

Worksession
June 16, 2010
6:30 p.m.

DRAFT

Present: Councilors Gemignani, Laitila, Belej, Slivon and Hainault.
Absent: Councilor McKenzie (will be late for the meeting)

Reviewed and Discussed:

1. Bridgefest 2010 t-shirts and buttons.
2. Rehab Grants for housing.
3. Former Mayor/Councilor Jim Martin health report update.
4. Frisbee Tournament at the Hancock Driving Park weekend of Fourth of July.
5. Finlandia University and Community meeting regarding hosting the 2010 National Finn-Fest Celebration in Hancock.
6. Bridge lighting update.
cost is paid ½ by Hancock and ½ by Houghton.
the lighting on the tower on the Hancock side is weaker than on the Houghton side.
7. 1994 GMC needed transmission work done. Taken to Iron Mountain.
8. MDOT was redoing signage near Citgo this week.
9. Thank you to John Slivon and Ann Pace for their efforts on Bike2Work day.
10. 2010 Bridgefest boat race is Sunday morning.
11. Liquor License for Habanero's has to be re-done.
misprint on the license (location address was left out)
12. Finlandia is fundraising for the middle school project and the Condon Field project.
13. Finlandia is considering donating a plot of land on Ryan and Old Street for our Community Garden next summer.
14. FYI
Sander/Dump financing money from RD has 3 years to spend.
15. Doug still wants to purchase a sewer camera for \$10,000 - \$12,000.
16. 2010 Bridgefest Parade starts in Houghton by the Super 8 and comes to Hancock to Gino's
17. Amy Juntunen is stepping down as Chair for the Bridgefest Committee.
18. Mark Johnson request for funds to help with the purchase of Gartner's.
-Main Street Hancock approved a \$30,000 loan
-DDA approved a \$70,000 loan
19. Update on the George Lehman funeral. Well attended.
20. Possible special meeting for June 30, 2010 at 6:00 p.m.
21. Revenue Sharing Update.
22. Portage Health donated \$10,000 to Transit.
Hancock Housing will donate \$4,000 to Transit.
23. Ray Gerhart Update on Housing Grants.
-MSHDA is out of the rehab business (new units or conversion units)
-Projects have to be hammer ready.
\$35,000 per unit with owner match of \$12,000
-NSP Funding for 116 Quincy Street
-Current NSP Grant is \$150,000
8 buildings with 13 units
\$10,000/bldg. - \$9994/unit
September \$130,000 balance \$20,000
-MJO is doing the demolition (all units were beyond repair)
-Rental/Homeowner Rehab \$137,500 for each program
Homeowner \$137,500 spent \$136,500 balance \$1000
Rental \$137,500 spent \$144,000 balance \$24,000
-Administration request that \$20,000 be transferred from the Program Income Account to the Homeowner program to be used as the homeowner match. Program Income is from previous grants where the homes were sold and grants must be paid back.

Regular Meeting
June 16, 2010
7:30 p.m.

The regular meeting of the Hancock City Council was held in the Council Chambers on Wednesday, June 16, 2010 with Mayor Laitila presiding. The United States Flag was honored by all in attendance with the following duly qualified Councilors being present: Councilors Gemignani, McKenzie, Laitila, Belej, Slivon and Hainault.
Absent: None

Moved by Councilor Belej and seconded by Councilor Hainault to amend the June 16, 2010 Agenda as follows:

New Business:

add #8. Jim Davis letter of thanks and #9. Letter to the Delta Airline Captain that came to the Lehman Funeral.

Yes: All

No: None

Motion Carried.

correspondence

Notice of Violation - Hancock Fire Station, 900 Ethel Avenue
- Annual boiler inspection not completed
Houghton County Land Bank Authority re: vacancy
US Department of the Interior re: Isle Royale National Park

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

Yes: All

No: None

Motion Carried.

guests

Public Comment

- 1.
- 2.

minutes approval

Moved by Councilor Hainault and seconded by Councilor Belej approving the minutes of the May 19, 2010 worksession, public hearing and regular meeting as presented.

Yes: All

No: None

Motion Carried.

reports

Planning Commission minutes of April 26, 2010
Planning Commission minutes of May 24, 2010
DDA minutes of May 3, 2010
Financial Reports for March 31, 2010 All Funds
-Interest Earned
-Cash Balances
-Due to/from
-Revenue and Expense
-April and May 2010 Police Report
-DPW Report
PLWSA minutes of April 13, 2010
US41 & M26 Corridor minutes of May 13, 2010

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

Yes: All

No: None

Motion Carried.

