

March 15, 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, March 15, 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, Mary Planka, Adria Groeneveld, Melissa Scholke, and Jim Anderson.

The pledge of allegiance was stated.

A motion was made by Councilmember Baldinelli and supported by Councilmember Flaminio to approve the agenda as presented.

ALL AYES. NO NAYS. MOTION CARRIED.

The consent agenda consisted of the following:

Minutes of the regular council meeting held March 1, 2010
Minutes of the Board of Review meetings held March 8, 9, and 10, 2010
Bills Payable from March 1, 2020 to March 15, 2010 in the amount of \$197,144.37
February 2010 Public Safety Department report
Michigan Department of Natural Resources & Environment letter dated March 5, 2010

A motion was made by Councilmember Baldinelli and supported by Councilmember Flaminio to approve the consent agenda as presented.

ALL AYES. NO NAYS. MOTION CARRIED.

There were no public comments or communications.

The city manager began his report by asking the city attorney to explain an email regarding a request for the city to sign another subordination agreement in connection to the planned new spec home to be constructed in the Riverdale development.

The city attorney informed the council that he has reviewed the documents provided by Investors Community Bank in conjunction with its request that the city subordinate the current mortgage held by the City of Kingsford as it pertains to a contemplated loan by Investors Community Bank to Riverside SF Properties. The contemplated loan is in the amount of \$225,000. The city attorney spoke with Kelly of Investors Community Bank and she advises that the purpose of this loan is to fund the construction of a spec home. Mr. Brouillette noted additional requirements the city could impose – to subordinate our mortgage only on the unit where Mr. Kleinert is going to build the spec home – the subordination would not affect the city's right to receive a percentage of the sales proceeds generated from the sale of the spec home. He added that notwithstanding anything to the contrary, the city shall be entitled to receive no less than 12% of the sales proceeds generated from the sale of the Unit 8 of Riverdale Condominium. The 12% of sales proceeds is based upon the debt ratio of City to Investors Community Bank without the additional \$225,000. Including the current \$225,000 would result in the City only receive approximately 9% of the sales proceeds.

After discussion, a motion was made by Councilmember Flaminio and supported by Councilmember Miller to approve the subordination agreement contingent upon the recommendation of the city attorney being agreed to.

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

Nays: None.

Absent: None.

Carried.

The city manager continued his report with updates on the Deer Committee being cancelled, City Hall being closed on Good Friday, April 2, 2010, and Dale Baldwin indicating he would be willing to serve on the Parks and Recreation Committee.

A motion was made by Councilmember Miller and supported by Councilmember Flaminio to appoint Dale Baldwin to the Parks and Recreation Committee.

ALL AYES. NO NAYS. MOTION CARRIED.

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

ALL AYES. NO NAYS. MOTION CARRIED.

There was no old business, new business, hearings, or public comment.

Under council member's privilege, the Public Safety Department was commended on their efficient handling of the recent robbery at the Range Bank in Kingsford.

There being no further business, a motion was made by Councilmember Baldinelli and supported by Councilmember Pearson to adjourn the meeting at 6:50 p.m.

ALL AYES. NO NAYS. MOTION CARRIED.