

January 19, 2010

A regular board meeting was held on January 12, 2010 at 4:30 p.m. All board members were present. There were 13 public attendees. Motion by Kut, supported by Takala to approve the minutes from meetings held on December 8, 2010 and January 5, 2010. All ayes. Motion carried. Motion by Seppala, supported by Dalpra to approve the agenda. All ayes. Motion carried.

#### PUBLIC WORKS FOREMAN'S REPORT:

Monthly bacti water samples were collected from the Lind and Townline systems and sent to the Stated Lab in Houghton for testing. All samples met the DEQ's standard requirements.

Monthly water usage reports were sent to the city foreman and the DEQ Water Division in Gwinn.

Fire hydrant inspection was completed the second week of the month.

The sanitation truck was taken to Iron Mountain to have work done due to a service engine light warning. The problem was a throttle sensor.

The 125 hp. electric fire pump motor was removed from the Fire Protection Building and taken to Iron Mountain for repairs and installed within 48 hours.

All 630 township water meters were read using the auto radio read system.

Motion by Seppala, supported by Takala to approve the Public Work's Foreman's report. All ayes. Motion carried.

#### AECOM UPDATES GIBSON'S LAKE DEVELOPMENT AND OTHER:

Bal stated that Rob Anderson has been working with the park committee on details on the building and how it will be situated, materials and roof slope, roof types (metal or shingles) and any other issues that need to be resolved. Bal stated that there will be one more meeting, probably next week to finalize the details and hopefully that project will be advertised in 4-6 weeks and hopefully, Bal stated to have early Spring construction. Lesandini stated that he would call three loggers to bid out to cut poplar trees down. Board agreed. Takala stated that he had some figures on the pavilion. Takala said that the committee went through and looked at the different packages. The octagon pavilion was about \$5,000.00 more when he calculated, and Rob was up to \$4,600.00 plus shingles and fascia yet. So we are both very close, Takala said and that is just the material. Looking at the labor part is not double, but it would be increased quite a bit. Takala stated that it would be put out there as an optional bid so when the companies go out and bid they will have to bid the octagon one as a separate optional price and then we can see what the price comes in at. Takala stated that if we were to go with the \$5,000.00 in material and almost double in labor all our in-kind work that is done would be eaten up to do the octagon pavilion. Takala stated that he had the discussion with Rob Anderson and both decided to list the octagon pavilion as a separate optional bid and see what the price comes in at and then they will present this to the board.

#### EVERGREEN MEMORIAL CONTRACT PROPOSAL 2008-2009:

Lesandini stated that he and Kut met with the Mayor Janet Henderickson and Dorothea Olson, interim city manager, last week to review last years contract. Dorothea Olson was in attendance at the January 12th board meeting. Originally, Olson said the township was asked for \$42,000.00 because, she explained, it was a bad year for the cemetery budget due to misplaced labor and fringe benefits. Olson stated the she and the sexton went over the cemetery ledger and found almost \$8,000.00 in items that should not have been billed to the cemetery, such as equipment, gasoline, repairs and labor which brought the Township's share down to around \$35,000.00. Olson stated that the City is asking the Township to pay the \$35,000.00 and then the City will reimburse the Township burials that were paid at the non-local rate. Lesandrini stated that his concern was moving forward without a budget. Cemetery activity ends in November, Lesandrini said, but we only see a bill when the payment is due in the Spring. Olson stated that budgets are only a prediction. We know what the expenses are, but can only guess at the revenue, stated Olson. Quarterly reports would be helpful, Lesandrini said, noting then the Township could see how the budget is going. Kut commented, with more people being cremated, if there are less burials, wouldn't the labor be less? Olson stated the labor cost is in the maintenance. Last year, Olson said the City used Michigan Work's employees and cut back on full-time employees in order to cut cost. She had also learned that City employees were volunteering their time at the cemetery on the weekends. As far as the budget, Olson stated, she doesn't know why the Township did not receive the budget figures. The City is waiting for their audit to be completed, stated Olson in order to know the actual cost, so she was presenting preliminary calculations in order to move forward. They include about \$53,000.00 in salaries, plus equipment and vehicle repair, benefits for the full-time labor and supplies, materials and tools for a projected total of \$115,000.00. Olson said that she encourages the Township to come on board with the City. We have done everything we can to reduce those maintenance costs. Kut stated that the Township has budgeted \$30,000.00 toward the Evergreen Memorial Cemetery. Kut expressed concern with the maintenance and why the City can't get those cost reduced. Kut stated that she was not comfortable paying \$35,000.00. After further discussion, the issue was tabled.

