

Worksession
April 18, 2012
6:30 p.m.

Present: Councilors Hainault, Slivon, Belej (late), Moore, McKenzie and Haeussler.
Absent: None
Also present: Manager Glenn Anderson and City Clerk Karen Haischer.

Reviewed and Discussed:

1. Little Brothers Dinner – Saturday, May 5th
-Any Councilors interested in attending on behalf of the City, let the CM know.
2. The Lahti 3-Plex on Hancock Street is full.
3. Water leak on Sampson Street.
4. The DNR has placed platforms on the South tower of the Bridge to attract Falcon's.
5. City of Houghton to bid out a 4M water project and 1.5M sewer project and hope to start in July or August.
6. MDOT is considering installing a no left turn under the arrow at Front and Hancock Streets (Holiday Gas Station).
7. Cemetery Opened on Monday April 9th and the Campground Manager started on April 16th.
8. Update on 116 Quincy Street – UPPCO will install a new power source to the Building. Two new poles are required one on Tezcuco and one in the Gartner's alley.
9. Sewer flows. City gained in February but lost a small percentage in March.
10. Chief of Police, Mike Beaudoin, quarterly report (Jan-Feb-Mar)
557 complaints
5 assaults, 2 illegal B&E's, 5 larcenies, 4MDOP, 2 counterfeit bills passed in the City, 3 frauds, 1 natural death, assisted others 24 times, 10 medical assist. Department traffic log for stop totaled 409. Gave 67 tickets of which 3 were DD. 37 traffic accidents and two Parades. Parking Meter Fund: \$3270 and Police Reports: \$165
City is planning on donating 24 bikes to Finlandia University (police must keep for 6 months before we can dispose of them).
11. Review proposed City property sales and new suggested lot prices for lots in Spruce Haven.
12. Update on RFP for 3rd Party Administrator and Lead Inspections for 116 Quincy St.
OHM – doesn't have experience in rental rehab
Northern Consultants- used for all of our MSHDA projects.
City Manager recommendation – award to Northern Consultants
13. EVIP Policy for council review.

Regular Meeting
April 18, 2012
7:33 p.m.

The regular meeting of the Hancock City Council was held in the Council Chambers on Wednesday, April 18, 2012 at 7:33 p.m. with Mayor Laitila presiding. The United States Flag was honored by all in attendance with the following duly qualified Councilors being present: Haeussler, McKenzie, Moore, Laitila, Belej, Slivon and Hainault.
Absent: None

None at this time.

correspondence

Public Comment:

- 1.
- 2.

guests

minutes approval

Moved by Councilor Belej and seconded by Councilor Hainault approving the minutes of the March 21, 2012 worksession, public hearing, and regular as presented.

Yes: All
No: None

Motion Carried.

reports

Planning Commission minutes of 2-27-2012
DDA minutes of 3-5-2012
PLLB Emergency Management Long Term Outage Group minutes of 3-7-2012
US41/M26 Corridor Advisory Team minutes of 3-8-2012
FinnFest 2013 minutes of 3-14-2012

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

Yes: All

No: None

Motion Carried.

admin report

1. Spring Clean-Up
May 4th and 5th
2. DPW 2012 Project List 4-2-2012

Water

- Install 1400 feet of new water main for Valley View Estates.
- Work with water contractor and sub contractor on identifying utility locations and conflicts during water main replacement project.
- Exercise water valves.
- Flush water hydrants.
- upgrade 6" water lateral to 116 Quincy St. Building for water suppression.
- Connect existing service lateral to 311 ½ Hancock St. to separate joint lateral.
- Zion Lutheran church replacement of 1" water lateral.

Sewer

- Work with contractor to complete sewer project.
- Install 1320 feet of new sewer main for Valley View Estates.

Roads

- Grub, brush, ditch, and establish clay grade on Campus Dr. West (undeveloped area).
- upgrade ditch, shoulder upgrade and upgrade road base on existing Campus Dr. West of

Poplar St.

- Install sub base and gravel on Valley View Drive.
- Re-ditch East side of Poplar St.
- Relocate 2 track on Navy St. onto city easement by condo.

Storm Sewers

- Continue to install permitted replacement of 3 storm sewer outlets into Portage Lake:
 - M & M Powersports/Ramada on Navy St.
 - Navy St. near Mikkola Boat House
 - Navy St. West of Kero's house

Laurn Grove

- Replace worn out ice rink board sections.
- Install a puck fence on the West side of ice rink.

