

Worksession  
May 20, 2009  
6:30 p.m.

Present: Councilors McKenzie, Freeman (late), Laitila, Belej, Slivon and Hainault.

Absent: Councilor Gemignani

Also present: Manager Anderson, City Clerk Haischer, Police Chief Mike Beaudoin, DPW Director Doug Hayrynen, Susan Burack, Kurt Hauglie and Mitch Lake.

Reviewed and Discussed:

1. June 4th and 5th MML meeting in Calumet.
2. Bridgefest 2009, cardboard boat race between Hancock and Houghton. We need a crew.
3. FU Update on a district heating (steam) proposal.
  - steam pipes would have to be placed in the City ROW
4. Quincy Haven Update
  - MSHDA Federal issues tax credits and purchased tax credits
  - Project could start in September or October this fall
5. Scott Hotel Update
  - 24 out of 28 units are rented 86% occupied
  - Problem with job creation - four jobs, need six to eight jobs by September
6. New street thru the old DPW property needs a name.
  - Planning Commission will make a recommendation to the Council. Council has final say
7. City clean-up had 62 show up for breakfast and about 70-80 people participate in the actual clean-up. Picked up about 30 yds of debris
8. Keweenaw Coop is under re-organization (Ohio Coop) must start selling shares.
9. Sohlden home at 922 Summit Street.
  - no dangerous materials or asbestos
  - small amount of lead
  - next meeting we might be able to execute a quit claim deed
10. Fine Line Tire may ask for a rezoning of property on the west side of the DNR Trail.
  - Currently zoned R-3 needs a designation for business
11. Yamaha Rhino will be ordered this week.
  - Cost share with the KNSC
12. Update on the sale for the SS Peter and Paul Church .
  - Derek Bradway has an option to purchase.
13. House sales are brisk in Hancock/Houghton area.
14. Mike Lahti may be building on the old Cash and Carry lot on Hancock St.
  - Duplexes or small apartments
15. UPPCO Update.
  - UPPCO own the steel pole from City Hall West to Gino's.
  - to replace poles with wooden would cost nothing to the City, to replace with steel poles, would cost \$1350.00
16. FU Jutila Center
  - Gundlach/Champion is low bidder
  - work to start the end of this month
17. Citizen Bank Update.
  - Appraisal on Hancock Street sandstone building on Hancock Street. (For Sale)
    - could be another incubator building
  - Parking lot on the west side of the bank building is for sale.
    - maybe the DDA could purchase it for additional public parking
18. Manager has contacted the Master Gardener Program and told them about the four areas that need some gardening work.
19. Ordinance Committee met and reviewed our water fees and campground fees.
20. Personnel Committee should meet this month to review wages for non-union part-time and seasonal employees not covered under our MERS retirement. Their scheduled raise is 7-1-2009.
21. Police Department, Chief Mike Beaudoin, April 2009 Report:  
182 complaints, 1 NSF check, 2 MDOP, 1 gas drive off, 3 domestics, 4 simple assaults, 2 DD, 4th degree CSA, 1 motor vehicle theft, 1 B&E of a car, 4 medical assists, assisted other departments 12 times. Parking Meters \$1870.47, Police Reports \$35.00, 5 bikes sold for \$125.00.

Parking Meter Enforcement: Recommend we hire a part-time person for 12 hours a week at \$10/hour and purchase ½ dozen Duncan re-conditioned meters at \$160 per meter head. The girl that worked in the department this winter is done with school and wouldn't have to train her.

Two troopers will be laid off from the Calumet Post as of 6-28-09.

22. DPW, Director Doug Hayrynen, April 2009 Report:

1. New garbage truck came in yesterday. Training today and next week. Install radio. On the road sometime next week.

2. Vector Truck has a 90 day warranty, so have to get it out on the road.

Busy with putting out flower pots, flags for the season, Parks crew started (Brey, Hiltunen, Niemi) hiring one more. Open the Porvoo Park bathrooms for the season (parks crew in charge of cleaning)

Gravel road cuts - requesting proposals for patching

Water System Update.

-freezing a big problem this year, we might have to replace the whole intersection behind SNB on Franklin and Ravine.

Million gallon tank is having trouble filling. Only about 300,000 gallons filled (1/3 capacity). Concern on fire protection. Scallon Street valve house (meter pit) has some problems. Recommendation to eliminate 2 PRV valves and use one larger by-pass. Cost \$6000-\$9000. We have about 100 tons of scrape metal at \$60 or \$65/ton, could use this money for water job.

Regular Meeting

May 20, 2009

7:30 p.m.

The regular meeting of the Hancock City Council was held in the Council Chambers on Wednesday, May 20, 2009 at 7:35 p.m. with Mayor William Laitila presiding. The United States Flag was honored by all in attendance with the following duly qualified Councilors being present: Councilors Hainault, Slivon, Belej, Laitila, Freeman and McKenzie.

Absent: Councilor Gemignani.

