

January 21, 2015
Worksession
6:30 p.m.

Present: Councilors Tuisku, Bauman, Hodur, McKenzie, Belej, Slivon and Blau (late).

Absent: None

Also present: Susan Burack, John Haeussler, Wayne Butler, Kevin Mackey, Roland Burgan, Deb Bradford, Kristina Smigowski and Bill Marlor.

Reviewed and Discussed:

1. Update on the current situation with Ben Jaehnig.
2. Update on the Marquette SmartZone.
 - Signed papers yesterday.
 - Hancock/Houghton SmartZone has to file a new 15 year TIF Plan by June.
 - LDFA - UPPCO is moving to the 2nd floor of the old Power House (Accounting and IT Department)
3. Portage Health update.
 - new CEO Jeff Lang starts March 9th
 - new CFO Steve Bishop starts January 26th
4. Update on Hancock Main St. Inc.
5. Clay Hilman is looking to open a new store in Hancock (Coffee Shop and Toy Store)
6. Dresch Project.

Estimate came in high, less than a 50/50 chance that this project will happen. If not a go the City will lose \$140,000 in MSHDA funds. If by chance this project is a go it won't happen until spring.
7. Mike Pflaum left the area to take a job at Picture Rock in Munising; will return to work at the KNHP.
8. CM is meeting with Paul Tomasi regarding land at the Swedetown Corridor.
9. Manager contract is up on June 30th of this year. Had a first meeting with the finance and personnel committee to discuss extending contract.
10. Houghton County Board of Commissioners has a temporary lease with Finnish Mutual to rent the old DHS building on Quincy Street.
11. MSHDA Grant for new project was requested for \$480,000 to complete 3 home buys and 6 rehabs. Project was scaled down by MSHDA to \$240,000 which will do 2 home buys and 4 rehabs. MSHDA noted that if needed the grant could be amended.
12. Update on OHM. They are working on the 2016 Quincy St. Streetscape and Traffic Design. We may need a temporary traffic light at Quincy/M203 and somewhere else on Hancock Street.
13. Bill Marlor. Update on DPW projects.
 - Gino's leak was repaired today.
 - Tomorrow the crew will start on a leak at the Hoover House on Quincy street.
 - Hired Siler Contracting to use their rock hammer. Frost is about 4 ½ feet thick.
14. 2013/2014 Audit Presentation FYE 6-30-14 along with review of audit findings and management letter; by Deb Bradford and Kristina Smigowski.

City had \$557,302 federal funds expended and need a Single Audit.
Two funds ended in a deficit; Local Street \$74,455.00 and Major Street \$35,609.00
Thirteen categories were over Budget. Reminder you cannot spend more than budgeted.
Recommend the City monitor fund budgets more closely and amend quarterly as needed.
Water and Sewer Funds had expenses over revenue this year.

Moment of silence for former City Council Member Claude "Block" Miron who passed away December 24th.

Swear in Police Chief Wayne Butler.

Regular Meeting
January 21, 2015
7:30 p.m.

The regular meeting of the Hancock City Council was held in the Council Chambers on Wednesday, January 21, 2015 at 7:30 p.m. with Mayor McKenzie presiding. The United

States Flag was honored by all in attendance with the following duly qualified Councilors being present:

Councilors: Tuisku, Blau, Hodur, McKenzie, Belej, Slivon and Bauman.

Absent: None

Also present: Manager Anderson, City Clerk Haischer, Susan Burack, John Haeussler, Wayne Butler, Kevin Mackey, Roland Burgan, Deb Bradford, Sam Allie, Mitch Lake and Mike Markham.

Moved by Councilor Belej and seconded by Councilor Hodur to approve tonight's meeting agenda as presented.

