

Proceedings of the Ironwood City Commission

A Regular Meeting of the Ironwood City Commission was held in person and via Zoom on Monday, July 12, 2021 at 5:30 P.M..

A. Mayor Burchell called the regular meeting called to order at 5:30 P.M.

B. Recording of the Roll.

PRESENT: Commissioner Cayer, Corcoran, Mildren, Semo, and Mayor Burchell.

ABSENT: None.

C. Approval of the Consent Agenda.*

*1) Approval of Minutes – Regular City Commission Meeting Minutes of June 28th.

*2) Review and Place on File:

a. Special Ironwood City Commission and Planning Commission combined meeting of June 24.

b. Planning Commission Meeting Minutes of March 18, April 15, and May 6.

c. Park & Recreation Committee Meeting Minutes of Feb. 1, March 1, and April 22.

Motion was made by Corcoran, seconded by Cayer to approve the Consent Agenda as presented. Unanimously passed by roll call vote.

D. Approval of the Agenda

Motion was made by Mildren, seconded by Semo and carried to approve the Agenda as presented.

E. Update on COVID-19 Response.

City Manager Scott Erickson addressed the City Commission stating there were no updates to report but would notify the City Commission if there is something in the future. He also mentioned this item would be removed from the next agenda.

F. Citizens wishing to address the Commission on Items on the Agenda. (Three Minute Limit).

Martin Celeski, of 258 E. Harding Ave. expressed his opposition to increasing the current retail licenses under Item L. He also does not see any good coming out of increasing the retail licenses and does not want Ironwood being called Ironweed.

Louise Demasi, of 400 Silver Street also expressed her dismay with increasing the current retail licenses. Ms. Demasi also mentioned the City of Ironwood was going to have a hearing with all the residents before initiating the licenses and that did not happen. Ms. Demasi stated the City of Ironwood has not even given it a chance to see how it goes or how much money the City will

make. She also suggested the money that the City gets from the marihuana licenses should go to hiring more police officers and department of works employees.

Ken Rausch, 631 E. McLeod Ave. stated he received a microbusiness license and on average a person spends anywhere from \$500 to \$2,500 year on cannabis. The \$2,500 figure is from people that live in Chicago or Colorado. Mr. Rausch suggested the City Commission look at the ordinances for the medical marihuana facilities instead of increasing the number of licenses.

Commissioner Semo requested Mr. Rausch provide the City Commission with some sort of data sheet regarding his comments.

Myron Berry, from Mountain Engineering, on 329 Doorland Street, Kingsford Michigan felt the City of Ironwood has a good start, good ordinance, and urged them to wait to consider adding licenses.

The following individual comments were received from zoom participants:

Ben Thompson, of 414 Silver Street, thanked everyone for the time they spent on developing the ordinance. As a recipient of one of the licenses he felt that if the City of Ironwood increased the number of licenses it would create a change on the return of their original investment.

Carissa Cayer Mott, of 401 W. Birch St. stated after she attended the combined Planning Commission Meeting, she felt it would be unfair to add more licenses. Ms. Cayer Mott urged the City Commission to stay the course with their original number of licenses.

Stosh Wasik, of 722 Horizons Dr., Marquette, Michigan addressed the City Commission stating he is the CEO of the Fire Station which ended up third in the rubric. He also noted the Fire Station was given grow licenses but urged the City Commission to allow for more retail licenses. The more licenses you have the more you get of the State of Michigan's money. He further stated the Fire Station is proposing many more jobs and good wages.

Tyler Varnadore, of 10452 Belmont Ave., Ramsay, Michigan felt more applicants for the Retail Marihuana Facilities in the community would be beneficial for all the unemployed in the area.

Antonio Ruiz, Attorney for the Fire Station, totally understands the City Commissions reluctance to allow more licenses. Members of the community are missing that the scoring between businesses were very close. He felt more retail licenses would bring a lot of opportunity to the community with well paying jobs from people who were laid off from the prison and other jobs. Attorney Ruiz also noted competition is always good and it makes more of an open economy.

Lance Boldrey, Attorney for Rize U.P., stated he has represented over 100 clients in Michigan, Illinois and Canada and has been involved in many advisory groups and work groups. In 2006 and 2008 he worked with MRA to develop the Medical Marihuana Facility Act. He mentioned he works with MRA daily. He offered a broader prospective to the City Commission stating it is not a license to print money when you license a facility. He stated he has seen what happens when a community expands the number of businesses too quickly. He further stated many

businesses have been closed in Bangor Township, Bay City, and even Detroit in areas where there were too many retail licenses. Attorney Boldrey noted that the fact Ironwood only received six (6) applications and has 6,500 people between Hurley and Ironwood tells him the market is limited. He further noted if the regulatory market is handicapped the black market will continue to be dominate. Tripling the numbers of retail licenses would absolutely handicap the market. Each store would get only a third of the revenue projected when they were putting their applications together and would cripple their ability to invest. Attorney Boldrey stated there would be no large increase in revenues by the increased number of licenses. He encouraged them not to triple the licenses but continue the course of the ordinance the City currently has in place.

