

Crystal Falls, Michigan

October 12, 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, October 12, 2009 at 5:00 P.M. Central Time.

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

Absent: None

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

Visitors: Steven Fabbri, Lindsay Hawks, Jeff Sjoquist, Tara Peltoma, Robert Fabbri, Monica Fabbri, Tom Stachowicz, Larry Bicigo, Alex Simbob, Julius Simbob, Randy Curnow, Jill Curnow, Walter Trzeciak, Geri Trzeciak, Marilyn Moon, John Moon, Robert Sherwin, Dan Graff, Judy Benda, Steve Tinti, Jeff West, Tony Starr, John Ahola, Mary Lahna, Gerard Valesano, Richard & Janet Smithson, Dennis Mitchell, David Graff, Kelly Stankewicz, John Lorti, Glenn Trzeciak, Scott Thrasher, Angelo & Betty, Diqui, Caroline Lawrence, Cory Kezerle, Bob Reed, and Emil Bicigo.

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 September 14, 2009 as written.
2. The following reports for the month of September 2009:
 - A. Joint Fire Authority report, as submitted by Fire Chief Ahola, indicating answering no (0) fire calls; spending approximately 0 man-hours fighting fires; and holding no (0) practice and training sessions.
 - B. Police report, as submitted by Police Chief Robert Sherwin, indicating 162 complaints, of which 1 was closed by arrest, and logging of 1,796 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 \$550,786.55 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.

Judy Benda asked about the City's indebtedness. Mayor Hendrickson advised of all the loans that the City currently is obligated to.

Mayor Hendrickson and Manager Nordeman updated the Council regarding the

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DDA meeting held earlier in the day.

Councilor Smokevitch seconded by Councilor Burke moved to approve payment to MaryAnn Harrington in the amount of \$48.80 for DDA secretarial services and postage.

Motion carried.

Councilor Burke seconded by Councilor Hagglund moved to approve payment of an invoice from Standard Printing for stationary and envelopes for the DDA in the amount of \$86.00.

Motion carried.

Councilor Burke seconded by Councilor Hagglund moved to appoint Ray Marchi to fill a vacancy on the DDA with said term to expire November 30, 2011.

Motion carried.

Councilor Burke seconded by Councilor Hagglund moved to authorize Mayor Hendrickson to execute the Driving & Parking Lot Access and Utility Easement Agreement with Crystal View Limited Dividend Housing Association, LLC.

Motion carried.

Councilor Smokevitch seconded by Councilor Burke moved to authorize Mayor Hendrickson to execute a three party easement the Driving & Parking Lot Access and Utility Easement Agreement with Guardian Angels Catholic Church, over a certain part of lot 216 of the First Addition to the Village (now City) of Crystal Falls.

Motion carried.

Councilor Hagglund seconded by Councilor Burke moved to authorize Mayor Hendrickson to execute the Parking License Agreement with Crystal View Limited Dividend Housing Association, LLC.

Motion carried.

Mayor Hendrickson seconded by Councilor Burke moved to conduct a public hearing on the proposed amendments to Ordinance No. 3.02 (parking within the City) on November 9, 2009 at 5 p.m. (during the regular meeting).

Motion carried

Mayor Hendrickson seconded by Councilor Burke moved to escrow \$65,615.00 for the purposes of lead paint & asbestos abatement at the former Crystal Manor building.

Ayes: Mayor Hendrickson.

Nays: Councilors Burke, Smokevitch, Hagglund, and Bicigo.

Motion failed.

Councilor Burke seconded by Councilor Smokevitch moved to comply with

the City's original agreement to pay 50% of the cost of the lead paint/asbestos removal as the invoices are received.

Ayes: Councilors Burke, Smokevitch, and Bicigo.

Nays: Mayor Hendrickson and Councilor Hagglund.

Motion carried.

