

Crystal Falls, Michigan

November 9, 2009

A regular meeting of the Council for the City of Crystal Falls was held in the Council Chambers of the City Hall on Monday, November 9, 2009 at 5:00 P.M. Central Time.

Roll Call: Mayor Hendrickson, Councilors Hagglund, Burke, Bicigo, and Smokevitch.

Absent: None

Also Present: City Attorney Lawrence and City Clerk/Treasurer Olson.

Visitors: Joan Havens, Geri Trzeciak, Marilyn Moon, Lynn Perry, Jeff Sjoquist, Tara Peltoma, Dave Graff, Mr. Todish, Mary Lahna, Edna Heikkinen, Tom Stachowicz, Larry Bicigo, Gerard Valesano, Robert Sherwin, Christine Coopman, and Tim Bean.

Mayor Hendrickson led the reciting of the Pledge of Allegiance.

Councilor Burke seconded by Councilor Hagglund moved that the items on the Consent Agenda be approved as noted below:

1. The minutes of the regular meeting of October 12 2009, and special meetings of October 13, October 19, October 27, November 2, and November 5, 2009 as written.
2. The following reports for the month of October 2009:
  - A. Joint Fire Authority report, as submitted by Fire Chief Ahola, indicating answering two (2) fire calls; spending approximately 34.5 man-hours fighting fires; and holding no (0) practice and training sessions.
  - B. Police report, as submitted by Police Chief Robert Sherwin, indicating 170 complaints, of which 2 were closed by arrest, and logging of 2,071 miles on patrol duty.
  - C. Public Works Department activity report as submitted by Foreman Kelly Stankewicz.
  - D. Treasurer's Revenue Report as submitted by Clerk/Treasurer Dorothea Olson.
3. Payrolls and disbursements in the amount of \$537,907.61 be approved, and instruct the City Clerk to draw checks on the City Treasury in payment of same.

Ayes: Mayor Hendrickson Councilors Hagglund, Smokevitch, Burke and Bicigo. Nays: None

Motion carried.

Joan Havens addressed the council regarding the utility billing at her apartment house and the lack of an electric billing ordinance. Ms. Havens claimed she was overcharged nearly \$500 and demanded a

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meeting with the City Council next week regarding this matter.

Mayor Hendrickson temporarily adjourned the regular meeting to conduct a public hearing on the grant application for the automated meter reading equipment, the "ICE GRANT".

Meeting temporarily adjourned at 5:07 p.m.

**PUBLIC HEARING ON INFRASTRUCTURE CAPACITY ENHANCEMENT (ICE) GRANT:**

Electric Department Supervisor David Graff advised the public of the process leading up to the grant application for the Automated Meter Reading equipment. He noted that the grant of \$490,500 requires a local match of \$87,000. He went on to explain how the preliminary application was put together by Jeff Sjoquist of Coleman Engineering. Dave read a narrative on the overview of grant application and how the new automatic meter reading equipment will improve the overall efficiency of the electric system. There are 383 accounts that have to be upgraded to receive the new meter requiring an electrical contractor to upgrade services. The grant money can only be used in the City of Crystal Falls due to the requirements of the income guidelines.

Public comments: Edna Heikkinen asked: "What is the cost to the City?"

Dave Graff responded: "\$87,000 which will come out the electric reserve and contingency funds which can be used for electric infrastructure."

Bill Todish asked: "What is happening with the electric fund money now?"

Dave Graff responded: "Traditionally a transfer from the electric fund to the general fund has averaged nearly \$300,000/year. This project will serve to maximize the amount to transfer to the general fund." Tom

Stachowicz asked: "Is it not true that we will be saving money by not having a meter reader out there reading meters for 2 weeks each month?"

Dave Graff responded: "Yes - and the metering with the new digital meters is far more efficient and the city will recover energy lost in the past, losses that the city has to pay to its electric supplier."

