

June 15, 2016
Worksession
6:30 p.m.

Present: Councilors Tuisku, Markkanen, McKenzie and Belej.
Absent: Councilors Bauman, Slivon and Blau.

Also present: Manager Glenn Anderson, City Clerk Karen Haischer, Mark Harrick(Waste Management), Susan Burack, John Haeussler, Bill Marlor, Chrissy Gerhart and Wayne Butler.

Reviewed and Discussed:

1. Update on the MDOT bike meeting at the Methodist Church. (Glenn, Bill, Wayne and Gregory Markkanen are attending).
2. The City Manager will be on vacation from June 30th to July 8th.
3. M&M PowerSports are proceeding with their building project.
 - picked up a zoning permit today
 - DP Construction is the contractor
4. Jim Northy approached the DDA and would like to purchase the pocket park between his building and Quincy Loafer. The City purchased this property from the Kukkonen's for \$5000.
5. Ron Studer has resigned from the Recreation Commission. He is planning on painting the Dupee Shaft building (volunteer).
6. Update date on the Vollwerth's project.
 - 10 jobs were created and they plan to hire a few more people
 - they have a contract at the Dollar General Stores in the South and West coast to sell their hotdogs and brats.
 - contractor JD Martineau has paid McGann's in full and that would leave one outstanding Account.
 - last draw is for \$23,000 and we will withhold \$6000 to make sure the final bill is paid.
7. There is a small tent City located at Swedetown Creek on City property. (Department is investigating)
8. House located at 1300 Emery Street was foreclosed by USDA and the sale is scheduled for 7-21-16. Selling price \$44,000 minimum.
9. Update on the Quincy Street lighting in the 100 block going West.
10. Update on the Transit Expo the City Manager attended in Portland, OR.
11. Update on the MML Education meeting that the Mayor attended in Ironwood, MI.
12. Review and discuss the Julie and Brian Rimpela water and sewer bill.

Public Hearing
7:30 p.m.

1. Public Hearing on FY 2016/2017 Budget of \$8,182,037 of revenue and \$7,997,671 of expense and a millage rate of 14.2021.

Mayor McKenzie called this public hearing to order at 7:30 p.m. with the following Councilors present: Present: Tuisku, Markkanen, McKenzie and Belej.

Also present: Manager Glenn Anderson, City Clerk Karen Haischer, Mark Harrick(Waste Management), Susan Burack, John Haeussler, Bill Marlor, Chrissy Gerhart, Wayne Butler, Michele Bourbier, Kurt Hauglie, Mitch Lake, Brent Isaacson, LeRoy Kenny, Todd Borke and Don Niemi.

Public Comment:

1. John Haeussler, 1203 Portage Dr. urged the Council to put money in the budget for the Retirement Fund (that is underfunded). Suggested that every year the Council set aside dollar amount to fund the obligation and then a little extra so that over the years the deficit would be gone.

Mayor McKenzie closed that public hearing at 7:37 p.m.

Regular Meeting
June 15, 2016
7:30 p.m.

The regular meeting of the Hancock Council was held in the Council Chambers on Wednesday, June 15, 2016 at 7:37 p.m. with Mayor McKenzie presiding. The United States Flag was honored by all in attendance with the following duly qualified Councilors being present: Councilors Tuisku, Markkanen, McKenzie and Belej.
Absent: Councilors Bauman, Slivon and Blau.

Also Present: Manager Glenn Anderson, City Clerk Karen Haischer, Mark Harrick(Waste Management), Susan Burack, John Haeussler, Bill Marlor, Chrissy Gerhart, Wayne Butler, Michele Bourbieau, Kurt Hauglie, Mitch Lake, Brent Isaacson, LeRoy Kenny, Todd Borke and Don Niemi.

Moved by Councilor Belej and seconded by Councilor Tuisku to amend the June 15, 2016 Agenda as presented.

New business: Add: #6. Resolution #16-16.

No: None

Motion Carried.

Moved by Councilor Tuisku and seconded by Councilor Belej to excuse Councilor Bauman (attending school) from tonight's meeting.

Yes: All

No: None

Motion Carried

Moved by Councilor Belej and seconded by Councilor Markkanen to excuse Councilor Blau (out of the country) from tonight's meeting.

