

A meeting of the Council for the City of Crystal Falls was held in the Council Chambers of the City Hall on Monday, December 8, 2014 at 5:30 P.M. Central Time.

Roll Call: Mayor Sommers, Councilors Sherby and Hagglund.

Absent: Councilor Schiavo

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

Mayor Sommers led the reciting of the Pledge of Allegiance.

Mayor Sommers temporarily adjourned regular meeting to conduct a Public Hearing regarding the DNR Grant Applications for Runkle Lake Park & Paint River Walk at 5:30 pm.

City Manager Olson showed a power point presentation explaining what the plans are if the grant application is accepted for Runkle Lake Park.

Jeff Sjoquist representing Coleman Engineering discussed the process and chances in applying for the Land and Water conservation Grant for Runkle Lake Park. Mr. Sjoquist emphasized that efforts should be focused on either Runkle Lake Park or the Boardwalk.

City Manager Olson showed a power point presentation explaining what the plans are if the grant application is accepted for the Boardwalk.

Public Comment: Herb Harroun commented that the governor's trail might go through near Runkle Lake.

City Manager commented that the Park brings in revenue from the campers, where the Boardwalk would not bring in revenue except for bringing in new people to the area.

Councilor Sherby commented that a lot of boardwalks are not used. The view of the river is an asset.

City Manager Olson commented that the Boardwalk can be used year round. She also commented that we should pick one project.

Dennis Brozak commented that the Boardwalk trail would be a good destination for the Veteran's park.

Mayor Sommers agrees that both projects are worthwhile.

Attorney Lawrence commented that we should contact Mr. Casanova regarding deeding the property to the north of the current boardwalk.

Councilor Sherby asked if the same matching funds are applied to both grants. He also questioned the \$300 per lineal foot and if rails will be also installed.

Councilor Hagglund asked about the ADA requirements.

Dennis Brozak ask what is the minimum width for a boardwalk and if there is enough room. (6 foot)

Mayor Sommers discussed that volunteering from the citizens is a huge asset and we do not have the money set aside right now for the "in kind services" and matching funds.

Herb Harroun asked about the land accquisition grant.

Dave Grondin thanked the council for their support.

City Manager Olson thanked the Grondin's for all their efforts.

Mr. Sjoquist also discussed breaking up the projects to focus on just one would increase chances of getting a grant.

The decision regarding what project to do if any will be postponed until the January meeting.

Closed Public Hearing at 6:55 p.m.

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

3 candidates for the Council position were considered. Herb Harroun and Mike McCarthy each spoke on how they feel they would be the best candidate for the City Council. Angelo Diqui was not at the meeting.

Councilor Hagglund supported by Councilor Dave Sherby moved to appoint the vacant Councilor positon to Mike McCarthy (A 2 year term that would come for re-election in November of 2016).

Ayes: Mayor Sommers, Councilors Sherby and Hagglund.

Nays: None Absent: Councilor Schiavo

Motion carried.

Clerk/Treasurer Peltoma administered the Oath of Office to Mr. McCarthy.

Councilor McCarthy signed a "Conflict of Interest Declaration" declaring his conflicts as: "Any business with the Home Depot".

Councilor Sherby seconded by Councilor McCarthy moved to set the signatures of depository for City funds to be Tara L. Peltoma (Clerk/Treasurer), Dorothea Olson (Manager), and Tammy Hendrickson (Billing Clerk).

Ayes: All

Nays: None Absent: Councilor Schiavo

Motion carried.

Mayor Sommers presented the Council appointments to committees and boards as:

**CITY OF CRYSTAL FALLS
AUDIT COMMITTEE ASSIGNMENTS**

YEAR 2015

1ST QTR Jeff Hagglund
Patrick Sommers

2ND QTR Adam Schiavo
David Sherby

3RD QTR Mike McCarthy
Patrick Sommers

4TH QTR Jeff Hagglund
David Sherby

YEAR 2016

1ST QTR Adam Schiavo
Mike McCarthy

2ND QTR Jeff Hagglund
Patrick Sommers

3RD QTR Mike McCarthy
David Sherby

4TH QTR Jeff Hagglund
Adam Schiavo

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**COUNCIL ASSIGNMENTS
NOVEMBER 2014 - NOVEMBER 2016**

Councilor Mike McCarthy:

- Member - Employee Negotiations
- Liaison - Crystal Falls District Comm. Library Board
Parks and Recreation Committee
Downtown Development Authority

Councilor Adam Schiavo:

- Member - Employee Negotiations
Golf Course Advisory Committee
- Liaison - Ski Hill Board
Crystal Theater Board (Sub Liaison)
Harbour House Museum Board

Councilor David Sherby:

- Member - Employee Negotiations
- Liaison - Crystal Theater Board
Crystal Falls Business Association
Electric Committee
CATV System Committee

Councilor Jeff Hagglund:

- Member - Employee Negotiations
Planning Commission
Industrial Park Committee
CATV System Committee
Electric Committee
Golf Advisory Committee

Mayor Patrick Sommers:

- Member - Parks & Recreation Committee
Golf Advisory Committee
Employee Negotiation
Downtown Development Authority
Planning Commission

There are no applicants for City represented Library Board

position.

