

June 7, 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, June 7, 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 Lt. William Burby, Public Works Superintendent, Doug Luoma, Jeff Sjoquist, Brian and Lorie Smeester, Jim Anderson, Willie Erickson, and Ronald Calovecchi.

The Pledge of Allegiance was stated.

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

ALL AYES. NO NAYS. MOTION CARRIED.

The consent agenda was comprised of the following:

- Minutes of the special council meeting held May 12, 2010
- Minutes of the regular council meeting held May 17, 2010
- Bills Payable from May 17, 2010 to June 7, 2010 in the amount of \$148,524.41
- May 2010 Public Works Department report
- Charter Communications notice of upcoming changes
- CUPPAD Regional Commission notice of transportation meeting
- CUPPAD Regional Commission Notice of Intent Form re: Oldenburg Project

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

ALL AYES. NO NAYS. MOTION CARRIED.

Under Public Comment, Doug Luoma of 700 Westwood Avenue expressed his concern over the speed limit on Westwood Avenue after which the council agreed to increase patrols and enforcement along said road.

There were no communications presented at this meeting.

The city manager gave his report informing the council of the Superior Watershed Partnership Light Bulb program, the upcoming annual Michigan Municipal League Convention for 2010, the Upper Peninsula Regional City Manager's meeting, and he would like to schedule a Negotiations/Personnel Committee to discuss personnel issues that could be affected by operational changes.

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

ALL AYES. NO NAYS. MOTION CARRIED.

Under Old Business, proposals for completion of annual audit reports for fiscal years ending June 30, 2010, 2011, and 2012 were received from Scott R. Kenney, CPA of Crystal Falls and Gabridge & Co. from Grand Rapids were reviewed and discussed. Proposals were as follows:

Scott R. Kenney, CPA:	
FYE June 30, 2010	\$11,200
FYE June 30, 2011	11,500
FYE June 30, 2012	11,800

Gabridge & Co.:	
FYE June 30, 2010	\$10,540
FYE June 30, 2011	10,860
FYE June 30, 2012	11,190

The city manager stated that his preference would be to remain with the known entity, that being Scott R. Kenney, CPA. He said if the council chooses to hire Gabridge & Co., he feels it should be on a one (1) year basis until we know more about what their services are like.

It now being 6:45 p.m., the council conducted the public hearing to allow public comments regarding the proposed 2010-2011 budget. The city manager read aloud the notice that was published in The Daily News on May 26, 2010 as follows:

The City Council of the City of Kingsford will hold a public hearing at 6:45 P.M. CDT on Monday, June 7, 2010 in the council room at City Hall, 305 S. Carpenter Avenue, Kingsford, Michigan 49802.

THE PROPERTY TAX MILLAGE RATE PROPOSED TO BE LEVIED TO SUPPORT THE PROPOSED BUDGET WILL BE A SUBJECT OF THIS HEARING.

The City Council will take action on the proposed budget following the public hearing.

A copy of the proposed budget is available for public inspection between the hours of 7:30 A.M. and 4:30 P.M. CDT Monday through Friday at the office of the City Clerk located at 305 S. Carpenter Avenue, Kingsford, Michigan 49802.

The mayor asked for public comments.

Brian Smeester of 380 Cass Avenue said he has done research and found that there are approximately 350 people in the city of Kingsford who are out of work, the economy is bad, and people are hurting. He said the council is doing a good job and asked that they not raise the property taxes.

Ron Calovecchi of 741 Hamilton Avenue said the decline in property values should have come as no surprise. He suggested that the city consider more user fees, such as coin-operated timing devices on the tennis court lights. He asked if the city has made budget cuts in the last 24 months.

Willie Erickson and Doug Luoma, both Kingsford residents, voiced their objections to increasing taxes in the current economy and that times are indeed tough.

There being no further comments from the public, Mayor Novara turned to the council members for their comments.

Council members noted that because most property values have decreased, many residents may not see higher tax bills with the millage increase. The operating millage will generate approximately \$38,000 less than last year. The next step would be to reduce services. The city is trying very hard to maintain services and keep taxes down.