Yes: All

No: None

Motion Carried.

correspondence

Public Notice: Adopt a Hydrant

Department of Treasury re: FYE 6-30-14 Audit

General Teamsters: Don Niemi is the new Steward

Department of Licensing and Regulatory Affairs re: Electrical Code Rules

Moved by Councilor Tuisku and seconded by Councilor Belej to acknowledge the correspondence as presented and place them on file.

Yes: All

No: None

Motion Carried.

guests

Public Comment:

1. Dave Talvensaaari re: new police car and new stop signs on Elevation/Pine and Scott/Pine.
2. John Haeussler, 1023 Portage Dr. re: Dave Talvensaaari's comments
3. Susan Burack, 103 E. Quincy-Scott Building re: Council look at the Strategic Plan, City Vision, enforce ordinance, access to waterfront and rental inspections.

minutes approval

Moved by Councilor Hodur and seconded by Councilor Belej approving the minutes of the December 17, 2014 worksession, public hearing and regular meeting as presented.

Yes: All

No: None

Motion Carried.

reports

Planning Commission minutes of December 8, 2014

Us-41/M203 Corridor Advisory Team minutes of November 13, 2014

Local Advisory Council minutes of December 16, 2014

PLWSA minutes of November 13 and December 16, 2014

Moved by Councilor Belej and seconded by Councilor Blau to acknowledge the reports as presented and place them on file.

Yes: All

No: None

Motion Carried.

admin. report

1. 2015 Heikinpaiva Schedule – January 16th – January 31st.

2. 8th Annual Barnelopet Children's Ski Race, Sunday, February 8th at 1 p.m.
3. UP Energy Update
4. May ballot proposal for road funding.
Ballot Proposal
 - Raises sales and use tax from 6% to 7%
 - Eliminates the sales tax on motor fuel
 - Removes Higher Educations from the School Aid Fund
 - Amends the use tax distribution
5. Hancock Officials Updated by John Haeussler (Thank You)
6. Cemetery Map for your review.
7. Article on the Peregrine Falcons of the Portage Lake Lift Bridge.
8. MDOT Audit Report FY 11/12 increased amount by \$533
9. Sales Study and Land Value – Houghton County.
10. State of Michigan faces \$325M deficit and project next year \$500M.
Drop in gas prices has added to Deficit.
11. 2016 Water Project – preliminary application was re-submitted 1-16 to RD. We will know in the next few months how much grant we are eligible to receive.
Total project 3.8M 2.4M financing – 1.4 grant. If we don't get that amount we will scale down the project.

old business
hancock beach dock removal

Moved by Councilor Tuisku and seconded by Councilor Belej approving the removal of the entire Hancock Beach dock and cribs and award the project to MJO Contracting, Inc. at a cost of \$14,023.00. This amount excludes required permits and trucking debris. (the City will be responsible for these items)

Roll Call Vote:

Yes: Councilors Tuisku, Bauman, Hodur, McKenzie, Belej, Slivon and Blau.

No: None

Motion Carried.

fy 13/14 audit and audit findings

Moved by Councilor Hodur and seconded by Councilor Belej adopting the FY 13/14 Audit. Audit Findings and Management Letter for FYE 6-30-14 as presented by our Auditors Rukkila/Negro and Associates.

Yes: Unanimous

No: None

Motion Carried.

fy 13/14 deficit reduction plan

“Moved by Councilor Tuisku and seconded by Councilor Hodur to adopt the proposed FYE 6-30-14 Deficit Reduction Plan and 2014-2015 Budget Amendments as follows:

Local Street Fund

*11/12 Deficit Reduction Plan for the Local Street Fund: Deficit amount of \$23,298.00.

(1/3 reduction \$7,766.00) over 2013, 2014, 2015

**13/14 Deficit Reduction Plan for the Local Street Fund: Deficit amount of \$74,455.00.

- Transfer \$232,221.00 from the General Fund to Local Street Fund.

Amendment: General Fund-Transfer Out 10199999203 \$150,000.00 to \$232,221.00.