Moved by Councilor Belej and seconded by Councilor Freeman to excuse Tom Gemignani from tonight's meeting as he is out on Isle Royale.

Yes: All

No: None

Motion Carried.

Moved by Councilor Hainault and seconded by Councilor Belej approving the May 20, 2009 Agenda as amended:

New Business: #7. Motion for a short-term loan for the water and sewer funds from the general fund for \$30,000 each. #8. MML Regional meeting June 4th and 5th in Calumet.

Yes: All

No: None

Motion Carried.

correspondence

Letter from Department of Energy, Labor, Economic Growth Public Service Commission

Letter from Fund for the Public Interest re: joint campaign in Hancock

MML Region & annual meeting June 4th and 5th in Calumet

KNSC re: Thank You to the DPW for winter maintenance

BRIDGE High School graduation on Friday, June 5th

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

Yes: All

No: None

Motion Carried.

guests

Public Comment:

1. Susan Burack

-Urge the Councilors to attend the MML Region 7 meeting in Calumet on June 4th and 5th. Worthwhile use of Council time.

-Will the report to re-route traffic be going to the Traffic Committee? MDOT/TSC will report to the Council sometime in June or July.

-Long Term Vision, Ad Hoc decisions can be costly. What about the new road on the ROW parallel above White Street going East from Ryan? New review, no notification to adjoining property owners. New owner hired MJO to bulldoze access road. Need to be looked at and reviewed, not just happen.

minutes

Moved by Councilor Hainault and seconded by Councilor McKenzie approving the April 15, 2009 worksession and regular meeting, the April 22, 2009 joint meeting, the April 29, 2009 budget worksession, the May 6, 2009 budget worksession minutes as presented and placing them on file.

Yes: All

No: None

Motion Carried.

reports

Cemetery Board of Trustees 4-14-09 minutes

Election Commission 4-20-09 minutes

5-5-09 election results

Planning Commission 4-27-09 minutes

DDA 3-2-09 minutes

Financials

Cash Balances All Funds March and April

Due to/from All Funds March and April

Interest Earned All Funds March and April

Revenue and Expenses Report All Funds March and April

US41/M26 Corridor Committee 2-17-09 and 4-20-09 minutes

PLWSA 2-10-09 and 3-10-09 minutes

Hancock Housing Commission 3-20-09 minutes

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

Yes: All

No: None

Motion Carried.

administrative report

1. New medical marijuana regulations

-MDCH frequently asked questions and answers.

\$100 annual fee, low income or SSI \$25 annual fee. Up to 12 plants. Not recognized by Federal Government.

2. 2009 Tori

-start up is Wednesday, June 3rd

every Wednesday and Saturday 9 a.m. to 2 p.m.

3. MDOT 2 year Audit (October 1, 2006 to September 20, 2008) and trunkline contract.

-Sand and salt adjustment \$1453.00 pay back to State.

4. Central States Pension, critical status. April 30, 2009 MEMO

-City DPW is Teamsters

5. Proposal to raise road funds by 90% over 5 years.

-MEMO (MML)

6. MDOT revised 2009 construction program.

7. Water Project Update.

-13 valves to go (4 this week)

-6 hydrants to go (2 this week)

-shut-off transmission line next Wednesday to work on Petrolane (will impact Wal-Mart)

- and Somero)  
 -Chuck Johnson for Hitch, Inc was present to answer questions.
8. Transit Building design.
    - had a 2nd meeting
    - construction budget is \$598,473.00
    - MDOT approval for Hitch design
  9. RD Applications
    - water application is mostly done and ready to submit to RD for next approval level
    - sewer application (submit next week)
  10. Ingot Street sewer DEQ permit application
  11. Navy Street landscaping project.
    - DDA is paying for material
    - Prisoners to install materials from Tezcuco to Condo's
    - Association will pay for ½ the new sprinkler system at Porvoo Park.
  12. Insurance renewal. 5-20-09 to 5-20-10 \$52,133.00 decreased by \$5224.00  
 4% Transit, 60% General and 36% Motor Vehicle
  13. New garbage truck delivery.
    - should be in service next week
    - cost \$132,193.00

old business  
 mshda grant for \$305,500

Moved by Councilor Belej and seconded by Councilor Freeman to accept the MSHDA Grant award of \$350,500.00 with \$137,500 for rental rehab, \$137,500 for single family homeowner rehab and \$30,500 for administration (Northern Consultants).

HOME money is \$14,999.00 per unit

Roll Call Vote:

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

No: None

Motion Carried.

porvoo finland trip

Moved by Councilor McKenzie and seconded by Councilor Hainault to send two City representatives to Porvoo Finland in conjunction with the Hockey Team visit the end of August. Representative to be Councilor Belej and City Manager Anderson.

