

A meeting of the Council for the City of Crystal Falls was held in the Council Chambers of the City Hall on Monday, August 10, 2015 at 4:01 P.M. Central Time.

Roll Call: Mayor Sommers, Councilors Sherby, McCarthy and Hagglund.

Absent: Councilor Schiavo (entered at 4:58 pm)

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

Mayor Sommers led the reciting of the Pledge of Allegiance.

Mike Peters, President/CEO of WPPI gave a presentation on "The Power of Many".

Councilor Hagglund supported by Councilor McCarthy moved to adopt the following resolution:

**A RESOLUTION CELEBRATING 35 YEARS OF MUNICIPAL JOINT ACTION FOR PUBLIC POWER UTILITIES**

**WHEREAS**, municipally owned, not-for-profit City of Crystal Falls provides the City of Crystal Falls with reliable, affordable electric power; customer-focused hometown service; local jobs; local ownership; and local control of our community's energy future; and

**WHEREAS**, not-for-profit, member-owned, joint-action wholesale power supplier WPPI Energy was formed in 1980 to preserve and enhance the value of public power utilities such as the City of Crystal Falls; and

**WHEREAS**, together, WPPI Energy member communities have built a diverse, flexible, cost-effective long-term power supply portfolio; an array of more than 75 best-in-class utility and customer programs and services; and proven track record of energy policy advocacy for the benefit of WPPI Energy member communities and their electric utility customers;

**WHEREAS**, the City of Crystal Falls has been a member of WPPI Energy since 2009; and

**WHEREAS**, together, the 51 member utilities of WPPI Energy serve more than 200,000 local homes and businesses in Wisconsin, Michigan and Iowa; and

**WHEREAS**, WPPI Energy members enjoy shared strength by pooling their needs and expertise for a reliable, affordable power supply, access to technology, and cost-effective programs and services that would be difficult and expensive for any one community to accomplish alone;

**NOW, THEREFORE, BE IT RESOLVED** that the City of Crystal falls, Iron County, Michigan recognizes and celebrates the thirty-fifth anniversary of the creation of WPPI Energy, our community's member-owned, joint-action municipal power supplier; and

**BE IT FURTHER RESOLVED** that the City of Crystal Falls will continue working to bring the benefits of joint action to local homes and businesses, just as it has since 2009, the year our community became a member of WPPI Energy.

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, McCarthy, and Hagglund

Nay: None          Absent: None

Resolution adopted.

Councilor Sherby supported by Councilor Hagglund moved to approve the amendment #1 to Long Term Power Supply Contracts with WPPI Energy.

Ayes: Mayor Sommers, Councilor Sherby, McCarthy, and Hagglund

Nays: None          Absent: Councilor Schiavo

Motion carried.

*Mayor Sommers temporarily adjourned the regular meeting at 4:41 pm to conduct a Public Hearing regarding the sale of property located on the South West corner of the Western Mine Pit.*

Comments: City Manager Olson explained to the Council the description of the parcel.

Lee Nylund explained why the recommendation of the extra property around the pit is needed.

Lisa Olson wanted to clarify that they have no objection unless the Nylund proposed parcel interferes with the Olson proposed

parcel.

Mrs. Olson commented that she was told by the city in the past that the land behind her residence was not platted land and would not be sold.

Comments from Council: Council agreed that both parcels should go up for bids with a minimum bid \$1,000 an acre.

Mayor Sommers closed the public hearing at 5:01 pm.

Mayor Sommers supported by Councilor Sherby moved to sell two separate parcels of land, described as: Parcel #1 - A parcel of land located in the Northwest Quarter of the Southwest Quarter (NW  $\frac{1}{4}$  of SW  $\frac{1}{4}$ ) of Section 21, T43N R32W, in the City of Crystal Falls, Michigan, beginning at the Northeast corner of Lot 59 of the Great Western Plat No. 2, thence North 200 feet, thence West 300 feet, thence South 200 feet, to the Northwest corner of lot 58 of the Great Western Plat no. 2 thence East 300 feet to POB. This parcel is 60,000 sq. feet in size (1.3774 acres).

Parcel #2 - A parcel of land located in the Northwest Quarter of the Southwest Quarter (NW  $\frac{1}{4}$  of SW  $\frac{1}{4}$ ) of section 21, T43N R32W, in the City of Crystal Falls, Michigan, beginning at the Northeast corner of the previously described parcel #1, thence West 340 feet m/l to a point, thence North 29 degrees easterly 317 feet m/l to a point which is 15 feet off the shoreline of an existing pond created by the former Great Western Mine, thence Southeasterly to a point due North of the POB, thence South to the POB.

Minimum bid of \$1,000 per acre, bids will be accepted until 3 pm on Monday, September 14, 2015 and opened at the regular meeting of the City Council scheduled for 5:30 pm on that same date.

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, McCarthy, and

CITY OF CRYSTAL FALLS

August 10, 2015

Hagglund

Nays: None      Absent: None

Motion carried.

*Mayor Sommers temporarily adjourned the regular meeting at 5:06 pm to conduct a Public Hearing on the proposed 2015-2016 Budget.*

City Manager, Dorothea Olson presented the 2015-2016 Budget.

Public Comment - none

Councilor Comments - Councilor Sherby questioned the funding of the Electric Contingency Fund.

Mayor Sommers asked if we really need to replace the electrical department truck or any equipment. He suggested that the city does not replace trucks/equipment unless there is a need for it.