Jack Turner, General Counsel for Rize U.P. addressed the City Commission stating the City already has an ordinance in place and they should give the ordinance time to work or not work. He further noted the current licenses were given to very reputable businesses through the rubric. He respectfully requested the City of Ironwood give the current businesses the opportunity to open their doors before adding licenses.

Jaci DeRonzo, of 74 Midway Dr., Negaunee, Michigan expressed her support for increasing the number of licenses. Ms. DeRonzo stated they are highly regulated licenses under strict regulations and many communities have seen the growth. She further stated she is employed by Fire Station and they were going to transform three (3) distressed properties.

Jeff Barker, Attorney for Free World Farms was one of the applicants who received Class B Grow, and processor licenses but did not get a retail license. He stated he would like to see licenses increased to six (6), because local people did not get any licenses. He also commended the Fire Station for encouraging more licenses to keep prices down. Mr. Barker stated the tax revenue that would be helpful to Ironwood but also the increased jobs.

Chris DeTray, of 315 W Francis Street encouraged the City of Ironwood to increase the licenses to help the community. He felt it would create more jobs and higher wages for the area.

Josh Norman, of 4904 Bryant Avenue, Minneapolis, Minnesota who is an owner of Three Twins. Mr. Norman felt the City should let the industry grow organically allowing businesses to grow. Would like Ironwood not to be just a marihuana destination but a tourist destination.

Logan Stauber, CEO and founder of Fire Station in Marquette, Michigan reviewed with the City Commission the money the City had lost by not allowing marihuana licenses. The Fire Station purchased two (2) buildings on Luxmore St. and he felt that if the City of Ironwood had opted in last year they would have received a check for a considerable amount of money. He further noted the City of Ironwood is a border City and would benefit from the traffic from other states.

Joni Moore, President of Higher Love Corporation, stated there was a lot of wisdom from the gentlemen who spoke from Three Twins noting the City of Ironwood should not be a marihuana destination but a tourist destination with all the things Ironwood can offer. She also stated she is proud to be a part of this process and her company has spent a lot of money in putting their application together. Ms. Moore urged the City of Ironwood to continue to stay the course and

continue with only two (2) retail licenses at this time.

Ben Fisher, of 3627 S. Xenia Ct., Denver Colorado, and an owner of the Three Twins organization. He felt the City of Ironwood's process was well thought out and they should stay the course. He further mentioned to change the process now would be unfair to the companies that have already spent the money.

G. Citizens wishing to address the Commission on Items not on the Agenda (Three Minute Limit)

Louise Demasi, of 400 Silver Street questioned the City Commission on how Gogebic County was spending the 2.5 million dollars of American Rescue Plan money. She further asked if anyone from the City has met with the County to see how the money will be spent. Ms. Demasi stated she felt it should be divided among the communities. Further discussion of this matter took place.

Martin Celeski, of 258 E. Harding Avenue questioned who citizens refers to when taking comment. He felt most of the people were not citizens of Ironwood. It was explained to him that citizens mean anyone, it is a public meeting. Mr. Celeski also questioned if the City of Ironwood was looking in the future to fund a new fire apparatus.

H. PRESENTATION: Andrew DiGiorgio, Ironwood Public Safety Director
(RE: IPSD updated Mission, Vision and Core Value Statement)

Public Safety Director Andrew DiGiorgio reviewed with the City Commission the Ironwood Public Safety's vision statement stating his department will strive to provide excellence by embracing change, serving, and partnering with our community – "nurturing the tales of the past and building new trails for our future". He also noted all the core values his department will strive toward. Additional comments were received.

OLD BUSINESS

I. Discuss and consider retaining the Michigan Rural Water Association to provide a Comprehensive Water Rate Analysis for the City of Ironwood.

Motion was made by Semo, seconded by Corcoran and carried to retain the Michigan Rural Water Association at no cost to provide a Comprehensive Water Rate Analysis for the City of Ironwood.

J. Discuss and Consider authorizing pay application #2 to P.K. Contracting, Inc. for the 2021 Street Pavement Markings in the amount of \$13,613.19.