Edna Heikkinen commented: "I thought some new meters have already been installed." Dave Graff responded: "Yes, as upgrades to homes are made those newer meters are being installed."

Edna Heikkinen asked: "Is this a project that could be put on hold for a while?" Dave Graff responded: "No, the window is open now and needs to be completed by 2011 or the funds will not be available."

Council Comments: Councilor Hagglund commented that "just so the public understands this money will come out of the electric reserve and contingency funds that are set aside for electrical infrastructure improvements and this project qualifies to use those funds."

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There were no other Council comments.

Mayor Hendrickson adjourned this public hearing.

The regular meeting reconvened at 5:34 p.m.

Councilor Hagglund seconded by Councilor Burke moved to adopt the following resolution:

CITY OF CRYSTAL FALLS  
AUTHORIZING RESOLUTION

WHEREAS, the City of Crystal Falls' Community Development Plan's intent is to encourage economic development and job creation, and

WHEREAS, the City of Crystal Falls is in need of infrastructure improvements to create jobs in the City, and

WHEREAS, the Michigan Economic Development Corporation has a maximum of \$490,500.00 of Michigan Economic Development Block Grant Program funds available through the Infrastructure Capacity Enhancement Program, and

WHEREAS, the project would, at a minimum provide 51% benefit to low and moderate income persons, and

WHEREAS, no public or private funds will be expended prior to the date of the authorization from the Community Service Office;

NOW THEREFORE BE IT HEREBY RESOLVED by the Crystal Falls City Council, at a regular meeting held on November 9, 2009 at 5:00 PM at the Crystal Falls City Hall, 401 Superior Avenue:

That the Crystal Falls City Council authorizes the Western Upper Peninsula Planning and Development Regional Commission to submit the proposed Michigan Economic Development Corporation "Economic Development Infrastructure Program" application and authorizes the City Mayor to sign any applicable application forms.

Ayes: Mayor Hendrickson, Councilor Burke, Smokevitch, Hagglund, and Bicigo. Nays: None.

Resolution Adopted.

Mayor Hendrickson temporarily adjourned the regular meeting to conduct a public hearing on the proposed Zoning Ordinance Amendments.

Meeting temporarily adjourned at 5:36 p.m.

**PUBLIC HEARING ON ZONING ORDINANCE AMENDMENTS:**

Mayor Hendrickson advised that the planning commission recommended these amendments and she read them out loud for all to hear.

Public comment: None

Council Comments:

Councilor Burke noted that upon review of the zoning ordinance he finds the suggestions to be appropriate to allow for consistency.

Mayor Hendrickson closed the public hearing.

Regular meeting reconvened at 5:42 p.m.

Councilor Bicigo seconded by Councilor Smokevitch moved to adopt the following amendments to the Zoning Ordinance:

3.10 R-1 Residential One District

1. Intent: The R-1 Residential One District is established and maintained for medium- to high-density residential and related uses, typically in older residential neighborhoods with small lots.

~~These areas are served by municipal water and wastewater services.~~

Replace crossed out language above with:

*These areas will be provided with municipal water. Wastewater services will be provided in areas where infrastructure currently exists.*

3.11 R-2 Residential Two District

- 1. Intent: The R-2 Residential Two District is established and maintained for low to medium density residential and related uses ~~in those areas which are served by municipal water and sewer, or where it would be economically feasible to extend such service.~~

Replace crossed out language above with:  
*These areas will be provided with municipal water. Wastewater services will be provided in areas where infrastructure currently exists.*

3.12 R-3 Residential Three District

- 1. Intent: The R-3 Residential Three District is established and maintained for medium- to high-density residential and related uses, typically in older residential neighborhoods with small lots. ~~These areas are served by municipal water and wastewater services.~~

Replace crossed out language above with:  
*These areas will be provided with municipal water. Wastewater services will be provided in areas where infrastructure currently exists.*

3.13 R-4 Residential Four District

- 1. Intent: The R-4 Residential Four District is established and maintained for low-to-medium residential and related uses, typically in areas which have not previously been developed. ~~These areas will be provided with municipal water and wastewater services.~~ Clustered development, conservation subdivisions, and similar types of development which protect and maintain open space are encouraged in this district.

