

**CITY OF HANCOCK  
COUNCIL MEETING MINUTES  
WEDNESDAY, NOVEMBER 20, 2019**

**6:00 P.M.**

Public Hearing meeting was called to order at 6:00 p.m. for the purpose of discussing a proposed federal grant from Rural Development in the amount of \$100,000 to help fund the purchase of an end loader mounted new snow blower and mini excavator estimated to cost a total of \$240,000.

There were no public comments

Public Hearing closed at 6:02 p.m.

**Regular Meeting 6:02 P.M.**

Call to order and pledge of allegiance  
Roll Call and verification of quorum

Present: Blau, Lytle, Slivon, LaBine, Seguin, Warstler, Tubman

Also, present: Bill Marlor, Glenn Anderson, Beth Fredianelli, John Zurcher, John Haeussler, Susan Burack, Kevin Mackey, Michele Blau, Andrew Lahti, Kurt Rickard, Shelley Lucchesi, Darlene Miron, Phi Kappa Tau Representative and other community members.

**Review and approval of agenda**

Motion by Councilor Warstler and supported by Councilor Blau to approve the agenda with one addition: Closed Session to discuss personnel and negotiations with City Manager Barry Givens.

Yes: All

No: None

Motion Carried

**Organizational Meeting 6:08 P.M.**

Nomination for Mayor

Motion by Councilor Blau and supported by Councilor Warstler to nominate Councilor LaBine. Councilor LaBine accepts.

Yes: All

No: None

Motion Carried

Nomination for Mayor Pro-Tem

Motion by Councilor Warstler and supported by Councilor Slivon to nominate Councilor Lytle. Councilor Lytle accepts.

Yes: All  
No: None  
Motion Carried

Communications

DDA Recommendation and survey results  
State of MI Public Service Commission-Notice of Public Hearing  
Hancock Hockey-Thank you

Motion by Councilor Seguin and supported by Councilor Tubman to review and place on file communications as presented.

Yes: All  
No: None  
Motion Carried

Public Comment- Anyone wishing to address the council will be recognized by the Mayor at this time.

Glenn Anderson, 740 Lake Ave.- Praise to the Hancock City Police Dept. & the FBI for all their hard work which led to the arrest of a man from New Jersey, who defaced the Temple Jacob synagogue.

Jared Hyrkas-is with the Jail Task Force Committee-there is no official proposal, please wait before making a decision

Shelley Lucchesi-would like to invite the City Council to the Polar Express Holiday Celebration-November 29<sup>th</sup> at 5:00 p.m. Holiday parade, tree lighting, Santa visits and sled dog rides.

John Haeussler-1203 Portage Dr.- Congratulations to the Mayor and Mayor Pro-tem. Encourage everyone to fill out their Census 2020 form. Resolutions-it is a good thing for the City to take positions on these. Caution the City Council to study more regarding the jail before taking a stand.

Susan Burack-Scott Building-Commend the City Council for the Resolution of Bag Ban, encourage people not to use plastic, to use cloth bags. Line 5, potential to wipe out Pure Michigan.

**Susan Boxer-Houghton County Jail Update**

The Houghton County Commissioners have not completed a formal proposal.

Review and approval of previous minutes

10-16-19 Regular Council Meeting

Motion by Councilor Lytle and supported to Councilor Slivon to approve and file the meeting minutes with one correction: change 1 billion dollars to 1 million dollars on page 3. regarding insurance.

Yes: All  
No: None  
Motion Carried

Review of Reports

9-12-2019 US-41/M-26 Corridor  
10-8-19 PLWSA  
5-14-19 and 9-11-19 Recreation Commission

Motion by Councilor Blau and supported by Councilor Warstler to receive and file the reports as presented.

