

A regular meeting of the Ishpeming City Council was held on Wednesday, October 6, 2010 at the Ishpeming Senior Center. 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

None.

AGENDA COMMENT

Mr. Ryan Rippi, Miller-Bradford, reserved time for comment on Agenda Item No. 11.

Ms. Rachel Johnson and Mr. Don Manty, Bell Hospital, reserved time for comment on Agenda Item No. 7.

Mr. Dan Young and Mr. Jeff Gates, T. J. Woodcliff Housing Association, reserved time for comment on Agenda Item No. 8.

Mr. Kenneth Foy, ES Productions, reserved time for comment on a New Business item.

CONSENT AGENDA

A motion was made by Councilwoman Bureau and seconded by Councilman Scanlon to approve the Consent Agenda as presented:

- a. Minutes of Previous Meetings
- b. Approval of Disbursements
- c. Monthly financial report
- d. Appoint Joseph Pelkola to fill a vacancy on the Commission on Aging
- e. Budget amendment to cover Library hours
- f. Surplus Library books and property
- g. Declare 2005 Chevrolet Tahoe police vehicle as surplus and authorize its sale on bids
- h. Authority to hire a part-time school crossing guard on an as-needed basis
- i. Change Order No. 1 for Second, Third and Fourth Streets Flood Control Project

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

SALE OF AMBULANCES TO BELL HOSPITAL

City Manager Jered Ottenwess stated that an agreement has been reached between the City of Ishpeming and Bell Hospital regarding the payoff of the lease for the EMS vehicles. The City Manager recommended that the EMS vehicles be declared as surplus property and offered for sale with a minimum bid of \$20,000.

At the recommendation of the City Manager, a motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to accept the proposal from Bell Hospital to pay out the

remainder of the monthly lease payments for the EMS vehicles in the amount \$1,174.00 per month, for the remaining months of the lease, as presented. Ayes: Five (5). Nays: None (0). Motion carried.

A motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to declare four (4) EMS vehicles; a 1997 Type I F-350 modular ambulance, a 1998 Type III E-350 modular ambulance, a 2002 Sprinter Type II Van, and a 2002 Chevrolet Tahoe, as surplus property to the City and to advertise the surplus vehicles for sale as one lot with a minimum bid of \$20,000.00; bids to be due on October 15, 2010. Ayes: Five (5). Nays: None (0). Motion carried.

ORDINANCE NO. 11-2100, PAYMENT IN LIEU OF TAXES

City Manager Ottenwess reported that negotiations with the new developers of Woodcliff Apartments were successful and the terms agreed upon for the Payment in Lieu of Taxes (PILOT) are as follows:

- a. 7% of the Annual Shelter Rents actually collected, exclusive of Utilities, for the tax years 2011-2015 inclusive;
- b. 8% of the Annual Shelter Rents actually collected, exclusive of Utilities, for the tax year 2016;
- c. 9% of the Annual Shelter Rents actually collected, exclusive of Utilities, for the tax year 2017; and
- d. 10% of the Annual Shelter Rents actually collected, exclusive of Utilities, for the year 2018 and thereafter for the duration of this Ordinance, subject to the provisions of Section 7(b) and Section 7(c).

The City Manager stated that Section 8 has been amended to require the annual payment to be paid on December 15 of each year.

At the recommendation of the City Manager, a motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to adopt Ordinance No. 11-2100, *An Ordinance to Provide for a Service Charge in Lieu of Taxes for a Proposed Multiple Family Dwelling Project for Persons of Low Income to be Financed or Assisted Pursuant to the Provisions of the State Housing Development Authority Act of 1966*, as amended and as of the first reading. Ayes: Five (5). Nays: None (0). Motion carried.

CROSS COUNTRY SKI TRAIL LEASE FROM ISHPEMING TOWNSHIP

At the recommendation of the City Manager, a motion was made by Councilman Stone and seconded by Councilwoman Demarest to accept the *Cross Country Ski Trail Lease between Ishpeming Township and the City of Ishpeming* as presented, to approve the lease payment of \$100 per year, and to authorize the Mayor and the Deputy City Clerk to sign the agreement on behalf of the City of Ishpeming. Ayes: Five (5). Nays: None (0). Motion carried.

BUDGET AMENDMENT OF \$4,650 TO REMOVE RUST FROM A FIRE TRUCK

At the recommendation of the City Manager and Fire Chief Anderson, a motion was made by Councilman Scanlon and seconded by Councilwoman Bureau to amend the FY2010 budget and

transfer \$4,650.00 from the General Fund Balance to the Fire Department Budget, and to accept the bid in the amount of \$4,650.00 from Pomasl Fire Equipment for the repair of the rust damage on the 2005 Pierce fire truck. Ayes: Five (5). Nays: None (0). Motion carried.