Front Wall

- Repair cement spalding and re-paint wall, restrain wood section.
- Consider adding new event banner wall on old city sign just East of E. Hancock stairway.

Hancock Stairway

- Repair failing cement sections

Traffic signs

- Continue replacement to new FHA reflective standards.

Street Name Signs

- Continue upgrade to new FHA reflective standards.

Blacktop patches

- Replace water and sewer cuts and poor sections of city streets.

3. Superior Region MDOT 5 Year Construction Plan.

- 2016, City of Hancock US-41 (Front-Reservation-Quincy) 7 M Reconstruction

4. 2012 Events Schedule.

Event	Description	Date
HEIKINPAIVA	City of Hancock Finnish Theme Committee Mid-Winter week long celebration at the Finnish-American Heritage Center.	Jan.22-29
MTU WINTER CARNIVAL	Winter festivities on campus includes snow statue building.	Feb.13-18
BARNELOPET	5th Annual Keweenaw Nordic Ski Club & Sons of Norway, Kids Cross Country Ski Race at Maasto Hiihto Ski Trails	Feb. 12th
GLIDE & GORGE	Keweenaw Nordic Ski Club, Cross Country Skiing Fun Event at the Maasto Hiihto Ski Trails	March 4th
ST. PATRICK'S DAY	Parade (downtown Hancock)	March 17th
OLD TIMERS HOCKEY TOURNAMENT	Hockey games played at the Dee Stadium & H.C. Arena	March 15-18
GUN & KNIFE SHOW	Northwood's Sporting Goods 7th Annual Show	April 13-14
MTU SENIOR WALK	MTU Seniors celebrate Graduation	April 20th
MTU GRADUATION		April 28th
FINLANDIA UNIVERSITY GRADUATION		April 29th
BIKE TO WORK DAY		May 18th
PARADE OF THANKS	7th Annual parade to thank military for serving their country	May 19th
TORI MARKET	Wednesdays & Saturdays at the "Quincy Green"	Throughout the summer months June, July, Aug. & September
BRIDGEFEST	Weekend of special events, includes parade, bike race, Seafood Fest & much more	June 15-17
YOOPER SPRINT	Yooper Sprint Triathlon	June 17th
SIDEWALK SALES	Downtown sidewalk sales	July 20th
CANAL RUN	37th Annual Run & Walk Sponsored by Citizen's Bank, Finlandia University, Portage Health	July 21st
DOWNTOWN WATERFRONT CANAL ROCKS SERIES	Friday nights at Porvoo Park sponsored by the HB&PA & DDA & Local sponsors.	July & August
HOUGHTON COUNTY FAIR	At the County Fair grounds.	Aug. 23-26
LABOR DAY WALK	Sponsored by Portage Health cities of Hancock & Houghton	Sept. 3rd
HIGHLAND GAMES	Sponsored by the Celtic Quarter, at the Hancock Driving Park	Sept. 15th
PARADE OF NATIONS	MTU & FU Multi National Celebration	Sept. 22nd
FINNISH INDEPENDENCE DAY CELEBRATION	At the Finnish-Am. Heritage Center, the 95th year.	Dec. 6th

5. Update on Water Projects.

Street Locations	From/To
Jasberg St. (M203)	New water main across M203 to the Hancock Campground
Ethel Ave.	From Ohio St. 73 feet North on Ethel Ave.
Ohio St.	From Ethel Ave. 380 feet East on Ohio St.
Summit St.	From Elevation St. 460 feet East on Summit St.
Hancock St.	From Scallon St. West to end of Hancock St.
Calumet St.	Anthony St. to Cedar St.
Cedar St.	Calumet St. to Hecla St.
Maple St.	From Poplar St. 240 feet East.
Ethel Ave.	Ingot St. to Hill St.
Mill St.	W. Water St. to Lake Ave.
Fir St.	Poplar St. to N. Elevation St.
Lynn St.	Ingot St. to Prospect St.
Ash St.	Ingot St. to Prospect St.
Valve Replacement	Replace 11 valves.

