I. **Call to Order**

II. **Pledge of Allegiance**

III. **Acceptance of the Proposed Agenda**

   A. Motion to Excuse Council Members Peterson and Hagglund

IV. **Public Comment (5 minute time limit per speaker)**

V. **City Manager Report**

VI. **Presentations/ Discussions**

VII. **Public Hearing(s)**

   A. None

VIII. **Old Business**

   A. None

IX. **New Business**

   A. Proposed Resolution 18-72: Approval to Amend the City’s Purchasing Policy
   B. Proposed Resolution 18-73: Approving an Agreement with Scott R. Kenney to Perform the City’s Annual Audit for the 2017-2018 Fiscal Year
   C. Proposed Resolution 18-74: Approval of Proposed Budget Amendments
   D. Proposed Resolution 18-75: Approving, Authorizing, and Directing the City Manager to Amend the City Budget to Meet End-of-Year Expenditures
   E. Proposed Resolution 18-76: Approving, Authorizing, and Directing the City Manager to Create and Send a Request for Proposals (RFP) for a Lease on a Copier/ Printer for City Hall
   F. Proposed Resolution 18-77: Approving a Fall Community-Wide Cleanup for Saturday, October 6, 2018 at the Bristol Mine Location from 7:00 am until 1:00 pm

X. **Consent Agenda**

   A. Minutes from the August 13, 2018 Public Hearing on the Proposed 2018-2019 City Budget
   B. Meeting Minutes from the Regular City Council Meeting held on August 13, 2018
   C. Departmental Reports:
      1. Treasurer
      2. Electric Department
3. Police Department
4. Department of Public Works
5. Parks Department
D. Payroll and Disbursements

XI. **Communications**

A. City of Crystal Falls Planning Commission – August Meeting Minutes
B. Iron County 4-H Update
C. Letter from the Lethbridge, Alberta Police Service – RE: Appreciation for the City of Crystal Falls
D. Crystal Falls District Library – Minutes and Financials
E. City of Crystal Falls Newsletter – September 2018
F. MMEA “Currents” – August 2018 (*located on dais*)

XII. **Other Business** – None

XIII. **Council Member Comments**

XIV. **Adjournment**
REPORT TO THE CITY OF CRYSTAL FALLS CITY COUNCIL

DATE: September 10, 2018
TO: Mayor David Sherby; Mayor Pro Tem Michael McCarthy; Councillor Jeff Hagglund; Councillor Adam Schiavo; Councillor Maria Peterson
FROM: Patrick Reagan, City Manager
RE: Manager’s Report to City Council

Mayor Sherby and City Council Members,

Please find below my report on the proposed resolutions, presentations, and public hearings that are placed before you for the September 10, 2018 City Council meeting.

New Business

Proposed Resolution 18-72: Amending the City’s Purchasing Policy

At the regular meeting of the Council in August, a discussion was had about the City’s purchasing policy – specifically, the amount that department heads were able to spend before getting the approval of the City Manager. Currently, the amount that we have set is $500.00 – above that amount, department heads must get approval from me.

I was asked to get an idea of what threshold other communities have, so I contacted a number of neighboring communities. Most have set their amount at or around $1,000.00. With that in mind, I recommend that this policy be amended to raise this amount from $500.00 to $1,000.00.

Proposed Resolution 18-73: Approving an Agreement with Scott Kenney to perform the audit of the 2017-2018 FY.

The City’s agreement with Scott Kenney to perform our required annual audit has expired. I recommend that the City enter into a one-year agreement with Mr. Kenney and perform a formal request for proposal process next summer.

Proposed Resolution 18-74: Approval of Proposed Budget Amendments

I have made the proposed budget amendments in the General Fund, Major and Local Street Funds, and the Golf Fund.
Proposed Resolution 18-75: Approving, Authorizing, and Directing the City Manager to Amend the City Budget to Meet End of Year Expenditures

This is an annual housekeeping issue. This allows the auditor and myself to make the necessary budget amendments upon the completion of the 2017-2018 Fiscal year.

Proposed Resolution 18-76: Approving, Authorizing, and Directing the City Manager to Create and Send a Request for Proposals (RFP) for a Lease on a Copier/Printer for City Hall

We currently have a lease agreement for a copier/scanner/printer in the front office at City Hall with Image Makers out of Marquette, Michigan. This lease is expiring this month. Image Makers has informed me that they will go month-to-month on our existing lease and will also be happy to submit a proposal for the lease of a new machine. I would like to send this RFP out immediately and have proposals back in time for the next meeting.

Proposed Resolution 18-77: Approving a Fall Community Wide Cleanup day for October 6, 2018

With our new agreement with Waste Management for residential garbage collection, Mark Harrick from Waste Management has informed me that they will be able to assist us by providing large dumpsters and will charge the city for the amount of materials they pick up and they will charge us by the ton. I have spoken with select members of the City staff and they believe that this is a good idea. Furthermore, Waste Management has informed us that participants can drop off anything besides hazardous materials or yard waste. This means that anyone that has an accumulation of full garbage bags may dispose of them during this cleanup day, which is a significant departure from the services of GAD, which would not take garbage.

I am recommending that this be held on October 6th from 7:00 am until 1:00 pm and that the cost remain the same as the spring cleanup day held in May of 2018.

Items not on the Agenda

- I have received a number of inquiries from residents about the annual transfer of funds from the General Fund to the Golf Fund. To this point, none have been supportive.
- I have worked with Mark Harrick from Waste Management to setup community meetings about the new garbage service that will begin in December. Currently, we have two meetings set – the first will be held on Wednesday, October 17th from 5:00 pm until 7:00 pm. The second meeting is scheduled to be held on Wednesday, November 7th from 5:00 pm until 7:00 pm. Both meetings will be held in the auditorium on the second floor of City Hall. These meetings are designed to allow residents to come and ask questions and to see what the garbage totes will look like.
Currently, we have both a sample garbage bin and a sample recycling bin in City Hall for residents to see and to allow them to sign up for this service if they wish to do so.

- I have had some residents ask about the poor state of the fishing pier currently located out at the park. After discussing this with Parks and Cemetery Foreman Valesano, we decided – in the interest of community safety – to remove this dock from the park and this project has been completed. As you may know, we are to get a new fishing pier as part of the grant awarded to us by the Michigan Department of Natural Resources (MDNR) for Runkle Lake Park. We are expecting this project to begin in the summer of 2019.
Councillor________________________, supported by Councillor_________________________, made a motion to adopt the following resolution:

RESOLUTION NO. 18-72

A RESOLUTION AMENDING THE CITY OF CRYSTAL FALLS PURCHASING AND FISCAL PROCEDURE POLICY

WHEREAS, the City of Crystal Falls is entrusted with public funds and must continually strive to use said funds in the wisest, most efficient manner possible to ensure the fiscal health of the City, both at the present time and in future years; and

WHEREAS, the City Manager has reviewed the current policy and has proposed changing the amount that a department head is allowed to spend at their discretion from $500.00 to $1,000.00 (a copy of the proposed updated policy is attached as “Exhibit A”); and

WHEREAS, the City Manager recommends that this amended policy be accepted as formal policy.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The Crystal Falls City Council approves the proposed amendments to the “City of Crystal Falls Purchasing and Fiscal Policy Procedure” and formally adopts this updated document as City policy.

2. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED.

Dated: September 10, 2018

_______________________________
Tara Peltoma, City Clerk/ Treasurer
Purchasing and Fiscal Procedure Policy

I. Purpose/Objective

The purchasing and fiscal policies guidelines are to assure that the City of Crystal Falls maintains lawful, financially prudent, and ethical methods to procure or dispose of supplies, materials, equipment, contract services, and construction projects for the City.

II. Purchasing

A. All purchases require that the appropriate funds are budgeted and sufficient funds are available at the time of purchase.

B. No employee or any person shall make purchases or commit City funds without prior authorization.

C. All purchases shall be accompanied by an invoice/receipt and a purchase order presented prior to the processing of the check.

D. All employees/designated persons making purchases or presenting claims less than $20 are encouraged to seek reimbursement from the appropriate petty cash fund.

E. Purchases involving expenditures of $1,000.00 or less may be made with the approval of the department head.

F. Proposed purchases of supplies, materials, or equipment between $1,000.01 and $5,000.00 must be approved by the City Manager prior to purchase. All proposed purchases must be determined by competitive prices and shall be awarded to the lowest competent vendor, except as otherwise provided in this policy. Department heads shall attempt to obtain, at a minimum, three quotes for proposed purchases of supplies, materials, services, or equipment. Quotes may be obtained in person, email, fax, mail, or by phone.

G. In determining the competency of a vendor, the employee shall be guided by his judgment of the ability of the vendor to provide the required material or services in compliance with the specifications set forth. If the purchase is not made from the lowest quoted vendor, a statement of the reasons for placing the order with a higher quote shall be prepared by the department head and filed with the purchase order.

