

January 24, 2011

A regular board meeting was held on January 11, 2011. All board members were present, except for Diane Kut. There were 21 public attendants at the meeting. Motion by Dalpra, supported by Seppala to approve the minutes from the meeting held on December 14, 2010. All ayes. Motion carried. Motion by Seppala, supported by Aho to approve the agenda, with additions. All ayes. Motion carried.

#### PUBLIC WORKS FOREMAN'S REPORT:

Monthly water samples were collected from the Lind and Townline systems and brought to the Whitewater Lab in Amasa for bacterial testing. All samples met the MDNRE standard requirements. Monthly water usage reports were tabulated and sent to the MDNRE in Gwinn. Repaired a break on a 6 inch water main along Hope Mine Road South of Bortolini Rd. intersection. L&H Utility Contractors bored under Highway M-69 so we could replace a leaking 1 inch galvanized water service with 1 inch copper tubing from the curb stop on the south side of the highway to the edge of the right of way on the north side at address 1613. Public works helped locate a sewer problem that the Iron County Medi-Care facility was having. Motion by Seppala, supported by Aho to approve the public works foreman's report. All ayes. Motion carried.

#### FIRE DEPARTMENT ISSUES:

Diane Rostagno CPA presented the final Crystal Falls Fire Authority audit to the Crystal Falls Township Board. Rostagno stated that this was a simple and straight forward audit, noting the current assets are \$36,949.00, which represents the two accounts at First National Bank CF. Accounts receivable are significant stated Rostagno, which includes \$8,410.00 from Mansfield and Mastodon townships, who still owe their shares and \$363.00 for a fire call. Total assets are \$45,359.00, stated Rostagno. Liabilities, she noted, are \$100.00 accounts payable to Hematite Township for that same fire call, and the balance of account payable in the amount of \$17,589.00 attributed back to the City, for a total of \$17,689.00. Revenues totaled \$80,051, while expenditures totaled \$159,293.00. That operating loss of \$79,242.00, stated Rostagno, which at the beginning of the year was \$106,912.00 brings the fund equity down to it \$27,670.00. Rostagno stated that there was no material weaknesses found during the audit. Lesandrini stated that Rostagno would have to wait until the City accepts the audit. Motion by Aho supported by Seppala to approve the audit for the Fire Authority for fiscal year ending June 30, 2010. Lesandrini also asked to have it put on a disk if possible so that it could be put on the website. Roll call was taken. All ayes. Motion carried.

#### FIRE DEPARTMENT ISSUE – RETIREMENT POST EMPLOYMENT BENEFITS:

Steve Tinti stated that he provided the board with an opinion on an issue, because the Township of Crystal Falls has never had a history of providing benefits after a person ceases employment. During the tenure of the Fire Authority, stated Tinti there were two individuals that retired in which there was a continuity assuming that they would be eligible for City benefits and continue to do so. What that really means, stated Tinti, is that there is a post retirement health insurance process that the City of Crystal Falls has done. There are two individuals that have retired from the Fire Authority that have been receiving such benefits that this township has never approved in the past. I have drafted a proposed resolution for the Township board to review. My recommendation, stated Tinti is that this Township could elect to terminate such benefits, but it appears that a more prudent method would be to freeze such benefits so they would not exceed the current premium level only to be payable to the retirees and expressly allow for the termination, reduction and elimination of such benefits in the future. The resolution that the board has before you, stated Tinti is to re-affirm your Township position that there are no post retirement benefits for Township employees and you would have to authorize the two individuals receive the sum, which would be payable through the City of Crystal Falls contingent upon the retiree to maintain coverage for the City of Crystal Falls for the term of their life. Tinti stated that the monthly amount would be \$276.07 for each retiree per month. Lesandrini asked if this would have to be voted on by the City? Technically no, stated Tinti. There was a meeting with the City Manager said Tinti, along with a City Council member, City Attorney, Dalpra, Kut and Attorney Tinti from the Township to verify the exact number as to where we are at. I believe, stated Tinti once the Township has taken action, the City of Crystal Falls

will consider the appropriate action that they may wish to take on the matter. Motion by Dalpra, supported by Seppala to adopt the resolution on non-retirement, post-retirement benefits in regard to previous Fire Authority employees. Roll call was taken. All ayes. Motion carried.

#### TOWNSHIP TRUCK BIDS:

Lesandrini stated that he has received two bids for a new pick up truck with plow and utility box at around \$34,000.00. After further discussion, the board decided to hold off on the purchase because they could be sending conflicting message to the residents. Lesandrini stated that he would research the cost of a used truck.

#### EMPLOYEE COMPENSATION:

Lesandrini commented that employee Randy Bucek has been with the Township for four years. Lesandrini stated that Bucek was asked to get certified, which he did. The board also discussed, he stated, making him the assistant foreman, but Lesandrini stated that he would hate to do that if he is not going to be compensated. The majority of Bucek's salary, he commented, comes from the water and sewer fund. Lesandrini stated that when you make obligations and commitments to employees, it doesn't settle with them very well if you don't follow through. He has not said anything, stated Lesandrini, but I would like the finance committee revisit this and come back with a proposal for Bucek. I would like to revisit this at our next meeting in February, stated Lesandrini.