Yes: All  
No: None  
Motion Carried

Administrative Report

- Water Tank Controls bids due December 11, 2019-\$90,000 will have to be financed. No completion date yet.
- 2020 Census-very important for everyone to fill out their census form
- Hancock Business Park-Jeff Radcliffe, OHM and Glenn Anderson have been working on this. Great opportunity for development. Another meeting in December of 2019.
- MI Recreation Passport Grant Program- Campground bathroom upgrade project updates. The city's score went up, the preliminary score was 165, it went up to 195. Should find out in 3 weeks about funding.
- Board of Review December 10, 2019 at 10:00 a.m.
- Project Updates-they are in the final stages. FHWA will be done by the end of this year and FEMA will be done in the spring.
- Polar Express Holiday Celebration- November 29<sup>th</sup> at 5:00 p.m.

Old Business

Marijuana- Survey results-Council Lytle addressed the council and reviewed the survey results.

New Business

Motion by Councilor Lytle and supported by Councilor Warstler to approve the current accounts payable in the amount of \$1,041,490.30.

Roll Call

Yes: Blau, Lytle, Slivon, LaBine, Seguin, Warstler, Tubman

No: None  
Motion Carried

Motion by Councilor Warstler and supported by Councilor Seguin to approve and be in support of Resolution #19-20 Michigan House bill no. 4500 to lift the ban on bag bans.

Roll Call  
Yes: Tubman, Warstler, Seguin, LaBine, Slivon, Lytle, Blau  
No: None  
Motion Carried

Motion by Councilor Warstler and supported by Councilor Seguin to table Resolution #19-21, Immediate halting of oil transport under the Great Lakes until the City Council has a chance to review.

Yes: All  
No: None  
Motion Carried

Motion by Councilor Slivon and supported by Councilor Warstler to table Resolution #19-22 in opposing the expansion of Houghton County Jail until the City Council can receive more information and education on this resolution.

Yes: All  
No: None  
Motion Carried

Motion by Councilor Blau and supported by Councilor Seguin to accept with regret the resignation of Peter Wickley from the DDA effective December 2, 2019 after 39 years of service.

Yes: All  
No: None  
Motion Carried

Motion by Councilor Blau and supported by Councilor Seguin to accept with regret the resignation of Tony Wilmers from the Planning Commission effective immediately.

Yes: All  
No: None  
Motion Carried

Motion by Councilor Blau and supported by Councilor Lytle to approve Resolution 19-23 for the equipment loan with SNB in the amount of \$143,773.

Roll Call

Yes: Blau, Lytle, Slivon, LaBine, Seguin, Warstler, Tubman  
No: None  
Motion Carried

Motion by Councilor Blau and supported by Councilor Lytle to approve the Portage Lake Outlet Dredging Pay Request #1 for MJO Contracting in the amount of \$195,894.37.

Roll Call  
Yes: Tubman, Warstler, Seguin, LaBine, Slivon, Lytle, Blau  
No: None  
Motion Carried

Motion by Councilor Blau and supported by Councilor Tubman to approve the Citywide Park Erosion #2 for Blueline Site Solutions in the amount of \$2,932.47.

Roll Call  
Yes: Blau, Lytle, Slivon, LaBine, Seguin, Warstler, Tubman  
No: None  
Motion Carried

Motion by Councilor Blau and supported by Councilor Warstler to approve the MSHDA Neighborhood Enhancement Program Grant-Round 5 Application.

Yes: All  
No: None  
Motion Carried

Motion by Councilor Blau and supported by Councilor Warstler to close the regular meeting at 7:42 p.m. to move into a Closed Session to discuss personnel and negotiations with City Manager Barry Givens.

Yes: All  
No: None  
Motion Carried

The Council reconvened at 8:30 to open session.

Motion by Councilor Warstler and supported by Councilor Seguin to approve the addendum that extends Barry Given's probationary period until 6 months after he comes back.