H. The City Council must approve any expenditure for supplies, materials, services, equipment, and construction projects or contracts obligated to the city, where the amount of the city obligation is in excess of $5,000.00.

I. Expenditures greater than what the City has budgeted within its various fund budgets requires the City Council approval in advance of any purchase or commitment of funds.

J. When all other considerations are equal, contracts shall be awarded to local vendors.

Exhibit A
K. The City Manager may impose a spending freeze on all discretionary purchasing if it is deemed in the best interest of the City.

**III. Fiscal Policies**

A. All Purchases must have a detailed receipt or invoice along with an accompanying purchase order prior to the issuance of a check.

B. All checks issued by the City shall have two authorized signatures recorded on its front surface before the check is valid.

C. It is the intent of the City to engage in the settlement of accounts payable on Friday of each week.

D. Whenever possible and when accepted, employees purchasing supplies, materials, equipment, services, as well as lodging and travel must utilize a tax exempt form available from the Clerk/Treasurer's office.

**IV. Bid Procedure**

A. Purchases of supplies, equipment, and contractual services with a cost greater than $15,000.00 must be from sealed bids/proposals. In any case where competitive bidding is not practical or it is to the City's advantage to contract without competitive bidding, the City Council may, upon recommendation of the City Manager, authorize the execution of a purchase without competitive bidding.

B. A notice inviting bids shall be published in local publications and on the city's website at least ten days preceding the date set for receipt of the bid.

C. Bids shall be solicited from local, responsible prospective suppliers when possible. Invitations shall be limited to vendors whose commodities or services are similar in character and ordinarily handled by the trade group to which the invitations are sent.

D. Proposed purchases over $15,000.00 require the preparation and dissemination of a document which provides potential vendors with as much information about the transaction as possible. The intent of this document is to provide all potential vendors with an appropriate understanding of what they are required to do in order to be successful in the solicitation process.

E. Bids shall be sealed and identified as a bid on the envelope and submitted to the City Clerk.

F. Late bids, at the City's discretion, may be returned unopened to the bidder.

G. All bid openings are conducted by the City Manager at the regular Council meeting unless otherwise specified in the public announcement.
H. Competitive bidding will not be required – but rather will be at the discretion of the City -- in the following cases:

(1) Where the subject of the contract is other than a public work or improvement and the product or material contracted for is not competitive in nature or no advantage to the city would result from requiring competitive bidding and the council by resolution authorizes execution of a contract without competitive bidding.

(2) In the employment of professional services including medical, accounting, auditing, data processing, legal, planning, engineering, and architectural services.

(3) Where the city elects to do, with city forces, work suitable for contracting; provided, the City Council authorizes such work.

(4) In purchasing any type of insurance coverage.

(5) Uniforms and protective clothing.

(6) Noncontractible services; where the scope of the work is not definitive or the cost of preparing contract documents exceeds the cost of the service.

(7) Specialty services or pre-determined sole-source providers.

(8) Additional services may be included in the above listing, as the City Council deems necessary to be in the best interest of the city. For other items for which it is not practical to obtain competitive quotes or bids, the City Council may waive the requirements of the purchasing ordinance and authorize the purchase as recommended by the City Manager.

(9) Annual purchase of road salt through the MIDeal program.

V. Award of Contract and Rejection of Bid

A. The City shall have the authority to reject any and all bids when the best interest of the public is served.

B. The City shall not accept the bid of a contractor who is in default on the payment of taxes, utilities, or other monies due the City.

C. In determining the best responsible bidder, in addition to price, the City shall consider the location, ability, capacity, and skill of the bidder to perform as contracted; whether the bidder can perform in a timely manner consistent with City requirements; the character, integrity, reputation, judgment, experience, and efficiency demonstrated by the bidder; the performance experienced with previous contracts; and the predictable ability of the bidder to provide future maintenance and service.
D. When the award is not given to the lowest bidder, a statement of reasons for placing the order with the successful contractor shall be prepare and filed with other award documentation.

E. After a bid is awarded, a contract will be executed with the successful bidder. A performance bond, certificate of liability insurance or worker compensation maybe required if applicable and appropriate for the contracted service.

VI. Performance Bonds

A. The City shall have the authority to require a performance bond before entering a contract in an amount necessary to protect the interests of the City.

VII. Co-operative Purchasing

A. The City shall have the authority to join with other units of government in a cooperative purchasing plan when the best interest of the City would be served.

VIII. Legal and Professional Services

A. Only the City Manager is authorized to purchase legal or professional services that are not otherwise already contracted for execution.

IX. Emergency Purchases

A. In an emergency or an apparent emergency endangering the public peace, health or safety of the city, the City Manager or any department head may purchase directly any supplies, materials or equipment which they deem immediately necessary. The employee shall advise the City Council of the purchase no later than the next regular meeting of the council.

X. Conflict of Interest- Employees

A. No employee will participate directly or indirectly in a procurement when the employee knows that the employee or any member of the employee's immediate family has a financial interest to the procurement; when a business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or when any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

B. Upon discovery of an actual or potential conflict of interest, an employee shall promptly file a written statement of disqualification and shall withdraw from any further participation in the transaction involved. Failure to do so could result in immediate dismissal.

XI. Conflict of Interest- Council Members
A. The City of Crystal Falls can enter into a contract with a vendor which a Council Member has a conflict of interest as defined in section X above. In entering into a contract with this vendor the Council Member must not vote on the contract and must disclose any pecuniary interest. A vote of two thirds of the full City Council must approve the contract.

*Updated: September 10, 2018*
Crystal Falls City Council
Iron County, Michigan

Councillor________________________, supported by Councillor_________________________, made
a motion to adopt the following resolution:

RESOLUTION NO. 18-73

A RESOLUTION APPROVING THE PROPOSAL FROM SCOTT R. KENNEY CPA TO PROVIDE AUDITING SERVICES FOR THE 2017-2018 FISCAL YEAR

WHEREAS, Michigan Public Act 2 of 1968 requires local units of government to file with the Department of Treasury annual audit reports within 180 days of the local unit’s fiscal year end; and

WHEREAS, the City of Crystal Falls has worked with Scott R Kenney to have these required annual audits performed; and

WHEREAS, the agreement with Scott R Kenney has expired; and

WHEREAS, City staff recommends obtaining the services of Mr. Kenny for auditing services for the 2017-2018 Fiscal Year end and to create and submit the required annual F-65 Report; and

WHEREAS, City staff further recommends that a formal “Request for Proposals” be performed in July of 2019 so that a proposal may be accepted per the City of Crystal Falls Charter; and

WHEREAS, Mr. Kenney has submitted a proposal for this service (attached as “Exhibit A”) for a sum not to exceed $14,100.00.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The Crystal Falls City Council approves the attached proposal from Scott R. Kenney to perform the required annual audit of the finances for the City of Crystal Falls for the 2017-2018 FY and for the creation of the required annual F-65 report at a cost not to exceed $14,100.00
2. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED.
Dated: September 10, 2018

_______________________________
Tara Peltoma, City Clerk/ Treasurer
September 5, 2018

Honorable Mayor and City Council
City of Crystal Falls
401 Superior Avenue
Crystal Falls, MI 49870

I am pleased to confirm my understanding of the services I am to provide for the City of Crystal Falls, Michigan (CITY) for the year ended September 30, 2018. I will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the CITY as of and for the year ended September 30, 2018. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement the CITY’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of my engagement, I will apply certain limited procedures to the CITY’s RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management’s Discussion and Analysis.

I have also been engaged to report on supplementary information other than RSI that accompanies the CITY’s financial statements. I will subject the following other supplementary information to the auditing procedures applied in my audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and I will provide an opinion on it in relation to the financial statements taken as a whole.

Exhibit A

Member
American Institute of Certified Public Accountants
Michigan Association of Certified Public Accountants
1. Combining statements
2. Budgetary Comparison Schedules - Non-major Governmental Funds
3. Comparative Financial Statements
4. Bond Ordinance Compliance Schedule

Audit Objectives

The objective of my audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. My audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and will include tests of the accounting records of the CITY and other procedures I consider necessary to enable me to express such opinions. I will issue a written report upon completion of my audit of the CITY’s financial statements. My report will be addressed to the CITY Council. I cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for me to modify my opinions or add emphasis-of-matter or other-matter paragraphs. If my opinions are other than unmodified, I will discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or am unable to form or have not formed opinions, I may decline to express opinions or issue reports, or may withdraw from this engagement.

