

***Ishpeming City Council Proceedings: March 20, 2024***  
***Ishpeming, MI 49849***

1. CALL TO ORDER

The Special meeting of the Ishpeming City Council was held on Wednesday, March 20, 2024, in the Ishpeming City Hall Council Chambers. Mayor Jason Chapman called the meeting to order at 4:30 p.m.

2. ROLL CALL

Present: Mayor Jason Chapman, Council Members Lindsay Bean, Elizabeth Firby, and Renelle Halverson (4).  
Absent: Councilmember Pat Scanlon (1). Also present was City Manager Craig Cugini and City Attorney Caroline Bridges.

Mayor Chapman wished the Ishpeming Girls Basketball Team luck Downstate.

3. APPROVAL OF AGENDA

A motion was made by Councilmember Firby, seconded by Mayor Chapman and carried unanimously to approve the agenda as amended incorporating moving Item (c) Michigan Natural Resources Trust Fund Grant: Tennis Courts to the first item under "Items of Business".

4. PUBLIC COMMENT - Public comment was offered through Zoom and in person.

Claudia Demarest asked to reserve time under item 5(e) Final 2023 Budget Amendments.

Ray Olds, Ann Olds, and Kaitlin Rich all asked to reserve time under the Tennis Court Grant Application public comment.

5. ITEMS OF BUSINESS

c. Michigan Natural Resources Trust Fund Grant Application: Tennis Courts

i. Public Input for the Michigan Natural Resources Trust Fund Grant Application

Mayor Chapman opened the public input session.

Ray Olds, 1165 Ninth Street, explained his granddaughter played on last year's U.P. State Championship team and the team could not play on their own courts and could not even practice on their own courts due to the condition. The only time the team was able to hold a meet on their own courts was because a private citizen did some work at the site. He also suggested that with the popularity of pickle ball, if new courts were obtained, they should include lines for pickle ball. All other Ishpeming School sports facilities were very nice, except for the tennis courts, and their current conditions makes them completely unsafe which was not acceptable.

Ann Olds, 1165 Ninth Street, supported the submission of the grant for the tennis court complex. She added both of her daughters played on the courts when they were beautiful and now her granddaughters are playing on the courts and they are not only in poor condition, but are unsafe. She would very much like to see nice and well-maintained courts for the Ishpeming School District.

Kaitlin Rich, 784 Mather Avenue, and the Boys and Girls Varsity Tennis Coach, could not believe there were not more serious injuries received on these courts due to their condition. Safety was a huge concern. Teams are not able to hold a full meet at the Playgrounds because there are only seven courts and usually only six can be used due to dirt accumulation on one of the courts. During many of the meets, the visiting teams laugh about the condition of the courts and Ishpeming students are very embarrassed. Several students were going to attend the meeting tonight, however, they were traveling downstate for the Girls' Basketball Championships. The School Board reviewed the plans at their last meeting and there was discussion related to applying for seven courts versus eight courts. She added even though eight courts were costly, if the project was going to be done, it should be done right so that the U.P. Finals and tournaments could be held in Ishpeming; and, eight courts were needed and necessary for tournaments to be held in Ishpeming which would also benefit the community.

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Tim Harris, 1040 Wabash Street, member of the School Board and lifelong resident of the City of Ishpeming, would very much like to see new courts for the School. Students drive up to West Ishpeming to use their courts versus using the courts in Ishpeming. He added the eight courts were necessary and would benefit both the School and the City.

Carrie Meyer, Superintendent Ishpeming School District, has received many comments and phone calls from community members regarding the condition of the courts. The other three grant application submissions did not receive the needed points to be funded. The maximum grant is \$400,000 from the Michigan Natural Resources Trust Fund and she felt this was the right time to apply for grant funding. The community and School Board members have expressed the need for eight courts versus seven courts. Development of eight courts would allow for tournaments and playoffs to be held in Ishpeming which would also bring people into the community along with revenue. She added the School Board was willing to commit up to \$300,000 in matching funds towards the eight-court plan.