Replace crossed out language above with:  
*These areas will be provided with municipal water. Wastewater services will be provided in areas where infrastructure currently exists.*

3.17 I-1 Industrial One District

- 1. Intent: The I-1 Industrial One District is established and maintained for wholesale, warehousing, manufacturing and assembly and similar light industrial uses within completely enclosed buildings ~~in areas which are served by municipal water and sewer, or where such service could be easily extended.~~ Uses in the I-1 District generally do not produce noise, odors, light, smoke or other impacts which extend beyond the boundary of the district.

Replace crossed out language above with:  
*where such service currently exists.*

3.18 I-2 Industrial Two District

- 1. Intent: The I-2 Industrial Two District is established and maintained for manufacturing and other light or heavy industrial uses, including those which may involve outdoor storage of materials or equipment ~~in areas which are served by municipal water and sewer, or where such service could be easily extended.~~ Uses in the I-2 District may produce noise, odors, light, smoke or other impacts which extend beyond the boundary of the district.

Replace crossed out language above with:  
*where such service currently exists.*

Ayes: Mayor Hendrickson, Councilors Burke, Smokevitch, Hagglund, and Bicigo. Nays: None

Amendments adopted.

Mayor Hendrickson temporarily adjourned the regular meeting to conduct a public hearing on the amendment to Ordinance No. 3.02 (Parking)

Meeting temporarily adjourned at 5:43 p.m.

**PUBLIC HEARING ON AMENDMENTS TO ORDINANCE NO. 3.02**

Mayor Hendrickson reviewed the proposed amendments to Ordinance No. 3.02, An Ordinance to regulate parking on the public highways within the City of Crystal Falls. The amendments include the addition of provision C to Section 5 which will allow for the designation of parking places along the West side of 4<sup>th</sup> Street and the North Side of Superior Avenue for the residents of the Crystal View Apartments, and to exempt these

spots from the overnight parking regulations designated in Section 6.

Public comments: David Graff recommended that these parking spots be given out as the last spots to the residents to avoid having cars in the way for the clearing of snow. Attorney Lawrence noted that these parking spaces will not be exempt from the winter parking ban, however, they will be exempt from the overnight parking regulations.

Councilor comments: None

Mayor Hendrickson closed the public hearing.

REGULAR MEETING RECONVENED AT 5:46 p.m.

Mayor Hendrickson seconded by Councilor Smokevitch moved to adopt the amendments to Ordinance No. 3.02 as follows:

Insert in Section 5

C. The five parking spaces commencing at the intersection of Superior Avenue and Fourth Street and proceeding West from Fourth Street to the alley, approximately 110 feet and the first four parking spaces on the West side of Fourth Street commencing at Superior Avenue and proceeding North, approximately 88 feet shall be designated as Resident Parking Only for the residents of Crystal View Apartments. The two hour time restriction contained in Section 5 (A) shall not apply to these nine parking spaces,

And, further to insert into Section 6

- Overnight Parking - No person shall between the hours of 2:00 a.m. and 7:00 a.m. of any day stand or park a motor vehicle on either the North or South side of Superior Avenue *except the designated space referred to in Section 5C.* ...

Ayes: Mayor Hendrickson, Councilors Burke, Smokevitch, Hagglund, and Bicigo. Nays: None

Motion carried.

Mayor Hendrickson updated the Council on issues discussed at the DDA meeting held earlier in the day. She also asked Attorney Lawrence about the possibility of an extension of the Renaissance zone at the Industrial Park. Mr. Lawrence said he would look into it.

Regarding the Crystal Manor building Mayor Hendrickson advised that the City closed with Rural Development in the morning on the parking lot loan and then closed the property purchase from Santi in the afternoon. The closing with the developer is expected soon.