Councilor Burke seconded by Councilor Hagglund moved to authorize Mayor Hendrickson to execute a warranty deed from the City of Crystal Falls to Crystal View Development Co., LLC for a parcel of land situated in the NE ¼ of Section 29, Town 43 North, Range 32 West, City of Crystal Falls, Iron County, Michigan and being a part of lots 207, 208, and 209 of the First Addition to the City of Crystal Falls as recorded in Liber One of Plats, Page 17, Iron County records, said parcel being more particularly described as follows: Beginning at the SE Corner of said lot 207; thence South 89°51'100" West along the South line of Lot 207 a distance of 107.67 feet; thence North 00°09'19" West, 116.18 Feet; thence North 89°51'100" East, 107.67 Feet to a point on the East line of said lot 209; thence South 00°10'19" East along the East line of said lots 207, 208, and 209 a distance of 116.18 feet to the point of beginning.

Motion carried.

Jeff Sjoquist advised that he expects the water project to go to bid in December 2009. He noted that there are funds in the project to cover the replacement of the water tank and he would return to the Council at a later date with the specifics.

Jeff Sjoquist updated the Council on the awarding of a grant in the amount of \$490,500.00 to install Automatic Meter Reading equipment in the City of Crystal Falls. He noted that the local match of \$87,000.00 will be taken out of electric reserve & contingency funds. WUPPDR will put the final application together and administer the grant for us. Dave Graff added that this grant can only be used in the City limits and estimated that 1,100 to 1,200 new meters will be installed.

Councilor Burke seconded by Councilor Hagglund moved to adopt and authorize Mayor/Clerk to sign the following resolution:

City of Crystal Falls
Municipal-Wide Energy Management Program
Resolution

WHEREAS, the City of Crystal Falls is committed to being an environmentally responsible community and municipally owned and operated utility dedicated to improving global and local quality of life through active environmental stewardship; and

WHEREAS, it is more cost-effective to use less electricity and natural gas than it is to generate and/or purchase electricity and natural gas for the operation of City of Crystal Falls and its facilities; and

WHEREAS, City of Crystal Falls Electric Department and WPPI Energy have developed and implemented mutually beneficial energy efficiency, conservation and renewable energy programs, projects and educational activities designed to increase community energy efficiency, promote clean air and water and reduce waste; and

WHEREAS, City of Crystal Falls already promotes these initiatives through its Commitment to Community programs and partnership with WPPI Energy and Focus on Energy; and

WHEREAS, implementing a municipal-wide energy management program will require that the Crystal Falls Electric Department make a commitment of financial and human resources toward initiatives that save energy and money for the long-term.

NOW, THEREFORE, BE IT RESOLVED, that the Crystal Falls Electric Department will set a goal to curb use of electricity in municipal facilities by 10% from levels measured in 2008 within 5 years.

BE IT FURTHER RESOLVED, that the Crystal Falls Electric Department will demonstrate the effectiveness of energy efficiency, conservation and renewable resource development and further seek to instill a strong conservation ethic within the community that will help establish the City of Crystal Falls as a leader in these areas.

Resolution adopted.

Mayor Hendrickson advised that action on the proposed Fire Authority Agreement would not be appropriate until a meeting with Crystal Falls Township and the Fire Authority could be held.

Township Attorney Steve Tinti was in attendance and advised that he will check with the Township for a range of dates that they could meet.

Mayor Hendrickson seconded by Councilor Bicigo moved to allow for the amendment of the 2008 - 2009 Fiscal Year Budget to meet the actual expenditures.

Motion carried.

Deputy Clerk/Treasurer, Tara Peltoma gave a report on her attendance (on a scholarship from WPPI) at the American Public Power Association conference in Savannah, GA touching on a variety of subjects including: Demand Response, Service Deposit Policies, energy efficiency, automated meter reading, red flag rules, customer service, and networking.