Mayor Chapman closed the public input session.

ii. Resolution 3-2024: MNRTF Grant Application Submittal: Tennis Court Project

Manager Cugini explained at the February 14<sup>th</sup> Special council meeting, Council agreed to support the tennis court project up to \$150,000 and the skate park project up to \$150,000. He reviewed the possible options to fund the tennis court match dollars at a higher dollar amount, and also noted if the tennis court grant was awarded through the Michigan Natural Resources Trust Fund the project would take place in 2025 and the match would be allocated in the City's 2025 budget.

He advised the City received additional funding through the Community Centers Grant for the skate park so the \$150,000 allocated to the skate park could be reduced to \$100,000 and the \$50,000 could be re-allocated to the tennis court project.

There was some discussion related to reallocating funds and/or delaying future capital projects (i.e. dog park, ice rink improvements) if the tennis court grant was received and additional funds were needed.

Councilmember Firby clarified that the funds committed to the tennis courts and skate park could be reallocated, as noted by Manager Cugini, to \$100,000 for the skate park and \$200,000 for the tennis courts. She added the current estimate for eight courts was \$860,000 and if the grant was received and additional money was needed, Council could then determine which projects would be postponed so funds were available to put towards the eight courts.

Carrie Meyer, Superintendent, explained in her position, she would not fundraise, however, others in the community could. She added the City and the School should each committed \$200,000 to apply for the grant, and if additional funds for the project were needed for the eight-courts to be developed, each should have a plan on how to meet that requirement.

Chris Holmes, clarified the minimum cost for the eight courts was \$860,000. The maximum grant that could be received was \$400,000; therefore, the minimum match would be \$460,000 (\$230,000 from the City and \$230,000 from the School). These were the minimum grant match numbers that would have to be in the grant application.

A motion was made by Councilmember Bean, seconded by Councilmember Firby and carried unanimously to match the schools committed match funding up to a not-to-exceed amount of \$300,000 for the tennis court complex project and approve Resolution #3-2024 incorporating the change in match funding as approved.

iii. Use and Maintenance Agreement with the Ishpeming Public Schools

Manager Cugini advised the Ishpeming Public Schools has reviewed and approved the Use and Maintenance intergovernmental agreement at their Board meeting earlier this week.

A motion was made by Councilmember Firby, seconded by Councilmember Bean and carried unanimously to approve the Intergovernmental Agreement for Use and Maintenance of the Tennis Court Complex as presented.

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**a. Discuss cost estimates and public improvement funding for the area south of Division Street**

Manager Cugini reviewed the cost estimates from U.P. Engineers and Architects (UPEA) for the suggested work to be done in the area south of Division Street. Finance Director Grant Getschow provided a brief overview of the 2024 Capital Improvements Projects and suggested one of the projects that could be reduced to cover the cost estimate, as outlined by UPEA; was the local roadway funding.

There was some brief discussion among Council and staff related to the 2024 Capital Projects.

A motion was made by Councilmember Halverson, seconded by Mayor Chapman and carried unanimously to fund the work in the area south of Division Street as outlined by U.P. Engineers and Architects (UPEA), which would include installation of monitoring wells, the topographic survey and associated drafting, and monitoring the area by UPEA for an approximate cost of \$15,000 by amending the Public Improvement fund for the project repairing problem sections of local roadways.

2024 Capital Improvement projects would be further discussed at a future meeting.

**b. Public Hearing for the proposed transfer of 429 E. New York Street to the Marquette County Landbank**

Mayor Chapman opened the public hearing 5:24 p.m.

Council received an email from the adjoining property owner asking about the sale of the property located at 429 E. New York Street. Mayor Chapman read the email into the record.

Antonio Adan, Marquette County Land Bank, explained the Land Bank has expressed interest in the property to build work force housing. He reviewed how much had been invested into the property by the City and the Land Bank to prepare the site for development.

Mike Tonkin, 612 N. Third Street, knows the owners of the adjoining property and their whole family has lived in that area for many years. He expressed his interpretation of the City Charter.