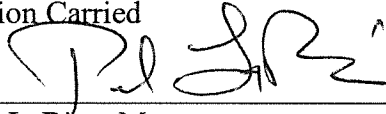
Roll Call  
Yes: Blau, Lytle, Slivon, LaBine, Seguin, Warstler, Tubman  
No: None  
Motion Carried

Motion by Councilor Tubman and supported by Councilor Wartsler to adjourn the meeting at 8:40 P.M.

Yes: All

No: None

Motion Carried



Paul LaBine, Mayor



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Mary Babcock, City Clerk

CITY OF HANCOCK  
COUNTY OF HOUGHTON, STATE OF MICHIGAN  
RESOLUTION #19-20

RESOLUTION SUPPORTING HOUSE BILL NO. 4500 TO LIFT THE BAN ON BAG BANS

WHEREAS, 2016 PA 389, entitled "An act to preempt local ordinances regulating the use, disposition, or sale of, prohibiting or restricting, or imposing any fee, charge, or tax on certain containers," limits local policy creation and implementation; and

WHEREAS, House Bill No. 4500 restores the authority of our county and municipality to create legislation concerning the welfare of our land, water, health, and economy;

NOW, THEREFORE, BE IT RESOLVED, that on the 20th day of November 2019, the City of Hancock supports the House Bill No. 4500; and

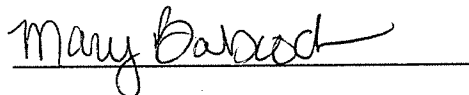
BE IT FURTHER RESOLVED, that the City of Hancock supports State legislation that allows municipalities to establish supplementary policies for governing their community and environment; and

AND BE IT FURTHER RESOLVED that the City of Hancock will send a letter to the Local Government and Municipal Finance Committee of the Michigan House of Representatives calling on them to lift the ban on bag bans.

PASSED, APPROVED, AND EFFECTIVE on this 20th day of November, 2019.



Paul LaBine, Mayor



Mary Babcock, Clerk

City of Hancock, Houghton County, Michigan (the "City")

A Regular meeting of the City Council of the City (the "City Council") was held in the \_\_\_\_\_, within the boundaries of the City, on the 20th day of November, 2019, at 6:00' clock in the \_\_.m.

The meeting was called to order by Paul LaBine, Mayor.

Present: Council Members LaBine, Blau, Lytle, Sliven, Warstler, Tubman, Seguin

Absent: Council Members Ø

The following preamble and resolution were offered by Council Member Blau and supported by Council Member Lytle:

**WHEREAS:**

1. Act No. 99, Public Acts of Michigan, 1933, as amended, authorizes the City Council to acquire real or personal property for public purposes through an installment purchase contract; and

2. The City Council intends to purchase one (1) RPM two stage snowblower and related equipment (the "Property") from Superior Equipment & Supply Co., Inc., Iron Mountain, Michigan (the "Vendor"), in an amount not to exceed One Hundred Forty-Three Thousand Seven Hundred Seventy-Three Dollars (\$143,773), and to enter into an installment purchase agreement (the "Installment Purchase Agreement") to finance the purchase of the Property; and

3. The outstanding balance of all City purchases of lands, property or equipment for public purposes, to be paid for in installments (i.e., installment purchase agreements, land contracts, leases, etc.), including purchases made pursuant to this Resolution, exclusive of interest, is \$143,773.00; and

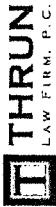
4. The taxable value of the real and personal property within the City as of the date hereof is \$ 113115053; and

5. This City Council has received an offer from Superior National Bank & Trust Company, Hancock, Michigan (the "Bank") to finance the purchase of the Property at an interest rate of two and seventy-five hundredths percent (2.75%) per annum.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The City has complied with all legal requirements, if any, with respect to competitive bidding related to the acquisition of the Property.

