

Worksession

November 16, 2011

Draft

6:30 p.m.

Reviewed and Discussed:

Present: Councilors Hainault, Slivon, Belej, Laitila, Moore, McKenzie and Haeussler.

Also present: Susan Burack

1. Fire Chief Gedda announced that he will resign as Chief at the December 5<sup>th</sup> Fire Department meeting, however, remain on the Department. Joe Neher is expected to take over the position of Chief.
2. The Quincy Mine Hoist saw a 7.3% reduction in tourism this summer.
3. The Houghton art project, which features some Hancock businesses is on sale for \$10.00.
4. Mike Lahti purchased 116 Quincy Street and plans to renovate it. He will be replacing the roof this year.
5. Some Councilors had concerns regarding the Trick or Treat hours (5-8pm). Maybe we should consider 5-7p.m.?
6. The street lights on Front Street have been repaired.
7. City Christmas Party is Friday, December 9<sup>th</sup> starting at Noon at the Fire Hall.
8. Federal Budget is due this week.
9. Update on the Franklin Township (Ripley) sewer. USDA-RD is making this project their #1 funding priority.
10. Quincy Smelter update. Moving Isle Royale Headquarters from Houghton to the smelter is on track.
11. Need to quit claim deed to Portage Township for the water main.
12. Update on the Sanregret fire located on W. Quincy Street. Clean-up is underway.
13. Update on water change order.
14. Update on Sewer Project.
15. Update on downtown marketing meetings.

Regular Meeting

November 16, 2011

7:30 p.m.

The regular meeting of the Hancock City Council was held in the Council Chambers on Wednesday, November 16, 2011 at 7:30 p.m. with Mayor 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, Moore, McKenzie and Haeussler. Absent: None

election of mayor and  
mayor pro-tem

Mayor Laitila called for nominations for Mayor for a one year term:

Moved by Councilor Haeussler and seconded by Councilor Belej to nominate Councilor Laitila as Mayor for a one year term.

Nominations are closed for Mayor.

Yes: All

No: None

Motion Carried.

Mayor Laitila called for nominations for Mayor Pro-Tem for a one year term:

Moved by Councilor Haeussler and seconded by Councilor McKenzie to nominate Councilor Hainault as Mayor Pro-Tem for a one year term.

Nominations are closed for Mayor Pro-Tem.

Yes: All

No: None

Motion Carried.

Moved by Councilor Belej and seconded by Councilor McKenzie to amend the November 16, 2011 agenda as follows:

Add new business: #15. Amend the Rukkila/Negro Contract for additional auditing fees to cover additional work because of the Single Audit requirements.

Yes: All

No: None

Motion Carried.

Public Hearing

November 16, 2011

7:41 p.m.

Mayor Laitila opened this Public Hearing at 7:41 p.m. for the following purpose:

1. The purpose of this hearing is to receive public input on the proposed submission of up to a \$320,000 grant application to MSHDA for a rental rehab conversion grant for 116 Quincy Street.

-Susan Burack, 103 Quincy Street – endorses this application for the historic building at 116 Quincy Street. This building is a downtown anchor building in our core downtown area.

-Ray Gerhart, Northern Consultants – gave an update of our existing grants. Our 2009 grant for rental rehab is completed (\$275,000). The City did submit a grant for the 100-400 blocks for Quincy Street in the amount of \$299,400 to renovate 12 or more buildings. We should know by the end of the month if we were successful. This new grant application to MSHDA FOR \$320,000 would be for Home Funds (max of \$25,000 per rental rehab unit) and be solely for 116 Quincy Street. Submission of this grant is expected by the end of the week.

Mayor Laitila closed this Public Hearing at 7:49 p.m.

#### Correspondence

Letter from Paul Masini re: Compliment the Hancock Cemetery

Letter from Manager Anderson to Mike Adams re: 206-208 Scallon Street

UPPCO re: Notice of Hearing

Planning and Zoning News re: Medical Marihuana

Lake and Boating re: October 2011 Issue (The Copper Country)

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

Yes: All

No: None

Motion Carried.

#### guests

Public Comment:

1. Susan Burack, 103 Quincy Street – Thank You for having recycling on 11-17-2011.
2. John Haapala, 1606 W. Atlantic Street – Pigeon problem. The neighbor across the street is feeding pigeons and it is creating a problem on his side of the street. Request the Council look at adopting an Ordinance regarding feeding for wild birds.

#### minutes approval

Moved by Councilor Hainault and seconded by Councilor Belej to approve the minutes of the October 19, 2011 worksession, public hearing and regular meeting as presented.

Yes: All

No: None

Motion Carried.

#### reports

Cash Balances All Funds – September  
Due to-from All Funds – September  
Interest Earned All Funds – September  
Revenue & Expense Report All Funds – September

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

Yes: All

No: None

Motion Carried.

Planning Commission minutes of September 26, 2011  
DDA minutes of October 3, 2011  
HHC minutes of September 21, 2011  
Finnish Theme Committee minutes of September 26, 2011  
Finnish Theme Committee minutes of October 11, 2011  
PLLB Emergency Management Long Term Outage Group minutes of October 5, 2011  
FinnFest 2013 minutes of October 10, 2011  
US41/M-26 Corridor Advisory Team minutes of October 13, 2011

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

Yes: All

No: None

Motion Carried.

