

May 27, 2009

A regular board meeting was held on Thursday, May 21, 2009. All board members were present. There were 20 public attendees present. Motion by Takala, supported by Kut to approve the minutes from the April 14th board meeting. All ayes. Motion carried. Motion by Kut, supported by Seppala to approve the agenda with corrections. All ayes. Motion carried.

IRON COUNTY MEDICAL FACILITY AND VICTORIAN HEIGHTS:

Chet Pintarilli, Director of Iron County Medical Care Facility and Ron Basso Attorney for Iron County Medical Care Facility were present to discuss with the board the water rates for Victorian Heights Assisted Living. Mr. Basso pointed out to the board that Victorian Heights Assisted Living is operated in conjunction with the Iron County Medical Care Facility. It is owned by the County of Iron. All residents of Victorian Heights have access to the following staff: Medical Health Associates, Services Director, Customer Services Associates and a 24 hour urgency call system as well as transportation services to medical, dental and vision appointments. Staff is available 24 hours a day, 7 days a week including holidays. Mr. Basso commented that Victorian Heights, due to its unique characteristics, should be treated not as an apartment building with separate meters for each unit, but rather as though the units were serviced by one meter versus 26 meters. Mr. Tinti, Attorney for Crystal Falls Township stated that the township has a water and sewer availability ordinance. Tinti commented that it has been laid out that every unit that qualifies, has a certain base charge. He stated that when the Township was in the process of the water and sewer project the township hashed out how we were going to handle what type of users we had to project to Rural Development for funding. One of the conflicting areas was the hotel/apartment issue. Crystal Falls Township elected to charge every apartment one water availability charge. Tinti stated with respect to the sewer fund, the township is now under state mandated deficit reduction plan and the township's current rate per user per month is \$ 42.80 for the 5,800 gallons used. If the township would take the off-set which Mr. Basso and Mr. Pinterilli are requesting, the township would have to pass those charges on to the remaining users, which would be about \$6.42 per month additional charge to the remaining customers, and that is because of the limited number of users in the sewer situation. Tinti also stated that also the deficit reduction plan, which the township is mandated by the state to comply or the township would be disqualified for any future borrowing opportunities. Tinti stated that this would be a HUGE impact on the sewer. Tinti commented that these projects were set up based upon the principle uniformity with people being charged. After further discussion, Lesandrini commented and the board agreed to review this issue in an upcoming monthly meeting.

CEMETERY CONTRACT CITY OF CRYSTAL FALLS:

Mayor Janet Henderickson and City Manager Chuck Nordman were present to discuss the cemetery issue with the board. Lesandrini stated at the last meeting on May 11, 2009, which was attended by Diane Kut, the rates that were discussed were considerably less. Both local, went up moderately to \$1,000.00 and non-local, went up significantly to \$3,000.00. Nordman stated that a number of ideas were discussed such as an intermediate rate to what cost controls were being put in place by the City in order to control the cost going forward. Also, discussed were the current billings for Mansfield, Mastodon and Crystal Falls Township. Nordman stated that the council has taken a position that what they need to assume at this point in time, unless a decision will be made at this meeting going forward, the City of Crystal Falls are the owners of the cemetery and if they do not have township partners, that being the case the rates have been set substantially higher in order to operate and take care of the cemetery in the way that it has been taken heretofore. Nordman stated that the revenues will have to be higher as well as reduced cost. Nordman commented that this being the case the council debated to set their rates on the information that was sent to the board effective June 1st, 2009, with the understanding they do not know what decision will be made by the townships. Nordman stated since that time the City had received a letter from Mastodon Township stating that they would remain in the agreement and sent their check for \$16,000.00 with the stipulation that would request quarterly reports and create a cemetery board. Nordman stated he had attended the Mansfield Township board meeting on April 20th, and their board was going to hold off until the Crystal Falls Township had made a decision. Kut stated that their was a 3 point objective that was discussed at our last meeting with the City, but was not addressed in the letter recently received from the City. Kut stated that we did try to negotiate with the City so the township and residents would pick up a portion of the dollars. Kut stated that they discussed a revised medium fee structure regarding time and cost containment and also have all municipalities involved participate in a cemetery board so we could all help each other to control cost and review cost structure so possibly next year this problem could be brought under control. Kut commented that what we are seeing here is the total burden being placed on the township residents at this time for an increase rate structure. Mayor Janet Henderickson explained that there were fewer burials and more cremations showing a loss in revenue, plus wage and fuel went up in cost. Lesandrini stated that the City should have still come up with a budget. Kut noted that in 1991 the cemetery generated a loss of \$25,000.00 and the loss has increased every year. Lesandrini stated that last year the cemetery went up over 80% and this year 100% and that is one-half mill and we only collect 3 mills and we cannot continue to keep up with these cost. Lesandrini stated for those monies we could start our own cemetery. Nordman noted that if the township does not continue to participate there will be lay-offs and cut-backs in the city. Dalpra stated at what point of your fiscal year did you realize that you were over budget, based on last year figures with this year? At what point did you determine that you would have to charge us more? Dalpra stated that in our township we know our cost, itemize and plan for the whole year. Nordman stated that part of this was from the cost of the fringe benefit package to their employees. Lesandrini commented that again our township residents should not have to be tied to your employee benefit package and we should have been informed of this ahead of time. Tinti commented that in this country cremation has grown. It is financially having a devastating effect on cemeteries. In 2002, the operating cost for the city was 73% paid by users and 2008 it was only 18%. Tinti stated that the township does not owe anything today. Tinti noted that the township received a bill for contracting services for another year. Tinti further commented that:

1. This is a public cemetery and the City of Crystal Falls cannot deny any member of the public to be buried there.
2. The three townships that are financially providing support are not legally obligated to do so.
3. Having sat in on one of those financial meetings, the city clerk gave a dollar figure as to what it cost to bury somebody and the dollar figure that is now in the rate structure for a non-resident exceeds the number that the city clerk gave was the cost to do so.

Tinti stated that we cannot subsidize these cost, because you get the consequences that go forward. Mayor Henderickson stated that the township costs are in line with other municipalities. Kut stated that she had called other communities and funeral homes and our cost were astronomical. Kut noted that she had a spread sheet ready for the last meeting if that question came up. Lesandrini noted that he would like to hear from the public after the news is reported in the paper and on the radio. Kut stated that she feels bad that the township residents will be socked with such a large increase, but also feels bad that the cost have escalated all of these years. Kut suggested maybe stepping back for one year and give the city time to cut their losses. Motion by Kut, supported by Dalpra to table the cemetery issue until next months meeting. All ayes. Motion carried.

PAGERS FIRE DEPARTMENT:

Lesandrini noted that Chief Ahola will be looking into grant monies for the pagers. He will get back to the township if he is not successful.

AECOM PLANNING GRANTS AND UPDATES:

Jeff Bal stated that the township will be receiving their grant monies check for Gibson Lake Park within the next few weeks. Lesandrini stated that the Governor has signed it and we should be ready to set up an account for the monies. Bal also stated that he had been working with Cathy Cole regarding the Industrial Park Planning Grant. Bal noted that they have sent her layout information trying to secure that grant. Bal stated that grant would be a 50/50 grant to help proposed layout and study the property that the township is looking at and has an offer to purchase, also we can use that planning grant study to use for marketing and get aerial mapping done to show companies that mapping is available.

Bal stated that the Wellhead grant applications are due June 15th, 2009. Bal commented that the township needs to have an ordinance to take to the public and implement. Bal stated that there is hardly any engineering to be done, but there is a lot of legal work to be completed. Kut stated that she has spoken with Mr. Tinti to have a final dollar amount available for the next wellhead meeting. Motion by Kut, supported by Dalpra to go ahead with the wellhead grant program. Roll call was taken. All ayes. Motion carried. Bal stated that the township should hear something by October from Rural Development regarding the sewer planning grant. Bal stated that regarding MDOT, there will be around 600 ft of water main that will be affected by the widening of the road of old water main that never got upgraded. Bal stated that during the MDOT meeting on May 7th, they informed Lesandrini, Alexa and Craig Richardson that if the township wanted to upgrade that water main they had to get the information to MDOT by May 15th. Bal stated that the engineering was completed and information was given to MDOT on time for them to submit it. Bal stated that he did a rough estimate for the cost. MDOT will probably end up paying their construction workers around \$50,000.00 and their inspectors around \$7,500.00 to \$10,000.00, so the township may receive a bill from MDOT for that project for \$57,500.00 - \$60,000 total plus any design drawings that are billed out. Lesandrini stated that he was approached by channel 10 for an interview on all the DNR grants that were done in the U.P. Lesandrini, Bal and Lindsey (from Channel 10) went up to Gibson Lake Park on May 1st Lesandrini said she took pictures of the

park, interviewed both Lesandrini and Bal. Lesandrini commented that Bal gave a wonderful presentation. Lesandrini said that Lindsey had e-mailed him and said that she would send a copy of the disk to be reviewed on the township website.

IRON COUNTY GIS PARCEL MAPPING PROPOSAL:

Lesandrini stated that we have 2 proposals for GIS mapping. One of them is from AECOM, the other from WUPPDR. After further discussion, it was decided to buy into the program for \$1,200.00. Kut noted that our Assessor is already using the software in Norway and is very familiar with the program, therefore we can cut quite a bit of the cost by keeping it in-house. Kut stated maybe with an additional \$1,000.00, training could be done. Lesandrini, with the board's approval agreed to table this issue until he went to the County meeting on Tuesday.

SPRING CLEANUP AND DROP OFF UPDATE:

Lesandrini stated the spring clean-up held on May 9th and May 16th was very busy. There was 25,340 pounds of garbage dropped off and the total cost was \$1,241.09. Lesandrini stated that the township will be having a Fall clean-up in October. Lesandrini stated that the recycling was going well. The township no longer has anyone monitoring after 3:00, but the recyclables can still be dropped off until 6:00 p.m.

PUBLIC WORKS FOREMAN'S REPORT:

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

Monthly water usage reports were sent to the MI DEQ and City water Dept.