administrative report

1. Update of the Bridge School rain garden.
2. CFL light bulb offer. Six light bulbs per household.
3. 2010 Bridgefest update.
 - 50th Anniversary of the Lift Bridge
 - Donations of \$3500 for fireworks in memory of Jon Davis
4. EAP Great Lakes Restoration Hancock Beach Grant for \$244,000 was awarded
 - Storm water improvements and complete paperwork.
5. DLEG Energy Grant update on RFP's for District Heating Study.
 - 13 RFP's were sent out
 - received 2 back that are within budget
6. DDA downtown marketing campaign will be going on for 15 weeks.
7. MSHDA staff change. Jim Davis will be working downstate and Emily Petz will be our new Rep.
8. Tonne 29.64 acres property purchase was completed as of May 29, 2010.
9. 4 million sewer project.
 - Just need one more easement. Have 49 on file
10. Project Updates:
 - Campground upgrades.
 - 4,200 sq. ft. \$690,000 new transit facility.
 - 2010 Tori Update.
 - New signs and location. May need a new tent later this summer.
 - ARRA Small Urban \$92,000 1 block Campus Drive.
 - Job completed.
 - Pat's IGA two bay car wash on Market Street
 - Planning Commission approved that site plan at their last meeting.
 - Update on Demo Grants. 3 of the 8 houses have been demolished last week by MJO.
 - Update on 424 Hancock Street renovation.
 - OHM should be moving into the building the last week in August.
 - MDOT TWA catch basin upgrade.
 - DPW installed a new 6" water line at Vollwerth's and 424 Hancock Street.
 - Update on DPW work on the trailhead parking lot for the Maasto Hiihto. Lot was expanded.
 - Update on Quincy Haven Apartments. Closed in Lansing on May 27th. Few more details to work out and punch list has to be completed before MSHDA commits to project.

old business
phase 2 water offer

Moved by Councilor Belej and seconded by Councilor Gemignani to accept RD's Phase 2 Water offer of \$500,000 grant, \$2,500,000, 40 year loan at 2.5% and refinance existing RD water debt.

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, McKenzie and Gemignani.

No: None

Motion Carried.

resolution #14-10

Moved by Councilor Belej and seconded by Councilor Hainault that the request made by LOCOS AMIGOS, Inc. to transfer ownership of escrowed 2010 B-Hotel licensed business from Paddy's Ping, Inc. and transfer location (governmental unit MCL 436.1531(1)00 from Poyhonen and M-26 Twin Lakes Rte., Winona, MI 49965, Elm River Township, Houghton County, 101 E. Quincy, Hancock, MI 49930, Houghton County, transfer class from B-Hotel to Class C and request new Entertainment Permit be considered for approval. It is the consensus of the legislative body that the application be recommended for issuance.

Yes: Unanimous

No: None

Motion Carried.

mt. ripley - snow donation

Moved by Councilor Hainault and seconded by Councilor McKenzie approving the final contribution of \$5000.00 to Mt. Ripley - Snow.

Roll Call Vote:

Yes: Councilors Gemignani, McKenzie, Laitila, Belej, Slivon and Hainault.

No: None

Motion Carried.

resolution #15-10

Moved by Councilor Hainault and seconded by Councilor Belej approving Loan Resolution #15-10 (Public Bodies) authorizing and providing for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving and/or extending its Department of Public Works Sander and dump truck facility to serve an area lawfully within its jurisdiction to serve. Total amount of the bonds in principal amount is \$130,000.00 of which \$50,000 is a grant. (a complete copy of this resolution is on file)

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, McKenzie and Gemignani.

No: None

Motion Carried.

ward II councilor position

No applications for Ward II Councilor were received by the due date. Moved by Councilor Belej and seconded by Councilor Gemignani to table the appointment of a Ward II Councilor until the August 3rd Primary Election.

Note: This is the date that petitions for the at large and ward II candidates are due.

Yes: All

No: None

Motion Carried.

new business

may 2010 accounts payable

Moved by Councilor Hainault and seconded by Councilor Belej approving the May, 2010 accounts payable in the amount of \$133,296.62 and authorizing payment as follows as funds become available:

General \$55,386.96

Major 4,793.34

Transit 2,469.60

Sewer 40,584.55

Water 18,180.70

Motor V. 8,481.47

DDA 3,400.00

Total \$133,296.62

Roll Call Vote:

Yes: Councilors Gemignani, McKenzie, Laitila, Belej, Slivon and Hainault.

No: None

Motion Carried.

add'l checks typed in may

Moved by Councilor Slivon and seconded by Councilor Belej approving the additional checks typed in May, 2010 in the amount of \$519,622.76 and authorize payment as follows:

Expense \$144,108.06

Transfers 375,514.70

Total \$519,622.76

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, McKenzie and Gemignani.

No: None

Motion Carried.

program income transfer
\$20,000

Moved by Councilor Belej and seconded by Councilor Gemignani to table spending \$20,000 of the City Housing Program Income on four local matches on current MSHDA single family program until the next Council meeting. This will give the Council for time to review income guidelines.