Local Street Fund-Transfer In 203000699101 \$150,000.00 to \$232,221.00.

Major Street Fund

**13/14 Deficit Reduction Plan for the Major Street Fund: Deficit amount of \$35,609.00.

- Transfer \$35,609.00 from the General Fund to Major Street Fund.

Amendment: General Fund-Transfer Out 10199999202 \$00 to \$35,609.00.

Major Street Fund-Transfer In 202000699101 \$.00 to \$35,609.00

Roll Call Vote:

Yes: Councilors Blau, Slivon, Belej, McKenzie, Hodur, Bauman and Tuisku.

No: None

Motion Carried.

new business
december a/p

Moved by Councilor Tuisku and seconded by Councilor Belej approving the accounts payable for December in the amount of \$198,224.32 and authorizing payment as follows as funds become available.

General	\$58,555.78
Major	13,429.69
Transit	5,751.10
Sewer	52,472.88
Water	38,263.45
Emp Ben	3,590.85
Motor V	22,639.41
<u>DDA</u>	<u>3,521.16</u>
Total	\$198,224.32

Roll Call Vote:

Yes: Councilors Tuisku, Bauman, Hodur, McKenzie, Belej, Slivon and Blau.

No: None

Motion Carried.

add'l checks typed in dec.

Moved by Councilor Belej and seconded by Councilor Hodur approving the additional checks typed in the month of December, in the amount of \$674,314.29 and authorize payment as follows:

Expenses	\$182,543.80
<u>Transfers</u>	<u>491,770.49</u>
Total	\$674,314.29

Roll Call Vote:

Yes: Councilors Blau, Slivon, Belej, McKenzie, Hodur, Bauman and Tuisku.

No: None

Motion Carried.

btc easement

Moved by Councilor Belej and seconded by Councilor Hodur approving a 10' fiber optic easement to Baraga Telephone Company (BTC) for a fee of \$2000 (donation) to the City of Hancock's Parks and Recreational Fund and authorizing the City Manager to execute the document.

Roll Call Vote:

Yes: Councilors Tuisku, Bauman, Hodur, McKenzie, Belej, Slivon and Blau.

No: None

Motion Carried.

mml capital conference
march 24th and 25th

Moved by Councilor Belej and seconded by Councilor Hodur approving a travel request for the City Manager to attend the MML Capital Conference in Lansing on March 24th and 25th with appropriate travel advance.

Yes::All

No: None

Motion Carried

proposed ordinance
1st reading

Moved by Councilor Slivon and seconded by Councilor Hodur approving the first reading of a proposed ordinance amending Ordinance #104 "AN ORDINANCE REGULATING

CROSS CONNECTIONS WITH THE PUBLIC WATER SUPPLY SYSTEM, I.E. A CONNECTION OR ARRANGEMENT OF PIPING OR APPURTENANCES THROUGH WHICH WATER OF QUESTIONABLE QUALITY, WASTES OR OTHER CONTAMINANTS CAN ENTER THE PUBLIC WATER SUPPLY SYSTEM” authorizing publication in the Gazette and setting a public hearing for Wednesday, February 18th, 2015 at 7:30 p.m. (copy of proposed ordinance is on file in the Clerk’s Office)

st. patrick’s day committee
contribution of \$500

Moved by Councilor Hodur and seconded by Councilor Belej to approve a \$500 contribution to the St. Patrick’s Day Committee, Deb Mann-Chairperson for this year’s celebration.

Roll Call Vote:

Yes: Councilors Blau, Slivon, Belej, McKenzie, Hodur, Bauman and Tuisku.

No: None

Motion Carried.

Yes: All

No: None

Motion Carried.

Moved by Councilor Belej and seconded by Councilor Hodur that this regular meeting of the Hancock Council be adjourned. Time: 8:35 p.m.

Yes: All

No: None

Motion Carried.

Lisa McKenzie, Mayor

Karen Haischer, CMC City Clerk