Meredith Seppanen, 619 N. Sixth Street, talked about the need for workforce housing in the City of Ishpeming. She hoped the process would be followed and the Land Bank would receive the property for development of the much-needed work force housing in the City.

Mayor Chapman closed the public hearing at 5:31 p.m.

Councilmember Firby pointed out the first step was to declare the property as surplus, that action was taken at the March regular meeting, and then hold this public hearing, which allows for parties to voice their interest or concerns.

Attorney Bridges explained when disposing of assets, Council should determine the best value for the city which could be monetary value or future needs. Council was holding the required public hearing tonight, and a decision could be made at the following regular meeting. Some interest was raised in an email sent to Council and the Marquette County Land Bank has also expressed interest in development of the site. At the next regular meeting, Council can discuss/decide on the process for sale/disposal of the property.

**d. Resolution 4-2024: Drinking Water State Revolving Fund (DWSRF) Notice of Intent and Declaring Intent to Reimburse (2024 DWSRF Bonds)**

Manager Cugini explained this resolution was needed to authorize the notice of intent to issue revenue bonds and further declare the intent to be reimbursed from proceeds of the bonds for any expenditures undertaken by the City for the project prior to issuance of the bonds. He provided a brief over of the proposed project which would include water main and lead service line replacements at various locations and upgrades and improvements to the storage tank.

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Councilmember Bean and Halverson talked about past discussions related to the proposed project and bonding for the project at a low interest rate which would be a very good method for the City to proceed with the project and was in the best interest of the City.

A motion was made by Mayor Chapman, seconded by Councilmember Bean and carried unanimously to adopt Resolution 4-2024, Authorizing Notice of Intent and Declaring Intent to Reimburse (2024 Drinking Water State Revolving Fund Bonds) as presented.

**e. Final 2023 Budget Amendments**

Claudia Demarest, 821 Maurice Street, talked about the final 2023 budget amendments and read a quoted from the Michigan Department of Treasury Manual related to year end amendments. She said Council did not have the authority to amend the 2023 budget and she would contact Lansing and file a complaint if the budget was amended.

Finance Director Getschow provided an overview of the proposed 2023 budget amendments. He summarized his discussions with the City's auditors related to timeline for budget amendments and being cited with a violation; reviewed sections of the Uniform Budget Act; and the March 1st deadline to accrue 2023 expenditures back to the 2023 budget. Staff recommended Council make the necessary budget amendment for 2023 and if Council wished, change the process moving forward. He provided a brief analysis and summary of the proposed amendments per fund.

There was discussion on the ramifications of not approving the budget amendments; the history of staffing in the Finance Department in 2023; projections provided to Council in the September 2023 budget amendments; the Uniform Budgeting and Accounting Act; the Michigan Constitution, and the Department of Treasury Manual.

Councilmember Halverson expressed her concern with approving the amendments and the budget being exceeded; she would like to have more time to look into the issue and make some phone calls and suggested this be discussed at the April meeting.

Chief Chad Radabaugh addressed some of the issues with the Police Department budget which related to grant funding.

Attorney Bridges briefly reviewed her opinion and added the City is not allowed to have expenditures over appropriations, and if the budget is not in balance, the City would be in violation and City auditors would have to report the expenditures over appropriations to Treasury.

Discussions continued on the proposed budget amendments. Councilmember Halverson and Mayor Chapman were opposed to authorizing the budget amendments. Finance Director Getschow suggested the City self report the expenditures over appropriations to Treasury.

A motion was made by Councilmember Bean, seconded by Councilmember Firby to approve the 2023 Budget Amendments as presented. Ayes: Councilmember Lindsay Bean and Elizabeth Firby (2). Nays: Mayor Jason Chapman and Councilmember Renelle Halverson (2). Motion failed 2-2.

With the action taken, Finance Director Getschow would self-report expenditures over appropriations to Treasury.

**6. ADJOURNMENT**

At 6:19 p.m., a motion was made by Councilmember Firby, seconded by Councilmember Bean and carried unanimously to adjourn.



Cathy Smith, City Clerk