#### admin reports

1. 2011 Campground Annual Report – down slightly from 2010
2. Fire Hall roof leak Update.  
-Accepted the quote from World of Wood for \$1,470.00. Job Completed.
3. Update on new 1% tax on Michigan Health Insurance Claims.  
-Effective date is 1-1-2012.
4. Update on the 2000 Pierce Aerial Fire Truck (repairs).  
-Repair is completed at a cost of \$3,028.62.
5. We will have recycling in November. Scheduled for 11-17-2011.
6. Update on the reshape downtown brainstorming sessions on Oct. 22<sup>nd</sup> and Nov. 2<sup>nd</sup>.  
-will have five sub-committees meeting this winter.  
Categories are waterfront, parking/residents, businesses, streetscape and arts/events.
7. Annual Christmas Walk is scheduled for Friday, November 25<sup>th</sup> with pictures with Santa from 6-8pm at City Hall.
8. Governor's Infrastructure 10-26, change in Act 51 distribution money.

#### old business

None at this time.

#### new business october a/p

Moved by Councilor Belej and seconded by Councilor Hainault to approve the October, 2011 Accounts Payable in the amount of \$210,269.21 and authorize payment as funds become available as follows:

General	\$86,847.97
Major St.	13,422.80
Local St.	6,094.63
Parking M.	935.05
Transit	4,027.16
Sewer	41,903.85
Water	22,492.58
Motor V.	11,796.05
<u>DDA</u>	<u>22,749.12</u>

Total \$210,269.21

Roll Call Vote:

Yes: Councilors Haeussler, McKenzie, Moore, Laitila, Belej, Slivon and Hainault.

No: None

Motion Carried.

add'l checks typed  
in october

Moved by Councilor McKenzie and seconded by Councilor Belej approving the additional checks typed in the month of October, in the amount of \$2841,610.76 and authorize payment as follows:

Expenses \$2,488,044.63

Transfer 353,566.13

Total \$2,841,610.76

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, Moore, McKenzie and Haeussler.

No: None

Motion Carried.

resolution 21-11  
mshda app 116 quincy

Moved by Councilor Belej and seconded by Councilor Haeussler approving and adopting Resolution #21-11 as follows:

**City of Hancock  
Resolution #21-11**

WHEREAS, the City of Hancock is interested in continuing efforts to provide safe, energy efficient, and affordable housing opportunities for low and moderate income residents.

WHEREAS, the City Council has held a public hearing on the proposed MSHDA Housing Rehabilitation Conversion Grant Program on November 16, 2011,

WHEREAS, the City Council has reviewed and understands the content of the MSHDA application for funding, and

WHEREAS, the City Council wants to target the vacant and fire damaged building located at 116 Quincy Street in the core downtown for a mixed use redevelopment project, including up to eight (8) new apartments;

NOW THEREFORE BE IT RESOLVED, that the City of Hancock Council does hereby authorize the submittal of a MSHDA Housing Rehabilitation Conversion Grant Program application for up to \$320,000 targeting the building located at 116 Quincy Street and authorize Ray Gerhart, Northern Consultants to prepare the application, and authorize Mayor William Laitila to sign the application.

Roll Call Vote:

Yes: Councilors Haeussler, McKenzie, Moore, Laitila, Belej, Slivon and Hainault.

No: None

Motion Carried.

cdbg program income

Moved by Councilor Haeussler and seconded by Councilor Belej to authorize the release of up to \$70,000 of CDBG Program Income to be applied towards the renovation project at 116 Quincy Street. (new roof, 8 apartments on the 3 floors, 1 commercial space on the first floor, sprinkler system, 2 exits from each floor and a laundry room)

Roll Call Vote:

Yes: Councilors Haeussler, McKenzie, Moore, Laitila, Belej, Slivon and Hainault.

No: None

Motion Carried.

ordinance # \_\_\_\_\_  
dispensing of controlled  
substances

Moved by Councilor Haeussler and seconded by Councilor Belej approving the introduction of a proposed ordinance as follows:

NOTICE TO CITY OF HANCOCK RESIDENTS  
PROPOSED ORDINANCE

ORDINANCE # \_\_\_\_\_

“AN ORDINANCE TO REGULATE DISPENSING OF CONTROLLED SUBSTANCES”  
THE CITY OF HANCOCK ORDAINS:

Section 1. No person who is not a “Practitioner” as defined by Michigan Compiled Law 333.7109(3) shall dispense, sell, or distribute a controlled substance listed in Michigan Compiled Law 333.7212 Schedule 1 to another person on or within 1,000 feet of school property or on or within 500 feet of church property.

Section 2. Persons who are found to be in violation of this chapter shall be punished by a fine of not more than \$100 and/or confinement in the county jail for not more than 90 days.

Section 3. Each and every instance of dispensing, selling or distributing in violation of this ordinance shall constitute a separate violation.

The foregoing proposed ordinance was introduced in writing at the regular meeting of the Hancock City Council held on Wednesday, November 16, 2011 at 7:30 p.m.