2. The City Council determines that it is in the best interest of the City to accept the offer from the Bank to finance the acquisition of the Property through an Installment Purchase Agreement among the City, the Bank and the Vendor for a total amount not to exceed One Hundred Forty-Three Thousand Seven Hundred Seventy-Three Dollars (\$143,773) at an interest rate of two and seventy-five hundredths percent (2.75%) per annum over a period of five (5) years with annual principal and interest payments beginning no later than one (1) year from the date of





delivery/funding, as determined by the City Manager or City Clerk/Treasurer, with annual interest thereon, based upon a 360-day year, 30-day month.

3. The Mayor and City Clerk/Treasurer shall execute an Installment Purchase Agreement in substantially the form attached hereto as Exhibit A on behalf of the City, and the executed Installment Purchase Agreement shall be delivered to the Bank.

4. The Installment Purchase Agreement may be prepaid in whole or in part at any time without penalty, with funds withdrawn from the City's cash reserves.

5. The City hereby irrevocably pledges to make the principal installments and interest payments on the Installment Purchase Agreement, beginning with the fiscal year 2019-2020 or 2020-2021, as applicable, and during each fiscal year for which an operating budget is adopted, the first operating budget obligation within its authorized millage until such time as the principal installments and interest payments have been paid in full.

6. The City hereby pledges its limited tax full faith and credit for the payment of the principal installments and interest payments on the Installment Purchase Agreement, payable from ad valorem taxes which will be levied within the authorized constitutional, statutory and charter operating millage rate available to the City and an irrevocable appropriation of a sufficient amount of taxes will be made each year from said millage rate for the payment of principal installments and interest payments on the Installment Purchase Agreement.

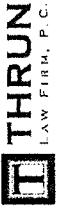
The obligation to pay the principal installments and interest payments will be the limited tax general obligation of the City, and if tax collections are insufficient to pay the principal or interest on the borrowing when due, the City pledges to use any and all other resources available for the payment of principal and interest on the Installment Purchase Agreement.

7. The Mayor, City Manager, and City Clerk/Treasurer are each further authorized to execute any documents or certificates necessary to complete the transaction. Any of those officers may designate, in writing, an individual to act in their place with respect to the powers conveyed in this paragraph.

8. The useful life of the Property is hereby determined to be not less than five (5) years.

9. The City hereby covenants to comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the execution of the Installment Purchase Agreement in order that interest thereon be or continue to be excluded from gross income for federal income tax purposes, including the filing of Form 8038-G or 8038-GC with the Internal Revenue Service.

10. The City hereby designates the Installment Purchase Agreement as a "qualified tax-exempt obligation" for purposes of deduction of interest expense by financial institutions under the Internal Revenue Code of 1986, as amended. In making said designation, the City Council determines that the reasonably anticipated amount of tax-exempt obligations which will be issued by the City or entities which issue obligations on behalf of the City during calendar year 2019 or 2020, as applicable will not exceed \$10,000,000.



11. The outstanding balance of all of the City's contractual agreements for the purchase of real or personal property, exclusive of interest, does not exceed 1.25% of the taxable valuation of real and personal property in the City.

12. The advance payment for the Property is hereby approved, and the monies are authorized to be advanced from monies on hand in the General Fund, which monies will be repaid to the General Fund from the proceeds of the Installment Purchase Agreement when received. The City shall reimburse the General Fund not earlier than the date on which the expenses are paid and not later than the later of:

- (a) the date that is eighteen (18) months after the expenses are paid, or
- (b) the date the Property is placed in service or abandoned, but in no event more than three (3) years after the expenses are paid.

13. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

Ayes: Council Members 7

Nays: Council Members 0

Resolution declared adopted.

Mary Babcock  
Mary Babcock, City Clerk/Treasurer

The undersigned duly qualified and acting City Clerk/Treasurer of the City of Hancock, Houghton County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council at a Regular meeting held on November 20, 2019, the original of which is part of the City Council's minutes. The undersigned further certifies that notice of the meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).

Mary Babcock  
Mary Babcock, City Clerk/Treasurer

MDG/