I will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. The report on internal control in on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity’s internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during my audit I become aware that the CITY is subject to an audit requirement that is not encompassed in the terms of this engagement, I will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by
management, as well as evaluating the overall presentation of the financial statements. I will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, Government Auditing Standards do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by me even though the audit is properly planned and performed in accordance with U. S. Generally accepted auditing standards and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential, and of any abuse that comes to my attention. My responsibility as auditor is limited to the period covered by my audit and does not extend to later periods for which I am not engaged as auditor.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. I will not request written representations from your attorneys as part of the engagement unless actual or threatened litigation is discovered as part of my audit procedures. At the conclusion of my audit, I will also require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures–Internal Controls

My audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that I consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. My tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to Government Auditing Standards.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, I will communicate to management and those charged with governance internal control matters that are required to be communicated under AICPA professional standards and Government Auditing Standards.
Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of the CITY's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of my audit will not be to provide an opinion on overall compliance and I will not express such an opinion in my report on compliance issued pursuant to Government Auditing Standards.

Other Services

I will also assist in preparing the financial statements and related notes of the CITY in conformity with U. S. Generally accepted accounting principles based on information provided by you. I will also prepare the annual F-65 report and required by the State for the CITY. These nonaudit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards. I will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements services previously defined. I, in my sole judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all information in conformity with U. S. Generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to me and for the accuracy and completeness of that information. You are also responsible for providing me with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that I may request for the purpose of the audit, and (3) unrestricted access to persons within the government for whom I determine is necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to me in the written representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest. Presented are immaterial, both individually and in aggregate, to the financial statements taken as a whole.
You are responsible for the design and implementation of programs and controls to prevent and
detect fraud, and for informing me about all known or suspected fraud affecting the government
involving (1) management, (2) employees who have significant roles in internal control, and (3)
others where the fraud or illegal acts could have a material effect on the financial statements. Your
responsibilities include informing me of your knowledge of any allegations of fraud or suspected
fraud affecting the government received in communications from employees, former employees,
grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the
government complies with applicable laws, regulations, contracts, agreements, and grants and for
taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws,
regulations, contracts or grant agreements, or abuse that I report.

You are responsible for the preparation of the supplementary information, which I have been
engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree
to make the audited financial statements readily available to users of the supplementary information
no later than the date the supplementary information is issued with our report thereon. Your
responsibilities include acknowledging to be in the written representation letter that (1) you are
responsible for presentation of the supplementary information in accordance with GAAP; (2) you
believe the supplementary information, including its form and content, is fairly presented in
accordance with GAAP; (3) the methods of measurement or presentation have not changed from
those used in the prior period or, if they have changed, the reasons for such changes; and (4) you
have disclosed to me any significant assumptions or interpretations underlying the measurement or
presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit
findings and recommendations. Management is also responsible for identifying and providing report
copies of previous financial audits, attestation engagements, performance audits or other studies
related to the objectives discussed in the Audit Objectives section of this letter. This responsibility
includes relaying to me corrective actions taken to address significant findings and recommendations
resulting from those audits, attestation engagements, performance audits, or other studies. You are
responsible for providing management's views on my current findings, conclusions, and
recommendations, as well as your plan corrective actions, for the report and for the timing and
format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related
notes and any other non-audit services I provide. You will be required to acknowledge in the
management representation letter my assistance with the preparation of the financial statements and
related notes and that you have reviewed and approved the financial statements and related notes
prior to their issuance and have accepted responsibility for them. Further you agree to oversee the
nonaudit services by designating an individual, preferably from senior management, with suitable
skill, knowledge, or experience to evaluate the adequacy and results of those services; and accept
responsibility for them.

Audit Administration, Fees, and Other

I may from time to time, and depending on the circumstances, use third-party service providers in
serving your account. I may share confidential information about you with these service providers,
but remain committed to maintaining the confidentiality and security of your information.
Accordingly, I maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, I will secure confidentiality agreements with all the service providers to maintain the confidentiality of your information and I will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that I am unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent to the sharing of your confidential information with the third-party service provider. Furthermore, I will remain responsible for the work provided by any such third-party service providers.

I understand that your employees will prepare all cash, accounts receivable or other confirmations I request and will locate any documents selected by me for testing. I will provide copies of my reports to the CITY; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of the reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Scott R. Kenney, CPA, and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to regulators or their designees, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Scott R. Kenney, CPA. Furthermore, upon request, I may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal cognizant or oversight agency. If I am aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, I will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

I expect to begin my audit in late November, 2018 and to issue my report no later than January 1 of the following year. Scott R. Kenney, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. My fee for these services will be at my standard hourly rate plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that I agree that my gross fee, including expenses (and the F-65 report), will not exceed $14,100 for the year ending September 30, 2018, excluding any fees associated with Single Audit fieldwork and reporting and State reporting, if any. If a Single Audit is necessary for the year, an additional fee of $1,800 will be charged. My invoices for these fees will be rendered to the CITY each month as work progresses and are payable on presentation. The above fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before I incur the additional cost.
Government Auditing Standards require that I provide you with a copy of my most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. My most recent peer review report accompanies this letter.

I appreciate the opportunity to be of service to the City of Crystal Falls and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know. If you agree with the terms of my engagement as described in this letter, please sign the enclosed copies and return one to me. The other is for your records.

Very truly yours,

Scott R. Kenney, CPA

RESPONSE:

This letter correctly sets forth the understanding of the City of Crystal Falls, Michigan

By:______________________________________________

Title:____________________________________________

Date:____________________________________________
December 30, 2016

To Scott R. Kenney
Scott R. Kenney CPA
and the Peer Review Committee of the Michigan Association of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Scott R. Kenney CPA (the firm) in effect for the year ended September 30, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards.

In our opinion, the system of quality control for the accounting and auditing practice of Scott R. Kenney CPA in effect for the year ended September 30, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Scott R. Kenney CPA has received a peer review rating of pass.

M. L. Shreve CPA, P.C.

M. L. Shreve CPA, P.C.
Crystal Falls City Council  
Iron County, Michigan  

Councillor________________________, supported by Councillor_________________________, made a motion to adopt the following resolution:

RESOLUTION NO. 18-74

A RESOLUTION APPROVING BUDGET AMENDMENTS

WHEREAS, State law prohibits local units of government from ending any fiscal year with a negative fund balance in any fund; and

WHEREAS, in the course and practice of monitoring the City’s budget, the City Manager found line items within areas that contained unexpended funds that could be used elsewhere within the same fund and created proposed budget amendments, a copy of these amendments are attached as Exhibit A; and

WHEREAS, the City Charter of the City of Crystal Falls dictates that budget amendments must be approved by the City Council.

NOW THEREFORE BE IT RESOLVED:

1. The City Council approves the proposed budget amendments as outlined in Exhibit A.
2. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Ayes:
Nays:
Absent:
Abstain:

RESOLUTION DECLARED ADOPTED.

Dated: September 10, 2018

____________________________
Tara Peltoma, City Clerk/ Treasurer
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**Journal Total:** 9,161.01 9,161.01
Councillor________________________, supported by Councillor_________________________, made a motion to adopt the following resolution:

RESOLUTION NO. 18-75

A RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO AMEND THE CITY BUDGET TO MEET END OF YEAR EXPENDITURES

WHEREAS, State of Michigan law prohibits local units of government from ending any fiscal year with a negative fund balance in any fund; and

WHEREAS, historically, the City Council has approved similar resolutions allowing the City Manager to amend the City’s budget to meet any and all end of year expenditures; and

WHEREAS, the City Manager will be working with City Staff and the City Auditor to make any and all necessary amendments to the budget to meet the requirements as set forth by State of Michigan law.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The Crystal Falls City Council approves and authorizes the City Manager to amend the City budget to meet any and all end of fiscal year expenditures.

2. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Ayes: 

Nays: 

Absent: 

Abstain: 

RESOLUTION DECLARED ADOPTED.

Dated: September 10, 2018

_______________________________
Tara Peltoma, City Clerk/ Treasurer
Crystal Falls City Council  
Iron County, Michigan

Councillor________________________, supported by Councillor_________________________, made a motion to adopt the following resolution:

RESOLUTION NO. 18-76

A RESOLUTION APPROVING, AUTHORIZING, AND DIRECTING THE CITY MANAGER TO PREPARE AND DISSEminate A REQUEST FOR PROPOSALS (RFP) FOR A COPIER/SCANNER/PRINTER FOR THE CITY HALL OFFICES

WHEREAS, the City of Crystal Falls has a lease agreement with Image Makers, Inc for a Xerox Work Centre 7830 printer/copier/scanner that is utilized by the administration and other city departments;” and

WHEREAS; this agreement expires is set to expire in September 2018; and

WHEREAS, in order to acquire the most efficient prices, the City Manager recommends that the City of Crystal Falls prepare and disseminate a request for proposals (RFP) for the lease of a new copier/ scanner/ printer; and

WHEREAS, the RFP will be sent out immediately with a closing date of October 5, 2018 at 3:00 pm, with the proposals being reviewed by the Crystal Falls City Council at their next regular meeting, scheduled for Monday, October 8, 2018 at 5:30 pm.