Budget Hearing was adjourned at 6:00 pm

Councilor Sherby supported by Councilor Hagglund moved to adopt the 2015-2016 Budget as presented.

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, McCarthy, and Hagglund.

Nays: None      Absent: None

Motion carried.

Councilor Hagglund supported by Councilor McCarthy moved to approve the following Appropriation Resolution:

**APPROPRIATION RESOLUTION**

**WHEREAS**, in accordance with Article Five of the Charter for the City of Crystal Falls, the City Manager has caused to be prepared a budget which was presented to the Council; and

**WHEREAS**, said budget, after due notice and public hearing has been adopted; and

**WHEREAS**, pursuant to said budget is necessary that SIX MILLION FOUR HUNDRED SIXTY NINE THOUSAND FOUR HUNDRED FIFTY FOUR DOLLARS (\$6,469,454) has been determined to be necessary to defray the expenditures and liabilities of the City of Crystal Falls for the fiscal year of 2015-2016, the

following sums shall be and hereby are appropriated:

General -----	\$1,701,390.00
Major Street-----	\$ 204,500.00
Local Street Fund-----	\$ 107,969.00
Tax Increment Financing Fund-----	\$ 6,975.00
Television-----	\$ 262,000.00
Golf-----	\$ 85,400.00
Electric-----	\$2,814,320.00
Sewer-----	\$ 446,000.00
Water-----	\$ 531,400.00
Retiree Healthcare Fund-----	\$ 266,000.00
Electric Reserve & Contingency-----	\$ 40,100.00
Perpetual Care Fund-----	\$ <u>3,400.00</u>
	\$6,469,454.00

**BE IT RESOLVED**, that said sums appropriated will be raised by taxation, sales of services, and other various revenues collected by the City of Crystal Falls as provided for in the 2015 - 2016 fiscal year budget.

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, McCarthy, and Hagglund.

Nays: None Absent: None

Resolution adopted.

Councilor Hagglund supported by Councilor McCarthy moved to approve the Tax Levy Resolution

**TAX LEVY RESOLUTION**

**WHEREAS**, in accordance with Article V of the Charter of the City of Crystal Falls, the City Manager has caused to be prepared a budget which was presented to the Council; and

**WHEREAS**, said budget, after due notice and public hearing has been adopted; and

**WHEREAS**, pursuant to said budget it is necessary that FOUR HUNDRED THIRTY SEVEN THOUSAND SEVEN HUNDRED SEVENTY FIVE DOLLARS (\$437,775) for General Operation be raised by taxation; and

**WHEREAS**, the Taxable Valuation for the City of Crystal Falls is TWENTY TWO MILLION NINE HUNDRED THIRTY SIX THOUSAND SIX HUNDRED NINE DOLLARS (\$22,936,609); now, therefore,

**BE IT RESOLVED** that the City of Crystal Falls levy 19.0863 mills to be assessed against all real and personal property located in the City of the aforesaid for municipal purposes, AND

**FURTHER BE IT RESOLVED** that the City of crystal Falls levy 1.5 mills to be assessed against all real and personal property located in the City of the aforesaid for the sole purpose of raising funds for

CITY OF CRYSTAL FALLS

August 10, 2015

fire protection.

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, McCarthy, and Hagglund.

Nays: None Absent: None

Resolution adopted.

Visitors: None

Crystal View parking lot retaining wall will be discussed at the September regular meeting.

Ordinance No. 2.25 (Mobile Food Vehicle Vendors) discussion will be postponed until the March 2016 regular meeting.

Councilor Hagglund supported by Councilor Sherby moved to approve the revised employee handbook as of August 10, 2015.

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, McCarthy, and Hagglund.

Nays: None Absent: None

Motion carried.

City Manager Olson presented a job description for the City Manager position.

The Council set the start of advertising for thru March and begin interviews in April with a hiring in May. (Olson's retirement will begin June 1, 2016).

Union negotiations were tentatively set for a Special meeting on Monday, August 17, 2015 at 6:30 pm.

Councilor Hagglund supported by Councilor Schiavo moved to amend the 2014-2015 budget to meet expenditures at year end.

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, McCarthy, and Hagglund.

Nays: None Absent: None

Motion carried.

A public Hearing for Public Act 295 - Renewable Energy Plan will be held at the September 14<sup>th</sup> regular meeting.

Mayor Sommers seconded by Councilor Sherby moved that the items on the Consent Agenda be approved as noted below:

1. The following reports for the month of July 2015:
  - A. Regular meeting minutes from July 13, 2015.
  - B. Police report, as submitted by Police Chief Tim Bean, indicating 134 complaints, of which 4 were closed by arrest, 0 parking tickets, and logging of 1,668 miles on patrol duty.
  - C. Public Works Department activity report as submitted by Foreman Kelly Stankewicz.
  - D. Electric Department activity report as submitted by Chief Electrician David Graff.
  - E. Treasurer's Revenue Report as submitted by Clerk/Treasurer Tara Peltoma.
2. Payrolls and disbursements in the amount of \$729,181.40 be approved, and instruct the City Clerk to draw checks on the City Treasury in payment of same.

Ayes: Mayor Sommers, Councilors Sherby, Schiavo, McCarthy, and Hagglund

Nays: None      Absent: None

Motion carried.

Councilor Sherby supported by Councilor Schiavo moved to adjourn this meeting at 6:46 p.m.

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

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