Jeff Sjoquist advised that the plans for the water project are 95% complete and they expect to submit them to DEQ & Rural Development near end of November.

The sewer project for the Western Lift station is reported as "ahead of schedule".

Mayor Hendrickson seconded by Councilor Hagglund moved to extend the support of the fire authority for another quarter with the next payment to be based on the 2008 - 2009 Fire Authority budget.

Motion carried.

Electric Department Supervisor David Graff presented the electric rates which represent an increase that remains 1% lower than WE Energies as follows:

ELECTRIC RATES (RESIDENTIAL & COMMERCIAL)

Residential:	Facilities Charge	\$9.50/month	
	Extra Meter	\$1.00/month	
	Energy Charge	\$ .1097kwhr	
Commercial:	Facilities Charge	1 Phase:	\$14.90/month
		2 Phase:	\$24.00/month
		Extra Meter:	\$1.00/month
		Energy Charge:	\$ .1155/kwhr
Large Commercial:	Facilities Charge	\$84.00/month	
	Demand Charge	\$13.35/kw	
On Peak (8am-8pm)	Energy Charge	\$ .0749/kwhr	
Off Peak (8pm-8am)	Energy Charge	\$ .0514/kwhr	
Dusk to Dawn	100W	\$10.38 + \$ .10/month (OP Charge)	
	150W	\$11.96 + \$ .15/month (OP Charge)	
	250W	\$15.72 + \$ .25/month (OP Charge)	

MI Energy Optimization Surcharge RESIDENTIAL \$ .00146/KWhr  
MI Energy Optimization Surcharge COMMERCIAL \$3.99/month

(These rates were approved at the October 12, 2009 meeting of the Crystal Falls City Council)

Regarding the retransmission consent agreement submitted by Barrington Broadcasting, Electric Department Supervisor David Graff suggested that the issue be referred to the TV Technician, Dan Graff for further review and a recommendation.

Mayor Hendrickson advised that Fox Sports Plus is being added to the City's cable system at no additional charge. The network is providing the equipment needed to receive and transmit the channel to the subscribers of the system. Clerk/Treasurer Olson reported that it will most likely air on Channel 37.

Mayor Hendrickson appointed City Clerk/Treasurer Olson to represent the City and sit in on the union negotiations in place of former City Manager Nordeman.

Mayor Hendrickson seconded by Councilor Burke moved that pursuant to 3.03 of the City Charter, Clerk/Treasurer Dorothea Olson be appointed to act as interim city manager pending the appointment of a new city manager.

Motion carried.

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Mayor Hendrickson seconded by Councilor Smokevitch moved to appoint Suzanne Sandri to another term on the Crystal Falls Community Library Board. (Said term will expire December 2013).

Motion carried.

Councilor Hagglund seconded by Councilor Smokevitch moved to appoint Sue Simeoni to another term on the Crystal Falls Community District Library Board. (Said term will expire December 2013)

Motion carried.

Mayor Hendrickson seconded by Councilor Hagglund moved to direct Clerk/Treasurer Olson to contact Caroline Kennedy, Manager of Field Operations for the MML who is based in Gladstone, to set up a meeting with her sometime early in December regarding any assistance the MML can offer in the search for a City Manager.

Motion carried.

Mayor Hendrickson seconded by Councilor Bicigo moved to approve the Community Relations funds contribution of \$923.00 toward the restoration of 7 chairs at the Crystal Theatre in the name of the City and WPPI.

Motion carried.

Clerk/Treasurer Olson announced the sale of Christmas lights for \$2.00 per box with an allotment of up to 5 boxes per household. This sale is made possible thru the energy conservation funds provided by WPPI.

Councilor Hagglund seconded by Councilor Smokevitch moved to adjourn this meeting.

Motion carried.

Meeting adjourned at 6:53 p.m.

PRESIDING OFFICER \_\_\_\_\_

PRESIDING CLERK \_\_\_\_\_