

ISHPEMING DOWNTOWN DEVELOPMENT AUTHORITY

Meeting of February 25, 2013

A meeting of the Ishpeming Downtown Development Authority was held on Monday, February 25, 2013, at 4:00 p.m. in the City Hall Conference Room. Chairman David Aeh called the meeting to order.

Present: David Aeh, Dave Aro, Jason Gauthier, Judy Hodges, Jered Ottenwess, Elaine Racine, and Stuart Skauge

Also present were Council Members Claudia Demarest and Mike Tonkin, Ken Dillinger, Pat Coleman, and Brian Savolainen of UPEA, Roger Crimmins of Lindberg & Sons, Joanne Hill of Stonehouse, and Adelle Whitefoot of the Mining Journal.

Approval of Minutes

A motion was made by Mr. Gauthier and seconded by Mr. Skauge to approve the minutes of January 28, 2013, as amended, and February 14, 2013, as presented. Motion carried.

Financial Report

Mr. Ottenwess stated there are a few outstanding invoices from 2012, the auditors have started the 2012 audit, and most of the current expenditures have been bond project related.

Former Penney Lot Negotiations

Mr. Aeh, Mr. Ottenwess, Mrs. Racine, and Mr. Skauge met with Mr. and Mrs. Koski about the purchase of the former Penney lot. A proposal should include selling the lot to Congress Pizza, not to Mr. Koski individually. The purchase agreement should include that, if Mr. Koski did not complete the proposed expansion and desired to sell the lot in the future, the City or the DDA would have first option of purchase.

A motion was made by Mr. Skauge and seconded by Mrs. Racine to recommend that the City Council and/or DDA schedule a public hearing to get public input on the possible sale of the lot to Congress, Inc. Motion carried.

A motion was made by Mr. Skauge and seconded by Mrs. Racine to find out if an appraisal was done on the Penney lot and, if not, have one done by a certified appraiser at a cost not to exceed \$500. Motion carried.

A motion was made by Mr. Skauge and seconded by Mr. Aeh for the City Manager to work with the City Attorney to prepare a draft purchase agreement for the Penney lot that can be reviewed by the DDA at a future meeting. Motion carried.

Bond Project Update

The Bond Project Expenditure analysis report was reviewed. It was requested that a column be added to the report to show actual expenditures.

Mrs. Demarest asked whether a resolution was reached on possibly dividing the cost of the \$49,033.50 change order between the DDA and UPEA. Mr. Ottenwess replied this has not been resolved.

Mrs. Racine indicated the City Council thought \$100,000 would include all expenses for the entryways.

Mr. Savolainen stated an agreement was reached with Lindberg for the earth work required for Malton Road, and Change Order No. 2 will allow the balance owed to be paid. The amount of the change order is \$136,896.50, which increases the contract amount for Malton Road to \$572,436.25.

Mr. Ottenwess noted there will also be an additional cost of \$94,773 to Wisconsin Central Railroad for the railroad crossing.

Two options for paving were presented. One was for \$77,500 for 3,000 feet of 2" – 24 foot wide pavement with 8 foot gravel shoulders from the current blacktop edge just north of the railroad crossing south past the new Gleason's driveway, Heritage Trail and the approach at M-28. The second option is \$202,500 for 8,200 feet of 2" 24 foot wide pavement with 8 foot gravel shoulders from the current blacktop edge to M-28. It was suggested an option three be considered for 3" paving. For 3" pavement, the cost of paving would be increased by another \$100,000 or \$302,500.

Discussion following on the value of 2" versus 3" paving for Malton Road and 22 foot versus 24 foot wide pavement. The Planning Commission reviewed the 2" option for compliance with adopted road standards. They felt it was not ideal, but with the anticipated limited traffic it would be acceptable. They would not, however, accept anything less than a 24 foot wide road. Mr. Crimmins said it is possible to do 2½" pavement and still get the economic life from the road.

A motion was made by Mr. Skauge and seconded by Mr. Aeh to approve Change Order #2 to increase the cost of the Malton Road project by \$136,896.50 for a total of \$572,436.25. Ayes: Six (6). Nays: None (0). Abstained: One (1 – Jason Gauthier). Motion carried.

Mr. Coleman stated bond funds have been reallocated to other bond projects and recommended the DDA wait until the other projects are completed and it is known how much money is left before proceeding with redesign of the Gateway Project.

It was suggested the U. S. 41 water and sewer extension could be held until a decision is made on Malton Road. Grant funds could be available to assist in the completion of this utility extension.

There is a grant for the downtown streetscape project. The grant has to be completed by December 31, 2013. There was good attendance at the meeting held at the Library on February 13. The major concern is coordination with construction from others this summer. Project plans have to be reviewed by the Planning Commission/Traffic Committee . It is agreed Main Street should not be torn up at the same time as other construction on Hematite Drive. Roger Crimmins was questioned on the advantages of Lindberg doing the Hematite Drive portion at the same time he was doing the Negaunee sewer line. Mr. Coleman will check into the feasibility of bidding that portion of the project separately and awarding the bid to Lindberg based on what is to the best advantage of the City.

Ishpeming Business Association

The IBA designates a charity to raise funds for each year. This year, the IBA would like to collect donations to purchase a drug dog for the Police Department.

New Business

Mr. Aeh would like to put an ad in the Mining Journal Progress section explaining the DDA functions and what has been accomplished. It was questioned whether the DDA could be a part of what the Chamber of Commerce does.

A motion was made by Mr. Skauge and seconded by Mr. Gauthier that the City Manager proceed with having the DDA included in the Progress supplement and to authorize, if necessary, an expenditure up to \$200. Motion carried.

Adjournment

A motion was made by Mrs. Racine and seconded by Mr. Aeh to adjourn the meeting at 5:28 p.m. Motion carried.

Carol Holmgren
Recording Secretary