Councilor Sherby seconded by Mayor Sommers moved to accept sales contract for the Malkin Property from John Kruger pending the buyer's approval of the reversion clause. (Property will revert back to the City should Mr. Krueger fail to use the property as proposed in his business plan within 2 years and if at any time the property becomes listed on the State Tax Foreclosure it shall be reverted back to the City)

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

Nays: None Absent: Councilor Schiavo

Motion carried.

The safety audit for the Ski Hill Road Intersection will be postponed until next month.

Electric rate increase will be postponed until next month.

Mayor Sommers commented that the auditorium repairs/painting should be moved to a building and grounds committee.

Councilor Sherby supported by Councilor Hagglund moved to adopt the following:

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, 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 authorization.
- C. All purchases that require a check drawn for over \$500 on City funds shall be accompanied by 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. Employees/designated persons are authorized to make purchases of goods and services up to \$500 with the City Manager verbal approval.
- F. The City Manager is authorized in the course of his/her duties to make expenditures within the bounds established by the line items of the City budget.
- G. 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.
- H. The City Manager may impose a spending freeze on all discretionary purchasing if it is in the best interest of the City.

III. Fiscal Policies

- A. All purchases must have an accompanying receipt or invoice prior to issuing a check.
- B. All Purchases above \$500 must have an accompanying detailed receipt or invoice prior to issuing a check.
- C. Competitive quotes will be secured when feasible.
- D. All checks issued by the City shall have two authorized signatures recorded on its front surface before the check is valid.
- E. It is the intent of the City to engage in the settlement of accounts payable on Friday of each week.

IV. Bid Procedure

- A. A notice inviting bids shall be published in local publications at least ten days preceding the date set for receipt of the bid.
- B. 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.
- C. Bids shall be sealed and identified as a bid on the envelope and submitted to the City Clerk.
- D. Late bids, at the City's discretion, may be returned unopened to the bidder.
- E. Purchases of supplies, equipment, and contractual services 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, upon recommendation of the City Manager, may authorize the execution of a purchase without competitive bidding.
- F. All bid openings are conducted by the City Manager at the regular Council meeting unless otherwise specified in the public announcement.

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 prepared 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 co-operative 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. 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.

X. Conflict of Interest – Councilpersons

- A. The City of Crystal Falls can enter into a contract with a vendor which a councilperson has a conflict of interest as defined in IX above. In entering into a contract with this vendor the councilperson 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.

Motion carried.

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

RESOLUTION TO ESTABLISH A CREDIT CARD USE POLICY IN ACCORDANCE WITH P.A. 266 OF 1995

WHEREAS the City of Crystal Falls wishes to use credit card for the purchase of goods and services for the official business of the City and
 WHEREAS in accordance with Public Act 266 of 1995 the City is required to adopt a Credit Card Use policy,
 THEREFORE let it be resolved that the City of Crystal Falls hereby adopts the attached Credit Card Use policy.

Resolution adopted.

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

RESOLUTION ESTABLISHING A RECEIVING BOARD FOR ELECTIONS HELD IN THE CITY OF CRYSTAL FALLS

WHEREAS, the City Clerk is responsible for conduction elections in the City of Crystal Falls; and
 WHEREAS, MCL 168.679(a) provides the Election Commission of a city, township, or village shall, by resolution, provide that at an election at which the ballots are counted and certified at the precinct, 1 or more additional boards of election inspectors be appointed to serve as Receiving Boards; and
 WHEREAS, the City of Crystal Falls Receiving Board is responsible for the duties as outline in Section 168.679(a) of the Michigan Election Law (Article 116 of 1954); and
 WHEREAS, the board of election commissioners shall appoint two or more election inspectors, with an equal number from each major political party to the Receiving Board prior to each election;
 NOW THREFORE, BE IT RESOLVED:

The Election Commission authorized the establishment of a Receiving Board and the appointment of two or more election inspectors, with an equal number from each major political party, for all future elections.

Resolution adopted.

Councilor Sherby supported by Councilor McCarthy moved to increase the Election Inspector wage to \$11/hr. and the Election Chairperson wage to \$12/hr. effective January 1, 2014.

Ayes: Mayor Sommers, Councilors Sherby, McCarthy, and Hagglund
 Nays: None Absent: Councilor Schiavo

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Motion carried.