A Public Hearing is set for Wednesday, December 21, 2011 at 7:30 p.m. and authorize publication in the Daily Mining Gazette.

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, Moore and Haeussler.

No: Councilor McKenzie

Motion Carried.

resolution #22-11

Moved by Councilor Hainault and seconded by Councilor Belej approving and adopting Resolution #22-11 as follows:

City of Hancock

WHEREAS, the City of Hancock actively supports and currently participates in the economic development district activities of the Western Upper Peninsula Planning and Development Regional Commission,

NOW THEREFORE BE IT RESOLVED, that the City of Hancock concurs with the update of the 2011 Community Economic Development Strategy Report and accepts it as its guide for economic development, and

BE IT FURTHER RESOLVED, THAT THE City of Hancock supports the Western Upper Peninsula Planning and Development Regional Commission’s application to the Economic Development Administration for planning funds.

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, Moore, McKenzie and Haeussler.

No: None

Motion Carried.

tco #2-11, #3-11 & #4-11

Moved by Councilor Belej and seconded by Councilor McKenzie approving the following three TCO’s as recommended by the Police Chief as follows:

TCO #2-11

Place a stop sign or yield sign on driveway leaving Superior Sand and Gravel Pit where it intersects with Garden and Hecla Streets. This will make this a safer intersection as there are no signs in this intersection at this time.

TCO #3-11

Install stop sign on Scallon Street at intersection with Water Street. This will make this intersection safer for pedestrian and vehicle traffic.

TCO #4-11

Remove stop sign corner of Spruce Street and Anthony Street. This is no longer a intersection due to McAfee Field construction.

Yes: All

No: None  
Motion Carried.

free holiday parking

Moved by Councilor Moore and seconded by Councilor Hainault authorizing free holiday parking on the 100, 200 and 300 blocks of Quincy Street from Thanksgiving to New Years.

Yes: All  
No: None  
Motion Carried.

water project payment #6

Moved by Councilor Haeussler and seconded by Councilor Belej approving water project pay request #6 for \$278,935.63; James Peterson & Son \$250,822.88 and OHM for \$28,112.75 and authorize payment as funds become available.

Roll Call Vote:  
Yes: Councilors Haeussler, McKenzie, Moore, Laitila, Belej, Slivon and Hainault.  
No: None  
Motion Carried.

**Note: 11-30-2011 pay request adjusted to \$278,388.97; James Peterson & Sons \$250,276.22. (reduction)**

sewer project payment #7

Moved by Councilor Haeussler and seconded by Councilor Belej approving sewer project pay request #7 for \$354,627.77; MJO \$321,536.52 and OHM for \$33,091.25 and authorize payment as funds become available.

Roll Call Vote:  
Yes: Councilors Hainault, Slivon, Belej, Laitila, Moore, McKenzie and Haeussler.  
No: None  
Motion Carried.

**Note: 11-30-2011 pay request adjusted to \$351,192.58; MJO \$318,101.33. (reduction)**

water change order #7

Moved by Councilor Haeussler and seconded by Councilor Belej approving water project change order #7 for a deduct of \$374,310.22 from the James Peterson & Son contract.

Roll Call Vote:  
Yes: Councilors Haeussler, McKenzie, Moore, Laitila, Belej, Slivon and Hainault.  
No: None  
Motion Carried.

sewer change order #5

Moved by Councilor Belej and seconded by Councilor Haeussler approving sewer project change order #5 for a deduct of \$10,735.22 from the MJO Contracting contract.

Roll Call Vote:  
Yes: Councilors Hainault, Slivon, Belej, Laitila, Moore, McKenzie and Haeussler.  
No: None  
Motion Carried.

amend engineering contract  
with mjo

Moved by Councilor Hainault and seconded by Councilor Belej to amend the water engineering contract with OHM for an increase of \$51,000.00 to do additional water distribution design work.

Roll Call Vote:  
Yes: Councilors Haeussler, McKenzie, Moore, Laitila, Belej, Slivon and Hainault.  
No: None  
Motion Carried.

final pay request #3  
beach project

Moved by Councilor Belej and seconded by Councilor Haeussler to approve the final Beach Project pay request #3 to MJO Contracting for \$2,000.00.

Roll Call Vote:

Yes: Councilors Hainault, Slivon, Belej, Laitila, Moore, McKenzie and Haeussler.

No: None

Motion Carried.

rukkila – negro & associates  
audit contract

Moved by Councilor Hainault and seconded by Councilor Belej approving an amendment to the Rukkila-Negro & Associates Audit Contract for an additional fee of \$1,250.00 to cover the additional hours needed to complete the Single Audit.

Roll Call Vote:

Yes: Councilors Haeussler, McKenzie, Moore, Laitila, Belej, Slivon and Hainault.

No: None

Motion Carried.

Moved by Councilor Belej and seconded by Councilor McKenzie that this regular meeting of the Hancock Council be adjourned. Time: 9:03 p.m.

Yes: All

No: None

Motion Carried.

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William Laitila, Mayor

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Karen Haischer, CMC City Clerk