NOW THEREFORE BE IT RESOLVED AS FOLLOwS:

1. The Crystal Falls City Council approves, authorizes, and directs the City Manager to prepare and disseminate a formal “Request for Proposals (RFP)” for the lease of a copier for Crystal Falls City Hall.
2. All proposals must be submitted by Friday, October 5, 2018 at 3:00 pm in order to be considered by the Crystal Falls City Council at their meeting on Monday, October 8, 2018 at 5:30 pm.
3. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED.

Dated: September 10, 2018

_______________________________  
Tara Peltoma, City Clerk/ Treasurer
Crystal Falls City Council  
Iron County, Michigan

Councillor________________________, supported by Councillor_________________________, made a motion to adopt the following resolution:

RESOLUTION NO. 18-77

A RESOLUTION APPROVING THE DATE OF SATURDAY, OCTOBER 6, 2018 FOR THE CITY’S “FALL CLEAN UP”

WHEREAS, the City of Crystal Falls has held a spring clean up day at the Bristol Mine to allow city residents to help clean up their properties for a fee of $10.00 per vehicle load and $10.00 per trailer load; and

WHEREAS, this clean up day has been successful in years past, helping to improve the aesthetics of the community; and

WHEREAS, City staff has discussed the need for a second “community clean up day” to be held in the fall in order to further assist in keeping the community clean and vibrant; and

WHEREAS, the City of Crystal Falls will be working with Waste Management to provide large dumpsters for this event; and

WHEREAS, the proposed date for the proposed fall cleanup day is Saturday, October 6, 2018 at the Bristol Mine property, from 7:00 am until 1:00 pm.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The Crystal Falls City Council approves the setting of Saturday, October 6, 2018 as the date for the fall cleanup, to be held from 7:00 am until 1:00 pm, for City residents.
2. The City Council further approves setting the fee for this cleanup day to be $10.00 per vehicle load and $10.00 for a trailer load.
3. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Ayes:

Nays:

Absent:

Abstain:

RESOLUTION DECLARED ADOPTED.

Dated: September 10, 2018

__________________________________________
Tara Peltoma, City Clerk/ Treasurer
CITY OF CRYSTAL FALLS  
August 13, 2018

A budget hearing of the Council for the City of Crystal Falls was held in the Council Chambers of the City Hall on Monday, August 13, 2018 at 4:00 P.M. Central Time.

Roll Call: Mayor Sherby (entered at 4:11 pm), Councilors Schiavo, Peterson, McCarthy and Hagglund.

Absent: None

Also Present: City Manager Reagan and City Clerk/Treasurer Feltoma.

Mayor Pro-tem McCarthy led the reciting of the Pledge of Allegiance.

Councilor Peterson supported by Councilor Schiavo moved to accept the proposed agenda.

Ayes: Mayor pro-tem McCarthy, Councilors Schiavo, Peterson, and Hagglund.

Nays: None   Absent: Mayor Sherby

Motion carried.

Mayor pro-tem McCarthy closed the meeting to conduct a Public Hearing on the 2018-2019 proposed Budget at 4:06 p.m.

City Manager, Patrick Reagan presented the 2018-2019 Budget.

Councilor Comments - Councilor Peterson, Schiavo, and Mayor Pro-tem McCarthy commented that the golf course will be looked into this year to come up with new ideas. Councilor Hagglund commented that the golf course brings people in to the community. Mayor Sherby commented that some people have gone to George Young, but he feels that they will come back to Crystal View golf course.

Public Comment - Jon Bendick and Volney Ponchaud asked how much money has been put into the golf course in the last 10 years. Mr. Ponchaud questioned why there is money in the golf course budgeted to pave the roads when there are other roads in town that needs paving.

Mayor Sherby closed the Public Hearing at 4:18 p.m.

Mayor Sherby adjourned this meeting at 4:18 p.m.

PRESIDING OFFICER ___________________________

PRESIDING CLERK ___________________________
A meeting of the Council for the City of Crystal Falls was held in the Council Chambers of the City Hall on Monday, August 13, 2018 at 5:30 P.M. Central Time.

Roll Call: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy and Hagglund.

Absent: None

Also Present: City Manager Reagan and City Clerk/Treasurer Peltoma.

Mayor Sherby led the reciting of the Pledge of Allegiance.

Councilor McCarthy supported by Councilor Hagglund moved to accept the proposed agenda.

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

Nays: None  Absent: None

Motion carried.

Presentations:

- Steve Gagne representing 911 from Iron County presented the new Smart 911 benefits and instructions.
- Volney Ponchaud relayed his concern about the semi-truck drivers coming down main street (Superior Ave.) It is dangerous because of the speed and the noise is disruptive.
- Grant Carlson running for District Court Judge introduced himself for election on the November ballot.
- Jon Bendick complained that a guard rale has not been put up on Power Plant Road by the power plant.

City Manager, Patrick Reagan presented his manager’s report.

Councilor Peterson notified the Council that she had a conversation with City Manager Reagan regarding the $500 3 bid thresholds and that increasing that amount might be beneficial. Mr. Reagan will investigate the communities in the area to see what their thresholds are.

Councilor Schiavo supported by Councilor Peterson moved to approve Resolution 18-64: Approving the renewal of the City of Crystal Falls Agreement with Efficiency United to provide energy waste reduction services for 2019 and 2020 as required per Michigan Public Act 342 of 2016.

Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
CITY OF CRYSTAL FALLS
August 13, 2018
Nays: None Absent: None

Motion carried.
Councilor Peterson supported by Councilor McCarthy moved to approve Resolution 18-65: Approving, authorizing, and directing the Mayor to sign an agreement with Mead and Hunt to provide engineering services for a license amendment to extend the operating license for the City’s hydroelectric dam.
Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
Nays: None Absent: None

Motion carried.
Mayor Sherby supported by Councilor McCarthy moved to approve Resolution 18-66: Approving the millage rates for the City of Crystal Falls, Michigan for the 2018-2019 budget year.
Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
Nays: None Absent: None

Motion carried.
Councilor Hagglund supported by Councilor McCarthy moved to approve Resolution 18-67: Adoption of the City of Crystal Falls Annual Budget for FY 2018-2019.
Ayes: Mayor Sherby, Councilors Schiavo, McCarthy, and Hagglund.
Nays: Councilor Peterson Absent: None

Motion carried.
Mayor Sherby supported by Councilor McCarthy moved to approve Resolution 18-68: Approving the proposed agreement with Waste Management of Michigan to provide residential solid waste and recycling collection services within the City of Crystal Falls.
Ayes: Mayor Sherby, Councilors Peterson, McCarthy, and Hagglund.
Nays: Councilor Schiavo Absent: None

Motion carried.
Councilor Peterson supported by Councilor Schiavo moved to approve Resolution 18-69: Approving the purchase of a 2010 Vactor 2100 Plus Vactor Truck from Macqueen Equipment Group. ($228,195)
Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
Nays: None Absent: None
CITY OF CRYSTAL FALLS

August 13, 2018

Councilor Hagglund supported by Councilor Schiavo moved to approve Resolution 18-65: Approving the City Managers’ attendance at the Michigan Municipal Electric Association’s 2018 Fall Conference in Escanaba, Michigan.

Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
Nays: None Absent: None

Motion carried.

Councilor Peterson supported by Councilor McCarthy moved to approve Resolution 18-71: Approval to support the Iron County Economic Chamber Alliance for three years at a sum of $4,047 annually.

Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
Nays: None Absent: None

Motion carried.

Opened bids received for the 2009 Chevrolet Impalla.

Mayor Sherby supported by Councilor Hagglund moved to approve the selling of the 2009 Chevrolet Impalla for the amount of $2,475 to Patrick R. Bennett. Other bids were David Ponchaud ($1,559) and James Belpedio ($433).

Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
Nays: None Absent: None

Motion carried.

Mayor Sherby supported by Councilor Peterson moved to change the order of the agenda by placing the City’s Managers evaluation after other business.

Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
Nays: None Absent: None

Motion carried.

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

1. The following reports for the month of July 2018:
   A. Regular meeting minutes from July 9, 2018.
B. Special meeting minutes from July 30, 2018.
C. Police report, as submitted by Police Chief Tim Bean, indicating 149 complaints, of which 9 were closed by arrest, 0 parking tickets, and logging of 1,101 miles on patrol duty.
D. Public Works Department activity report as submitted by Foreman Kelly Stankewicz.
E. Electric Department activity report as submitted by Chief Electrician David Graff.
F. Treasurer’s Revenue Report as submitted by Clerk/Treasurer Tara Peltoma.

2. Payrolls and disbursements in the amount of $620,267.94 be approved, and instruct the City Clerk to draw checks on the City Treasury in payment of same.
   Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund
   Nays: None Absent: None
   Motion carried.

Councilor McCarthy supported by Councilor Hagglund moved to temporarily close regular meeting at 6:14 p.m. to go into closed session pursuant to OMA Section 15.268 (a) to discuss the City Manager’s evaluation.
   Ayes: Mayor Sherby, Councilors Peterson, Schiavo, McCarthy, and Hagglund.
   Nays: None Absent: None
   Motion carried.

