

Worksession  
January 20, 2010  
6:30 p.m.

DRAFT

Present: Councilors Gemignani, McKenzie, Freeman Laitila, Belej, Slivon and Hainault.  
Absent: None

Also Present: Glenn Anderson, Karen Haischer, Mike Beaudoin, Doug Hayrynen and John Haeussler.

Reviewed and Discussed:

1. MML magazine "The Review" City of Houghton Scott MacInnes on the front cover.
2. Review letters from Ben Jaehnig.
3. City is giving out weather radios.
4. The Manager ordered new City pins.
5. Heikinpaiva banquet tickets are available at City Hall. Banquet is on Saturday, January 30th at 6:00 p.m.
6. The at large councilors are up for re-election this year.
7. Gartner's building update. DDA did a walk through.
8. Stef Olson (Wickley Agency) is the new HBPA President
9. Osceola Township is putting their sewer project on the May 4th ballot.
10. Transit Facility update.  
-approved environmental review, MDOT amended budget \$120,000
11. Councilor Rick Freeman is now a member of the Houghton County Jail Committee.
12. Houghton County Transfer station is looking to build a new facility with three bays. 2.5 million bond issue (RD) May be looking for county millage levy of 1 mill.
13. Sew Sisters is temporary out of business.
14. Update on the Seaman Mineral Museum.
15. FYI we have someone interested in running the beach concession stand this summer. City will request proposals in the spring.
16. Taxable SEV is down under 1%
17. LDFA update.  
-Frank Stepich has resigned from the LDFA Board.
18. DDA is looking for help from the City to market the downtown area.
19. Update on the Maasto Hiihto Ski Trails.  
-2010 Polaris was down (getting a suspension kit to make machine suspension stiffer)  
-ski club looking to do a fundraiser to buy a track for the Rhino need about \$4000
20. DPW Director, Doug Hayrynen, monthly report for December, 2009  
The crew has caught up on widening the streets and picked up some snow piles around town. Equipment is holding up. The new heavy equipment operator/mechanic is working out very well for us. Will clean the street and sidewalks for Heikinpaiva weekend. The school yard was already cleaned out. Recommendation to purchase the RPM Tech from MacQueen Equipment.
21. Police Chief Mike Beaudoin monthly report for December, 2009.  
243 complaints, 1 assault, 6 larcenies, 1 DD, 1 OUIL, 1 DD suspended, 3 MDOP, 1 fraud, 1 stocking complaint, 1 liquor license complaint, 30 traffic accidents, 1 fatal snowmobile, assisted other departments 10 times and 10 medical assists.

Public Hearing  
7:30 p.m.

1. On the proposed loan and grant application to the :US Department of Agriculture, Rural Development in the amount of \$220,000 to finance the purchase of a motor grader with snow wing.

Mayor Laitila opened the Public Hearing at 7:30 p.m.

Present: Councilors Hainault, Slivon, Belej, Laitila, Freeman, McKenzie and Gemignani.  
Also present: John Haeussler, Mitch Lake, Jack Eberhart, Kurt Hauglie, Jon Midkiff, and Lou Meyette.

Manager Anderson stated that this would replace a grader that is 23 years old. This would be a loan/grant with a 15 year loan at 4.375%. Annual payments would be about \$15,500/year. Average life of a grader is about 25 years.

Mayor Laitila asked for public comment, hearing none he closed this Public Hearing at 7:38 p.m.

Regular Meeting  
January 20, 2010  
7:38 p.m.

The regular meeting of the Hancock City Council was held in the Council Chambers on Wednesday, January 20, 2010 at 7:38 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, McKenzie and Gemignani.  
Absent: None

Moved by Councilor McKenzie and seconded by Councilor Belej to approve the January 20, 2010 agenda as follows:

new business #4 change new water rate to \$6.85 per 1,000.

Yes: All

No: None

Motion Carried.