6. Budget Worksession:

- 1st scheduled for April 25th 6-8 p.m.
- 2nd scheduled for May 9th 6-8 p.m. After discussion this date was changed to May 10th

old business
additional information for the
10/11 deficit reduction plan

Moved by Councilor Belej and seconded by Councilor Hainault approving the following additional information for the Deficit Reduction Plan for 10/11:

**Unassigned Deficit Reduction Plan for the General Fund:
Amount of \$31,886.00.**

2011/2012 FYE 6-30-2012	
General Fund Budget: Total Revenues:	\$2,042,679.24
	<u>Expenses - \$2,048,196.31</u>
Projected Expense over Revenues	-\$5,517.07
<u>2010/2011 unassigned deficit</u>	<u>-\$31,866.00</u>
Revised Expense over Revenues	-\$37,383.07
2011/2012 increase revenues	+\$22,323.00
decrease expenses	+\$25,666.58
Projected Fund Balance 11/12	\$10,606.51

Revenues:

	Budget	Amended
Forestry Grant 101000572000 (rec'd)	.00	9,000.00
St. Shared Rev 101000574000 (rec'd)	.00	13,323.00
Expenses:		
DPW Wages 101441702000	39,948.58	25,000.00
DPW Fringes 101441713000	32,718.00	22,000.00

Roll Call Vote:

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

No: None

Motion Carried.

new business
march a/p

Moved by Councilor Belej and seconded by Councilor Haeussler to approve the March, 2012 accounts payable in the amount of \$113,456.17 and authorize payment as funds become available as follows:

General	\$20,775.23
Major	245.14
Transit	2,967.38
Sewer	39,968.09
Water	25,549.82
Motor V	17,843.09
<u>DDA</u>	<u>6,107.42</u>
Total	\$113,456.17

Roll Call Vote:

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

No: None

Motion Carried.

add'l checks typed in
march

Moved by Councilor Belej and seconded by Councilor Haeussler approving the additional checks typed in the month of March, in the amount of \$820,644.69 and authorize payment as follows:

Expenses	\$156,203.15
<u>Transfers</u>	<u>664,441.54</u>
Total	\$820,644.69

Roll Call Vote:

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

No: None

Motion Carried.

strategic plan (2012-2016)

Moved by Councilor Belej and seconded by Councilor Moore to approve and adopt the 5 Year Strategic Plan (2012-2016) as recommended by the Planning Commission. Copy on file with the City Clerk.

Roll Call Vote:

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

No: None

Motion Carried.

evip – employee compensation

Moved by Councilor Belej and seconded by Councilor Haeussler approving and adopting the Economic Vitality Incentive Program (EVIP) as presented by the City Manager as follows:

CITY OF HANCOCK EVIP EMPLOYEE

COMPENSATION PLAN, PURSUANT TO PA 63 OF 2011

The City of Hancock hereby adopts this Employee Compensation Plan pursuant to the State of Michigan's Economic Vitality Incentive Compensation Plan (EVIP). The City intends to implement the following employee compensation measures:

A. CAP on New Hire Retirement Plans.

The State is mandating a maximum of 10% of base salary cap on annual employer retirement plan contributions. The City currently has a B-2 MERS retirement plan for full time city employees, and the current July 1, 2011 employer contribution rate is 11.35%. The City intends to implement a 10% cap for new hires, subject to upcoming union contract negotiations. Currently, employees contribute 3.3% of their annual wage toward the MERS plan.

B. Maximum Retirement Multiplier.

The State is mandating a maximum retirement multiplier of 2.25%, for city's like Hancock that has employees eligible for social security but does not offer retiree health care. Currently, the city offers full time employees the MERS B-2 plan, which has a 2.0% multiplier, and therefore currently meets the requirement set forth.

C. Final Average Compensation (FAC)

The City's MERS retirement plan for full time employees has 5 year final average compensation. Therefore, the city meets the minimum State EVIP mandate of 3 years.

The City does not combine sick leave and vacation so does not offer paid time off. Unused sick leave at the time of retirement is excluded from the final average compensation. Unused vacation at the time of retirement is included in the final average compensation, but the maximum accumulation is below 240 hours, and therefore the City meets the EVIP mandate.

Regarding the EVIP mandate that the final average compensation does not contain any overtime, this we currently don't meet. Even though the city does not have any significant overtime hours for any employee, and does not regularly schedule overtime shifts, it is possible for a current employee to have some hours counted in a final average compensation. To make this EVIP mandate, it would take action by MERS to implement this change. Once MERS changes its policy, the city's intent will be to implement this mandate.

