

***Council Proceedings, April 14, 2021  
Ishpeming, MI 49849***

The Special Meeting of the Ishpeming City Council was held on Wednesday, April 14, 2021, in the Council Chambers at City Hall. Mayor Lindsay Bean called the meeting to order at 6:03 p.m.

Present: Mayor Lindsay Bean, Councilmembers Elizabeth Firby, Pat Scanlon, and Stuart Skauge (4). Excused: Councilmember Jason Chapman (1). Also present was City Manager Craig Cugini and City Attorney Caroline Bridges.

AGENDA COMMENT – Public comment was offered via Zoom. There was no public comment.

PFM FINANCIAL ADVISORS – DISCUSSION/STUDY SESSION PERTAINING TO 2021 PENSION OBLIGATION BONDS

Kari Blanchet, Managing Director, and Sean Wahl, from PFM Financial Advisors, provided some background on the MERS pension plan and the unfunded liability of approximately \$10.5 million. She further reviewed the City's existing outstanding debt which was approximately \$12,732,000, and the City's credit rating. State law limits the amount of unfunded pension liability that may be bond funded to the amount sufficient to achieve a 95% funding level based on the latest actuarial valuation. She reviewed changes on pension rate of return assumptions, the impact of estimated annual required contributions and balances at various rates of returns. She summarized the risk of pension bonds and reasons municipalities bond for pension liability.

Tom Colis, Miller Canfield Paddock, and Stone P.L.C., reviewed the list of requirements that the City must meet and the process to be followed in order to pursue pension bonds. Bonds would allow for a level payment for the life of the bond.

A motion was made by Councilmember Scanlon, supported by Mayor Bean, and carried unanimously to authorize staff to move forward with the process for pension obligation bonds.

AGREEMENT FOR AN S-2 OPERATOR IN CHARGE FOR THE CITY OF ISHPEMING

Manager Cugini advised he contacted several people on the list of available operators. Steve Martinac, current NIWA Director, indicated Tony McGrath, retired NIWA Director, has agreed to be our S-2 Operator in Charge until the City is able to obtain an Operator.

A motion was made by Councilmember Scanlon, supported by Councilmember Skauge, and carried unanimously to authorize the Mayor to sign the agreement for an Operator-in-Charge incorporating the change to Tony McGrath being a part-time employee and being paid on the payroll schedule.

CLOSED SESSION PURSUANT TO MCL 15.268(e) IN CONNECTION WITH SPECIFIC PENDING LITIGATION

A motion was made by Councilman Scanlon and supported by Councilmember Skauge to go into closed session pursuant to MCL 15.268(e) in connection with specific pending litigation at 7:01 p.m. Ayes: Mayor Lindsay Bean, Council Members Jason Chapman, Elizabeth Firby, Pat Scanlon, and Stuart Skauge (5). Nays: None (0). Motion passed 5-0.

A motion was made by Councilmember Scanlon, supported by Councilmember Skauge and carried unanimously return to open session at 7:31 p.m.

ADJOURNMENT

At 7:32 p.m., a motion was made by Councilmember Skauge, supported by Councilmember Scanlon, and carried unanimously to adjourn.

Respectfully Submitted,



Cathy Smith

City Clerk/Assistant to the City Manager