By common consent of the City Council, the City Manager was directed to draft a letter to Pomasl, to be forwarded to Pierce Fire Apparatus, to express the City of Ishpeming's disappointment that Pierce will not warranty the premature rust damage to the 2005 Pierce fire truck.

MUNICIPAL SIDEWALK/TRACTOR BIDS

At the recommendation of the City Manager and Public Works Director Kangas, a motion was made by Councilwoman Demarest and seconded by Councilman Scanlon to accept the bid, in the amount of \$100,875.00, from Miller-Bradford for the purchase of a 2009 Maclean MV 1052, Municipal Sidewalk Tractor; funds to be paid from the street sweeper line item. Ayes: Five (5). Nays: None (0). Motion carried.

LIBRARY CONTRACTS WITH TOWNSHIPS

At the recommendation of Head Librarian Mack, a motion was made by Councilman Scanlon and seconded by Councilman Stone to approve the one-year library contracts with the townships of Champion, Ely, Humboldt, Ishpeming and Tilden and to approve a rate increase of 6.5%, as presented. Ayes: Five (5). Nays: None (0). Motion carried.

CHAMBER OF COMMERCE MEMBERSHIP

A discussion ensued regarding the Greater Ishpeming-Negaunee Area Chamber of Commerce membership fees. Mayor Nelson reported that the DDA had approved a contribution to the new Chamber of Commerce in the amount of \$20,000 for 2010 and an additional \$25,000 for 2011. The base membership fee for a municipality is \$250.00 plus .005% of the municipality's assessed taxable value which would equate to approximately \$5,000 for the City of Ishpeming.

A motion was made by Councilman Scanlon and seconded by Councilwoman Bureau to approve the City of Ishpeming's membership to the new Greater Ishpeming-Negaunee Area Chamber of Commerce for the base membership fee of \$250.00 for 2010 and \$250.00 for 2011 with the understanding that the DDA's 2010 and 2011 contributions would be in lieu of the assessed taxable value additional payment as indicated on the Chamber's dues schedule. Ayes: Five (5). Nays: None (0). Motion carried.

STRUCTURAL EVALUATION OF FIRE/POLICE BUILDING

At the recommendation of the City Manager and Public Works Director Kangas, a motion was made by Councilwoman Demarest and seconded by Councilwoman Bureau to award the bid for the Structural Evaluation of the Police/Fire Hall to OHM, not to exceed \$4,400.00. Roll Call Vote: Ayes: Councilwoman Demarest. One (1). Nays: Councilwoman Bureau, Councilman Scanlon, Councilman Stone and Mayor Nelson. Four (4). Motion defeated.

City Attorney Savu stated that he has some concerns with the bid specifications in the Request for Proposals for the Police/Fire Hall Structural Evaluation. The City Attorney stated that it is very important that the proposal not only includes the repairs that are needed, but that it also

includes the necessary modifications that would be necessary to extend the life of the Police/Fire Hall for at least the next 40 years.

A lengthy discussion ensued regarding the Request for Proposals for the Police/Fire Hall Structural Evaluation.

A motion was made by Councilman Scanlon and seconded by Councilwoman Bureau to request the City Manager, the City Engineer and the Building Authority to meet and review the bid specifications for the Structural Evaluation of the Police/Fire Hall, to re-write the bid specifications and to then re-bid the RFP. Ayes: Five (5). Nays: None (0). Motion carried.

OLD BUSINESS

None.

NEW BUSINESS

Councilman Scanlon reported that the Air Modelers Association notified him that the gate is unlocked at the old landfill site. Councilman Scanlon requested that someone from the City check the gate.

City Manager Ottenwess reported that the City of Ishpeming received the grant agreement from the Environmental Protection Agency (EPA) for the \$2,000,000 Great Lakes Restoration Initiative Grant. The City Manager stated that the EPA grant requires a \$720,000 match from the City. The City Manager stated that the \$2,720,000 would cover the first phase of the Partridge Creek diversion project. The City Manager stated that he does have some concerns regarding the grant agreement and has discussed these issues with the City Attorney.

The City Manager stated that he intends to schedule a special meeting of the City Council on October 19, 2010 at 4:00 p.m. to discuss the grant agreement.

At the recommendation of the City Manager, a motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to authorize the City Manager to contact outside legal counsel to review the EPA Grant Agreement for the Partridge Creek project and to review associated issues including the easement and other related documents; fees to be paid from the City Attorney budget. Ayes: Five (0). Nays: None (0). Motion carried.

At the recommendation of the City Manager, a motion was made by Councilman Scanlon and seconded by Councilwoman Bureau to accept a \$14,942.78 grant from the Great Lakes Commission for the purpose of developing and distributing educational brochures pertaining to the Partridge Creek diversion project. 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 Bureau to lift the hiring freeze for the purpose of replacing the vacant Assistant Librarian position that has been created by the resignation of Mrs. Debra Ely. Ayes: Five (5). Nays: None (0). Motion carried.