Councilor Hagglund seconded by Councilor Burke moved to adopt the Service Deposit Policy as revised:

CITY OF CRYSTAL FALLS
SERVICE DEPOSIT POLICY

Deposits will be required of all utility customers as follows:

- 1. Home Owners -
City - Deposit required (unless former customer with an established credit history - in this case the deposit may be waived or a lesser deposit may be required as determined by the Clerk's office staff based on the credit history of the customer)
- 2. Township - Deposit required. (this will be held for a period of two (2) years and returned upon the request of the homeowner if good credit has been established)
- 3. Renters/Land Contract Buyers -
City or Township Residential - Deposit Required
City or Township Residential with poor credit history - Deposit Required - at least the equivalent of 3 months average utility billing (or as determined by Clerk's office staff)
City or Township Residential receiving outside assistance - Deposit Required - at least the equivalent of 3 months average utility billing
Trailer Park Customers - Deposit required - at least the equivalent of 3 months average utility billing
- 4. Business Owners-
All new business owners - Deposit Required (amount to be determined by the Clerk's office staff)
- 5. Cable TV Accounts only (Iron County Housing, etc.) - Deposit Required
Basic Cable - \$100.00
W/HBO - \$125.00

Former customers with unpaid bills due to the City must pay the unpaid bill in addition to the required deposit in advance of receiving additional services from the City.

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Customers with no deposit who are disconnected for non-payment may be required to pay a deposit prior to the reconnection of services.

Customers who declare bankruptcy may be required to pay a deposit prior to continuance of utility services.

The amount of the service deposits will be determined by the City Clerk's office staff (generally based on the equivalent of 3 months average utility billing) and may be adjusted as utility rates are increased.

Motion carried.

Councilor Bicigo seconded by Councilor Burke moved to purchase a refurbished folder/stuffer/sealer machine for \$4,000.00 from Automated Business Equipment.

Ayes: Mayor Hendrickson, Councilors Burke, Smokevitch, and Bicigo

Nays: Councilor Hagglund

Motion carried.

(Several other quotes were received on this type of equipment in May 2009)

Councilor Bicigo seconded by Councilor Burke moved to approve the purchase of a V-Box Spreader from Olson Trailer & Body, LLC in the amount of \$5,995.00.

Ayes: Mayor Hendrickson, Councilors Burke, Smokevitch, and Bicigo

Nays: Councilor Hagglund

Motion carried.

(a bid was also received from Monroe Truck Equipment in the amount of \$6,517.00)

Mayor Hendrickson set the date of November 9, 2009 at 5:00 p.m. to conduct a public hearing on the amendments to Zoning Ordinance No. 4, Sections 3.10, 3.11, 3.12, 3.13, 3.17, and 3.18 as proposed by the Crystal Falls Planning Commission.

Mayor Hendrickson also noted that the Planning Commission is looking for Council support toward the development of City owned lands in the R4 Districts. She felt it was a worthwhile project that would help bring up the tax base of the City.

Councilor Burke seconded by Mayor Hendrickson moved to approve Vince Babcock of Employee Benefits Agency, Inc. as the agent of record for the City of Crystal Falls for Blue Cross Blue Shield of Michigan.

Motion carried.

Manager Nordeman advised that a tentative meeting is set for Friday, October 23rd at 3:30 p.m. with employees to allow them to meet with Vince Babcock to go over the insurance plans.

Manager Nordeman reviewed a report on Revenue Sharing cuts and announced that it is not good news with an 11.1% decrease for the City of Crystal Falls.

Mayor Hendrickson seconded by Councilor Burke moved to allow the museum

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to use the former Council Chambers for storage and research this winter.

Motion carried.

Mayor Hendrickson seconded by Councilor Hagglund moved to adopt the following resolution:

Whereas, the City Council, the City employees, and the citizens, have been led, by their City Manager, down a path that has resulted in the financial deterioration of the City of Crystal Falls,

NOW THEREFORE BE IT RESOLVED, that the Crystal Falls City Council, pursuant to the Crystal Falls City Charter, Article III, Section 3.02, hereby suspends and proposes the removal of Charles C. Nordeman from his position as the Crystal Falls City Manager, effective immediately.

Ayes: Mayor Hendrickson, Councilors Smokevitch and Hagglund.

Nays: Councilors Burke and Bicigo.

Resolution adopted.

(A copy of the resolution was handed to Manager Nordeman by Councilor Burke.)

Councilor Burke seconded by Councilor Bicigo moved to adjourn this meeting.

Motion carried.

Meeting adjourned at 8:08 p.m.

PRESIDING OFFICER _____

PRESIDING CLERK _____