Regular meeting reconvened at 6:59 p.m.

Mayor Sherby adjourned this meeting at 7:14 p.m.
August 2018
Electrical Department Summary
By Dave Graff

Tasks completed by the electrical department include the following:
1. Distribution system upgrades.
2. Brushing and line clearing.
4. Identified miss dig locates.
5. Power plant inspections.
6. Water samples, water reports
7. Outage restoration/service calls.
8. Routine street light bulb replacements.
10. Installing flags on the streetlight poles on Superior Ave

Infrared study: The electric department in July with the help of Jay Kirby (part of WPPI Energy’s Shared Meter Technician Program) performed an infrared study on the entire high voltage electric system looking for hot spots indicating loose connections or faulty equipment ready to fail. The study indicated a couple of large customers with potential problems, along with the main circuit conductors feeding the city’s entire system out of We energies substation. In August we took an outage on our tie line in order to allow for We energies to repair their problem. While We energies was repairing their line, Crystal Falls took care of upgrading a number of the other issues that were identified by the infrared study. As of today all the items identified in that study has been replaced or repaired, except one which will require a short outage affecting just one customer.

Tie Line Renovations: The electric department is moving forward with placing the Tie Line underground. A tittle and abstract search was completed in order to verify land ownership along the proposed route. In addition a surveyor has been chosen who is verifying property lines and corners. Hopefully next month property easements will be written up and signed by landowners giving us permission to run the underground cable through their property.

Power Plant License Extension: Mead and Hunt has been awarded a contract for $12,100 to file for a license extension for the City of Crystal Fall’s dam with FERC. This is a complicated process in that the request includes a number of other hydroelectric dams on the same river system that would also need to file for a license extension at the same time. Mead and Hunt’s Shawn Puzen is spearheading this effort, not only on Crystal Falls’ behalf but We energies and Norway as well. He is optimistically hopefully that this can be accomplished and has laid out his plan in the attached email. Basically Crystal Falls will take a wait and see approach on what happens with the We energies request for a license extension of the Pine Dam. If successful, then Crystal Falls will basically follow the same format. This approach has already been approved by Mead and Hunt as well as We energies.
**Power Plant Turbine Maintenance:** The electric department went inside the turbine casings and performed annual maintenance on the 3 turbines at the plant. There were no major problems noted. However the #3 Turbine will need to have new pins, bolts, links and bushings installed as soon as the work can be scheduled and accomplished.

**Power Plant Battery Replacement:** The battery bank at the power plant was replaced. This was a complicated process that was completed without taking the power plant off line – as all three turbines were generating at maximum output. The plan was run to perfection without a disruption in power production.

**Power Plant FERC reports:** The annual river float was conducted in August with the MDNR, looking for exotic species, bald eagles nests, and cultural resources. Reports were generated and distributed to FERC and the resource agencies. No major problems were noted and no further action is required.

**Power Plant Control Upgrade:** FDS Engineering was contracted to install a new computer and Wonderware software for the power plant. The existing computer and software was nearly 15 years old with no redundancy plan in place if it failed. As of now the new computer is in place and FDS is working on converting all of Software and data over from the existing computer to the new computers. When completed Crystal Falls will have a redundancy plan where the control and data are all backed up, and can be replicated if the computer system were to crash.
Dear David:

Crystal Falls Hydroelectric Project – Non-Capacity Amendment Application Process Summary
The following is a summary of the process that will be undertaken to apply for an amendment to the license for the Crystal Falls Hydroelectric Project (FERC Project No. 11402) to request a modification of the license expiration date from September 30, 2025 to July 31, 2040.

The application will be in the format of a request for a Non-Capacity Amendment of License Term. The request will be made consistent with Federal Energy Regulatory Commission (Commission) policy. In 1994, the Commission stated that its policy is to “coordinate the expiration dates of the license to the maximum extent possible, to maximize future consideration of cumulative impacts at the same time in contemporaneous proceedings at relicensing. The Commission’s intention is to consider to the extent practicable cumulative impacts at the time of licensing and relicensing, and to eliminate the need to resort to the use of reserved authority.”  

Since that time, on several occasions, the Commission has granted license extensions that realign license expiration dates on a given waterway. The Commission explained that such extensions would allow the Commission, resource agencies, and stakeholders to perform a more comprehensive analysis of the cumulative environmental impacts of the projects and increase the efficiency of the relicensing process for all these projects and increase the efficiency of each relicensing proceeding.

On the Upper Menominee River Basin there are 13 Hydroelectric Projects under license by the Commission. Currently, 9 of the hydroelectric projects have license expiration dates of July 31, 2040. All of the projects are owned and operated by We Energies.

Since early 2018, We Energies has been informally consulting with the Wisconsin Department of Natural Resources (WDNR), the U.S. Fish and Wildlife Service (FWS), the Michigan Department of Natural Resources (MDNR), the National Park Service (NPS), and the Commission on an application for a Non-Capacity Amendment of License Term for the Pine Hydroelectric Project. The Pine Hydroelectric Project currently has a license expiration date of November 30, 2025. All parties have been receptive to the concept and We Energies is involved in a similar effort to extend license expiration dates on the Wisconsin River and is currently in formal consultation.

Through informal consultation with the Commission, We Energies and Mead & Hunt believe the Commission is very receptive to aligning the license expiration dates for the hydroelectric projects on the upper Menominee River Basin,

but believes the best chance for Commission approval of the requests exists if all licensees on the upper Menominee River Basin make a request at the same time and all of the licensees participate by making a request. This involves the filing of requests for the Pine Hydroelectric Project which is owned and operated by We Energies, the Sturgeon Falls Hydroelectric Project which is owned and operated by the City of Norway, the Crystal Falls Hydroelectric Project which is owned and operated by the City of Crystal Falls, and the Little Quinnesec Hydroelectric Project which is owned and operated by Northbrook Energy.

To move this effort forward, Todd Jastremski of We Energies has agreed to champion this joint effort by making initial contacts to both Northbrook Energy and the City of Norway and has retained Mead & Hunt to assist in this effort. Contact has already been made late last week by We Energies with Northbrook Energy and the City of Norway. The City of Norway has already retained Mead & Hunt to assist them in this effort, and Northbrook Energy has not yet responded.

We Energies has also agreed to develop a draft application for a Non-Capacity Amendment of License Term (the request) for modification and use by the City of Crystal Falls, the City of Norway, and Northbrook Energy in this effort. This will significantly reduce the cost incurred by the City of Crystal Falls, the City of Norway and Northbrook Energy to participate in this effort.

The application process does not guarantee Commission approval of the request(s) and the proposed schedule outlined below allows for one year of Commission review and decision-making on the request(s). In the event the Commission does not approve the request(s), there will be adequate time for the City of Crystal Falls to initiate the relicensing process and file the required Notice of Intent to Relicense and the Pre-Application Document as required by September 29, 2020.

The proposed schedule is as follows:
Initial informal contacts to the resource agencies prior to September 30, 2018.
Develop draft Request and send for formal comment to the resource agencies prior to January 1, 2019.
Respond to comments and file the Request with the Commission prior to March 31, 2019.

I look forward to working with you on this project. If you have questions, please feel free to contact me at 920-593-6865.

Sincerely,

MEAD & HUNT, Inc.

Shawn Puzen
Manager FERC Licensing and Compliance

cc: Todd Jastremski, We Energies
Ray Anderson, City of Norway
August 2018 Report

Total Complaints: 137
Total Arrests: 4
Total Parking Tickets Issued: 0
Total Assists Outside City Limits: 4

Total miles logged on Patrol: 1,289
Miles on 2016 Dodge Charger: 1,289
  Current Mileage: 27,190
Miles on 2006 Ford Expedition: 0
  Current Mileage: 114,314

Road Permits Issued: None

Trainings Attended: Tim Bean/Robert Reid-Criminal Interdiction Training
Summary of Complaints:

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<tr>
<th>FILE CLASS</th>
<th>TOTAL</th>
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<tr>
<td>13001- ASSAULT/NON-AGGRAVATED</td>
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</tr>
<tr>
<td>13003- INTIMIDATION/STALKING</td>
<td>1</td>
</tr>
<tr>
<td>22001- BURGLARY/FORCED ENTRY</td>
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</tr>
<tr>
<td>23003- LARCENY-THEFT FROM A BUILDING</td>
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<tr>
<td>23005- LARCENY-THEFT FROM A MOTOR VEHICLE</td>
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<td>23007- LARCENY-OTHER</td>
<td>1</td>
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<tr>
<td>24001- MOTOR VEHICLE THEFT</td>
<td>1</td>
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<tr>
<td>28000- STOLEN PROPERTY</td>
<td>3</td>
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<tr>
<td>29000- PROPERTY DAMAGE</td>
<td>3</td>
</tr>
<tr>
<td>38003- FAMILY OFFENSE</td>
<td>1</td>
</tr>
<tr>
<td>42000- DRUNKENESS</td>
<td>1</td>
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<tr>
<td>50000- OBSTRUCTING JUSTICE</td>
<td>1</td>
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<tr>
<td>55000- HEALTH AND SAFETY</td>
<td>8</td>
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<tr>
<td>70001- JUVENILE COMPLAINT</td>
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<tr>
<td>73000- MISCELLANEOUS CRIMINAL OFFENSE</td>
<td>5</td>
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<tr>
<td>92002- MENTALLY HANDICAPPED</td>
<td>4</td>
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<tr>
<td>93001- TRAFFIC ACCIDENT</td>
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<td>93003- TRAFFIC VIOLATION/COMPLAINT</td>
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<td>93005- TRAFFIC INVESTIGATION</td>
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<td>98003- PROPERTY INSPECTION</td>
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<td>98006-CIVIL DISPUTE</td>
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<td>98007- SUSPICIOUS SITUATION</td>
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<tr>
<td>98008- LOST/FOUND PROPERTY</td>
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<tr>
<td>99001- SUICIDE</td>
<td>1</td>
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<tr>
<td>99008- ASSISTANCE</td>
<td>36</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>137</strong></td>
</tr>
</tbody>
</table>
Traffic Citation/Warning Report

08/03/18   TRAFFIC WARNING   RR   CRYSTAL AVENUE
08/09/18   TRAFFIC WARNING   TB   CRYSTAL AVENUE AND FIFTH STREET
08/09/18   TRAFFIC WARNING   RR   CRYSTAL AVENUE
08/13/18   TRAFFIC WARNING   RR   SUPERIOR AVENUE
08/14/18   TRAFFIC WARNING   RR   SUPERIOR AVENUE
08/15/18   TRAFFIC WARNING   TB   FIFTH AND FOREST AVENUE
08/19/18   TRAFFIC WARNING   RR   SUPERIOR AVENUE BRIDGE/ATV
08/19/18   TRAFFIC WARNING   RR   CRYSTAL AVENUE
08/27/18   TRAFFIC WARNING   RR   SUPERIOR AVENUE
08/31/18   TRAFFIC WARNING/EQUIPMENT   RR   FOREST AVENUE

Ordinance Violations/Warnings

Blight   2
Junk Car  1
Grass     0

Arrest Report

Date     Officer Arrest #   File Class Code
08/14/18   41A-18    93003- EXCESSIVE SPEED
08/22/18   42A-18    28000- RECEIVE/CONCEAL STOLEN PROPERTY
08/22/18   43A-18    28000- RECEIVE/CONCEAL STOLEN PROPERTY
08/22/18   44A-18    50000- ABSCONGING

CHIEF TIM BEAN
ASSISTANCE

SUMMARY:
On the above date and time Officer Robert Reid was requested to assist MSP Trooper Chad Strutz with a warrant service at 510 Pine St in Amasa. Officer's were unable to make contact with the suspect. Reid was out of the city for approximately 40 minutes.

INFORMATION:

VENUE:
IRON COUNTY, HEMATITE TWP
510 PINE ST

DATE & TIME:
MON, AUG 13, 2018 AT 1220

COMPLAINANT:

NAM: PATROL
RAC: ETH:
SEX: OPS:
DOB: SSN:
HGT: SID:
WGT: FBI:
SID: MNU:
HAI: PRN:

STATUS:
Closed
ASSISTANCE

SUMMARY:

On the above date and time Officer Robert Reid was requested to assist ICSO Deputy Mike Tulppo with a possible domestic at the Bewabic State Campground. Other units in the county were out of position to assist. Reid responded and assisted. Reid was out of the city for approximately 30 minutes.

INFORMATION:

VENUE:

IRON COUNTY, CRYSTAL FALLS TWP
720 IDLEWILD RD
AT OR NEAR: BEWABIC CAMPGROUND

DATE & TIME:

SAT, AUG 18, 2018 AT 2122

COMPLAINANT:

NAM: PATROL

RAC: ETH:
SEX: OPS:
DOB: SSN:
HGT: SID:
WGT: FBI:
HAI: MNU:
EYE: PRN:

STATUS:

Closed
General Assistance

SUMMARY:

On the above date and time Officer Robert Reid was requested to assist MSP Trooper Alyson Burch on a traffic stop on S. U.S. 2 near Airport Rd. All other units in the county were out of position. Reid responded and assisted. Reid was out of the city for approximately 25 minutes.

INFORMATION:

VENUE:

IRON COUNTY, CRYSTAL FALLS TWP
S U.S. 2 HWY
AT OR NEAR: AIRPORT RD

DATE & TIME:

THU, AUG 23, 2018 AT 2159

COMPLAINANT:

NAM: PATROL
NBR: 401 DIR:
STR: SUPERIOR SFX: AVENUE
CTY: CRYSTAL FALLS ST: MI
TXH: ZIP: 49920
TXW:

STATUS:

Closed
ASSISTANCE

INFORMATION:

On the above date and time R/O, Tim Bean, was requested to respond to a multiple vehicle personal injury accident on US-2 near Fortune Lake. At the time the 911 call was received the Crystal Falls Police were the closest unit to respond. R/O responded to the accident and provided scene safety and traffic direction. Once assistance was no longer needed R/O returned to the Crystal Falls city limits. Approximate time out of the city was 25 minutes.

VENUE:

IRON COUNTY, CRYSTAL FALLS
W US-2 HWY
AT OR NEAR: FORTUNE LAKE

DATE & TIME:

FRI, AUG 24, 2018 AT 1435

COMPLAINANT:

NAME: IRON COUNTY CENTRAL DISPATCH
POLICE AGENCY

STATUS:

Closed
August 2018
Public Works Department
Kelly Stankewicz

Summary of Work Performed:

**Water**
1. Water turn on/off.
2. Performed water locating for MISDIGG system.
3. Water meter related troubleshooting and service calls.
4. Install new meter transmitters, Flexnet.
5. Repairing curb stops.

**Wastewater**
1. Sewer line locating for MISDIGG system.
2. Sewer lift station inspection and record keeping.
3. Sewer lift station maintenance.
4. Record, process, and report data for Lagoon Compliance Monitoring Reports.
5. Lagoon operations.
6. Proposed projects work

**Street**
1. State maintenance reporting.
2. Brushing/tree removal.
4. Patching potholes on state trunklines.
5. Patching major, local streets and alleys.
6. Street sweeping
7. Street Sign repair
8. Catch basin grate cleaning.
10. Roadside maintenance, vegetation cutting with tractor.

**Other**
1. Maintenance of equipment.
2. Vehicle repairs.
4. Administrative duties.
5. Safety training.
6. Cemetery
7. Golf Course
8. Park Systems
August 2018 Monthly Report for
City Parks and Cemetery

Submitted by: Gerard Valesano

Work completed:

• All students have completed their employment with the City for the summer
• Damaged fishing dock at Runkle Lake Campground has been removed
• Additional barricades have been put in place at river walk
• Campground season winding down. Hosts will be done at the end of this week
A meeting of the Crystal Falls Planning Commission was held on Monday, August 20, 2018 at 5:30 p.m. in the City Council Chambers at City Hall.

Present: Commissioners Reagan, Ahola, Sherby, Robbe, and Ponchaud

Absent: Commissioner Hagglund and Nocerini

Visitors in attendance: None

Commissioner Reagan, supported by Commissioner Sherby, moved to accept the agenda as presented.

Motion carried.

Commissioner Reagan, supported by Commissioner Ahola moved to approve the minutes of the June 18, 2018, Planning Commission meeting with the addition of Commissioner Ponchaud was present.

Motion carried.

Commissioner Reagan presented the first draft of the revised City sign ordinance.

Commissioner Robbe directed City Manager Reagan to look into other swimming pools and hot tub ordinances for next meeting.

Commissioner Ponchaud supported by Commissioner Reagan moved to adjourn the meeting at 5:45 p.m.

Motion carried.

The next meeting of the Planning Commission is scheduled for Monday, September 17, 2018 at 5:30 pm at Crystal Falls City Hall.
Harold Robbe, Chairperson

Patrick Reagan, Secretary
TO: Iron County Board of Commissioners  
FROM: Deb Divoky, Iron County 4-H Program Coordinator  
RE: 4-H Happenings during August 2018

4-H Council and the Iron County Fair

The 4-H leaders, volunteers, youth, and their parents sure did a wonderful job at the 4-H Food Booth this year. Everyone had a great time either, cooking, selling, or cleaning up. When everyone works together, the job gets done quicker and more efficiently. Working the Food Booth is a different experience for our youth than what they are used to. Typically, they order food from either a restaurant or fast food establishment and are the recipients of the food. This experience teaches them that there is certainly lots of work and several responsibilities getting that food order to the stove and then back into the hands of those who ordered the food.