City Manager Ottenwess reported that Mr. Kenneth Foy submitted a request for street closures for the purpose of allowing him to film a movie between the hours of 3:00 a.m. and 8:00 a.m. on Saturday, October 23, 2010.

Mr. Kenneth Foy, ES Productions, addressed the City Council. Mr. Foy described the story line of his film and stated that it is necessary to film a few scenes at night and at sunrise. Mr. Foy stated that the scenes would require the staging of “crashed” vehicles and injured characters. Mr. Foy stated that there would be a minimal amount of characters yelling and running throughout the streets during some of the scenes. Mr. Foy stated that the scenes also require the presence of guns and asked whether or not the City would permit the use of guns during the filming of the movie.

A very lengthy discussion ensued. Council Members expressed their concerns regarding the likely disturbances to the residents in this area. By consensus of the City Council, Mr. Foy was requested to work out the logistics of his proposal with the City Manager and to contact Police Chief Bjorne to discuss whether or not the use of guns during the filming of the movie, either real or fake, would be permitted. The City Council will reconsider Mr. Foy’s request after he works out the details of his film project.

City Manager Ottenwess requested the City Council to assign a committee to address the issues concerning the recreational use of the Hematite Heights property. The City Manager stated that he has invited the City of Negaunee to participate in the discussion. By consensus of the City Council, the Hematite Heights committee will include representatives from the Parks and Recreation Commission, the Planning Commission, the City Manager, City staff and a representative from the City Council. Councilman Scanlon volunteered to serve as the City Council representative on the Hematite Heights committee.

COUNCILWOMAN DEMAREST

Councilwoman Demarest reported that she attended the Cemetery Board meeting.

Councilwoman Demarest reported that she attended the ribbon cutting ceremony for the Iron Ore Heritage Trail.

Councilwoman Demarest reported that she attended the open house for the new Ishpeming-Negaunee Area Chamber of Commerce. Councilwoman Demarest stated that there was a very large turnout for the event.

COUNCILWOMAN BUREAU

Councilwoman Bureau reported that she attended the Business After-Hours event for the new Ishpeming-Negaunee Chamber of Commerce. Councilwoman Bureau stated that the event was very successful and the community is looking forward to having an active chamber on the west-end of the County.

Councilwoman Bureau reported that she attended the ribbon cutting ceremony for the Iron Ore Heritage Trail. Councilwoman Bureau stated that the event was well-attended.

Councilwoman Bureau reported that she attended that Neighborhood Watch meeting. Councilwoman Bureau announced that the Neighborhood Watch committee meets on the fourth Tuesday of each month at the Ishpeming Senior Center.

COUNCILMAN STONE

Councilman Stone reported that he attended the Library Board meeting.

Councilman Stone reported that he attended the Central Dispatch meeting.

Councilman Stone reported that he attended the Chamber of Commerce After-Hours event for the new Chamber of Commerce. Councilman Stone stated that it was great to see so many people at the event and the excitement about getting the program started.

COUNCILMAN SCANLON

Councilman Scanlon stated that he attended the Chamber of Commerce After-Hours event and stated that there was much excitement and enthusiasm from the business owners. Councilman Scanlon stated that the event was held at the new Country Village Banquet Center. Councilman Scanlon stated that it is very nice to have a banquet facility available in the Ishpeming area.

Councilman Scanlon stated that Wilderness Sports is renovating the exterior of their building and expressed his appreciation to business owners who are investing in our community.

MAYOR NELSON

Mayor Nelson reported that he was unable to attend the DDA meeting and stated that the DDA continues to work on the bond issue for future projects.

Mayor Nelson stated that the Pioneer Kiwanis Club completed their Peanut Day sales and thanked the Pioneer Kiwanis Club for all of their contributions to the community.

Mayor Nelson reported that he attended the Ski Hall of Fame dinner and breakfast for the new inductees.

Mayor Nelson reminded the public that Election Day is November 2, 2010 and encouraged everyone to get out and vote. Mayor Nelson stated that there are two City Charter amendments on the ballot and encouraged the residents to approve both of the amendments.

MANAGER'S REPORT

City Manager Ottenwess announced that the fourth-quarter edition of the City newsletter is now available at City Hall, the Senior Center, the Library and on the City web-site.

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 stated that the City is making progress on the clean up efforts with the enforcement of miscellaneous debris, long grass and unsafe buildings. City Attorney Savu stated that there are several properties in the pipeline and many have gone to court. The City Attorney stated that he is very encouraged with the progress that has been made.

City Attorney Savu stated that the billboard at the corner of Third Street and Hematite Avenue is unsightly and requested that the billboard either be removed or moved to another location.

ADJOURNMENT

A motion was made by Councilman Scanlon and seconded by Councilwoman Demarest to adjourn the meeting at 8:55 p.m. Ayes: Five (5). Nays: None (0). Motion carried.

Jenifer M. Rajala
City Clerk