Yes: All

No: None

Motion Carried

Moved by Councilor Belej and seconded by Councilor Markkanen to excuse Councilor Slivon (on his way back from Mayo's) from tonight's meeting.

Yes: All

No: None

Motion Carried

correspondence

Semco notice of public hearing
UPPCO notice of public hearing

Moved by Councilor Tuisku seconded by Councilor Belej to place the correspondence on file as presented.

Yes: All

No: None

Motion Carried.

guests

Public Comments:

1. John Haeussler, 1203 Portage Dr. – Ron Studer was an excellent member of the Recreation Commission and will be missed.
2. Don Niemi, Hancock DPW, 1319 Emery - Asked the Council to consider taking action to remove Councilor Ted Belej from serving as a Council Member because of a personal situation that has arisen between his wife Kathy Niemi and Ted. Don feels that Ted is not following the City Code of Ethics and this is inappropriate behavior of a Council person.
3. Ellen Akin – MTU student regarding recycling

4. Todd Borke, Hancock DPW 17757 Brooks Road regarding privatization of the Hancock Garbage Collection Department. Would like the Council to reconsider their decision to privatize this service.

minutes approval

Moved by Councilor Tuisku and seconded by Councilor Belej approving the minutes of the May 18, 2016 worksession and regular meeting.

Yes: All

No: None

Motion Carried.

Moved by Councilor Tuisku and seconded by Councilor Belej approving the minutes of the June 1, 2016, 2nd Budget Worksession.

Yes: All

No: None

Motion Carried.

reports

Moved by Councilor Belej and seconded by Councilor Tuisku authorizing publication of the Notice to Residents regarding Council nominating petitions in the Gazette

Yes: All

No: None

Motion Carried.

Planning Commission minutes of April 25, 2016

DDA minutes of May 2, 2016

Planning Commission minutes of May 23, 2016

PLWSA minutes of April 19, 2016

Hancock Bike and Pedestrian Committee minutes of June 9, 2016

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

Yes: All

No: None

Motion Carried.

admin report

1. Update on the Central States Pension Fund.

-The Plan has money for the next 10 years. Federal Government could bail them out but they have no money either.

2. RD Grant award of \$15, 000 for a new police vehicle has been finalized.

3. Update on dark store assessing issue.

-stores like Menards and Lowe's

4. Peregrine Falcon update.

5. Key Ingredients 3rd Annual Event, Friday, July 15th from 6-8 pm

6. HCMCF site plan approved by the Planning Commission on May 23rd for a 6,450 sq. ft. addition to the existing building.

7. Saturday, June 25th there is a special Tori Farmers Market Art Fair.

8. June 8th was the RD Water Project Loan closing for \$2,065,000 loan at 1.75% and a \$2,025,000 grant.

-lowest rate ever from Rural Development in a very long time.

9. Updates on the Quincy Street Reconstruction Project.

-working on the retaining wall at the bridge underpass. One lane on Front St. is closed. July 25th is the completion date of this project.

-downtown area will have a gate open from the SNB parking lot to the post office and the drive thru lane at the bank is two way.

-paving of Reservation, Quincy and Tezcuco Streets is this Friday and then we can open White Street to up traffic.

- it has been 7 weeks into the project and the crew is ahead of schedule
 - the 200 block is scheduled for demolition early this coming week and the water main should start today or tomorrow.
 - the First Block Party will be next Thursday, June 23rd 5-8pm
10. Water pre-construction meeting was today and Siler will start on Monday.
- first phase is Quincy up to Wright Street on Tezcuco
 - second phase is Wright Street (drilling and blasting)
 - third phase is Maple or Mine Street
 - two crews are work and the completion date is next July 2017
 - city parcel on Ingot/Elevation is the staging area for equipment and materials
 - hrykas is a sub-contractor and is replacing 1500 water meters (8 people are working)
11. MSHDA Grant Update.
- homebuyer program assistance to purchase (waiting list)
 - two current homebuyers
 - two rehab homes

old business
waste management garbage
contract

Moved by Councilor Tuisku and seconded by Councilor Belej to accept the recommendation of the City Manager and DPW sub-committee to contract with Waste Management for regular garbage service and recycling pickup in the City of Hancock and authorize the Mayor and City Clerk to execute the five year contract.