Motion was made by Mildren, seconded by Semo to authorize pay application #2 to P.K. Contracting, Inc. for the 2021 Street Pavement Markings in the amount of \$13,613.19. Unanimously passed by roll call vote.

- K. Discuss and Consider authorizing pay application #1 to Snow Country Contracting in the amount of \$52,951.75 for the Miners' Memorial Heritage Park Mountain Bike Trail Head Parking Lots and Connector Trail Project.

***Motion** was made by Mildren, seconded by Corcoran to authorize pay application #1 to Snow Country Contracting in the amount of \$52,951.75 for the Miners' Memorial Heritage Park Mountain Bike Trail Head Parking Lots and Connector Trail Project. Unanimously passed by roll call vote.*

- L. Discuss and Consider the City of Ironwood Planning Commission recommendation to increase the number of available Marihuana Retail Establishment Licenses.

No action was taken.

- M. Discuss and Consider awarding bid to Angelo Luppino, Inc. for the 2021 local street paving project.

***Motion** was made by Mildren, seconded by Cayer to award the lowest bidder, Angelo Luppino, Inc. for the 2021 local street paving project in the amount of \$594,862.85. Unanimously passed by roll call vote.*

NEW BUSINESS

- N. Discuss and Consider approving quote from Bucklin Tree Service, LLC to provide tub grinding services in the City of Ironwood compost site in the amount of \$37,550.00.

***Motion** was made by Semo, seconded by Corcoran to approve the quote from Bucklin Tree Service, LLC to provide tub grinding services in the City of Ironwood compost site in the amount of \$37,500.00.*

ROLL CALL

Yes (4): Commissioner Corcoran, Mildren, Semo, and Mayor Burchell.

No (1): Commissioner Cayer.

***Motion** carried on a 4 to 1 vote.*

- O. Discuss and consider authorizing Ironwood Public Safety Department to purchase the annual software for Power DMS in the amount of \$5,207.46.

***Motion** was made by Semo, seconded by Mildren to authorize Ironwood Public Safety Department to purchase the annual software for Power DMS in the amount of \$5,207.46. Unanimously passed by roll call vote.*

P. Discuss and Consider granting a request for a “Special Event” water rate to the Gogebic County Fair for August 12-15, 2021.

***Motion** was made by Corcoran, seconded by Mildren to grant the request for a “Special Event” water rate to the Gogebic County Fair for August 12-15, 2021. Unanimously passed by roll call vote.*

Q. Discuss and consider waiving all Vendor Fees for the 2021 Festival Ironwood.

***Motion** was made by Mildren, seconded by Semo to waive the Vendor Fees for the 2021 Festival Ironwood. Unanimously passed by roll call vote.*

R. Mayor’s appointments.

Mayor Burchell appointed Kim Corcoran to an unexpired term of Dave Ramme (term expiring October 31, 2021), reappointed Cathryn Flory and Amy Nosal to the Downtown Development Authority (DIDA) for a four-year term (terms expiring June 31, 2025), and reappointed Tom Kangas to the Park and Recreation Committee for a three-year term (term expiring June 31, 2023).

***Motion** was made by Semo, seconded by Mildren and carried to approve the Mayor’s appointment of Kim Corcoran to the Planning Commission (term expiring October 31, 2021), reappointed Cathryn Flory and Amy Nosal to the DIDA (term expiring June 31, 2025), and reappointed Tom Kangas to the Park and Recreation Committee (term expiring June 31, 2023).*

S. Manager’s Report.

City Manager Scott B. Erickson verbally gave the Manager’s report noting the following items:

- *Festival Ironwood is beginning this week starting Wednesday through Saturday.
- *Manager Erickson urged everyone to take part in the upcoming Ember Light events.
- *The Neighborhood Enhancement Project will improve 4 homes in Ironwood.
- *The Mine Shaft Safety Fencing is complete.
- *The groomer barn for Miners’ Memorial Heritage Park is complete.
- *City Officials continue to work with a deceased owner’s heirs in removing a staircase that is falling off the building located on McLeod Ave.

T. Other Matters.

Commissioner Mildren applauded the organizers of the Ember Light Festival for using the City of Ironwood as its venue.

Commissioner Semo also stated how the Historic Ironwood Theatre has worked so hard on improving the Theatre and urged everyone the many events and how hard they have worked at all the improvements.

U. Adjournment.

***Motion** was made by Semo, seconded by Mildren to adjourn the meeting at 7:22 P.M.
Unanimously passed by roll call vote.*

Annette Da Lio-Burchell, Mayor

Karen M. Gullan, City Clerk