

February 1, 2010

Minutes of the regular meeting of the city council of the City of Kingsford, County of Dickinson, and State of Michigan.

A regular meeting of the Kingsford city council was held Monday, February 1, 2010 at 6:30 p.m. in the council room in City Hall.

Roll Call: Present: Councilmember Baldinelli, Flaminio, Miller, Novara, and Pearson.
Absent: None.

Also present were City Manager Darryl Wickman, City Attorney Bruce Brouillette, Public Safety Director Jan Groeneveld, Public Works Superintendent Anthony Edlebeck, Robert Goodreau, Kevin Kleinert, Brian Smeester, Bruce Orttenger, and Jim Anderson.

The pledge of allegiance was stated.

A motion was made by Councilmember Baldinelli and supported by Councilmember Pearson to approve the agenda with the addition under Old Business of "C. Riverdale Project spec home by Kevin Kleinert".
ALL AYES. NO NAYS. MOTION CARRIED.

The consent agenda consisted of the following:

Minutes of the regular council meeting held January 19, 2010
Bills Payable from January 19, 2010 to February 1, 2010 in the amount of \$122,826.34
January 2010 Public Works Department Report
Michigan Department of Natural Resources & Environment

A motion was made by Councilmember Miller and supported by Councilmember Pearson to approve the consent agenda.
ALL AYES. NO NAYS. MOTION CARRIED.

There were no public comments.

A copy of all communications are affixed to and made a part of the permanent record.

The Michigan Liquor Control Commission application to transfer liquor license was read. The request is to transfer ownership of escrowed 2009 B-Hotel Resort issued under MCL 435.1531(2) (original 550 Resort at its' original location, no seating or food requirements) with dance permit, entertainment (without dressing rooms), located at Cowboy Lake, Kingsford, MI 49802, Dickinson County, from the Blind Duck, Inc., to the First National Bank & Trust Co. of Iron Mountain-Kingsford, with license to remain in escrow.

A motion was made by Councilmember Flaminio and supported by Councilmember Baldinelli to adopt the resolution authorizing the transfer of the license and permits noted above.
ALL AYES. NO NAYS. MOTION CARRIED.

The city manager gave his report covering deer complaints; reappointment of Paul Schultz to the Kingsford Housing Commission for a five-year term; the Bike Path Committee has a vacancy since Dale Baldwin, Kingsford's representative, left the city council; one application was received for one of the two vacancies on the Kingsford Planning Commission; budget information will be presented at the next council meeting so amendments to the 2009-2010 budget can be considered; an update was given on the Riverdale development berm issue; and the council was reminded that February 15th (President's

Day) is a legal holiday so the next regular council meeting, as required by City Charter, will be held on Tuesday, February 16th.

After discussion, a motion was made by Mayor Novara and supported by Councilmember Pearson to appoint Council members Baldinelli and Flaminio to a special committee to meet with the City of Iron Mountain and possibly Breitung Township on culling the deer herd.

ALL AYES. NO NAYS. MOTION CARRIED.

A motion was made by Councilmember Miller and supported by Councilmember Baldinelli to receive the Manager's report and place it on file.

ALL AYES. NO NAYS. MOTION CARRIED.

It now being 6:45 p.m., the scheduled public hearing regarding a request by Khoury, Inc. for a loan from the City of Kingsford Revolving Loan Fund began. The city manager read aloud the notice that was published in the Daily News. Also presented to the council was a copy of the Program Income Project Review form that will be submitted to the State of Michigan and a copy of a letter to the council from the city attorney explaining a waiver of a potential conflict of interest. Khoury, Inc. is requesting \$100,000 to be used to purchase raw materials. The present balance in the fund is \$149,545.12; and, if the loan is granted to Khoury, Inc., the balance would be \$49,545.12. The terms of the loan are suggested at 6% with payback within three (3) years.

The mayor asked if there was anyone in the audience who wished to comment on the Khoury, Inc. project.

Bruce Orttenger, President of the Dickinson Area Partnership, stated that Khoury, Inc. is looking at producing a new line of product. He also said Khoury, Inc. may add 25 employees to its current workforce of 75.

The mayor asked two (2) more times if there was anyone in the audience who wished to comment on the Khoury, Inc. project. There were no further comments from the audience.

The city manager said this may be the last loan application that the city processes, as the state is adopting a new regional system for dispersing such grant monies. Once the new system is in place, the city will likely have less control over the money remaining in the loan fund.

A motion was made by Councilmember Flaminio and supported by Councilmember Baldinelli to approve the PIPR with the city manager's signature, as certifying officer, on behalf of the city of Kingsford.

Roll Call: Ayes: Councilmember Baldinelli, Flaminio, Miller, Novara, and Pearson.

Nays: None.

Absent: None.

Carried.

A motion was made by Councilmember Flaminio and supported by Councilmember Baldinelli to authorize the city manager to countersign the letter waiving any potential conflict of interest with Bruce Brouillette and/or his law firm and return it to Mr. Brouillette.

Roll Call: Ayes: Councilmember Baldinelli, Flaminio, Miller, Novara, and Sjoquist.

Nays: None.

Absent: None.

Carried.

Under Old Business, the Police and Fire Services study by Dr. Lynn R. Harvey was presented. This study was to explore the feasibility and/or possibility of operating the Kingsford Public Safety Department and the Iron Mountain Police and Fire Departments jointly.

A motion was made by Mayor Novara and supported by Councilmember Flaminio to receive and place the document on file for further study and discussion at a later date.
ALL AYES. NO NAYS. MOTION CARRIED.

A draft of the 5-Year Comprehensive Plan submitted by the Kingsford Planning Commission for the council's review and comment was presented.

A motion was made by Councilmember Pearson and supported by Councilmember Miller to receive and place on file the 5-Year Comprehensive Plan draft for review and comment at the next council meeting.
ALL AYES. NO NAYS. MOTION CARRIED.

Also under Old Business, the Riverdale project spec home was discussed with Kevin Kleinert. Mr. Kleinert presented his design for a Phase II spec home at Riverdale and asked the council to make decisions on a number of outstanding issues prior to commencement of construction. He said final expense of these resolutions along with resulting views from the development will determine the feasibility of constructing the spec home. He asked the council to act on these issues in the near future; and, if the decisions are favorable, he would commence with construction in March to capture the 2010 selling season. Mr. Kleinert said he will comply with whatever the city is asking for.

After discussion, a motion was made by Councilmember Pearson and supported by Councilmember Baldinelli to direct the negotiating committee to meet with the city manager, public works superintendent, Mr. Kleinert, and Mr. Kleinert's engineer within the next week to prepare a recommendation that all parties can agree to and the city council possibly vote on within the next 30 days.
ALL AYES. NO NAYS. MOTION CARRIED.

There was no New Business or public comments.

Under council member's privilege, Councilmember Baldinelli again spoke on the census and reminded everyone to fill out their forms.

There being no further business, a motion was made by Councilmember Baldinelli and supported by Councilmember Miller to adjourn the meeting at 7:37 p.m.
ALL AYES. NO NAYS. MOTION CARRIED.