Yes: All

No: None

Motion Carried.

small urban project .13 miles of
campus drive

Moved by Councilor Hainault and seconded by Councilor Slivon approving FY 12-14 Small Urban Project to reconstruct .13 miles of Campus Drive between Pleasant Valley Drive and Poplar Streets. STP Urban requested \$125,000.00; local match \$31,250.00: Capital Total \$156,250.00.

Yes: All

No: None

Motion Carried.

ohm services

Moved by Councilor Hainault and seconded by Councilor Belej approving a professional services contract with OHM for FY 11 Small Urban repaving project for .5 miles of Campus Drive and authorize the City Manager to execute the agreement. (US41 to the Hancock High School drive). Total cost \$18,800.00.

Small Urban Grant \$125,000

20% match 25,000

Total construction \$150,000

MDOT will bid in 2011

Scope of Services:

The design work shall include the following:

1. Prepare and submit Program Application with environmental review.
2. Site review of the condition of the existing road surface conditions.
3. Prepare preliminary log plans, specifications, and cost estimate and submit to MDOT for approval.
4. Attend Grade Inspection meeting with MDOT.
5. Submit sealed final log plans, specifications and cost estimate to MDOT.

The above mentioned plans and specifications shall be submitted to MDOT in December 2010. MDOT shall bid the project in the spring of 2011. Since we do not expect work outside of the existing road footprint or excavation to occur, we have not included services for submittal of documents to the State Historic Preservation Office.

We will perform the above mentioned work for a lump sum of **\$9,100.00**

Project Administration:

Project administration will include the following:

1. Arrange and conduct a preconstruction meeting as required by MDOT.
2. Review submittals provided by the contractor.
3. Complete daily field observation and documentation for the project.
4. Submit bi-weekly pay requests.
5. Complete preparation of contract modification as required.
6. Provide soil and asphalt testing services to comply with MDOT.
7. Daily sample asphalt of days that paving occurs to comply with MDOT.
8. Coordinate work for the MDOT audit of the project.

Our quotation for the above mentioned work is **\$9,700.00**

Additional Services:

Testing of the asphalt samples shall be a reimbursable expense and shall be completed at our standard hourly fee and laboratory analysis costs.

The DPW may need to complete repair or where the road surface has deteriorated and needs replacement of gravel base or replacement of sub-base soils.

If the project work cannot be completed with the log type plans and specifications, an amended Design Services agreement shall be submitted to cover the cost of the additional services.

Roll Call Vote:

Yes: Councilors Gemignani, McKenzie, Laitila, Belej, Slivon and Hainault.

No: None

Motion Carried.

1206 e. atlantic street
foreclosure

Moved by Councilor Belej and seconded by Councilor Gemignani to table action on the foreclosed property at 1206 E. Atlantic Street until the June 30, 2010 meeting. This will give the Council time to review this procedure and gather more information on the use of this property if acquired by the City.

Yes: All

No: None

Motion Carried.

non-union wage increase

Moved by Councilor Hainault and seconded by Councilor Belej approving the non-union wage increase as recommended by the City Manager and Personnel/Finance Committee as follows:

Increase wages effective July 1, 2010 for non-union employees, except the City Manager, with a 2% raise or \$.25 per hour, which ever is greater, except starting minimum wage positions and increase wages effective July 1, 2011 for non-union employees, except the City Manager, with a 2% raise or \$.25 per hour, which ever is greater, except starting minimum wage positions, or for non-union MERS employees effective July 1, 2011 no increase in wages if the City implements the B-3 MERS retirement upgrade.

Note: The City Manager is under his own contract which was approved as follows:

<u>Contract year starting</u>	<u>% Increase</u>
July 1, 2010	2%
July 1, 2011	3% or adoption of B-3 MERS upgrade plan
July 1, 2012	2%
July 1, 2013	2%
July 1, 2014	2%

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, McKenzie and Gemignani.

No: None

Motion Carried.

Moved by Councilor Hainault and seconded by Councilor Belej directing the City Manager to send a letter of thank you to MSHDA and Jim Davis for his outstanding work as the City of Hancock MSHDA Rep. and wish Jim Good Luck at his new job.

Yes: All

No: None

Motion Carried.

Moved by Councilor McKenzie and seconded by Councilor Gemignani directing the City Manager to send a letter of thank you to the Delta Airline Captain who attended the George Lehman Funeral Service.

Yes: All

No: None

Motion Carried.

John Slivon - The Bike2Work day was a success in the City of Hancock

Jim Hainault - The East Hancock Stairway is in need of repair.

Moved by Councilor Hainault and seconded by Councilor Slivon that this regular meeting of the Hancock Council be adjourned. Time: 8:37 p.m.

Yes: All

No: None

Motion Carried.

William Laitila, Mayor

Karen Haischer, CMC City Clerk