#### correspondence

Letters from Ben Jaehnig re: HCH  
Letter from Midwest Claims re: pump house repairs  
Letter from Department of Treasury re: Deficit Funds  
Letter from Liquor Control Commission re: new report for money received under the Liquor Control Act  
Letter from John Johnson re: sewer line at home on W. Quincy Street  
Letter from Carol Freeman on behalf of the HBPA

Moved by Councilor Belej 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. Jon Midkiff
  - US Census for 2010
  - Looking at group homes and any homeless in Hancock.
  - Looking for Census workers pay is \$11.25/hour plus mileage \$.50 per mile.
  - Have to take a test with 28 questions (takes about ½ hour)
  - Michigan Works (Ernie Hiltunen)
2. Jack Eberhart - 203 Vivian
  - Update on the HBPA
  - Stef Olson is the new President. Dale Burkhouse is the Secretary and Carole Freeman is the Secretary. In February they will elect a Vice-President.
  - HBPA is looking for some kind of marketing promotion of the downtown.

#### minutes approval

Moved by Councilor Hainault and seconded by Councilor Freeman approving the minutes of the December 16, 2009 worksession and regular meeting as presented.

Yes: All

No: None

Motion Carried

#### reports

Hancock Housing Commission minutes 11-18-09  
US41/M26 corridor meeting notes 12-15-09

Hancock Business and Professional Association minutes 12-8-09  
PLWSA minutes 12-8-09

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

Yes: All

No: None

Motion Carried.

administrative report

1. 2010 Heikinpaiva Update.  
-January 11 through the 30th
2. MSHDA monitoring report for Grant #MSC 2007-065-HO  
-MSHDA commends the City on their successful MSHDA Downtown Rental Rehab Repair and Revitalization Program
3. Quincy Street parking concepts.  
-ohm Quincy Street: Dunstan to Lincoln Conceptual Configuration Report 12-4-09  
133 parking spaces currently in use
4. 2009 Transit bus ridership report.  
-bus system started in January 2003 and ridership has increased up to 21,127 riders in 2009
5. Small Urban \$90,000 ARRA Grant Campus Drive; one block reconstruction to be bid by MDOT on April 2, 2010.
6. Update on \$3.8 million water infrastructure amendment to Rural Development.
7. Traffic reroute plan for lift bridge. Mobility plan being prepared by WUPPDR for MDOT. Will have Phase I, II and III.
8. Sewer Project design update.

old business

2008/09 deficit reduction plan  
FYE 6-30-2009

“Moved by Councilor Hainault and seconded by Councilor McKenzie to adopt the proposed FYE 6-30-09 Deficit Reduction Plan and 2009-2010 Budget Amendments as follows:

**Deficit Reduction Plan for the Major Street Fund: Deficit amount of \$54,322.00 and Parking Meter Fund: Deficit amount of \$2,788.00.**

1. Transfer \$54,322.00 from the General Fund to the Major Street Fund.  
Amendment: General Fund-Transfer Out 101999999202 \$.00 to \$54,322.00  
Major Street Fund-Transfer In 202000699101 \$.00 to \$54,322.00
2. Transfer \$2,788.00 from the General Fund to Parking Meter Fund.  
Amendment: General Fund-Transfer Out 101999999516 \$3,150.00 to \$5,938.00  
Parking Meter Fund-Transfer In 516000699101 \$3,150.00 to \$5,938.00

This deficit plan was recommended by the Personnel and Finance Committee for approval.

Roll Call Vote:

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

No: None

Motion Carried.

new business

december 2009 a/p

Moved by Councilor Gemignani and seconded by Councilor Freeman approving the December, 2009 accounts payable in the amount of \$131,675.64 and authorize payment as funds become available as follows:

General	36,856.97
Major	5,935.47
Local	3,463.00
Transit	4,518.27
Sewer	40,134.20
Water	16,766.64
Motor V	22,201.09
DDA	<u>1,800.00</u>
Total	\$131,675.64

Roll Call Vote:

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

No: None

Motion Carried.

add'l checks typed in december

Moved by Councilor Freeman and seconded by Councilor Hainault approving the additional checks typed in the month of December, 2009 in the amount of \$ 549,360.74 and authorizing payment as follows:

Expenses	\$138,709.67
Transfer	<u>410,651.07</u>
Total	\$549,360.74

Roll Call Vote:

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

No: None

Motion Carried.

sewer loan #92-01 rd  
pay off

Moved by Councilor Hainault and seconded by Councilor Slivon directing the City Manager to payoff RD Sewer Loan #92-01 as of 2-26-2010 for the sewer bond reserves as follows:

unpaid principal	45,000.00
unpaid interest	216.77
Total Payoff	\$45,216.77

Roll Call Vote:

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

No: None

Motion Carried.

proposed ordinance

Moved by Councilor McKenzie and seconded by Councilor Freeman approving the following proposed ordinance and authorizing publication in the Daily Mining Gazette:

**"AN ORDINANCE TO REPLACE ORDINANCE NO. 267 AND AMEND ORDINANCE NO. 198 RELATING TO WATER CHARGES AND AMEND THE APPENDIX TO ORDINANCE NO. 159 ( PART E) RELATING TO WATER SHUT-OFF AND TURN-ON FEES.**

**THE CITY OF HANCOCK ORDAINS:**

Part B. METER CHARGE IN ADDITION TO THE SERVICE CHARGE SHALL BE:

Section 1. The water rate shall be \$6.85 per one thousand (1000) gallons of metered water. However, the minimum bill shall be \$6.85 per month.

Section 2. This rate increase will commence with the January, 2010 utility billing.

Section 3. The Council has deemed it necessary to charge a flat water debt fee on the utility bill based on meter size. Charge to be determined by Council Resolution.

Part E. WATER SHUT-OFF AND TURN ON

Section 4. The turn-on and turn-off fee for water services will be raised to \$60.00 for turn-on and \$60.00 for turn-off.

(The foregoing proposed ordinance was introduced in writing at the regular meeting of the Hancock City Council held on Wednesday, January 20th, 2010 at 7:30 p.m.

**A Public Hearing is scheduled for Wednesday, February, 17th, 2010 in the Council Chambers at 7:30 p.m.**

This Ordinance will be presented to the Hancock City Council for adoption or rejection at the regular meeting of the Hancock City Council to be held on Wednesday, February 17th, 2010 following the Public Hearing.)

Roll Call Vote:

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

No: None

Motion Carried.

usepa great lakes restoration  
initiative grant

Moved by Councilor McKenzie and seconded by Councilor Belej directing the City Manager to apply for an USEPA Great Lakes Restoration Initiative Grant for storm water run-off improvements for the Hancock Beach. Applications are due 1-29-2010. Local match would be \$10,000.00

Roll Call Vote:

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

No: None

Motion Carried.

dpw recommendation for  
snowblower purchase

Bidders:

Superior Equipment Iron Mountain	Tenco	\$113,450
Bruce Municipal Equipment	RPM-Tech	\$116,742
MacQueen Equipment	RPM -Tech	\$114,134
MacQueen Equipment	Sno-Go	\$117,469

DPW sub-committee recommendation: MacQueen Equipment for a RPM-Tech for \$114,134.

Moved by Councilor Freeman and seconded by Councilor Hainault to accept the recommendation of the DPW Director and DPW sub-committee recommendation to purchase the following from MacQueen Equipment, St. Paul, MN:

RPM-Tech LM-220 \$114,134.00

Engine Warranty 3000hrs/2 yrs

Snowblower Warranty 1500hrs/1 yr.

Chain Case N/A

Engine: Cat C7

and adopt Resolution #01-2010 RESOLUTION APPROVING PURCHASE

CONTRACTS, NOTE AGREEMENT AND RELATED MATTERS and authorize the City Manager and City Clerk to execute documents. (completed copy on file)

Roll Call Vote:

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

No: None

Motion Carried.

transit resolution #2-2010

Moved by Councilor Freeman and seconded by Councilor Gemignani approving Transit Resolution of Intent as follows and approval submittal of FY Section 5309 Capital Request for \$114,000:

**RESOLUTION OF INTENT #02-2010**

The approved resolution of intent to apply for financial assistance for fiscal year 2011 under Act 51 of the Public Acts of 1951, as amended.