The Iron County Reporter produced a great supplement in last week’s Reporter regarding the Iron County Fair featuring the 4-H program and the Youth Market Livestock Council. I sent the following Letter to the Editor to them:

Thank you to the Iron County Reporter for producing such a fine, interesting, and colorful supplement in the Iron County Reporter dated August 29th, regarding the Iron County Fair and the 4-H program. This supplement was right on target, it captured all the wonderful events at the Fair in both pictures and words. Printing the pictures of all the animals sold at the action with the youth that raised the animals along with the new owners were outstanding. This was a great tribute to the Fair, 4-H, and the Livestock Council, but most of all for all the people who gave of their time, talent, and energy to make this fair a wonderful event for the Iron County community.

Community Garden

I am pleased to announce that the Community Garden received a $5000.00 + donation from the 100 + Women Who Care – Iron County. Community Garden leader, Chandra Ziegler, was chosen to speak before this group telling them the purpose of the garden and the need for funding. Fortunately, all the women present agreed with Chandra and decided to support the efforts of the Green Thumb Community Garden. This donation will help provide the necessary supplies needed for the garden. Everyone in Iron County is invited to plant vegetables or flowers in a garden bed—young or old. The children
from Forest Park are learning about plants in their classrooms and then have an opportunity to plant their seeds or plants in the garden beds. This is a wonderful activity for them by expanding their classroom experience into the real world. If anyone is interested in using a 4 X 8 garden plot, please contact me and I will pass the information onto Chandra.

**West Iron County and Forest Park Open Houses**

I am pleased to tell you that I was invited to attend the Open House at both school districts this year. On Monday, August 20, Aubrey Locke, a member of the Community Kids 4-H Club accompanied me to the WIC Open House. Aubrey is a sophomore at WIC but truly loves to get involved in community activities so together we talked with children and parents about the different opportunities that are offered in 4-H. Truly, Aubrey was the star because everyone seemed to flock to her because she was a participating youth rather than me, an adult. We passed out informational flyers and offered packages of cookies and candy bars to both children and parents. Hopefully, we will get more children in Iron County involved with 4-H.

Since Aubrey had such a great time, she came with me to help out at the Forest Park Open House which was Wednesday, August 22. Also, helping us at the event were Tatum Clark, Ella Anderson, and Savanna Hunter; these girls are all in the Shooting Sports 4-H Club. Aubrey showed the girls what to do and they truly took over the event. Again, the responses were great because of they were all participating youth.

Thank you to both School Districts for allowing Iron County 4-H to participate in this important school event.

**A Different Kind of Fundraiser**

Even though this event happened in September, I am real excited to let you know about “a different kind of fundraiser” that involved the Iron County 4-H program. Again, I sent the following Letter to the Editor, which explains what just happen Labor Day Weekend:

**THANK YOU, THANK YOU, THANK YOU to the ALPHA MICHIGAN BREWING COMPANY for making the Iron County 4-H program a recipient of the proceeds from their Pig Roast this past weekend. Typically, organizations plan and produce their own fundraisers to raise money for their organization. The Alpha Michigan Brewing Company put a new twist onto the word fundraising. THEIR idea of fundraising was to roast the pig they purchased at the Iron County Fair and give the proceeds to the Iron County 4-H program and the Iron County Youth Market Livestock Council. The Alpha Michigan Brewing Company is certainly following their motto of “brewing for a purpose.”**

Again, thank you to the Alpha Michigan Brewing Company for your generous donation to the Iron County 4-H program and to all of the people who participated in this great event. Your donation will be used to help pay for the 4-H registration fee that is charged to each youth who joins the 4-H program. Your donation was beyond believable—with your donation you are assisting all youth within Iron County the opportunity to join the 4-H program and become a part of a positive youth development program which will certainly enrich their lives.
What more can I say. This is something that I NEVER experienced before in all of my years of working with 501C3 organizations.

**Bumper Stickers**

Since the 4-H National organization raised the registration fee last year to $20.00 per youth or for a family of 3 or more $60.00, it has been my personal and professional goal to help our youth have the opportunity to participate in 4-H regardless if they can afford the registration costs. Last year I was able to raise $140.00 through donations which paid for 7 youth to participate in our program. This year, I decided to use my office budget to purchase bumper stickers that say, “I support Iron County 4-H.” These bumper stickers are available in the 4-H office and in your clerk’s office. Any donation amount is great! So stop by either office and get a bumper sticker to show you support the Iron County 4-H program. Thank you.
Mr. David Sherby  
Mayor - City of Crystal Falls  
609 Crystal Avenue  
Crystal Falls, MI 49920  

August 3, 2018

Dear Mayor Sherby:

Every year my family and I travel through the Upper Peninsula of Michigan as we travel from Lethbridge, Alberta, Canada on our way back to where I grew up near the north shore of Lake Erie in southern Ontario. Our typical route takes us along Route 2 but we typically take M28 from Wakefield through to Marquette and east to I-75. This year our normal route was disrupted due to the damage caused by the severe weather in late June. Our detour kept us on Route 2 which took us through your City for our first time. It is said that things happen for a reason and this detour was no exception.

I am writing this letter to commend you and your Council, the citizens of Crystal Falls and all of the City employees that do their part to keep your City awesome!

My family and I were extremely impressed with how picturesque and clean the City is and the handful of people we met were extremely friendly. We also took the opportunity to stop at the Paint River boardwalk so our kids, ages 9 and 11, could burn off some energy after many hours of travel. We were all absolutely blown away with how clean the park was. The gardening was incredible. The boardwalk was easily navigable and was not covered in graffiti, nor had there been damage to anything in the park from mischief. I was impressed to see that park users had actually used the garbage cans. As an avid fisherman I was also glad to see this because in doing so it prevented litter from potentially blowing into the river.

As a public servant myself I know our work is all too often not appreciated or acknowledged. I want to commend your local law enforcement, public works & parks staff, social services, community service clubs, schools, sports teams, parents and anybody else that is doing their part to help keep the City clean and beautiful. I know that without that type of full collaboration it is all too common for people to engage in destructive activities. This is clearly not the case in your City. Whatever your recipe is in Crystal Falls – keep using it! You all deserve to give yourself a pat on the back and this public servant salutes you all.

You have a beautiful City. You and Council, all City employees and all citizens of Crystal Falls should be extremely proud of it.

Take Care & Be Safe,

Robert A. Davis  
Chief of Police
Board Meeting Minutes
July 23, 2018

Present: Susie Simeoni, Staria Syrjanen, Helen Barnett, Gail Bauwens, Joan Mussatto, Deb Grabowski
Absent: Sue Schwedler (Excused), Deb Divoky (Not Excused)

The Meeting was called to order at 12:30 by Susie Simeoni.

Additions/Corrections to Agenda: NARCON assistance from staff.

Public Comments – Laura Burror – No Show

Motion made by Gail Bauwens to approve the June 25, 2018 minutes. Seconded by Helen Barnett.
   Approved: Yes – All                     No – None

Motion made by Gail Bauwens to approve the June, 2018 Financial Report. Seconded by Deb Grabowski.
   Approved: Yes – All                     No – None

Discussions: Renewal of CD from Credit Union. Motion made by Deb Grabowski. Seconded by Joan Mussatto.
   Approved: Yes – All                     No – None

Directors report: Wait on Webinar Database purchase, maybe Lorraine can give a presentation on this
   in the future to update everyone on this.

Old Business: Discussed NARCON assistance for opioid use.

New Business: SLC meeting reported by Deb Grabowski. Shawn did get $72,600.00 and is $51,680.00
   owed to MERS Account. This is a payment toward MERS Account.