#### AUDIT PROPOSALS:

Lesandrini stated that two bids came in for the audit, which were Scott Kenney and Barry Gadette. Motion by Takala, supported by Kut to table this issue, calculate and bring back the information at the February meeting. All ayes. Motion carried.

Lesandrini said that he will turn this over to the Finance committee, which is Kut and Dalpra to review and report back to the board at the February meeting.

**WALKING PATH CONTRACT WITH MDOT:**

Lesandrini stated that he has had conversation with Dave Bradley and basically, Lesandrini asked why we can't do quarterly projections payments? The reason is, Lesandrini said, was because we do not have an Act 51 account with MDOT. Therefore, commented Lesandrini they need all the monies up front and they need the monies 30 days after the contract has been bid out. Lesandrini stated that the monies were going to be put in the Township's 2010 – 2011 budget. Therefore, Lesandrini stated that the contracts will not be signed until the monies are in the bank and the bid can be awarded. Kut wanted to know if Tinti needed to look at the document.? Motion by Kut, supported by Seppala to forward a copy of the document to Steve Tinti to review. Roll call was taken. Dalpra, yes, Takala, yes. Kut, yes, Seppala, yes and Lesandrini no. Motion carried.

**NON-ELECTED SALARIES:**

Motion by Takala, supported by Dalpra to approve a 2.75% pay increase to the non-elected employees. Roll call was taken. All ayes. Motion carried. Lesandrini stated that Jerry Fredericks will be also be working at the ski hill.

**FINAL PAY REQUEST PETERSON:**

Bal stated that there was an open final pay estimate for Peterson & Sons concerning the East Side Meter Project in the amount of \$1,767.00. After further discussion a motion by Kut, supported by Dalpra to approve the final payment to Peterson & Sons in the amount of \$1,767.00. Roll call was taken. All ayes. Motion carried.

**FIRE AUTHORITY CITY OF CRYSTAL FALLS:**

Lesandrini stated that he had received an e-mail from Olson regarding dates to meet regarding the Fire Authority. Lesandrini stated that the Council had appointed Janet Henderickson and Jack Bicigo as representative for the City on the Fire Authority committee. Geoffrey Lawrence and Dorothea Olson will also be sitting in on the meetings. Motion by Dalpra, supported by Takala to appoint Kut and Lesandrini to represent the Township on the Fire Authority committee. All ayes. Motion carried. Steve Tinti will also be sitting in on the meetings stated Lesandrini. Tinti stated that the City and Township have had a long term partnership. The consensus is to move forward with the realities we face. The significant cost is the full-time drivers, Tinti said.

**WARNER MINE INDUSTRIAL SITE:**

Lesandrini said the Township still has a window open for a \$60,000.00 planning grant for aerial photos at the new industrial park property. This would involve a 50/50 match so Lesandrini suggested scaling the project back to a basic survey, ground testing and plans for bringing in water, at \$20,000.00. Bal stated that he can scale back the proposal and submit the grant application, assuring the project would still give information for a prospective employer. The Township is not committed to anything unless the grant is approved, Bal said. Lesandrini stated that the county EDC is creating a brochure to help the Township market the property to prospective industry.

**STATE REVENUE SHARING:**

Dalpra reported to the board that the projected revenues for the 2010 fiscal year are at a loss of 7.3% totaling \$8,532.00.

**BUDGETING FOR 2010—2011:**

Lesandrini stated that he would like to start within the next few weeks if possible. The board agreed to have the committee put the budget together and bring it before the rest of the board and have a budget workshop meeting. Lesandrini suggested to have Kenney e-mail dates when he would be available.

Motion by Kut, supported by Dalpra to approve the EFT's in the amount of \$738.00, prepaid's in the amount of \$84,676.40 and the monthly's in the amount of \$17,685.73 with a total of \$103,102.13. Roll call was taken. All ayes. Motion carried.

Motion by Seppala, supported by Takala to adjourn the meeting. All ayes. Motion carried. Meeting was adjourned at 6:30 p.m.

Joanne Seppala/Clerk