WHEREAS, pursuant to Act 51 of the Public Acts of 1951, as amended (Act 51), it is necessary for the City of Hancock, (hereby known as THE APPLICANT) established under Act 51, to provide a local transportation program for the state fiscal year of 2011 and, therefore, apply for state financial assistance under provisions of Act 51; and

WHEREAS, it is necessary for THE APPLICANT, to name an official representative for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or Department for its administration of Act 51; and

WHEREAS, it is necessary to certify that no changes in eligibility documentation have occurred during the past state fiscal year, and (State Operating Assistance Program only)

WHEREAS, the performance indicators for this agency have been reviewed and approved by THE APPLICANT; and (State Operating Assistance Program only)

WHEREAS, THE APPLICANT, has reviewed and approved the proposed balance (surplus) budget, and funding sources of estimated federal funds \$32,688, estimated state funds \$71,688, estimated local funds \$57,224, estimated fare box \$39,500, estimated other funds \$3,200, with total estimated expenses of \$204,300.

NOW THEREFORE, be it resolved that THE APPLICANT hereby makes its intentions known to provide public transportation services and to apply for state financial assistance with this annual plan, in accordance with Act 51; and

HEREBY, appoints Glenn Anderson as the Transportation Coordinator, for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51 for 2011.

I, Karen S. Haischer, CMC, City Clerk of THE APPLICANT, having custody of the records and proceedings of THE APPLICANT, does hereby certify that I have compared this resolution adopted by THE APPLICANT at the meeting of January 20, 2010 with the original minutes now on file and of record in the office that this resolution is true and correct.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed seal of said 20th day of January, 2010.

SEAL

\_\_\_\_\_  
Karen S. Haischer, CMC  
City Clerk

Capital Request

1 - 4x4 mechanic maintenance truck with plow and lift	\$42,000
1 - cutaway 90 inc. interior bus w/lift - diesel	<u>\$72,000</u>
Total Capital Request	\$114,000

Roll Call Vote:

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

No: None

Motion Carried.

committee appoints for 2010

Moved by Councilor McKenzie and seconded by Councilor Belej approving Mayor Laitila's appointments to boards, committees and commissions as follows:

Planning Commission	3 year terms	David Lucchesi and Terry Monson
DDA	4 year terms	Kathy Johnson, Bonnie Holland, Steve Zutter and Jim Bogan
Hospital Finance	3 year term	Mark Dennis
Hancock Housing	5 year term	Barry Givens
Recreation Commission	Annual	
Finnish Theme Com.	Annual	
Cemetery Board of T	5 year term	

Yes: All

No: None

Motion Carried.

bus transit fee increase  
effective 2-1-2010

Moved by Councilor McKenzie and seconded by Councilor Freeman to accept the recommendation of the Transit Director and Transit Committee to raise bus fares effective 2-1-2010 as follows:

Adult	from \$4	to	\$5
Student	no change \$3		
Sr. Citizen/Disabled (55 and over)	from \$2	to	\$2.50
Child (under 12)	from \$2	to	\$2.50
Sr. Citizen/Disabled Pass	from \$32.00	to \$40	16 rides + 3 free
Student Pass	no change \$30.00		10 rides +2 free

Roll Call Vote:

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

No: None

Motion Carried.

closed session

Moved by Councilor Freeman and seconded by Councilor Hainault to go into closed session to discuss purchase of real property and pending litigation at 8:38 p.m. with no further action to follow.

Yes: All

No: None

Motion Carried.

Moved by Councilor Belej and seconded by Councilor Freeman to come out of closed session at 9:15 p.m.

Yes: All

No: None

Motion Carried.

Moved by Councilor Belej and seconded by Councilor Freeman that this regular meeting of the Hancock Council be adjourned. Time: 9:16 p.m.

Yes: All

No: None

Motion Carried.

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William Laitila, Mayor

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Karen Haischer, CMC City Clerk