Councilor Sherby seconded by Councilor Hagglund adopted the following resolutions of Recognition of Service:

**CITY OF CRYSTAL FALLS
RESOLUTION**

WHEREAS, the Council for the City of Crystal Falls is desirous of extending congratulations and a thanks to employees who have spent their working years as public servants with the City of Crystal Falls, and

WHEREAS, Robert "Bob" Sherwin, first beginning hired as a patrolman with the Crystal Falls Police Department in 1981, serving his community as a volunteer fireman, and then through his promotion to Chief of Police in 2006, has done just that, and

WHEREAS, Bob has given 33 years of his life as a public servant in the City of Crystal Falls as of his retirement on November 1, 2014,

NOW THEREFORE BE IT RESOLVED, that the Council for the City of Crystal Falls hereby recognizes Bob for his dedication and wholeheartedly congratulates and thanks him for his years of service during which he was truly a shining example of the City's slogan "City of Community Pride".

RESOLUTION

WHEREAS, Janet Hendrickson has served the citizenry of the City of Crystal Falls on the City Council, first as a Councilor in 1998, then as the City's first female Mayor beginning in 2004 and for the next two full terms until November 2014, for a total of sixteen years, and

WHEREAS, her dedication to the people while serving as Council representative on the Crystal Falls Fire Authority, the Planning Commission, the Downtown Development Authority, the Golf Advisory Committee, the Dickinson-Iron Community Services Agency Governing Board, the Employee Negotiations Committee, the Crystal Falls District Community Library Board, Harbour House Museum, Parks and Recreation Committee, the Upper Peninsula Community Services, and her commitment to various other projects that have further improved the way of life in the Crystal Falls community,

NOW THEREFORE BE IT RESOLVED that the Council for the City of Crystal Falls hereby expresses its thanks to Janet for giving of her personal time and energy for the betterment of the City of Crystal Falls while serving as a fellow City Councilor and Mayor, always an active ambassador for her City, a truly shining example of the City's slogan "City of Community Pride".

RESOLUTION

WHEREAS, Jack Bicigo has served the citizenry of the City of Crystal Falls as a Councilor for two terms, a total of eight years, and

WHEREAS, his dedication to the people while serving as Council representative on the Crystal Falls Planning Commission, the Industrial Park Committee, the Cable TV Committee, the Electric Committee, the Employee Negotiations Committee, and his commitment to various other projects that have further improved the way of life in the Crystal Falls community,

NOW THEREFORE BE IT RESOLVED that the Council for the City of Crystal Falls hereby expresses its thanks to Jack for giving of his personal time and energy for the betterment of the City of Crystal Falls while serving as a fellow City Councilor, a truly shining example of the City's slogan "City of Community Pride".

Resolutions adopted.

Councilor Hagglund supported by Councilor Sherby moved to re-appoint Helen Barnett to the Library Board as a representative of the City, for a 4 year term to expire December 2018.

Motion carried.

Councilor Sherby supported by Councilor Hagglund moved to approve the 15 year accelerated contribution to MERS to pay down the underfunded liability. Understanding that this will be revisited at budget time. (Increase would be about \$6,694/month)

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

Nays: None Absent: Councilor Schiavo

Motion carried.

Councilor Hagglund supported by Councilor Sherby moved to approve the quote from Utility Sales & Service in the amount of \$12,679 for a utility body for the new electric department foreman's truck.

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

Nays: None Absent: Councilor Schiavo

Motion carried.

Councilor Hagglund supported by Councilor McCarthy moved to approve the following requests from the Fireman's Tournament Committee:

1. To use the ball field at Runkle Lake on Tuesday, July 21st-Monday, July 27th.
2. To use part of the golf course to set off fireworks display if funds are available.
3. To request that during the time of the tournaments the noise ordinance be relaxed and that the parking ordinance for overnight parking on the main street be relaxed.
4. To close the streets along the parade route for all three parades.
5. To close the streets for the races and the street dance.

Closure of streets would be from Noon on Thursday, July 23rd to about 6 pm on Friday, July 24th.

Motion carried.

Cable TV rates will be postponed until the January meeting.

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

1. The following reports for the month of November 2014:
 - A. Police report, as submitted by Police Chief Tim Bean, indicating 90 complaints, of which 1 was closed by arrest, 1 parking ticket, and logging of 1,639 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 November 10, 2014 and Special meeting of November 13, 2014.

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2. Payrolls and disbursements in the amount of \$370,524.12 be approved, and instruct the City Clerk to draw checks on the City Treasury in payment of same.

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

Nays: None Absent: Councilor Schiavo

Motion carried.

Mayor Sommers adjourned this meeting at 8:01 p.m.

PRESIDING OFFICER _____

PRESIDING CLERK _____