City Manager Recommendation: With the immediate long term cost savings to the City of at least \$52,000 annually, the need to invest in two garbage truck fleet valued at current cost of \$410,000 the ability to add one additional DPW employee to core operations, and to minimize employees safety exposure, I recommend accepting Waste Management's proposal for five years to operate both trash and recycling operations starting August 29, 2016.

Roll Call Vote:

Yes: Councilors Tuisku, Markkanen, McKenzie and Belej.

No: None

Motion Carried.

rimpela water bill issue

Moved by Councilor Tuisku and seconded by Councilor Belej to authorize an additional \$2,605.40 credit above the \$523.21 that was already credited to the Rimpela's water/sewer account.

Roll Call Vote:

Yes: None

No: Councilors Belej, McKenzie, Markkanen and Tuisku.

Motion Failed

Moved by Councilor Belej and seconded by Councilor Tuisku to offer an additional \$2000 credit (\$1000 from the water fund and \$1000 from the sewer) and approving a new City policy that when an error has occurred in billing in favor of the City, the City will go back 3 years and in favor of the customer the City will go back 1 year.

Roll Call Vote:

Yes: Councilors Tuisku, Markkanen, McKenzie and Belej.

No: None

Motion Carried.

new business
may a/p

Moved by Councilor Belej and seconded by Councilor Markkanen approving the accounts payable for May, 2016 in the amount of \$148,670.14 and authorizing payment as follows as funds become available.

General \$ 40,723.56

Major 2,340.00
Local 850.00
Transit 1,829.13
Sewer 59,628.33
Water 31,685.59
Motor V 10,929.03
DDA 684.50
Total \$148,670.141

Roll Call Vote:

Yes: Councilors Belej ,McKenzie, Markkanen and Tuisku.

No: None

Motion Carried.

add'l checks typed in may and
june

Moved by Councilor Tuisku and seconded by Councilor Belej approving the additional checks typed in the month of May, in the amount of \$624,177.05 and in June in the amount of 86,021.21 for a total of \$710,198.26 and authorize payment as follows:

Expenses \$275,389.46

Transfers 434,808.80

Total \$710,198.26

Roll Call Vote:

Yes: Councilors Tuisku, Markkanen, McKenzie and Belej.

No: None

Motion Carried.

resolution #15-16
millage

Moved by Councilor Belej and seconded by Councilor Tuisku approving and adopting Budget Resolution #15-16 to set the 2016 millage rate at 13.4215 (general) and .7806 (fire dept.).

Roll Call Vote:

Yes: Councilors Belej, McKenzie, Markkanen and Tuisku.

No: None

Motion Carried.

2nd pay request for water project

Moved by Councilor Belej and seconded by Councilor Tuisku approving the 2nd pay request for the 2016 Hancock Water System Improvements in the amount of \$233,813.97 and authorize payment to OHM as funds become available.

Roll Call

Yes: Councilors Tuisku, Markkanen, McKenzie and Belej

No: None

Motion Carried.

ron studer resignation from the
recreation commission

Moved by Councilor Tuisku and seconded by Councilor Belej accepting the resignation of Ron Studer from the Recreation Commission with regret and directing the City Manager to send a letter of appreciation for his services on this board.

Yes: All

No: None

Motion Carried.

resolution #16-16
cdbg/home conflict of interest
provision

Moved by Councilor Belej and seconded by Councilor Tuisku approving and accepting Resolution #16-16 "Authorizing request for exception to CDBG/HOME conflict of interest provisions (24 CFR 570.489(h) and (24 CFR 92356) for the MSHDA HOME and CDBG Funded Rehabilitation Community Development Programs.

Yes: All

No: None

Motion Carried.

Moved by Councilor Belej and seconded by Councilor Tuisku that this regular meeting of the Hancock Council be adjourned. Time: 9:05 p.m.

Yes: All:

No: None

Motion Carried.

Lisa McKenzie, Mayor

Karen Haischer, CMC City Clerk