Next meeting will be on August 27, 2018 at 12:30
Meeting Adjourned at 12:55
## CRYSTAL FALLS DISTRICT COMMUNITY LIBRARY

**FINANCIAL REPORT**

**FOR PERIOD ENDED JULY 31, 2018**

### REVENUES

<table>
<thead>
<tr>
<th>MONTH</th>
<th>YEAR TO DATE</th>
<th>ANNUAL BUDGET</th>
<th>% BUDGET EARNED/SPENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-4041</td>
<td>Property taxes</td>
<td>0.00</td>
<td>121,459.30</td>
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<tr>
<td>1-4041-1</td>
<td>Other taxes</td>
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<td>8,258.38</td>
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<tr>
<td>1-4042</td>
<td>Penal fines</td>
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<td>15,103.86</td>
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<td>1-4043</td>
<td>Interest</td>
<td>233.93</td>
<td>2,239.66</td>
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<tr>
<td>1-4044</td>
<td>Sales</td>
<td>395.90</td>
<td>485.00</td>
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<tr>
<td>1-4045</td>
<td>Staff sales</td>
<td>0.00</td>
<td>1.25</td>
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<tr>
<td>1-4046</td>
<td>Non-resident fees</td>
<td>128.00</td>
<td>830.00</td>
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<tr>
<td>1-4047</td>
<td>Donations</td>
<td>475.45</td>
<td>1,114.50</td>
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<tr>
<td>1-4048</td>
<td>State aid</td>
<td>0.00</td>
<td>1,256.82</td>
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<tr>
<td>1-4049</td>
<td>DVD income</td>
<td>209.50</td>
<td>1,190.40</td>
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<tr>
<td>1-4041</td>
<td>Late book fines</td>
<td>145.50</td>
<td>898.70</td>
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<tr>
<td>1-4042</td>
<td>ILL services</td>
<td>12.00</td>
<td>78.00</td>
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<tr>
<td>1-4043</td>
<td>ACFA copies</td>
<td>0.00</td>
<td>240.00</td>
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<td>1-4045</td>
<td>Library copies</td>
<td>202.70</td>
<td>1,216.80</td>
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<tr>
<td>1-4046</td>
<td>Fax Income</td>
<td>81.00</td>
<td>521.50</td>
</tr>
<tr>
<td>1-4080</td>
<td>Damaged material revenues</td>
<td>0.00</td>
<td>77.95</td>
</tr>
</tbody>
</table>

**TOTAL REVENUE** | **16,509.14** | **154,972.12** | **164,780.00** | **94.05%** |

### EXPENDITURES

<table>
<thead>
<tr>
<th>MONTH</th>
<th>YEAR TO DATE</th>
<th>ANNUAL BUDGET</th>
<th>% BUDGET EARNED/SPENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5060</td>
<td>Salary - Librarian</td>
<td>2,035.02</td>
<td>15,083.73</td>
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<tr>
<td>1-5062</td>
<td>Salaries - staff</td>
<td>5,029.05</td>
<td>37,793.64</td>
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<td>1-5062P</td>
<td>Contracted service - programs</td>
<td>200.00</td>
<td>795.00</td>
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<tr>
<td>1-5061</td>
<td>FICA</td>
<td>689.83</td>
<td>3,560.45</td>
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<tr>
<td>1-5061P</td>
<td>FICA - programs</td>
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<td>0.00</td>
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<td>1-5070</td>
<td>Memberships</td>
<td>125.00</td>
<td>1,331.24</td>
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<td>1-5070</td>
<td>Postage</td>
<td>22.59</td>
<td>362.60</td>
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<tr>
<td>1-5070</td>
<td>Telephone</td>
<td>79.89</td>
<td>536.77</td>
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<tr>
<td>1-5070</td>
<td>Utilities</td>
<td>682.20</td>
<td>4,700.14</td>
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<td>1-5070</td>
<td>Internet</td>
<td>0.00</td>
<td>1,184.39</td>
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<tr>
<td>1-5072</td>
<td>Computer supplies</td>
<td>0.00</td>
<td>640.27</td>
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<tr>
<td>1-5077</td>
<td>Supplies</td>
<td>0.00</td>
<td>768.11</td>
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<td>1-5073</td>
<td>Computerized card system</td>
<td>646.78</td>
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<td>1-5074</td>
<td>Books</td>
<td>502.75</td>
<td>6,233.66</td>
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<td>1-5074</td>
<td>Book collection supplies</td>
<td>42.40</td>
<td>862.45</td>
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<tr>
<td>1-5072</td>
<td>Reference books</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>1-5074</td>
<td>Large print books</td>
<td>606.97</td>
<td>1,791.75</td>
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<tr>
<td>1-5075</td>
<td>Magazines</td>
<td>19.97</td>
<td>618.23</td>
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<tr>
<td>1-5076</td>
<td>Newspapers</td>
<td>12.00</td>
<td>27.00</td>
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<tr>
<td>1-5075</td>
<td>Compact disc - music</td>
<td>0.00</td>
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<td>1-5075</td>
<td>Compact disc - books</td>
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<td>1-5075</td>
<td>Downloadable books</td>
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<td>1-5080</td>
<td>Damaged materials expense</td>
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<tr>
<td>1-5080</td>
<td>Professional fees - bookkeeping</td>
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<td>1-5080</td>
<td>Professional fees - other</td>
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<tr>
<td>1-5080</td>
<td>Seminar/expenses</td>
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<td>100.00</td>
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<tr>
<td>1-5090</td>
<td>Insurance</td>
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<td>1-5090</td>
<td>Repairs and maint - equipment</td>
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<td>1-5091</td>
<td>Repairs and maint - bldg &amp; grounds</td>
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<td>1-5092</td>
<td>Bldg improvements/small equipment</td>
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<td>1-5090</td>
<td>Library programs</td>
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<td>Library publicity</td>
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<tr>
<td>1-5095</td>
<td>Miscellaneous</td>
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<tr>
<td>1-5078</td>
<td>Capital outlay</td>
<td>0.00</td>
<td>1,766.67</td>
</tr>
</tbody>
</table>

**TOTAL EXPENDITURES** | **11,849.04** | **96,225.59** | **178,147.00** | **54.01%** |

**REVENUES IN EXCESS OF EXPENDITURES** | **4,660.10** | **58,746.53** | **(13,367.00)** |
RESIDENTIAL GARBAGE COLLECTION

In August, the City Council approved entering into a contract with Waste Management for residential waste hauling services for the city. Service is scheduled to begin on December 3, 2018. Customers will have the choice between cart service and bag service. Those choosing to have a cart will need to sign up for this service at City Hall. Trash carts will cost $12.25 per month and include weekly pickup. Those choosing bag service will be able to purchase bags, as needed, at either city hall or at select local stores. The cost of bags will be $2.35 for a 20 gallon bag or $3.35 for a 30 gallon bag. Waste Management will also be offering weekly curbside recycling -- utilizing a residential, wheeled recycling cart -- for $2.50 per month. Customers that would like to have a recycling cart will need to stop into city hall to sign up for this service. It should be noted that, though residents must dispose of their garbage per the city ordinance, it is not mandatory for customers to sign up for a cart, which is why the bag option is offered.

Along with Waste Management, the city will be hosting two community meetings to allow residents to ask questions and to see what the carts and bags will look like. The first meeting will be held on Wednesday, October 17, 2018 from 5:00 – 7:00 pm in the auditorium (second floor) of Crystal Falls City Hall. The second meeting will be held on Wednesday, November 7, 2018 from 5:00 – 7:00 pm, also in the auditorium at City Hall.

Goody Bag News
A drawing for the “Goody Bag” is held each month. All customers who have paid their utility bill on time are eligible to win. The reusable bag is full of energy saving goodies worth nearly $50 and we throw in some fun stuff too!

Just another energy saving promotion brought to you by the City of Crystal Falls, and WPPI Energy.

Michele Minier is last month’s winner!

Goody Bag News
A drawing for the “Goody Bag” is held each month. All customers who have paid their utility bill on time are eligible to win. The reusable bag is full of energy saving goodies worth nearly $50 and we throw in some fun stuff too!

Summer taxes are due without interest on Friday, September 14th at 3 p.m. No exceptions! After that time, interest will occur of 1% for every month not paid. The City of Crystal Falls accepts partial payments and credit cards.

Glenn Koons is this month’s winner!
The last day to register to vote for the General Election on November 6th is October 8th.

Just a reminder that City Ordinance states that “ORV’S shall utilize the outermost five-(5) feet of the alley or street, and shall travel in single file, with the flow of traffic.” Please also remember that per City Ordinance, children “between the ages of twelve and sixteen shall not operate an ORV on any street or alley in the City unless the child is under the direct visual supervision of an adult and the child has in his or her immediate possession a Michigan issued ORV safety certificate…” Finally, please note that ORV’S “shall operate in a manner that does not interfere with traffic on a road or street.” For more information, please contact the Chief of Police, Tim Bean, at (906) 875-3012 or City Manager Patrick Reagan at (906) 875-3212 ext. 101.

SCHOOL IS BACK IN SESSION!

Watch out for the kids crossing the streets on their way to and from school and always stop for the school bus when lights are flashing!

REMINDER: DON’T FORGET TO REMOVE YOUR ARTIFICIAL FLOWERS

To allow for the annual fall clean up at Evergreen Memorial Cemetery, all artificial flowers must be removed by SEPTEMBER 15th. Flowers that remain after this date will be disposed of by the work crews.

Calendar
Sep 3: LABOR DAY– City Hall Closed
Sep 10: City Council Meets at 5:30 pm
Sep 13: Recycle Day 7 am—11 am
Sep 14: Last day to pay summer taxes without penalty @ 3 P.M
Sept 17: Planning Commission 5:30 pm
Sep 22: Autumn begins
Oct 8: City Council Meets at 5:30 pm
Oct 11: Recycle Day 7 am - 11 am (LAST DAY WILL BE NOV 8TH)
Oct 15: Planning Commission 5:30 pm
Oct 17: Residential Garbage Collection Meeting 5-7 pm in auditorium

Cemetery crews use grave sand and stock piled clay to form a rich mixture of topsoil used for various projects throughout the city.