#### TOWNSHIP SURVEY:

Lesandrini stated that a while back at one of our meetings, there was an opinion that there wasn't enough input from the community being able to communicate how they felt our board and township is moving. I would like to put an in-house simple survey that could be handed out when residents stop in the office, at the board meetings or on-line. Lesandrini stated that he would like to see this developed within the next few months. Also, Lesandrini stated that we could have a comment section added on to our meeting agenda page.

#### TOWNSHIP RECREATION PLAN:

Lesandrini stated that our recreation plan needs to be updated by April 1st. Lesandrini stated that he would be meeting with GEI to find out if there is a cost for this. This would be revisited at the February meeting.

#### TOWNSHIP ROAD PLAN 2011:

Lesandrini stated that the Township will not be doing any road projects, unless they want to trade for gravel.

#### SET MEETING DATES FOR BUDGET WORKSHOP 2011-2012:

Lesandrini stated that a meeting date needs to be scheduled for the budget workshop. After further discussion, a meeting was scheduled for Friday, January 21<sup>st</sup> at 7:30 a.m. The meeting will be with Scott Kenney, Mary Dalpra and Tom Lesandrini. Once that is completed, the budget will be turned over to the board for a review and then a public budget hearing meeting will be scheduled stated Lesandrini.

#### REPORTS:

Tinti stated that he would like to report to the board that on December 17<sup>th</sup> there was a trial in the circuit court concerning a zoning ordinance violation. The court ruled, stated Tinti, that the defendant blatantly violated the zoning ordinance. The court opposed the maximum fine that is permitted under our ordinance, and awarded full recovery of all township cost of prosecution. The judge gave a deadline for the issue to be resolved or the maximum penalties will continue to accrue on a daily basis of \$500.00, with a deadline of May 31, 2011 to have it resolved.

#### PUBLIC COMMENTS:

Resident Charlie Sandstrom stated that this board has the lowest level of public confidence since I have been back 17 years ago. This board seems to have forgotten their pledge to represent the people. Even after two elections stated Sandstrom, 60% of the voters came out and then had a 60% reduction on what

the board was proposing. The board just doesn't seem to get, noted Sandstrom, and you still seem to want your own agenda no matter what the people want. It's our responsibility, stated Sandstrom as voters to get people on the board to represent us. This can be done a few different ways. We can have the board represent us, use your conscience, understand what the people want and act on it. There is also a thing called re-call, stated Sandstrom, which is sort of extreme . If people are not acting like they should on the board, it's up to the people to make sure that they do not get through on another election. It's our job as tax payers to make sure that we have people to represent us. So, stated Sandstrom, I think that the easiest way to resolve this is for you as a board to start listening to the people and start doing the job the way it should be done. I believe, stated Sandstrom, that the millage failed because of the fire department. I still don't understand why the township is taking over the fire department. We want the fire department to survive, but it needs to be all volunteer stated Sandstrom. Sandstrom also added that this board is the only board with health insurance or benefits.

Lesandrini stated that he has been listening to Sandstrom for months, talking this board down. "You had this gavel, said Lesandrini and you had a lot of issues in front of you. Why didn't you address those issues then? Did you make a motion to get rid of those benefits? No you didn't. You tried with the Authority, but you didn't take on what you could have. You could have done what we did and quit funding them and listen to what we had to go through in the last few years. So, for you to come in and criticize this board for decisions, when you don't even know what our plans are, and to accuse us of these things is ridiculous. You should look in the mirror because you had the chance Chuck to do everything you just talked about and you didn't. You didn't do what we did. I give this board a lot of credit for coming up here and making those decisions because there are a lot of people for the fire department, benefits, and for a lot of things that we are doing. "So you had the chance to do everything that you talked about Chuck, but you didn't do it. We also cut the mileage and taxes. We have made more cuts than any board in this township. We have given more back to this township than any other board. So for you to sit there and give this board a lecture is kind of ridiculous. This board will be making some big decisions." Lesandrini also commented that the health insurance for all elective officials has been cut, which saved the township at least \$15,000-20,000. It also gave the insurance rep a chance to look for cheaper insurance rates for the employees. So we no longer have officers on the health insurance, stated Lesandrini.

Motion by Dalpra, supported by Aho to approve the EFT's in the amount of \$1,248.00, Monthly's in the amount of \$22,052.27 and the Prepaid's in the amount of \$5,695.67 totaling \$28,995.94. Roll call was taken. All ayes. Motion carried.

Motion by Seppala, supported by Dalpra to adjourn the meeting. Meeting adjourned at 6:10 p.m.. All ayes. Motion carried.

Joanne Seppala/Clerk