

CITY OF CRYSTAL FALLS

February 9, 2015

A meeting of the Council for the City of Crystal Falls was held in the Council Chambers of the City Hall on Monday, February 9, 2015 at 5:30 P.M. Central Time.

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

Absent: None

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

Mayor Sommers led the reciting of the Pledge of Allegiance.

Visitors: None

Mayor Sommers reported the happenings of the DDA meeting held earlier in the day.

Councilor Sherby supported by Councilor Schiavo moved to conduct a Public Hearing for the DNR Grant Application for Runkle Lake Park at the next regular Council meeting on March 9, 2015.

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

Nays: None Absent: None Motion carried.

Councilor Sherby supported by Councilor Schiavo moved to authorize the cable TV committee to adjust cable TV rates for Basic cable up to \$7.50 and HBO up to \$1.00 effective with the billing sent to customers the first week of March.

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

Nays: None Absent: None Motion carried.

Councilor Schiavo supported by Councilor McCarthy moved to approve a full page ad in the amount of \$200 in the UP Firefighters Tournament Program Book and putting "2 for 1" coupons for the Golf

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Course and Runkle Lake Park in the goody bag that is distributed to the fire fighters. (Golf Course - One free round of golf with one paid round; Runkle Lake Park - one free night with one paid night of camping)

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

Nays: None Absent: None Motion carried.

Councilor Hagglund supported by Councilor Schiavo moved to approve the lease of vacant land east of Lots 9-16, J.B. Schwartz addition to City, to John Kruger in the amount of \$1 per year, dated January 5, 2015.

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

Nays: None Absent: None Motion carried.

Councilor Sherby supported by Councilor Schiavo moved to approve the following resolution:

RESOLUTION

WHEREAS, the City of Crystal Falls Golf Fund has a \$22,377 unrestricted deficit at fiscal year-end September 30, 2014 and,

WHEREAS, The Glenn Steil State Revenue Sharing Act of 1971, Public Act 140 of 1971, Section 21(2) states that unit of local government that end their fiscal year in a deficit condition shall formulate a deficit elimination plan and file said plan with the Michigan Department of Treasury;

WHEREAS, It is evident, based on the audited financial statements of the City of Crystal Falls, that the Golf Fund cannot sustain itself as an Enterprise Fund;

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Crystal Falls took action at a regular City Council meeting held on Monday, January 12, 2015, to re-classify the Golf Fund as a Special Revenue Fund, retroactive to the beginning of the current fiscal year (October 1, 2014), removing the fund from the status of an Enterprise Fund, with the golf course operation to be funded by revenues realized from user fees, rents, and an annual subsidy (as needed), from the General Fund.

BE IT FURTHER RESOLVED that the City of Crystal Falls City Manager submits this Golf Course Deficit Elimination Plan to the Michigan Department of Treasury for certification.

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

Nays: None Absent: None Resolution adopted.

Councilor McCarthy supported by Councilor Sherby moved to approve the Golf Fund budget amendments.

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

Nays: None Absent: None Motion carried.

Councilor McCarthy supported by Councilor Hagglund moved to approve and submit a corrective action plan to the state of MI for the comments and recommendations made by the auditor.

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

Nays: None Absent: None Motion carried.

Manager Olson will look into the annexation and selling process of some City owned lands.

Councilor Schiavo supported by Councilor Hagglund moved to approve the following Crystal Theatre Board appointments:

| Name | Office | Email | Phone | Term expiration |
|---------------------|-----------------------|--|--------------|-----------------|
| Wilma Kallies | President | crystalresort@yahoo.com | 906-875-3195 | 12/31/2015 |
| Charles Sandstrom | Member | cns@uplogon.com | 906-875-6768 | 12/31/2015 |
| George Peterson | Vice President | G2peterson@gmail.com | 906-284-3585 | 12/31/2015 |
| Betty Soderberg | Member | soderberg@uplogon.com | 906-875-3403 | 12/31/2016 |
| Michelle Graves | Treasurer | MIgseashell49935@yahoo.com | 906-284-3405 | 12/31/2016 |
| Paul Dalpra | Member | pmdalpra@uplogon.com | 906-875-0237 | 12/31/2016 |
| Maxine Henry | Secretary | mahenry@fast-air.net | 906-875-6692 | 12/31/2017 |
| Pat Milliron | Member | pgm@live.com | 906-396-6321 | 12/31/2017 |
| Nancy Hay | Member | nancy@wilddriversrealty.com | 906-396-7566 | 12/31/2017 |
| Gloria Frederickson | Ex-officio | dfreder16@gmail.com | 906-875-6219 | No term limit |
| Dave Wickerham | Organist In Residence | | | No term limit |
| David Sherby | Council Liaison | sherwoodsign@sbcglobal.net | 906-367-2272 | Council term |

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

Nays: None Absent: None Motion carried.

Councilor Sherby gave a commendation to Dave Graff for a well done report regarding the surrounding area electrical rates.

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

1. The following reports for the month of January 2015:
 - A. Police report, as submitted by Police Chief Tim Bean, indicating 88 complaints, of which 1 was closed by arrest, 5 parking tickets, and logging of 1,664 miles on patrol duty.
 - B. Public Works Department activity report as submitted by Foreman Kelly Stankewicz.
 - C. Electric Department activity report as submitted by Chief Electrician David Graff.
 - D. Treasurer's Revenue Report as submitted by Clerk/Treasurer Tara Peltoma.
 - E. Minutes of Regular Meeting January 12, 2015.
2. Payrolls and disbursements in the amount of \$599,978.40 be approved, and instruct the City Clerk to draw checks on the City Treasury in payment of same.

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

Nays: None Absent: None

Motion carried.

Mayor Sommers adjourned this meeting at 6:16 p.m.

PRESIDING OFFICER _____

PRESIDING CLERK _____