The city manager stated that the public works department is operating with 11 employees, down from the customary 16. Even with that reduction, the city will be forced to re-evaluate all services over the next several months because current operations are unsustainable without an increase in revenues. The public safety department is operating with 19 employees rather than the normal 20. The city is freezing the wages of all administrative employees, including city hall staff, public safety supervisors and the public works superintendent.

Brian Smeester asked if the council could put some type of package together for the residents to vote on.

With there being no further comments, the public hearing was closed.

The council continued the discussion on the audit proposals. Councilmember Baldinelli highly commended Scott Kenney and said he has given the city exceptional service. Council members Pearson and Novara said even though the city has been satisfied with Mr. Kenney's work, we could possibly gain new insights and feel it would a good idea to accept the lower proposal of Gabridge & Co.

A motion was made by Councilmember Pearson and supported by Mayor Novara to accept the proposal submitted by Gabridge & Co. for three years as stated in the proposal.

Roll Call: Ayes: Councilmember Novara and Pearson.

Nays: Councilmember Baldinelli, Flaminio, and Miller.

Absent: None.

Defeated.

A motion was made by Councilmember Pearson and supported by Mayor Novara to award the audit proposal to Gabridge & Co. for two years.

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

Nays: Councilmember Baldinelli.

Absent: None.

Carried.

There was no New Business.

The city manager read aloud the proposed resolution adopting the 2010-2011 General Appropriations Act as follows:

WHEREAS, the City Council of the City of Kingsford did give notice of the time and place when a public hearing would be held in conformity with provisions of Section 8.20, Chapter VIII of the City Charter, which public hearing was duly held pursuant to said notice and in conformity therewith;

THEREFORE, BE IT RESOLVED, that this resolution shall be the General Appropriations Act of the City of Kingsford for fiscal year 2010-2011, an act to make appropriations; to provide for the expenditure of the appropriations; and to provide for the disposition of anticipated revenues to be received by the City of Kingsford; and

BE IT FURTHER RESOLVED, that the City Council does hereby levy a tax of 2.975 mills for the period of July 1, 2010 through June 30, 2011 on all real and personal taxable property in the City of Kingsford according to the valuation of the same, for the purpose of funding the Police and Fireman's Retirement Fund; and

BE IT FURTHER RESOLVED, that the City Council does hereby levy a tax of 1.270 mills for the period of July 1, 2010 through June 30, 2011 on all real and personal taxable property in the City of Kingsford according to the valuation of the same for the purpose of paying the annual principal

and interest due according to the requirements associated with a General Obligation Bond for construction of a new Public Works Facility, as approved by the voters on November 4, 1997. This tax is levied pursuant to Section 9.6 Chapter IX of the City Charter; and

BE IT FURTHER RESOLVED, that the City Council does hereby levy a tax of 17.222 mills for the period of July 1, 2010 through June 30, 2011 on all real and personal taxable property in the City of Kingsford, according to the valuation of the same, for the purpose of defraying the general expense and liability of the City of Kingsford. This tax is levied pursuant to Section 8.20, Chapter VIII of the City Charter and described in the Charter as the Annual Appropriation Bill; and

BE IT FURTHER RESOLVED, that the City Council does hereby appropriate the following amounts to defray the expenditures and liabilities of the City of Kingsford for the 2010-2011 year; and

BE IT FURTHER RESOLVED, that the City Treasurer is hereby authorized to transfer funds from one fund to another as specifically provided for in and after approval of the 2010-2011 Budget by the City Council.

A motion was made by Councilmember Baldinelli and supported by Councilmember Flaminio to adopt Resolution No. 2010/6/7.1 – CITY OF KINGSFORD General Appropriations Act 2010-2011.

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

Nays: Councilmember Pearson.

Absent: None.

Carried.

A motion was made by Councilmember Baldinelli and supported by Councilmember Flaminio to adopt Resolution No. 2010/6/7.2 authorizing the transfer of \$195,585 from the Major Street Fund #202 to the Local Street Fund #203.

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

Nays: None.

Absent: None.

Carried.

There being no further business, a motion was made by Councilmember Miller and supported by Councilmember Pearson to adjourn the meeting at 7:32 p.m.

ALL AYES. NO NAYS. MOTION CARRIED.