D. Health Care Premium

The EVIP mandate for new hires for health care insurance premium is for an employee to pay 20%, or the employer's share shall be cost competitive with the new state preferred provider organization health plan on a per-employee basis. It is the city's intent to implement this new mandate, subject to upcoming union contract negotiations.

Roll Call Vote:

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

No: None

Motion Carried.

abandoned bikes donation

Moved by Councilor Belej and seconded by Councilor Hainault authorizing the donation of the abandoned bikes to the Bike Finlandia University Program. Abandoned bikes must be held for 6 months and can be sold after that date.

Yes: All

No: None

Motion Carried.

valley view estates

Moved by Councilor Belej and seconded by Councilor Moore to approve the Valley View Estates utility infrastructure development project and authorize the ordering of \$85,069.05 of materials for this project. Note: Pat Campioni has paid for the materials, the City crew is responsible for installing them. Manager Anderson stated that this project is located in the Elevation St. TIFA and funds are available. The TIFA account has approximately \$214,000.00.

Roll Call Vote:

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

No: None

Motion Carried.

2012 bridgefest committee donation

Moved by Councilor Haeussler and seconded by Councilor Belej authorizing the budgeted payment of \$1500.00 to the 2012 Bridgefest Committee.

Roll Call Vote:

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

No: None

Motion Carried.

water project
change order #9

Moved by Councilor Hainault and seconded by Councilor Belej approving water change order #9 for \$3700.00 for water main work on Park Avenue in Portage Township for James Peterson & Sons.

Roll Call Vote:

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

water project amendment
#4 for engineering

Moved by Councilor Belej and seconded by Councilor Haeussler approving the Water Engineering Amendment #4 with OHM for \$8,990.00 for additional design and easement work.

Roll Call Vote:

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

No: None

Motion Carried.

community development
property sale-recommendation

Moved by Councilor Hainault and seconded by Councilor Belej to approve the recommendation of the Community Development Sub-committee and City Manager to sell a 3 acre parcel located in Portage Township for a minimum bid of \$30,000.00; the Sampson Tank parcel in Quincy Township for a minimum bid of \$5,000.00; and lower the asking prices for lots 21, 22, 23, 24, 25, 26 and 27 in Spruce Haven Estates from \$20,000.00 to \$16,000.00 and schedule a Public Hearing for Wednesday, May 16th, 2012 at 7:30 p.m.

Roll Call Vote:

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

No: None

Motion Carried.

3rd party admin for mshda
Grant, 116 quincy st

Bidders:

WUPPDR	No Proposal	
Northern Consultants	Total Scoring	80 out of 80 points
OHM	Total Scoring	74 out of 80 points

Recommendation: Manager recommendation is award the 3rd Party Administration to Northern Consultants.

Total Grant amount \$298,780

-\$245,000 for construction of seven apartments (\$35,000/apt)

-Administration budget of \$53,780 for program and project administration

Moved by Councilor Belej and seconded by Councilor Hainault to accept the recommendation of the City Manager and award the 3rd Party Administration of the City of Hancock Rental Rehabilitation Grant Program (116 Quincy Street) Grant # MSC-2011-6323-HO-02 to Northern Consultants for a lump sum of \$53,780.00. Also, award them the Professional Services for Lead Based Paint Risk Assessment on this project for a total fee of \$2,495.00 of which the Risk Assessment is \$850.00; Clearance Testing is \$1,745.00 and authorize the Mayor to execute the Grant Administration Agreement effective April 3, 2012.

Roll Call Vote:

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

No: None

Motion Carried.

Manager is directed to send a letter of thanks to OHM for submitting a proposal for this project.

Moved by Councilor Belej and seconded by Councilor McKenzie directing the City Manager to send a letter of congratulations to Gail Ross, Hancock Housing Director, for her award as CEDAM person of the year in Michigan.

Yes: All
No: None
Motion Carried.

Moment of Silence, for Dave Carlson (retired DPW) and Robert Baillod (PLWSA).

Moved by Councilor Belej and seconded by Councilor Slivon that this regular meeting of the Hancock Council be adjourned. Time: 8:30 p.m.

Yes: All
No: None
Motion Carried.

William Laitila, Mayor

Karen Haischer, CMC City Clerk