required to make additional contributions to the pension fund until the funds fully recover.

Mayor Nelson reported that the building at the corner of High Street and 2nd Street has been taken down by the City. Mayor Nelson stated that we are making some improvements in our neighborhoods.

MANAGER'S REPORT

City Manager Ottenwess reported that the Ishpeming School District has announced their plan to close the C.L. Phelps Middle School within the next year and will pursue a millage request in 2011. City Manager Ottenwess stated that he met with the President of the Ishpeming School Board and they both agreed that it would be good to have open lines of communications between the two parties.

At the recommendation of the City Manager, a motion was made by Mayor Nelson and seconded by Councilman Scanlon to authorize Councilman Scanlon, Councilwoman Demarest, and City Manager Ottenwess to serve as liaisons on a committee with School Board members for the purpose of considering the current issues that involve the City of Ishpeming and the Ishpeming School Board. Ayes: Five (5). Nays: None (0). Motion carried.

City Manager Ottenwess stated that a joint meeting of the DDA and the City Council will be scheduled for the purpose of meeting with the bond counsel representatives. City Manager Ottenwess stated that the meeting will be held on either August 17 or 18, 2010.

PUBLIC WORKS DIRECTOR/CITY ENGINEER REPORT

A written report from the Public Works Director was provided to the members of the City Council in the meeting packet.

ATTORNEY'S REPORT

City Attorney Savu reported that the Building Authority recently met and took a tour of the Fire Hall/Police Department building. The City Attorney stated that there is concern about the running water in the basement. The City Attorney stated that it is imperative that we locate the source of the water and determine whether or not the integrity of building's foundation has been compromised.

Public Works Director Kangas assured the City Council that he will have the water tested in an effort to determine the source of the water.

ADJOURN TO CLOSED SESSION TO DISCUSS UNION NEGOTIATIONS

A motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to enter into closed session at 9:30 p.m. to discuss union negotiations. Roll Call Vote: Ayes: Councilwoman Bureau, Councilwoman Demarest, Councilman Scanlon, Councilman Stone and Mayor Nelson. Five (5). Nays: None (0). Motion carried.

A motion was made by Councilman Scanlon and seconded by Councilwoman Bureau to return to open session at 10:02 p.m. Ayes: Five (5). Nays: None (0). Motion carried.

A motion was made by Councilman Stone and seconded by Councilman Scanlon to ratify the Clerical Union Contract as presented. Ayes: Five (5). Nays: None (0). Motion carried.

ADJOURNMENT

A motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to adjourn the meeting at 10:04 p.m. Ayes: Five (5). Nays: None (0). Motion carried.

Jenifer M. Rajala
City Clerk