A 6" water main was repaired at the intersection of HWY 141 and Rautanan Rd.

A 4" water main was repaired on the south side of the Monogahela Rd.

Spring cleanup began with the sweeping of several intersections and debris cleanup along the roadways.

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

ICRC ROAD MILLAGE :

Lesandrini stated that Carl Sholander from the board of ICRC will be attending our June 9th meeting to answer any questions the public or board may have. Lesandrini stated that starting Friday, May 22nd chlorinating the road will begin with Long Lake Road, Soderena and working up toward the highway. The road commission has been doing some grading already. Lesandrini stated last year we did 26 miles of roads and this is the third year that we have done complete roads.

RUNKLE LAKE PERMIT FOR TREATMENT MILFOIL:

Lesandrini noted that he had received an e-mail from Larry Bergwall, President Runkle Lake Association, regarding rumors of snowmobile races on the water on July 4th.

Basically, he wanted to make it known that they are contacting virtually every local government and law enforcement agency to see if they can also be of assistance.

Snowmobiles to stay afloat, must enter the water at very high speeds, so that "100 ft. no wake zone" statute would mean that they are in violation. Bergwall stated that they have struggled for several years with the milfoil problem, only to be faced with this new hybrid plant, and if activities such as this continues to take place our efforts will be totally undermined.

HEMITITE WATER CUSTOMER CONTRACT:

Lesandrini stated that as of today he was informed by our Foreman that those customers on Snuff Country Road will be drilling wells. Hemitite will take over the billing next month.

CITY OF CRYSTAL FALLS SEWER:

Lesandrini stated that he had met with Mr. Nordman, Mayor Janet Henderickson, Geoffery Lawrence, City Attorney and Mr. Tinti regarding the sewer agreement. Lesandrini noted that the costs are getting a little out of control for our users. The City's rate is at \$24.00 where our residents are at \$42.50. The township pays a non- depth surcharge of 30% and under the section 13 we agreed to cooperate with each other to look at regulating this cost, so basically our residents are paying almost a 100% more in this situation. Our proposal to them was to have their board agree upon looking at the feasibility of creating authority so that we are all paying similar costs. The township has about 100 customers and the city has about 1200 customers and it does not make any sense to have two separate entities. Lesandrini stated that it seems like there is a lot of duplication being done.

Lesandrini stated that it would be in the best interest of the city and the township if they could work through this authority agreement. Lesandrini noted that he wanted the board and public to know that he is looking into this issue and is planning on attending one of their meetings and will be bringing this up.

MASTER PLAN CONSULTANTS:

Curt Stebic, Chairperson for the Zoning Board presented two proposals for updating the Master Plan. One is from WUPPDR and the other from LSL Planning, Inc. WUPPDR's updating of the maps is estimated at \$950.00. The updating of the text portion of the document and providing 20 bound copies to the Township would be \$1,000.00. Additional updates would incur a charge of \$ 50.00 an hour. LSL Planning quote to update the master plan for around \$1,000.00 and provide the township with a disk. If the township were to order 25 copies from the printer it would cost around \$500.00, so basically LSL's bid would be around \$1,500.00. Stebic's recommendation to the board would be to take a closer look at LSL's proposal. Motion by Kut, supported by Seppala to accept the bid for updating the master plan from LSL, which is a budgeted item. Roll call was taken. Motion carried.

TRAILER BIDS:

Lesandrini read the bids for the 1987 Southeast trailer.

Melvin Johnson - \$3,225.00

Robert Horton - \$3,333.00

Don Fraki - \$4,010.00

Williams Redi-Mix - \$3,510.00

Don Fraki was the highest bidder. Lesandrini stated that he would contact him tomorrow.

SUMMER TAXES & REVENUE SHARING:

Dalpra noted that in February 2009, Gov. Granholm would not make any budget cuts in revenue sharing. However, Dalpra stated we were recently notified that this earlier intent was not to be, when the governor issued an executive order on May 5, which compromises the amount distributed to Michigan townships and cities. The amount we received on April 30 was in fact \$1,734.00 less than anticipated and it is evident that the June and August payments will be cut by 15% in each of the final two payments, which could be around \$8,000.00. Dalpra noted that in summer taxes, Dalpra and Waisanen have successfully taken the data from the equalization office and processed thru his assessing program and then into Dalpra's tax program. Dalpra said they were moving forward with the summer taxes for the school. Dalpra noted that in last week's paper there was error regarding the automated bill pay with the First National Bank. There is NO fee charged to our customers for the automated bill pay. She noted the only fee will be a monthly fee of \$10.00, which will be to the township.

Gary Heikkinen, public attendee from the Tobin Location presented 32 signatures to the board of residents who are opposed to the sewer project in the Tobin.

Motion by Kut, supported by Lesandrini approve the EFT's in the amount of \$1,107.00, monthly bills in the amount of \$34,775.69 and therepaid's in the amount of \$19,790.00, totaling \$55,673.00. Roll call was taken. All ayes. Motion carried.

Motion by Seppala, supported by Dalpra to adjourn the meeting. All ayes. Motion carried. Meeting was adjourned at 8:10 p.m