Roll Call Vote:

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

No: None

Motion Carried.

new business  
 april 2009 a/p

Moved by Councilor McKenzie and seconded by Councilor Belej approving the April 2009 accounts payable in the amount of \$160,500.95 and authorize payment as funds become available as follows:

General	\$39,797.85
Major	1,232.49
Local	1,616.72
Transit	2,426.51
Sewer	50,138.92
Water	53,022.20
MV	<u>12,266.26</u>
Total	\$160,500.95

Roll Call Vote:

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

No: None

Motion Carried.

add'l checks typed in  
april

Moved by Councilor Hainault and seconded by Councilor McKenzie approving the additional checks typed in the month of April 2009 in the amount of \$533,122.31 and authorize payment as follows:

Expenses \$125,383.92  
Transfers 407,738.39  
Total \$533,122.31

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, Freeman, McKenzie.

No: None

Motion Carried.

nominelli lot split

Moved by Councilor Belej and seconded by Councilor Freeman approving the Nominelli lot split as recommended by the Planning Commission and City Manager as follows:

Parcel 1 (House Parcel)

The West 19.5 feet of the South half of Lot 3, The West 19.5 feet of Lots 4 through 6 (inclusive), Lots 7 and 8, the South half of Lot 9, and the vacated 12 foot wide alley lying between the above lots, and partial lots, all within Block 7, and the West half of vacated Grove Avenue, Condon's Third Addition to the City of Hancock (according to the plat thereof recorded in the Houghton County Register of Deeds Office), Houghton County, Michigan.

Parcel 2 (Undeveloped Parcel)

The South half of Lot 3 and Lots 4 through 6 (inclusive), except the West 19.5 feet of said South half of Lot 3 and Lot 4 through 6 (inclusive), Block 7 Condon's Third Addition to the City of Hancock (according to the plat thereof recorded in the Houghton County Register of Deeds Office), Houghton County, Michigan.

Roll Call Vote:

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

No: None

Motion Carried.

proposed ordinance

Moved by Councilor McKenzie and seconded by Councilor Belej approving the 1st reading to raise sewer rates, authorize publication in the Mining Gazette and setting Wednesday, June 17, 2009 as the Public Hearing date as follows:

CITY OF HANCOCK  
ORDINANCE # \_\_\_\_\_

**"AN ORDINANCE TO REPLACE ORDINANCE NO. 255 AND AMENDED SECTION FOUR (4) OF ORDINANCE 123; SEWER USE MINIMUM CHARGE AND RATE AND MANDATORY CONNECTION AS AMENDED:**

**THE CITY OF HANCOCK ORDAINS:**

Section 1. The sewer use charge for all premises shall be \$5.65 per thousand (1000) gallons of water metered. The readiness to service charge shall be \$3.95 for all premises.

Section 2. This rate increase will commence with the June, 2009 utility billing.

This ordinance was introduced by the City Council of the City of Hancock, Houghton County, Michigan on the 20th day of May, 2009.

This ordinance was adopted/enacted by the City Council of the City of Hancock, Houghton County, Michigan on the \_\_\_\_ day of \_\_\_\_\_, 2009.

This Ordinance shall become effective thirty (30) days from the date of adoption according to the Hancock City Charter.

Roll Call Vote:

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

No: None

Motion Carried.

water 2008 construction  
bills mjo and hitch

Moved by Councilor Freeman and seconded by Councilor Hainault approving the water 2008 construction project bills in the amount of \$40,513.27 for MJO Contracting and \$9,515.85 for Hitch/OHM Inc. and authorize payment as funds become available.

Roll Call Vote:

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

No: None

Motion Carried.

scrap valves and hydrants  
for sale

Bids:

Julio Contracting Co.

Hancock \$65.00 per ton for hydrants and water line pipes and valves  
\* based on no contaminates

Keweenaw Scrap, Tire and Metal

Painesdale \$60.00 per ton for hydrants and water pipe and valves  
\*will scale empty and loaded at Superior Sand and Gravel

Moved by Councilor Hainault and seconded by Councilor Freeman to award the bid for the purchase of scrap valves, pipe and hydrants to Julio Contracting Co. for \$65/ton provided the weight is calculated on an independent scale.

Roll Call Vote:

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

No: None

Motion Carried.

short term loan from the general  
to both water and sewer

Moved by Councilor McKenzie and seconded by Councilor Belej approving a short-term loan from the General Fund to the Sewer Fund for \$30,000.00 and the General Fund to the Water Fund for \$30,000.00. These loans will be repaid as funds become available.

Roll Call Vote:

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

No: None

Motion Carried.

mml regional meeting  
calumet

Moved by Councilor Belej and seconded by Councilor McKenzie authorizing any Councilor to attend the MML Regional meeting in Calumet on June 4th and 5th. Registration fee is \$25.00.

Yes: All

No: None

Motion Carried.

Moved by Councilor McKenzie and seconded by Councilor Freeman that this regular meeting of the Hancock Council be adjourned. Time: 9:04 p.m.

Yes: All

No: None

Motion Carried.

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William Laitila, Mayor

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Karen Haischer, CMC City Clerk

